



The Manager  
Company Announcements Office  
Australian Stock Exchange  
Exchange Centre  
20 Bridge Street  
SYDNEY NSW 2000

28 March 2022

Dear Manager,

**IRESS LIMITED – 2022 NOTICE OF ANNUAL GENERAL MEETING, PROXY FORM AND VOTING DIRECTION FORM**

Please find attached copies of:

- Notice of Iress' 2022 Annual General Meeting;
- a sample of the shareholder proxy voting form; and
- a sample of the employee shareholder voting direction form.

Yours sincerely

A handwritten signature in blue ink, appearing to be "P. Ferguson", followed by a horizontal line.

Peter Ferguson  
Chief Legal Officer & Company Secretary

**2022**

Notice of Annual  
General Meeting



For personal use only



# Invitation to shareholders from Iress' Chair

Notice is hereby given that the Annual General Meeting (**AGM**) of the members of Iress Limited (**Iress** or the **Company**) will be held as a hybrid event. Shareholders may either attend online or in person at the offices of King & Wood Mallesons, Level 27, 447 Collins Street, Melbourne on Thursday 5 May 2022, at 11.30 am (AEST).

## 28 March 2022

Dear Shareholder,

I am pleased to invite you to Iress' 2022 AGM. The AGM is an important part of the Iress calendar and we encourage you to read these materials and attend the meeting.

This year we are again offering shareholders a choice of how to attend the meeting. Attendance can be in person or online using a smartphone, tablet, or computer. If choosing to participate online, you will be able to view a live webcast of the meeting, ask questions, and submit your votes in real time during the meeting.

Further information on how to participate in the meeting is provided on page 4 of this Notice of Meeting.

If you choose to attend in person, this year's meeting will be held at 11.30 am (AEST) on Thursday 5 May 2022 at:

King & Wood Mallesons  
Level 27, 447 Collins Street  
Melbourne, Victoria 3000

## Enclosed information

We have included in this Notice of Meeting:

- a summary of the financial performance of Iress during 2021 (page 3)
- items of business and Explanatory Notes (pages 4-10)
- information on how to exercise your proxy vote (page 5)
- your proxy form (separate document).

## Voting by proxy

If you are unable to attend the meeting and wish to vote, please complete and return your proxy form no later than 11.30 am (AEST) on Tuesday, 3 May 2022. Further details on how to submit your proxy form are set out in the Notice of Meeting on pages 4 and 5 and in the proxy form.

## Attendance in person on the day

If you are able to attend in person, you will need to register on arrival. Registration will open from 10.30 am (AEST).

Following the meeting, if health restrictions allow, you are welcome to join the Board and the Leadership team for light refreshments.

I look forward to seeing you on the day.

Yours sincerely,



**Roger Sharp**  
Chair

# Iress 2021 result

As we entered the second year of the global pandemic, 2021 proved in many ways just as turbulent as 2020. Despite these challenges, Iress continued to make strong progress towards its goal of becoming the essential partner for forward-thinking financial services businesses, with technology and transformation remaining core to our clients' ability to adapt to change.

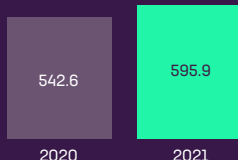
In 2021 our company reported \$595.9m in operating revenues, up 11% on a constant currency basis and up 10% on 2020 on a reported revenue basis. Reported segment profit was \$166.2m, up 9% on 2020, with reported net profit after tax of \$73.8m, up 25% on 2020 and reported earnings per share up 20%. We are pleased to have paid a total 2021 dividend of 46c per share, franked to 38%.

## 2021 reported financial performance

Earnings growth and improved return on capital

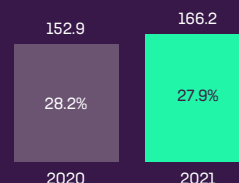
Reported revenue

Up 10%



Reported Segment Profit & margin

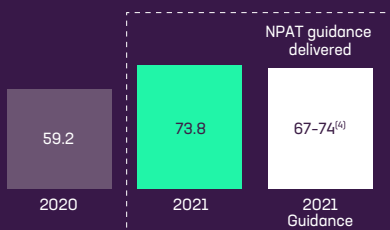
Segment Profit up 9%



Reported net profit after tax (NPAT)

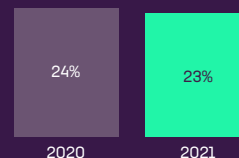
Up 25%

2021 NPAT includes \$15.0m benefit of significant one-off items<sup>(1)</sup>



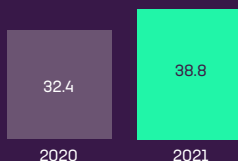
Reported product & technology % of revenue

23%



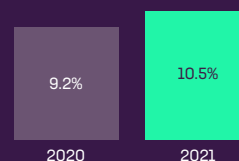
Reported earnings per share (EPS)<sup>(2)</sup>

Up 20%



Reported return on invested capital (ROIC)<sup>(3)</sup>

Up 130 bps



A detailed breakdown of the Company's financial performance and a summary of the Company's new strategy and financial metrics can be found in Iress' 2021 Annual Report at [https://www.iress.com/media/documents/20472\\_IRESS\\_AR\\_2021\\_FULL\\_Final.pdf](https://www.iress.com/media/documents/20472_IRESS_AR_2021_FULL_Final.pdf).

(1) Significant one-offs in the 2021 Reported NPAT results include the \$14.2m benefit associated with finalisation of QuantHouse earnout arrangements and the \$8.1m benefit relating to the finalisation of the BC Gateways (BCG) earnout. Partly offset by (-\$5.5m) costs relating to the Warwick (UK) office closure and (-\$4.0m) of non-operating costs incurred in relation to the NBIO (Non-binding Indicative Offer) from EQT. The tax effect for the one-off costs relating to Warwick and EQT is a benefit of \$2.2m and finalisation of the BCG and QuantHouse earn out payments have no income tax effect.

(2) Reported earnings per share is calculated using Reported NPAT/Weighted average number of shares.

(3) ROIC has been calculated using Reported NPAT (excluding interest and finance costs) as a percentage of the addition of net debt and equity.

(4) NPAT Guidance of \$70m - \$77m as per the 30 June 2021 Half year results presentation, has been adjusted to include \$3m (post tax) expense incurred in relation to the NBIO (Non-binding Indicative Offer) from EQT.

# Items of Business

## Business

### Accounts

To receive and consider the full financial report (financial statements, notes, and Directors' Declaration) for the year ended 31 December 2021, together with the consolidated accounts of Iress Limited (**Iress** or the **Company**) and its controlled entities in accordance with the *Corporations Act 2001* (Cth) (**Corporations Act**) and associated Directors' and Auditor's Reports.

### Resolutions

#### Re-election of Director

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

1. "That Mr Michael Dwyer AM be re-elected as a Director of the Company".

Information regarding the candidate can be found in the accompanying Explanatory Notes.

#### Remuneration Report

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

2. "That the Remuneration Report (which is contained in the Directors' Report) for the year ended 31 December 2021 be adopted".

**Note:** the vote on this resolution is advisory only and does not bind the Directors or the Company.

Further information can be found in the accompanying Explanatory Notes.

#### Grant of equity rights and performance rights to the Managing Director and CEO (Mr. Andrew Walsh) in relation to the 2022 executive remuneration framework

To consider and, if thought fit, to pass the following resolutions as ordinary resolutions:

3. (A) "That, for the purpose of ASX Listing Rule 10.14 and all other purposes, the grant of 79,592 Equity Rights to the Managing Director and CEO, Mr Andrew Walsh, and the provision of ordinary shares on exercise of those Equity Rights, under the Iress Equity Participation Plan be approved, as described in the Explanatory Notes."

- (B) "That, for the purpose of ASX Listing Rule 10.14 and all other purposes, the grant of 741,820 Performance Rights to the Managing Director and CEO, Mr Andrew Walsh, and the provision of ordinary shares on exercise of those Performance Rights, under the Iress Equity Participation Plan be approved, as described in the Explanatory Notes."

Information regarding the resolutions may be found in the accompanying Explanatory Notes.

## Information for shareholders

### Entitlement to attend and vote

All shareholders are entitled to attend and vote at the AGM. This year we are offering shareholders a choice of how to attend the AGM – in person or online using their smartphone, tablet, or computer.

For the purposes of voting at the meeting, shareholders will be taken to be those persons recorded on the Company's register of members at 7.00 pm (AEST) on Tuesday 3 May 2022. With respect to joint shareholders, all holders may attend the AGM, but only one shareholder may vote at the meeting in respect of the relevant shares (including by proxy). If multiple joint shareholders are present and vote in respect of the relevant shares, only the vote of the joint shareholder whose name appears first in the register in respect of the relevant shares is counted.

In relation to the physical meeting and in light of the evolving COVID-19 circumstances, the Company may be required to take extraordinary measures, including to limit or prohibit attendance, taking into account relevant government advice at the time.

Shareholders and proxyholders who wish to participate in the AGM online via the Computershare Meeting Platform may do so by entering this URL in their browser <https://meetnow.global/MKUNS4X> and then logging in using the following instructions.

To make the registration process quicker, shareholders should have their SRN/HIN and registered postcode or country code ready. Proxyholders will need to contact Computershare on +61 3 9415 4024 one hour prior to the meeting to obtain their login details.

Online registration will open one hour before the meeting starts:

- Click on 'Join Meeting Now'.
- **Shareholders** in Australia should enter their SRN/HIN and postcode registered to the holding. Overseas shareholders should select the country of the registered holding from the drop-down list.
- **Proxyholders** need to contact Computershare on +61 3 9415 4024 one hour prior to the meeting to obtain their login details.
- Read and accept the Terms and Conditions and click 'Continue'.

Shareholders and proxyholders can view the meeting live, ask questions verbally or via a live text facility and cast votes at the appropriate times while the meeting is in progress.

For more information regarding participation in the AGM online, including browser requirements, please see the Online User Guide available at [www.computershare.com.au/virtualmeetingguide](http://www.computershare.com.au/virtualmeetingguide).

A corporate shareholder may appoint one or more persons to act as its representative(s), but only one representative is entitled to exercise the corporate shareholder's powers at one time. The Company will require the representative to provide appropriate evidence of the appointment.

## Appointment of proxies

A shareholder entitled to attend and vote at the AGM may appoint:

- a person; or
- if the shareholder is entitled to cast two or more votes at the meeting, two persons,

as the shareholder's proxy or proxies to attend and vote for the shareholder at the meeting by using the proxy form. If the shareholder appoints two proxies and the instrument does not specify the proportion or number of the shareholder's votes, each proxy may exercise half of the votes.

A proxy need not be a shareholder and may be an individual or a body corporate. A body corporate appointed as a proxy will need to ensure that it appoints an individual as its corporate representative to exercise its powers at the meeting. The corporate representative will be required to provide appropriate evidence of the appointment prior to the commencement of the meeting.

In order for a proxy appointment to be valid, the Company must receive, at least 48 hours before the AGM (being no later than 11.30 am (AEST) on Tuesday 3 May 2022):

- the proxy's appointment, and
- if signed by the appointer's attorney, the authority under which the appointment was signed or a certified copy of the authority.

## Voting by proxies

Shareholders should consider directing their proxy as to how to vote on each resolution by crossing a "For", "Against" or "Abstain" box when completing their proxy form to ensure that their proxy is permitted to vote on their behalf in accordance with their instructions.

Pursuant to the Corporations Act, if the appointment of a proxy specifies the way the proxy is to vote on a particular resolution:

- the proxy is not required to vote on a show of hands, but if the proxy does so, the proxy must vote as directed (subject to any applicable voting exclusions);
- if the proxy has two or more appointments that specify different ways to vote on the resolutions, the proxy must not vote on a show of hands;
- if the proxy is not the Chair, the proxy need not vote on a poll but if the proxy does so, the proxy must vote as directed (subject to any applicable voting restrictions); and
- if the proxy is the Chair, the proxy must vote on a poll and must vote as directed.

## Default to Chair

If:

- a poll has been called on a particular resolution;
- a shareholder has appointed a proxy other than the Chair;
- the appointment of the proxy specifies the way in which the proxy is to vote on the resolution; and
- either of the following applies:
  - the proxy is not recorded as attending the AGM; or
  - the proxy attends the AGM but does not vote on the resolution,

then the Chair of the AGM will, before voting on the resolution closes, be taken to have been appointed as the proxy for that shareholder for the purposes of voting on that resolution. In these circumstances, the Chair must vote in accordance with the written direction of that shareholder.

## Proxy by post or facsimile

The proxy's appointment and, if applicable, the authority appointing an attorney, may be sent by post or fax to the Company's Share Registry at the address or fax number set out below:

Iress Limited  
C/- Computershare Investor Services Pty Limited  
GPO Box 242, Melbourne VIC 3001

By fax: 1800 783 447 within Australia or +61 3 9473 2555 outside Australia

## Online proxy

Shareholders may submit their proxy online by visiting – [www.investorvote.com.au](http://www.investorvote.com.au).

To use this option, shareholders will need the Company's control number **136624**, their SRN or HIN and postcode. Shareholders will be taken to have signed the proxy form if it is lodged in accordance with the instructions on the website.

A proxy appointed under Power of Attorney or similar authority may be lodged electronically in the same manner, provided the Power of Attorney/authority, or a certified copy thereof, has been physically lodged with Computershare Investors Services Pty Limited (**Computershare**). Computershare will keep a record of the authority under which the appointment was made.

The online proxy facility may not be suitable for some shareholders, including those who wish to appoint two proxies with different voting instructions.

## KMP voting restrictions

Under the Corporations Act, voting restrictions apply to the Company's key management personnel (**KMP**) and their closely related parties for Resolutions 2, 3A and 3B. The term "closely related party" in relation to a member of the Company's KMP includes a spouse, dependent and certain other close family members, as well as any companies controlled by the KMP's closely related parties. In addition, voting exclusions apply in respect of Resolutions 3A and 3B under the ASX Listing Rules. Please refer to the Explanatory Notes for further information.

## Technical difficulties

Technical difficulties may arise during the course of the AGM. The Chair has discretion as to whether and how the meeting should proceed in the event that a technical difficulty arises. In exercising this discretion, the Chair will have regard to the number of shareholders impacted and the extent to which participation in the business of the AGM is affected. Where the Chair considers it appropriate, the Chair may continue to hold the meeting and transact business, including conducting a poll and voting in accordance with valid proxy instructions. For this reason, shareholders are encouraged to lodge a proxy by 11.30am (AEST) on Tuesday 3 May 2022 even if they plan to attend online.

By Order of the Board.



**Peter Ferguson**  
Company Secretary  
Sydney, 28 March 2022



# Explanatory notes

## Resolution 1 – Re-election of Mr Michael Dwyer AM

*Independent Non-Executive Director since February 2020.*

Michael has over 35 years' experience in superannuation and investment, including 14 years as CEO of First State Super (now Aware Super). He was appointed as the Chair of TCorp (New South Wales Treasury Corporation) on 31 August 2020, after serving as a director from 1 June 2019. On 1 December 2020 Michael was appointed as a director of Bennelong Funds Management Group and appointed as Chair on 1 July 2021.

Michael is a director of the Global Advisory Council of Tobacco Free Portfolios (appointed in 2016) and the Sydney Financial Forum (since 1 January 2009). Since 1 July 2000 he has also been a director and subsequently (from 25 June 2018) was appointed as Chair of Australia for UNHCR, the private sector partner of the UN Refugee Agency. In March 2020 Michael was appointed to the ASIC Consultative Panel for a period of three years. He is a life member of ASFA (Association of Superannuation Funds of Australia) and a life member of FEAL (Fund Executive Association Limited).

Michael holds a Diploma of Superannuation Management, an Advanced Diploma of Financial Services (Superannuation) and a Diploma of Public Administration, FASFA. He is a Fellow of the Australian Institute of Company Directors (AICD) and a Fellow of the Association of Superannuation Funds of Australia (ASFA).

The Company's Corporate Governance Statement at sections 9 and 10 sets out the mix of skills the board values and its approach to renewal, appointment, induction and term of directors. See <https://www.iress.com/trust/corporate-governance/corporate-governance-statement/>.

The Board has concluded that Michael is independent. Being eligible, Michael offers himself for re-election.

### Directors' Recommendation

The Board (other than Mr Michael Dwyer AM) recommends that shareholders vote in favour of **Resolution 1**.

## Resolution 2 – Remuneration report

The Remuneration Report forms part of the Directors' Report and is included in the Company's Annual Report for the year ended 31 December 2021. The Annual Report is available on the Company's website at <https://www.iress.com/about/investors/results-and-reports/>.

In accordance with the Corporations Act, the Company is seeking the adoption of the Remuneration Report by shareholders at this AGM.

The Remuneration Report:

- explains the Company's remuneration policy, as well as its relationship with and link to the Company's performance;
- contains the remuneration details of the Directors and KMP of the Company; and
- explains the incentive arrangements in place for KMP.

### Directors' Recommendation

The vote on the adoption of the Remuneration Report is advisory only. However, the Board will take the outcome of the vote into consideration in future reviews of the remuneration policy for Directors and other KMP of the Company.

The Board recommends that shareholders vote in favour of **Resolution 2**.

## Voting exclusion

The Company will disregard any votes cast on this Resolution 2:

- by or on behalf of a member of the Company's KMP whose remuneration details are included in the Remuneration Report (and their closely related parties) in any capacity; and
- as proxy by a person who is a member of the Company's KMP (and their closely related parties).

However, this does not apply to a vote cast in favour of a resolution by:

- a person as proxy for a person entitled to vote on Resolution 2 in accordance with a direction on the proxy form; or
- a proxy for a person entitled to vote on Resolution 2 by the Chair of the meeting, and the Chair has received express authority to vote undirected proxies as the Chair sees fit, despite the fact that Resolution 2 is connected with the remuneration of the Company's KMP.

If you appoint the Chair of the meeting as your proxy, and you do not direct your proxy how to vote on this resolution on the proxy form, you will be expressly authorising the Chair of the meeting to exercise your proxy on this resolution even though this resolution is connected directly or indirectly with the remuneration of a member of the KMP, which includes the Chair of the meeting. The Chair of the meeting intends to vote undirected proxies in favour of this resolution.

## Resolutions 3A and 3B – Grant of equity rights and performance rights to Mr Andrew Walsh, the Managing Director and CEO (referred to hereafter as the CEO)

Iress' executive remuneration framework comprises three components: Base Salary, Equity Rights and Performance Rights. The Board believes that together, these components provide an appropriate remuneration framework for the business. Notably, Iress does not operate a short-term incentive scheme.

### CEO Base Salary & Equity Rights

The Base Salary and Equity Rights for the CEO remain unchanged from the prior year (as reported in the 2021 Annual Report), and comprise a Base Salary of \$1,000,000 per annum and Equity Rights with an award value (as proposed for 2022) of \$1,008,889. The Board considers this an appropriate level of fixed remuneration given the size, scope, strategic objectives and complexity of the Company, the CEO's skills and experience, and comparable remuneration levels for relevant domestic and international Information Technology peers.

### CEO Performance Rights

In July 2021 Iress launched a strategy to accelerate growth and improve returns by 2025. The strategy review made it clear that the way we structure and allocate incentives would need to change in order to drive the business towards its more focussed 2025 goals. Hence, the Board has modified the Performance Rights component of executive remuneration (including for the CEO) to ensure that vesting, the value attributable to the Performance Rights, and – importantly – the overall amount of Performance Rights at risk is directly aligned with the achievement of Iress' 2025 strategic goals.

## Proposed 2022 Equity Grants

Consistent with the above, the Board is now seeking shareholder approval for the grant of Equity Rights and Performance Rights to the CEO in 2022, as detailed in the table below.

The following preliminary comments are important:

- Two grants of Performance Rights are proposed for 2022, but the Board does not intend to grant any Performance Rights in 2023 to the CEO or any other current executive KMP.
- The two proposed grants are intended to be the only Performance Rights granted to the CEO relating to the delivery of the Company's 2025 strategic goals.
- The Board intends to grant performance rights in 2024, against Iress' strategic goals set for 2026 and beyond.
- The combined face value of the two 2022 Performance Rights grants is higher than would have been the case under the previous approach, given that the grant is aligned with multiple performance periods relating to the achievement of Iress' 2025 strategic goals, and a sharp increase in the overall amount of Performance Rights at risk against the achievement of those goals.

- There are two tiers of vesting conditions that apply to Performance Rights. All Performance Rights are first subject to a gateway condition requiring Iress to achieve a 10% per annum Absolute Total Shareholder Return (**ATSR**) over the relevant measurement period. Performance Rights are then split into three equally weighted tranches, with each tranche subject to its own additional vesting condition:
  - material improvements in **EPS** over the period to 2025, with doubling required for full vesting;
  - material improvements in **ROIC** by 2025, with doubling required for full vesting; and
  - development, deployment and migration of existing and new clients to a new cloud-based **platform** according to agreed operational metrics.

Details of these metrics and how they work are provided below.

Under previous grants of CEO Performance Rights, a single metric, being a 10% per annum ATSR hurdle, triggered the *maximum* return for full vesting. With the magnitude of the ATSR gateway condition and additional metrics, the 2022 Performance Rights vesting conditions represent a significantly higher performance threshold than in prior grants.

Table 1 - Proposed Equity grants

Instrument	Quantum	Award value	Estimated grant date	Measurement period	Vesting conditions (summary)*
Equity Rights	79,592**	\$1,008,889	6 May 2022	Two years (28 February 2022 – 28 February 2024) Shares provided on exercise of any vested Equity Rights are subject to a mandatory two-year holding lock (28 February 2024 – 28 February 2026)	Acceptable individual performance over the measurement period, subject to Board discretion and clawback.
Instrument	Quantum	Face value at grant	Estimated grant date	Measurement period	Vesting conditions (summary)*
Performance Rights***	Grant 1: 370,910**** Grant 2: 370,910****	\$4,062,016 \$4,062,016	6 May 2022	Grant 1: three years (18 February 2022 – estimated 21 February 2025) Grant 2: four years (18 February 2022 – estimated 20 February 2026) Shares provided on exercise of any vested Performance Rights are subject to a mandatory one year holding lock post vesting	ATSR gateway condition of 10% per annum over the relevant measurement period. Performance Rights are then split into three equally weighted tranches, each subject to one additional vesting condition: <ul style="list-style-type: none"> <li>• EPS growth, doubling required for full vesting</li> <li>• ROIC improvement, doubling required for full vesting platform delivery,</li> </ul> in each case subject to Board discretion and clawback.

\* The Board can lapse unvested Equity Rights and Performance Rights if individual or Company performance is significantly below expectations and can lapse vested Equity Rights and Performance Rights, or forfeit shares allocated on exercise of vested Equity Rights that are subject to the mandatory holding lock, if a 'clawback event' occurs (see page 10).

\*\* The number of Equity Rights has been calculated by dividing the Award value by the volume weighted average price of the Company's shares in the 20 trading days up to and including 31 December 2021.

\*\*\* As reflected in the remuneration report and discussed in these Explanatory Notes, the Board does not intend to grant any Performance Rights (to the CEO or any other current executive KMP) in 2023.

\*\*\*\* The number of Performance Rights has been calculated by dividing the face value at grant by the volume weighted average price of the Company's shares in the 20 trading days from 18 February 2022, the day following the results being announced for the year ending 31 December 2021, up to and including 17 March 2022.



# Explanatory notes

## Potential 2022 Performance Rights outcomes

It is difficult to make a like-for-like comparison between the previous Performance Rights framework and the proposed 2022 Performance Rights framework. Under the previous framework, Performance Rights were granted annually, with a lower face value at grant, and with lower vesting conditions. By contrast, under the proposed 2022 framework, Performance Rights cover multiple reporting periods and have a higher face value in light of the more challenging 2025 vesting conditions.

The potential value the CEO can realise on vesting is dependent on the extent to which the vesting conditions relating to the award are achieved. On full vesting the value realised will exceed the amount that would have been available had the previous Performance Rights framework been applied, noting that this first requires the achievement of the 10% per annum ATSR gateway condition and achievement of the EPS, ROIC and platform delivery conditions, all of which would enure significantly to the benefit of shareholders.

However, there is also significantly more downside built into the revised 2022 Performance Rights approach. The challenging performance conditions proposed mean that the CEO will earn less over the 2022-2025 period than he would have under the previous Performance Rights framework if the ATSR gateway condition falls short of 10% p.a., or if the proposed EPS, ROIC and platform delivery thresholds are not met.

Over the four-year life of the 2022 Performance Rights framework, the additional accounting cost of the grants of Performance Rights to the CEO is on average approximately \$350k per annum.

The Board's view is that the 2022 Performance Rights framework provides strong alignment between executive and shareholder interests and the Company's 2025 strategic objectives.

## Specific terms for Equity Rights

Under the Company's executive remuneration framework, in 2022 Equity Rights will comprise 10% of the CEO's total remuneration, representing a value of \$1,008,889. This is equal to the May 2021 grant of Equity Rights. The number of Equity Rights proposed to be granted to the CEO (79,592) has been calculated by dividing this value by the volume weighted average price (**VWAP**) of the Company's shares in the 20 trading days up to and including 31 December 2021.

Key terms for Equity Rights include:

- Vesting is conditional on: (i) the CEO achieving acceptable individual performance, including completion of his employment duties and tasks to the required level, over the two-year vesting period; (ii) Board discretion; and (iii) the absence of clawback events (described below). The Board will consider individual and company performance against targets set by the Board and may reduce, cancel or claw back equity if performance is significantly below expectations.
- The award remains restricted for a further two years after vesting with a mandatory holding lock applying to any shares provided on exercise of the Equity Rights.
- The shares allocated on exercise of vested Equity Rights remain subject to clawback during the mandatory holding lock period.

- Subject to applicable law and unless the Board determines otherwise:

where the CEO's employment ceases due to...	then...
resignation and termination for cause	<ul style="list-style-type: none"><li>• unvested Equity Rights will lapse on the date of cessation of employment; and</li><li>• vested Equity Rights, and shares allocated on exercise of Equity Rights and subject to the mandatory holding lock period, will be retained, but may be subject to clawback (see below)</li></ul>
any other reason	<ul style="list-style-type: none"><li>• unvested Equity Rights will remain eligible to vest in accordance with their normal terms (including clawback); and</li><li>• vested Equity Rights, and shares allocated on exercise of Equity Rights and subject to the mandatory holding lock period, will be retained, but may be subject to clawback (see below)</li></ul>

- The CEO will not be eligible to receive any dividends on Equity Rights until the Equity Rights vest and shares are provided. However, if the Equity Rights do vest, he will receive (either in additional vested Equity Rights or in cash, as determined by the Board) an amount equal to the dividends he would have received had he held shares during the vesting period (calculated on an accumulating basis, i.e., assuming the dividend equivalents are reinvested). Importantly, the dividend equivalent amount will not be provided unless and until the Equity Rights vest, and the Board may take any steps it determines appropriate to recover the amount should any 'clawback events' (described below) occur.
- Equity Rights do not carry voting rights.

A detailed explanation of the Equity Rights instrument and the basis for determining how the instrument is allocated is set out in Section 1 of the 2021 Remuneration Report on pages 34 of the Company's 2021 Annual Report.

## Specific terms for Performance Rights

Key terms for Performance Rights include:

- There are two tiers of vesting conditions that apply to the Performance Rights. All Performance Rights are first subject to an ATSR gateway condition which requires Iress to achieve ATSR performance of 10% per annum over the three-year measurement period for Grant 1 and the four-year measurement period for Grant 2, as well as an absence of clawback events. Performance Rights are then split into three, equally weighted tranches, with each tranche subject to its own additional vesting condition, EPS growth, ROIC improvement, and Platform Delivery over the relevant measurement periods. The Board will also consider individual and company performance and may apply its discretion to reduce, cancel or claw back equity if performance is significantly below expectations.
- The ATSR gateway condition focuses on the growth of the Company and value to shareholders, regardless of the broader market and other companies' movements. No Performance Rights will vest unless shareholder value has been created over the relevant measurement period. The ATSR calculation will use a start and end share price based on the 20-day VWAP commencing on the trading day after Iress' results are announced for the relevant financial years during the measurement period (for example, the starting share price for Grant 1 is the 20-day VWAP commencing on the trading day after Iress' FY21 results were announced and the final share price will be based on the 20-day VWAP commencing on the trading day after Iress' FY24 results are announced).

- Grant 1 and Grant 2 Performance Rights will vest after the end of the relevant measurement period if the ATSR gateway condition is first met and then the relevant tranche conditions are satisfied. Straight-line vesting will occur between threshold and maximum for the EPS and ROIC conditions. Due to the nature of the Platform Delivery condition, the vesting schedule is binary, with no straight-line vesting occurring between each performance outcome.

## Performance conditions for Performance Rights

### Tranche 1: EPS condition (one-third of each grant)

EPS is calculated as NPAT, divided by the weighted average number of Iress shares on issue in the final year of the relevant measurement period. Iress' EPS performance will be tested at the relevant financial year end based on Iress' audited consolidated results. The EPS performance will be determined by the Board.

Assessment of the EPS condition occurs after accounting for the cost of share-based payments.

EPS vesting schedule	Threshold vesting (30% vesting of the tranche)	Maximum vesting (100% vesting of the tranche)
Grant 1*	EPS of 46.3 cents	EPS of 56.6 cents
Grant 2*	EPS of 51.9 cents	EPS of 66.8 cents

\* Straight line vesting will occur between threshold and maximum. No vesting of the tranche will apply for below threshold performance.

### Tranche 2: ROIC condition (one-third of each grant)

ROIC is calculated using NPAT (excluding interest and finance costs) as a percentage of the net debt plus equity. Iress' ROIC will be measured based on Iress' audited consolidated results for the final year of the relevant measurement period. ROIC performance will be determined by the Board.

ROIC vesting schedule	Threshold vesting (30% vesting of the tranche)	Maximum vesting (100% vesting of the tranche)
Grant 1*	ROIC of 11.9%	ROIC of 15.3%
Grant 2*	ROIC of 13.3%	ROIC of 17.8%

\* Straight line vesting will occur between threshold and maximum. No vesting of the tranche will apply for below threshold performance.

Iress intends to continue with its current accounting practices and that ROIC and EPS outcomes will be in line with the definitions outlined above. However, subject to applicable law, the Board retains discretion to adjust the EPS condition and ROIC condition outcomes in exceptional circumstances, including matters outside of management's influence, such that a participant is neither advantaged nor disadvantaged by matters that may materially affect achievement of the performance conditions. In exercising this discretion, the Board may from time to time adjust the targets, without limitations, to exclude the impact of acquisitions and divestments, (including, without limitation, transaction costs and fair value gains), restructuring costs, any impairment to the carrying value of assets, profit or loss realised on the sale of a business or asset (including, without limitation, real estate), capital expenditure, or non-cash accounting charges arising from a change in accounting practice.

### Tranche 3: Platform Delivery condition (one-third of each grant)

The technology platform delivery condition focuses on enabling services on Iress' new single product technology platform.

Platform vesting schedule	Threshold vesting (50% vesting of the tranche)	Between threshold and maximum vesting (75% vesting of the tranche)	Maximum vesting (100% vesting of the tranche)
Grant 1*	30%-50% of new services are enabled on the platform	N/A	>50% of new services are enabled on the platform
Grant 2*	30%-50% of existing services are enabled on the platform	30%-50% of existing services & every new service is enabled on the platform	Majority (>=50%) of existing services and every new service is enabled on the platform

\* The vesting schedule is binary, with no straight-line vesting occurring between each performance outcome. No vesting of the tranche will apply for below threshold performance.

- The CEO will not be eligible to receive any dividends on Performance Rights until the rights vest and shares are provided. Performance Rights carry no right to any dividend equivalent amount on vesting.
- Performance Rights do not carry any voting rights.

A detailed explanation of the Performance Rights and the basis for determining how the instrument is allocated is set out in Section 3 of the 2021 Remuneration Report on pages 45 to 47 of the Company's 2021 Annual Report.

## Directors' Recommendation in relation to Resolutions 3A and 3B

The Non-Executive Directors are confident that the CEO's total remuneration package for 2022 (as described in detail in the Remuneration Report and which includes the proposed grant of Equity Rights and Performance Rights set out in Table 1) is reasonable, having regard to: the size, scope, complexity and strategic objectives of the Company; the CEO's unique skills and experience; comparable remuneration levels for relevant domestic and international Information Technology peers; and the fact that the Board does not intend to award any Performance Rights in 2023.

Further, the Non-Executive Directors view that the high portion of the CEO's remuneration delivered in equity will strengthen the alignment between his and shareholders' interests as the value of his Equity Rights and Performance Rights will fluctuate with Iress' share price and are subject to the satisfaction of vesting conditions and the discretion of the Board.

The Non-Executive Directors conducted engagements with shareholders and key stakeholders throughout the process of developing the revised Performance Rights component of executive remuneration to ensure the new framework is aligned with a wide spectrum of shareholders' interests and addressing legacy concerns raised by some investors and stakeholders.

The Board (other than the CEO) recommends that shareholders vote in favour of **Resolutions 3A and 3B**.

# Explanatory notes

## General terms applicable to Equity Rights and Performance Rights

### Entitlement & vesting

Each of these equity instruments will give the CEO a right to receive one ordinary share in the Company or cash of equivalent value on vesting, subject to the satisfaction of applicable vesting conditions. The Board will determine whether shares in the Company or cash of equivalent value are provided at the time of vesting. If provided, the cash amount will be equal to the volume weighted average price of Iress shares during the five days of trading up to and including the vesting date (less any superannuation contributions and any other withholdings, deductions, or payments for tax).

Equity Rights also give the CEO a right to a dividend equivalent amount, subject to the satisfaction of the applicable vesting conditions and as further described under the heading "Specific terms for Equity Rights" above. Performance Rights carry no right to any dividend equivalent amount on vesting.

### Price payable on grant and exercise

The Equity Rights and Performance Rights will be granted at no cost to the CEO. There is no price payable on exercise.

### Clawback

The Board will have the ability to lapse unvested and unexercised Equity Rights and Performance Rights, and forfeit shares allocated on exercise of Equity Rights that are subject to the mandatory holding lock (i.e., clawback). The circumstances in which this may occur (referred to as "clawback events") include fraud, misrepresentation, misstatement of financial results, dishonesty, gross misconduct, poor risk practices or reputational issues, or any other matters the Board determines relevant.

### Voluntary holding lock

The CEO may elect for a voluntary six-month holding lock to apply to any shares he receives on vesting of each of the above grants (and after the expiry of any mandatory holding lock). During any voluntary holding lock period, the CEO will not be able to sell, transfer or otherwise deal with the Company's shares he receives, but will be entitled to the dividends and voting rights attached to those shares.

### Change of control

If certain change of control events occur in relation to the Company, the Board may determine in its absolute discretion to give notice that the Equity Rights or Performance Rights (as applicable) vest and/or be exercised irrespective of whether the relevant vesting conditions have been satisfied at that time.

### Date of grant

If shareholder approval is obtained, the Equity Rights and Performance Rights are expected to be granted on or about 6 May 2022, and in any event within six months of the date of this meeting.

## Other required information – ASX Listing Rules

The CEO is currently the only Director who is eligible to receive grants of Equity Rights or Performance Rights under the Iress Equity Participation Plan. The number of securities that have been granted to the CEO under the Iress Equity Participation Plan since it was implemented in 2019 are:

- 253,483 Equity Rights; and
- 263,799 Performance Rights

all of which were granted at no cost.

No loan will be made available by the Company to the CEO in connection with the grants of Equity Rights or Performance Rights.

Details of any securities granted to the CEO under the Iress Equity Participation Plan will be published in the Company's annual report. No additional persons covered by Listing Rule 10.14 will participate in the Iress Equity Participation Plan without shareholder approval being first obtained.

## Approvals sought

The Company is proposing to grant 79,592 Equity Rights and 741,820 Performance Rights to the CEO under the Iress Equity Participation Plan. As noted above, there may also be additional Equity Rights granted to satisfy dividend equivalent entitlements on vesting of the Equity Rights. Listing Rule 10.14 provides that listed companies must not permit a director or their associates to acquire equity securities under an employee incentive scheme unless it obtains the approval of its shareholders.

Resolutions 3A and 3B seek the required shareholder approval to grant these Equity Rights and Performance Rights under and for the purposes of Listing Rule 10.14 and, if shareholder approvals are obtained, the Company will proceed to grant the CEO Equity Rights and Performance Rights. If shareholder approvals are not obtained, it is intended that the CEO will be awarded a cash payment following the end of the applicable vesting and restriction periods equivalent in value to the value he would have realised had he been granted Equity Rights and Performance Rights on the terms proposed.

## Voting exclusion

The Company will disregard any vote cast on Resolutions 3A and 3B:

- by or on behalf of the CEO and any of his associates, in any capacity; and
- as proxy by a person who is a member of the Company's KMP (and their closely related parties),

However, this does not apply to a vote cast in favour of a resolution by:

- a person as proxy or attorney for a person entitled to vote on Resolutions 3A or 3B in accordance with a direction as to how to vote provided by that person; or
- as proxy or attorney for a person entitled to vote on Resolutions 3A or 3B by the Chair of the meeting, and the Chair has received express authority to vote undirected proxies on that resolution as the Chair sees fit; or
- in favour of Resolutions 3A or 3B by the CEO or any of his associates as a nominee, trustee or custodian (or other fiduciary) for a person entitled to vote on Resolutions 3A or 3B, in accordance with a direction as to how to vote provided by that person, provided that person provides written confirmation to the CEO or his relevant associate (as applicable) that they are not excluded from voting or are an associate of a person excluded from voting.

If you appoint the Chair of the meeting as your proxy, and you do not direct your proxy how to vote on Resolutions 3A or 3B on the proxy form, you will be expressly authorising the Chair of the meeting to exercise your proxy on these resolutions. The Chair of the meeting intends to vote undirected proxies in favour of Resolutions 3A and 3B.



Iress Limited  
ABN 47 060 313 359

IRE

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

## Need assistance?



**Phone:**  
1300 850 505 (within Australia)  
+61 3 9415 4000 (outside Australia)



**Online:**  
[www.investorcentre.com/contact](http://www.investorcentre.com/contact)



## YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **11:30am (AEST) on Tuesday, 3 May 2022.**

# Proxy Form

## How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

### APPOINTMENT OF PROXY

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

## SIGNING INSTRUCTIONS FOR POSTAL FORMS

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

## PARTICIPATING IN THE MEETING

### Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the help tab, "Printable Forms".

## Lodge your Proxy Form:

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### Online:

Lodge your vote online at [www.investorvote.com.au](http://www.investorvote.com.au) using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



**Control Number: 999999**  
**SRN/HIN: I9999999999**  
**PIN: 99999**

For Intermediary Online subscribers (custodians) go to [www.intermediaryonline.com](http://www.intermediaryonline.com)

### By Mail:

Computershare Investor Services Pty Limited  
GPO Box 242  
Melbourne VIC 3001  
Australia

### By Fax:

1800 783 447 within Australia or  
+61 3 9473 2555 outside Australia



**PLEASE NOTE:** For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

☐

**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



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## Proxy Form

Please mark ☒ to indicate your directions

### Step 1

### Appoint a Proxy to Vote on Your Behalf

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I/We being a member/s of Iress Limited hereby appoint

☐

the Chairman  
of the Meeting

OR

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Iress Limited to be held as a hybrid meeting in person at the offices of King & Wood Mallesons, Level 27, 447 Collins St, Melbourne or online on Thursday, 5 May 2022, at 11:30 am (AEST) and at any adjournment or postponement of that meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 2, 3A and 3B (except where I/we have indicated a different voting intention in step 2) even though Resolutions 2, 3A and 3B are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 2, 3A and 3B by marking the appropriate box in step 2.

### Step 2

### Items of Business

**PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Re-election of Director - Michael Dwyer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3A	Grant of Equity Rights to the Managing Director and CEO, Andrew Walsh	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3B	Grant of Performance Rights to the Managing Director and CEO, Andrew Walsh	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

### Step 3

### Signature of Securityholder(s)

*This section must be completed.*

Individual or Securityholder 1

Securityholder 2

Securityholder 3

Sole Director & Sole Company Secretary

Director

Director/Company Secretary

Date

**Update your communication details** (Optional)

Mobile Number

Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

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Computershare







Iress Limited  
ABN 47 060 313 359

IRE

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

## Need assistance?



**Phone:**

1300 850 505 (within Australia)  
+61 3 9415 4000 (outside Australia)



**Online:**

[www-au.computershare.com/Employee/ContactUs](http://www-au.computershare.com/Employee/ContactUs)



## YOUR VOTE IS IMPORTANT

For your vote to be effective it must be received by **11.30am (AEST) on Monday, 2 May 2022.**

# Voting Instruction Form

## How to Vote on Items of Business

You can vote by completing, signing and returning your Voting Instruction Form. This form gives your voting instructions to CPU Share Plans Pty Ltd, ABN: 20 081 600 875, which will vote the underlying shares on your behalf. You need to return the form no later than the time and date shown above to give CPU Share Plans Pty Ltd enough time to tabulate all votes and to vote on the underlying shares.

## SIGNING INSTRUCTIONS FOR POSTAL FORMS

For your vote to be valid, the form must be signed by the named holder or their power of attorney.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the Australian registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

## Lodge your Form:

**XX**

### Online:

Lodge your vote online at [www.investorvote.com.au](http://www.investorvote.com.au) using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



**Control Number: 999999**

**SRN/HIN: I999999999**

**PIN: 99999**

### By Mail:

Computershare Investor Services Pty Limited  
GPO Box 242  
Melbourne VIC 3001  
Australia

### By Fax:

1800 783 447 within Australia or  
+61 3 9473 2555 outside Australia



**PLEASE NOTE:** For security reasons it is important that you keep your SRN/HIN confidential.

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.



MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

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Change of address. If incorrect,  
mark this box and make the  
correction in the space to the left.



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# Voting Instruction Form

Please mark ☒ to indicate your directions

## Step 1 CPU Share Plans will vote as directed

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### Voting Instructions to CPU Share Plans Pty Ltd

I being a holder of shares of Iress Limited hereby direct CPU Share Plans Pty Ltd to vote the shares underlying my holding at the Annual General Meeting of Iress Limited to be held as a hybrid meeting in person at the offices of King & Wood Mallesons, Level 27, 447 Collins St, Melbourne or online on Thursday, 5 May 2022 at 11.30am (AEST) and at any adjournment or postponement of that meeting.

By execution of this Voting Instruction Form the undersigned hereby authorises CPU Share Plans Pty Ltd to appoint such proxies or their substitutes to vote in their discretion on such business as may properly come before the meeting.

## Step 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your trustee not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Re-election of Director - Michael Dwyer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3A	Grant of Equity Rights to the Managing Director and CEO, Andrew Walsh	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3B	Grant of Performance Rights to the Managing Director and CEO, Andrew Walsh	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Step 3 Signature of Securityholder

This section must be completed.

Individual

Date

### Update your communication details (Optional)

Mobile Number

Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

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