



Macquarie Group Limited Board Governance and Compliance Committee Charter

Date: 1 June 2024

1. Role

- 1.1 The Board Governance and Compliance Committee (the “Committee”) assists the Board of Voting Directors (the “Directors”) of Macquarie Group Limited (“Macquarie”) (“the Board”), for Macquarie and its subsidiaries (the “Group”), by:
- adopting the most appropriate corporate governance standards for the Group;
 - monitoring regulatory, legal, compliance and financial crime risk matters for the Group;
 - reviewing and monitoring compliance with the Group’s *Conduct Risk Management Framework* and its implementation;
 - reviewing and monitoring the Group’s customer and client reporting;
 - reviewing and monitoring the Group’s environmental and social risk management policies, practices and performance; and
 - reviewing and monitoring the Group’s work health and safety (“WHS”) policies, practices and performance.
- 1.2 The following Board Committees oversee aspects of the regulatory, legal and compliance risk matters for the Group:
- the Board Audit Committee has oversight of Macquarie’s financial statements and financial regulatory reporting compliance with relevant regulatory requirements;
 - the Board Risk Committee has oversight of the Group’s risk management framework, including assessing it against the requirements of the Australian Prudential Regulation Authority (“APRA”) and other prudential regulators in other jurisdictions; and
 - the Board Remuneration Committee assesses the effectiveness of the Group’s Remuneration Policy and compliance with legal, governance and regulatory requirements and is also responsible for reviewing the Remuneration Report of Macquarie for compliance with legal and relevant reporting requirements.

2. Allocation of responsibilities between Board Committees

- 2.1 The allocation of responsibilities between Board Committees is described in the Macquarie Board Charter.

3. Responsibilities

To accomplish its role, the Committee:

Governance

- 3.1 Advises the Board on the most appropriate corporate governance policies generally, including:
- annually reviews the Group’s corporate governance framework and recommends Macquarie’s corporate governance statement to the Board for approval;
 - reviews developments in corporate governance and recommends standards which it considers are appropriate and in the best interests of the Group; and
 - monitors the independence of Directors and reviews the criteria for assessing independence.

Regulatory, Legal, Compliance and Financial Crime

- 3.2 Monitors regulatory, legal, compliance and financial crime risk matters for the Group generally, and in particular:
- reviews and recommends to the Board relevant major policies of the Group that require Board approval;
 - considers and reviews with the Head of Internal Audit the adequacy of the Group’s compliance controls through reviewing relevant reports and findings of the Internal Audit function (“Internal Audit”);
 - monitors and reviews with the Chief Risk Officer the effectiveness of the Compliance function (“RMG Compliance”) and framework, including compliance with applicable laws and regulations;
 - considers and reviews:

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- i. the adequacy of the process for reporting and responding to regulatory breaches;
 - ii. the findings of any examinations by regulatory agencies; and
 - iii. the actioning of regulatory developments that may have a material impact on the Group;
- e. considers and reviews with the General Counsel the actioning of any legal developments and the implications of any litigation that may have a material impact on the Group;
 - f. considers and reviews the Group's financial crime risk programme, including periodic and other financial crime risk reporting relating to anti-money laundering, counter-terrorism financing, anti-bribery and corruption and sanctions laws;
 - g. monitors and reviews the effectiveness of the Group's whistleblower policy and program; and
 - h. meets privately with the Head of Compliance at least annually to discuss any matters that the Committee or the Head of Compliance believe should be discussed privately with the Committee.

Customer and Client

- 3.3 Reviews the Group's customer and client reporting, including:
 - a. reviews and monitors the operation of the Group's customer complaint processes, principles, systems, practices and outcomes including adherence to applicable laws and regulations;
 - b. reviews incidents, systemic issues and significant complaints; and
 - c. reviews reporting from the Macquarie Customer Advocate.

Conduct Risk Management Framework

- 3.4 Reviews the Group's conduct risk reporting, including:
 - a. approves the *Group's Conduct Risk Management Framework*;
 - b. reviews and monitors compliance with the *Group's Conduct Risk Management Framework* and its implementation; and
 - c. reviews and recommends the *Code of Conduct* to the Board for approval.

Environmental and Social Risk Management

- 3.5 Reviews Macquarie's approach and performance on environmental and social risk matters, including:
 - a. reviews and monitors the Group's environmental and social risk management policies, practices and performance; and
 - b. considers the Group's reports and public disclosures on environmental, social and governance topics.

Work Health and Safety

- 3.6 Reviews the development and implementation of the Group's WHS aims, commitment, policies and practices, including:
 - a. considers reports on the WHS practices of the Group;
 - b. reviews and monitors the operation of the Group's WHS policies, principles, systems and practices, and monitors compliance with applicable laws and regulations; and
 - c. makes recommendations to the Board regarding the Group's WHS policies, principles and practices, including hazard identification, assessment and control which it considers are appropriate and in the best interests of the Group.

Review

- 3.7 Reviews the Committee Charter annually and recommends any proposed changes to the Board for approval.
- 3.8 Conducts a periodic, but at least biennial, evaluation of the Committee's performance and the extent to which the Committee has met its responsibilities set out in this Charter.

4. Membership

- 4.1 The Committee will consist of at least three Non-Executive Directors ("Committee Members"). A majority of Committee Members must be Independent Directors as defined by Macquarie's *Policy on Director Independence*.

Chair

- 4.2 One Committee Member will be appointed Chair of the Committee by the Board. If the Chair of the Committee is not present at a meeting of the Committee, the Committee Members present may elect another Committee Member to act as Chair for that meeting.

The role of the Chair of the Committee is to:

- a. oversee the proper functioning of the Committee, including the proper conduct of meetings;
- b. advise the Board on the Committee's recommendations on matters falling within the scope of the Committee's responsibilities; and
- c. refer matters relating to the duties and responsibilities of other Board committees to the appropriate committee.

5. Meetings

Frequency of meetings

- 5.1 The Committee will hold at least four regular meetings each year and any additional meetings that the Chair of the Committee considers are appropriate in order to fulfil its responsibilities.

The Chair of the Committee is required to convene a meeting of the Committee if requested to do so by:

- a. any Committee Member;
- b. the Chair of the Board;
- c. the Managing Director and Chief Executive Officer of Macquarie;
- d. the Chief Risk Officer;
- e. the Head of Compliance; or
- f. any Director.

Attendance by non-Committee members

- 5.2 All Directors may attend Committee meetings.

The Macquarie Managing Director and Chief Executive Officer of Macquarie, Managing Director and Chief Executive Officer of MBL, Chair of the Board, the Chief Risk Officer, Head of Compliance and Head of Internal Audit will be invited to attend Committee meetings but will have no voting rights. The external auditor will also be invited to attend Committee meetings.

Members of management and/or parties external to the Group may be invited to attend any meeting of the Committee.

Non-Committee members may be asked to withdraw from all or any part of a meeting.

Meetings other than in person

- 5.3 Where deemed appropriate by the Chair of the Committee, meetings may occur via conference call or other electronic means and approvals and recommendations may occur via written resolution.

Secretary

- 5.4 The Macquarie Company Secretary (or their delegate as approved by the Committee) will act as Secretary of the Committee and is responsible, in conjunction with the Chair of the Committee, for preparing the agenda (supported by explanatory documentation and papers) and circulating the Committee papers to Committee Members prior to each meeting. Directors may request papers for or from any meeting of the Committee and will be notified in advance of the agenda of forthcoming meetings.

The Secretary is responsible for keeping the minutes of meetings of the Committee and circulating them to the Chair of the Committee for review, and to other Committee Members, the other members of the Board and other Committee meeting attendees as appropriate.

Conflicts

- 5.5 The Board approved guidelines for Board members declaring and dealing with actual and/or potential conflicts of interest will apply to meetings of the Committee.

Quorum

- 5.6 A quorum will consist of not less than half of the Committee Members eligible to vote on a matter.

6. Access

- 6.1 The Committee shall have free and unfettered access to all personnel and other parties (internal and external), including the external auditor, Group Integrity Officer, and Macquarie Customer Advocate, as required by the Committee to carry out its duties.
- 6.2 Committee Members may seek independent professional advice where they consider it necessary to carry out their duties and responsibilities. Any costs incurred as a result will be borne by Macquarie subject to the estimated costs being approved by the Chair of the Macquarie Board, in advance, as being reasonable.

7. Reporting and co-ordination

- 7.1 The Committee, through its Chair, will advise, report and make recommendations to the Boards and other Board Committees, in particular the Board Risk Committee, on matters falling within the scope of their responsibilities. This advice may be in the form of minutes of its meetings, supporting papers, and written or verbal reports at Board and Board Committee meetings.
- 7.2 The Committee shall consider any recommendations by, or matters referred from, other Board Committees.