

Sanctions Compliance Policy Statement



Macquarie Group Ltd. and its subsidiaries (collectively, “Macquarie”) are committed to preventing, detecting and deterring suspected money laundering and terrorist financing activity and to ensuring that neither it, nor its products or services, are used to facilitate, directly or indirectly, violations of applicable economic or trade sanctions. In addition to complying with the requirements of the Australian sanctions regime and those of the jurisdictions in which it operates, Macquarie complies globally with sanctions promulgated by the United Nations Security Council and those of key jurisdictions, namely the European Union, the United Kingdom and the United States (collectively “applicable sanctions”). Macquarie policy prohibits any activity by its global businesses that would breach applicable sanctions.

Global Sanctions Framework

Macquarie conducts business operations globally and compliance with applicable sanctions is a central component of Macquarie’s overall Financial Crime Compliance program. Macquarie maintains a global sanctions framework which establishes group-wide requirements and minimum standards designed to ensure compliance with Macquarie’s sanctions obligations globally. The framework is subject to periodic review, assessment and senior management approval.

Key aspects of Macquarie’s sanctions framework include:

- Risk assessment methodologies that take into consideration sanctions risks at both the business and client level.
- Enhanced due diligence protocols for clients, counterparties and transactions identified as presenting a higher sanctions risk.
- Initial, ongoing and ad hoc sanctions screening of clients and counterparties (including related parties such as beneficial owners and controllers, where such individuals have been identified in accordance with applicable client due diligence requirements) and incoming and outgoing payments against applicable sanctions lists.
- Periodic training and awareness to educate employees on their obligations and individual responsibilities under applicable sanctions and Macquarie’s sanctions framework.
- Independent testing and monitoring by Macquarie’s Internal Audit and Financial Crime Compliance Assurance functions of the adequacy, effectiveness and level of compliance with Macquarie’s sanctions framework.

Additional Information

Macquarie does not have business relationships with any person incorporated, domiciled or resident in, or owned or controlled by any person incorporated, domiciled or resident in, a country or territory that is the subject of comprehensive or countrywide sanctions, currently comprising Crimea, Cuba, Iran, North Korea and Syria.

Macquarie has limited relationships with a small number of entities that are either incorporated or domiciled in, or owned or controlled by a person incorporated or domiciled in Russia, are Russian state-owned, are involved in sectors of the Russian economy subject to sectoral sanctions or are subject to the AU, US and EU sectoral sanctions against Russia. Activity undertaken by Macquarie with these entities is undertaken in compliance with sectoral sanctions and any other applicable sanctions.

Macquarie has not submitted a voluntary self-disclosure to, nor has it been the subject of investigation or enforcement action by any regulatory authority in relation to a violation or potential violation of applicable sanctions.