

# Directors' Report

For the financial year ended 31 March 2025

The Directors of MGL submit their report with the financial report of the Consolidated Entity and of the Company for the year ended 31 March 2025.

## Principal activities

The principal activity of MGL during the financial year ended 31 March 2025 was to act as a Non-Operating Holding Company (NOHC) for the Consolidated Entity. The activities of the Consolidated Entity were those of a global financial group providing clients with asset management, retail and business banking and wealth management, as well as advisory, risk and capital solutions across debt, equity, financial markets and commodities. In the opinion of the Directors, there were no significant changes to the principal activities of the Consolidated Entity during the financial year under review that are not otherwise disclosed in this report.

## Result

The financial report for the financial year ended 31 March 2025 has been prepared in accordance with Australian Accounting Standards.

The consolidated profit after income tax attributable to the ordinary equity holders for the financial year ended 31 March 2025 was \$A3,715 million (2024: \$A3,522 million).

## Dividends and distributions

Subsequent to the year ended 31 March 2025, the Directors have resolved to pay a final ordinary dividend of \$A3.90 per share (\$A1,486 million in aggregate), 35% franked based on tax paid at 30%. The final ordinary dividend is payable on 2 July 2025.

On 17 December 2024, the Company paid an interim ordinary dividend of \$A2.60 per share (\$A987 million in aggregate), 35% franked, for the financial year ended 31 March 2025.

On 2 July 2024, the Company paid a final ordinary dividend of \$A3.85 per share (\$A1,465 million in aggregate), 40% franked, for the financial year ended 31 March 2024.

No other ordinary share dividends or distributions were declared or paid during the financial year by the Company.

## Rounding of amounts

In accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, amounts in the Directors' Report and Financial Report have been rounded off to the nearest million Australian dollars unless otherwise indicated.

## Events subsequent to balance date

On 21 April 2025, the Consolidated Entity entered into a sales agreement for the disposal of Macquarie Asset Management's North-American and European public investments business to a global financial services group. The assets and liabilities of these businesses are classified as held for sale as at 31 March 2025. The transaction is subject to regulatory approvals and customary closing conditions and is expected to close by the end of the calendar year 2025. There is not expected to be a material change in the Consolidated Entity's shareholders' equity as a result of the disposal.

At the date of this report the Directors are not aware of any matter or circumstance, other than the above and transactions disclosed in the financial statements, that has arisen and has significantly affected or may significantly affect the operations of the Consolidated Entity, the results of those operations or the state of affairs of the Consolidated Entity in the financial years subsequent to 31 March 2025.

## State of affairs

There were no other significant changes in the state of affairs of the Consolidated Entity that occurred during the financial year under review that are not otherwise disclosed in this report.

## Operating and financial review

Please refer to section 1 of this Annual Report for the following in respect of the Consolidated Entity:

- a review of operations during the year and the results of those operations
- likely developments in the operations in future financial years and the expected results of those operations
- comments on the financial position
- comments on business strategies and prospects for future financial years.

In respect of likely developments, business strategies and prospects for future financial years, material which if included would be likely to result in unreasonable prejudice to the Consolidated Entity, has been omitted.

## Environmental regulations

The Consolidated Entity has policies and procedures in place that are designed to ensure that, where operations are subject to any particular and significant environmental regulation under a law of the Commonwealth or of a State or Territory, those obligations are identified, appropriately addressed and material breaches notified.

The Directors have determined that there has not been any material breach of those obligations during the financial year.

## Directors

At the date of this report, the Directors of MGL are:

### Independent Directors

G.R. Stevens AC, Chair

J.R. Broadbent AC

P.M. Coffey

M.A. Hinchliffe

S.J. Lloyd-Hurwitz

R.J. McGrath

M. Roche

### Executive Voting Director

S.R. Wikramanayake, Managing Director and Chief Executive Officer (CEO)

The Directors listed above each held office as a Director of MGL throughout the financial year ended 31 March 2025.

Those Directors listed as Independent Directors have been independent throughout the period of their appointment.



Details of the qualifications, experience and special responsibilities of the Directors and qualifications and experience of the Company Secretaries at the date of this report are set out on pages 92 to 96.

## Directors' and officers' indemnification and insurance

Under MGL's Constitution, MGL indemnifies all past and present directors and secretaries of MGL and its wholly-owned subsidiaries (including at this time the Directors named in this report and the Secretaries), against certain liabilities and costs incurred by them in their respective capacities. The indemnity covers the following liabilities and legal costs (subject to the exclusions described as follows):

- every liability incurred by the person in their respective capacity
- all legal costs incurred in defending or resisting (or otherwise in connection with) proceedings in which the person becomes involved because of their respective capacity
- legal costs incurred by the person in good faith in obtaining legal advice on issues relevant to the performance and discharge of their duties as an officer of MGL and its wholly-owned subsidiaries, if that has been approved in accordance with MGL policy.

This indemnity does not apply to the extent that:

- MGL is forbidden by law to indemnify the person against the liability or legal costs, or
- an indemnity by MGL of the person against the liability or legal costs, if given, would be made void by law.

MGL has also entered into a Deed of Access, Indemnity, Insurance and Disclosure (as amended from time to time) (Deed) with each of the Directors. Under the Deed, MGL agrees to, among other things:

- indemnify the Director upon terms broadly consistent with the indemnity contained in MGL's Constitution
- take out and maintain an insurance policy against liabilities incurred by the Director acting as an officer of MGL or its wholly-owned subsidiaries. The insurance policy must be for an amount and on terms and conditions appropriate for a reasonably prudent company in MGL's position. Insurance must be maintained for seven years after the Director ceases to be a Director or until any proceedings commenced during that period have been finally resolved (including any appeal proceedings)
- grant access to the Director to all relevant company papers (including Board papers and other documents) for seven years after the Director ceases to be a Director or until any proceedings commenced during that period have been finally resolved (including any appeal proceedings).

In addition, MGL made an Indemnity and Insurance Deed Poll on 12 September 2007 (Deed Poll). The benefit of the undertakings made by MGL under the Deed Poll have been given to each of the directors, secretaries, persons involved in the management and certain other persons, of MGL and its wholly-owned subsidiaries and other companies where the person is acting as such at the specific request of MGL and its wholly-owned subsidiaries. The Deed Poll provides for broadly the same indemnity and insurance arrangements for those persons with the benefit of the Deed Poll as for the Deed described above. However, the Deed Poll does not provide for access to company documents.

The indemnities and insurance arrangements provided for under the MGL Constitution, the Deed and the Deed Poll, are broadly consistent with the corresponding indemnities and insurance arrangements provided under the MBL Constitution and deeds entered into by MBL.

Macquarie maintains and pays for a Directors' and Officers' insurance policy that provides cover for each person in favour of whom such insurance is required to be taken out under the Deed and the Deed Poll and for MGL in indemnifying such persons pursuant to the Deed and the Deed Poll. The Directors' and Officers' insurance policy prohibits disclosure of the premium payable under the policy and the nature of the liabilities insured.

To the extent permitted by law, MGL has agreed to reimburse its auditor, PricewaterhouseCoopers (PwC), for any liability (including reasonable legal costs) PwC incurs in connection with any claim by a third party arising from MGL's breach of the letter of engagement dated 25 July 2024.

# Directors' Report

For the financial year ended 31 March 2025 Continued

## Directors' relevant interests

As at the date of this report, the Directors have relevant interests in MGL ordinary shares, MGL securities, or managed investment schemes made available by related companies of MGL and other relevant disclosable interests, as notified by the Directors to ASX in accordance with the *Corporations Act 2001* (Cth) (the Act), in the following:

| Name and position                | RELEVANT INTERESTS IN SHARES |                                 |                                 | OTHER RELEVANT INTERESTS                  |             |
|----------------------------------|------------------------------|---------------------------------|---------------------------------|---|-------------|
|                                  | MGL ordinary shares          | RSUs held in MEREP <sup>1</sup> | PSUs held in MEREP <sup>1</sup> | Direct and Indirect Interests             | Number held |
| <b>Executive Voting Director</b> |                              |                                 |                                 |   |             |
| S.R. Wikramanayake               | 1,283,941 <sup>2</sup>       | 508,088                         | 84,241                          | MAFCA Investments Pty Ltd ordinary shares | 2,000,000   |
| <b>Independent Directors</b>     |                              |                                 |                                 |   |             |
| J.R. Broadbent AC                | 16,062                       | -                               | -                               | Macquarie Group Capital Notes 4 (MCN4)    | 4,000       |
|                                  |                              |                                 |                                 | Macquarie Bank Capital Notes 2 (BCN2)     | 1,500       |
| P.M. Coffey                      | 8,895                        | -                               | -                               | Walter Scott Global Equity Fund units     | 487,008.35  |
|                                  |                              |                                 |                                 | IFP Global Franchise Fund II units        | 567,848.22  |
| M.A. Hinchliffe                  | 2,800                        | -                               | -                               | -   | -           |
| S.J. Lloyd-Hurwitz               | 1,148                        | -                               | -                               | -   | -           |
| R.J. McGrath                     | 3,817                        | -                               | -                               | -   | -           |
| M. Roche                         | 7,000                        | -                               | -                               | -   | -           |
| G.R. Stevens AC                  | 5,847                        | -                               | -                               | -   | -           |




















During the financial year, Directors received dividends relating to their holdings of MGL ordinary shares at the same rate as other shareholders.

<sup>1</sup> These RSUs and PSUs were issued pursuant to the MEREP and are subject to the vesting, forfeiture and other conditions applied to grants of awards to Executive Directors, as described in Note 32 *Employee equity participation* to the financial statements in the Financial Report.







<sup>2</sup> This includes a relevant interest in 15,360 MQG Shares held in the estate of Dr PR Wikramanayake, of which Ms Wikramanayake is an executor.

## Board and Board Committee meetings and attendance

The number of meetings of the Board of Directors (the Board) and of the Committees of the Board and the individual attendance by Directors at those meetings which they were eligible to attend as members, during the financial year, is summarised in the table below. The table excludes the attendance of those Directors who attended the Board Committee meetings of which they were not a member.

|                                      | Committee membership  | Regular Board meetings <sup>3</sup> | BAC meetings <sup>3,4</sup> | BGCC meetings <sup>3,4</sup> | BNC meetings <sup>3</sup> | BRC meetings <sup>3,4</sup> | BRiC meetings <sup>3,4</sup> | Special Board meetings <sup>3</sup> |
|--------------------------------------|---|-------------------------------------|-----------------------------|------------------------------|---------------------------|-----------------------------|------------------------------|-------------------------------------|
| Number of meetings                   |   | 8                                   | 9                           | 5                            | 3                         | 7                           | 6                            | 3                                   |
| <b>Chair and Executive Directors</b> |   |                                     |                             |                              |                           |                             |                              |                                     |
| G.R. Stevens AC                      |    | 8/8                                 |                             |                              | 3/3                       |                             |                              | 3/3                                 |
| S.R. Wikramanayake                   |   | 8/8                                 |                             |                              |                           |                             |                              | 3/3                                 |
| <b>Non-Executive Directors</b>       |   |                                     |                             |                              |                           |                             |                              |                                     |
| J.R. Broadbent AC                    |      | 8/8                                 |                             |                              | 3/3                       | 7/7                         | 6/6                          | 3/3                                 |
| P.M. Coffey                          |     | 8/8                                 |                             | 5/5                          | 3/3                       |                             | 6/6                          | 3/3                                 |
| M.A. Hinchliffe                      |      | 8/8                                 | 9/9                         | 5/5                          | 3/3                       |                             |                              | 2/3                                 |
| S.J. Lloyd-Hurwitz                   |      | 8/8                                 | 8/9                         |                              | 3/3                       | 6/7                         |                              | 2/3                                 |
| R.J. McGrath                         |      | 8/8                                 |                             | 5/5                          | 2/3                       |                             | 6/6                          | 3/3                                 |
| M. Roche                             |     | 7/8                                 | 8/9                         |                              | 3/3                       | 7/7                         | 6/6                          | 3/3                                 |

### Key

|  |  |   |
|--|--|---|
|  Committee Chair            |  Board Audit Committee        |  Board Governance & Compliance Committee |
|  Board Nominating Committee |  Board Remuneration Committee |  Board Risk Committee                    |

The Chair of the Board and the CEO receive a standing invitation to all Board Committee meetings and attend as they consider appropriate. All Board members are sent Board Committee meeting agendas and may attend any meeting.

There was one Board sub-committee convened during the period, with two meetings held. Both meetings were attended by all eligible sub-committee members, being Mr Stevens, Ms Wikramanayake, Ms Hinchliffe and the Chief Financial Officer (CFO), Mr Harvey.

There was one Board Risk Committee sub-committee convened during the period, with two meetings held. The meetings were attended by Mr Coffey and Mr Roche for both meetings and by Ms McGrath for one meeting.

<sup>3</sup> Number of meetings attended by the member/total number of meetings eligible to attend as a member. Some of the special board and committee meetings and sub-committee meetings were called at short notice and not all members were able to attend.

<sup>4</sup> There was one meeting of the relevant committee that was a joint meeting during the year.