ASX Announcement: 2022/74

18 October 2022

WiseTech Global Annual Report 2022

Attached is the Annual Report for the year ended 30 June 2022.

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Authorized for release to ASX by David Rippon, Corporate Governance Executive and Company Secretary.

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About WiseTech Global
WiseTech Global is a leading developer and provider of software solutions to the logistics execution industry globally. Our customers include over 18,000[1] of the world's logistics companies across 170 countries, including 41 of the top 50 global third-party logistics providers and 24 of the 25 largest global freight forwarders worldwide[2].

Our mission is to change the world by creating breakthrough products that empower those that own, enable and operate the supply chains of the world. At WiseTech, we are relentless about innovation, adding over 4,900 product enhancements to our global platform in the last five years while bringing meaningful continual improvement to the world's supply chains. Our breakthrough software solutions are renowned for their powerful productivity, extensive functionality, comprehensive integration, deep compliance capabilities, and truly global reach. For more information about WiseTech Global or CargoWise, please visit wisetechglobal.com and cargowise.com

[1] Includes customers on CargoWise and non-CargoWise platforms whose customers may be counted with reference to installed sites
[2] Armstrong & Associates: Top 50 Global 3PLs & Top 25 Global Freight Forwarders ranked by 2021 gross logistics revenue/turnover and freight forwarding volumes – updated 4 August 2022

wisetech global

Enabling and empowering the world's supply chains

Annual Report 2022

wisetechglobal.com

Contents

In the spirit of reconciliation we acknowledge the Traditional Custodians of country throughout Australia and their connections to land, sea and community. We pay our respect to their Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples today.

This annual report is a summary of WiseTech Global and its subsidiary companies’ operations, activities and financial position as at 30 June 2022. References to “WiseTech”, “the Company”, “the Group”,“we”, “us” and “our” refer to WiseTech Global Limited (ABN 41 065 894 724) unless otherwise stated. This document is dated 13 October 2022 and includes the FY22 Financial Report originally published on 24 August 2022.

About us

We are a leading developer and provider of software solutions to the logistics industry globally.

Our global team of nearly 2,000 people is united in our mission to create breakthrough products that enable and empower those that own and operate the supply chains of the world.

CargoWise is our industry leading flagship product. A deeply integrated, global software platform, CargoWise provides logistics service providers with powerful productivity, extensive functionality, comprehensive integration, deep compliance capabilities and truly global reach to help them run their business more efficiently and profitably.

OUR VISION

To be the operating system for global logistics.

OUR MISSION

To create breakthrough products that enable and empower those that own and operate the supply chains of the world.

Our credo

> Our culture is not by accident. Our creativity is by design. Our people define us.

We favor principles over policy, open and frank communication over secrecy, agreement over control, results over busywork. We realize that real creativity is delicate and dies with processes, bureaucracy, chain of command and centralized decision making.

Our work environment is flat and open, hierarchy rises only when essential and recedes immediately. We know that 'little things are infinitely the most important' and that 'culture eats strategy for lunch'.

We actively embed our creativity, the seeds to our success and the antidote to many problems, deep within our people and culture.

We love to challenge the status quo and to think of breakthrough ideas in order to build something delightfully better. We cannibalize that which needs to be superseded, improve that which is imperfect and add that which is missing, and we have fun!

We think bold ideas and build bold products that people don't know they want… until they see them, and can't live without… because they come to love them.

We strive every day to build products that surprise and delight our customers and empower their success, but we also give incredible value to our customers, so they drive us to flourish and grow.

We are truly, deeply passionate about what we do, and we use all of our empathy, energy, focus, courage, talent, drive and logic to confront the really big stuff that others will not.

We surround ourselves with incredibly smart people with diverse and eclectic experience, an abundance of talents and motivation fueled by purpose.

We care deeply, have real ownership, and a sense of connection in every place and in every role. We belong.

We stand with humility on the shoulders of the many that have led us here. We owe them our dedication, our energy, and our results.

Corporate grind be damned! We're doing something that really matters, and it requires us to strive, learn, grow, and flourish.

We will change the world: one innovation at a time.

Richard White, Founder & CEO

Our mantras

THE FOUNDATION MANTRAS

These need to be in place to enable all the other mantras.

- **Slower today, faster forever:** Solving the core conflict in all human endeavor.
- **Lead with content:** Scale anything.
- **Anyone can talk to anyone at anytime for any reason:** Open lines of communication at all times.

THE CREATION MANTRAS

These bring out the creative spirit within us all.

- **Find the root cause and solve for that:** Dig deeper for the best solution.
- **Creative abrasion fuels collaboration:** Make any idea the best idea.
- **Win-win or no deal:** Transform competing wants into compelling wins.

THE FORCE MULTIPLIER MANTRAS

These build and reinforce our culture, our infinite fuel.

- **Lead others, manage yourself:** Be the example you want others to follow.
- **Culture eats strategy for lunch:** Culture is the fuel, strategy is the direction.
- **Productivity at the center of everything:** This is how we focus.

Our values

We continuously improve our culture so that it empowers and drives us.

We work hard to improve ourselves, our teams, our products and our business.

We have a clear purpose and a shared vision for everything we do.

We invent things our customers cannot live without.

We lead when we see the need and inspire and support each other always.

We focus on the deeper needs of real customers in our chosen markets.

We strive for excellence at all times and in everything we do.

We manage ourselves and are always focused on results.

People profile: Creating a culture of allyship

Dave East, Head of Software Engineering Practice

Can you share a bit about your career journey and how long you've been at WiseTech?

I started at WiseTech as an associate developer about 11 years ago now. I became a development team leader and a product manager before moving into the software operations side of things. Now I've created the software engineering practice function, which looks at understanding and shaping the human side of software development.

Outside of work I'm also studying a graduate diploma in psychology, which is like doing an undergrad major as postgraduate coursework. I'm using that to enhance my ability to understand how people think, feel, and act, so that I can better shape the way that software development as a practice is performed at WiseTech.

Can you share a bit about your experiences coming out and what this was like in the workplace?

I first came out when I was 18, but what I've learnt is that coming out isn't a one-time thing. You're continuously doing it whenever you go into a new environment or meet new people. So for me, I actually came out at WiseTech in my job interview because I was determined that I wouldn't work for a company that didn't accept me as I was.

Choosing a company to work for is a pretty significant life choice, and I wanted to make sure that I was working somewhere that I didn't have to hide really important facets of my own life. I felt confident and comfortable in myself to be able to put that part of myself forward from the get-go.

During my interview at WiseTech, I mentioned my partner and referred to his gender. I didn't detect any kind of discomfort or reluctance from my interviewers, so that to me was the company passing that test and I knew this was the right place for me.

How do you think companies can be more supportive and inclusive of LGBTQIA+ people?

I think it's really important for companies to give a voice to people with diverse backgrounds and experiences, and I'm glad that as a company we have the "Anyone can talk to anyone at any time for any reason" mantra.

I think one of the most important things though is not just listening, but hearing, understanding, and most importantly taking action. I think quite often people do the listening, but they don't necessarily understand why it is that some people are talking about diversity or talking about reducing bias, especially in the hiring process and other areas where there's a lot of discretion, which means that unconscious bias can really sneak into our decisions. So I think it's quite important that we try and stamp out bias and actually take action when people raise that there could be an issue with bias somewhere.

What does allyship mean to you?

To me the most important thing about being an ally is to speak up when speaking up is required, and not pass by something that doesn't make you feel right. If someone says something a bit off color, actually calling them out on it can be really impactful.

Most people don't really like confrontation, so I understand that it's probably easier to just let these things go. But for other people to see that it's not okay to say certain things can be quite powerful and it can create a lasting bond between people when someone has stood up for you or stood up for someone like you.

2022 Highlights (AS AT 30 JUNE 2022)

~2,000
team members globally

35
development centers

1,199 new
CargoWise product enhancements

43 global rollouts in total

5 new global rollouts added
by Large Global Freight Forwarders[1]

$180.8m
invested in research and development

19,000+
CargoWise Certified Practitioners

~30% increase in number of certificates issued for CargoWise Certification

~20,000
hours of structured learning completed by our people

225
team members participated in our rotation program globally

1 See definition in glossary on page 158.

pride in diversity | MEMBER 2022

Became a member of **ACON's Pride in Diversity**

wisetech academy

9,700

courses completed via WiseTech Academy

Continued to **build skills and careers** in tech

grok academy

explore CAREERS

BIG DAY IN

NATIONAL COMPUTER SCIENCE SCHOOL

1%

of pre-tax profits in support of tech education

$60,000

in total donated to humanitarian charities supporting Ukraine

(including $30K in WiseTech matched donations)

100%

of Scope 1 and 2 emissions offset

4,000kg+

of e-waste recycled

Achieved **ISO 27001 Information Security Management** certification

Financial highlights

A high-quality financial result underpinned by strong recurring revenue and consistently low customer attrition.

Our continued growth is strategically important because it demonstrates the increasing revenue contribution that our Large Global Freight Forwarder[1] rollouts deliver, as well as our ability to attract new customers, and increase usage by our existing customers as we expand the CargoWise ecosystem.

Investment in innovation and product development is a strategic priority for WiseTech. We remain focused on building integrated software that enables our logistics customers to improve planning, productivity, and control of their global operations.

Our FY22 result emphasizes our ability to deliver strong top-line revenue growth, while driving enhanced operating leverage and generating significant free cash flow to fund investments for continued future organic and inorganic growth.

CONTINUED REVENUE GROWTH

Total Revenue $632.2m
↑ 26% ex FX
(↑ 25% incl. FX)

89% (Group) recurring revenue

RESILIENT BALANCE SHEET

$237.3m free cash flow
↑ 71%

$483.4m in cash as at 30 June 2022

$225m undrawn debt facility

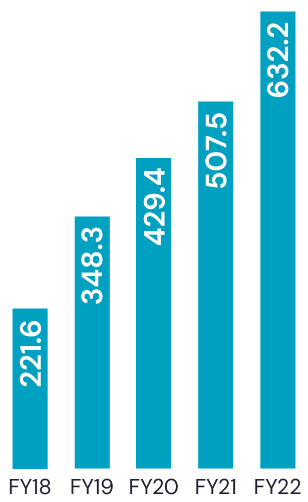
INNOVATION FOCUS

$180.8m investment in R&D

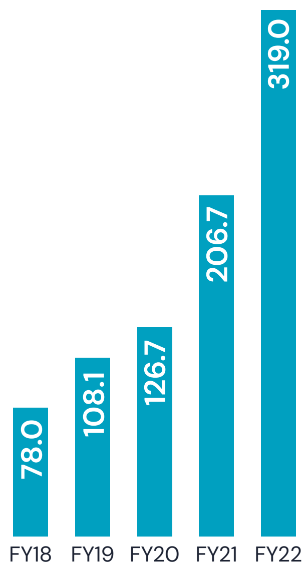
29% revenue invested in R&D

CargoWise investment
↑ 28%

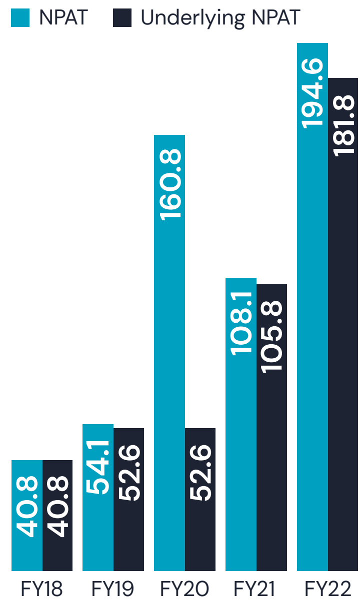
REVENUE (A$M)



EBITDA (A$M)



NPAT/UNDERLYING NPAT[2] (A$M)



EBITDA & UNDERLYING NPAT

$319.0m EBITDA ↑ 54%

50% EBITDA margin ↑ 9pp

Underlying NPAT of $181.8m ↑ 72%

CONSISTENT OPERATING LEVERAGE

Gross profit margin 85%

Operating expenses ↓ 8pp as % of revenue

$32.6m net FY22 cost reductions

DIVIDEND GROWTH

Total dividend 11.15 cents per share ↑ 66% on FY21

Fully franked

Payout ratio 20% of Underlying NPAT

1 See definition in glossary on page 158.

2 Underlying NPAT: Net Profit After Tax excluding fair value adjustments from changes to acquisition contingent consideration and non-recurring tax on acquisition contingent consideration.

Chair’s letter

> I’d like to commend the dedication and commitment of the WiseTech team. Our people are critical in delivering on our vision, to be the operating system for global logistics. Their hard work is reflected in what has been an outstanding year of product innovation, increased penetration, and financial growth.

A global team delivering on our vision

I’m pleased to share the 2022 WiseTech Annual Report, providing highlights of a strong and resilient FY22 performance.

Resilient business model and strategy

In FY22, our business delivered Total Revenue of $632.2 million, representing a 25% increase on FY21.

Revenue growth from our core CargoWise platform was even stronger, up 35% to $447.9 million. This increase reflects growing usage by existing customers and new customer signings.

This high-quality result was underpinned by 89% recurring revenue and a low attrition rate of less than 1%, which has been consistent for the last 10 years. This all points to our very stable and predictable long-term recurring revenue.

The remainder of our revenue was generated by non-CargoWise applications which delivered 5% revenue growth.

EBITDA was up 54% in FY22 versus FY21 to $319.0 million, with our EBITDA margin growing by nine percentage points to 50%. This excellent outcome reflects our organization-wide efficiency program. This program delivered $32.6 million in net cost reductions in FY22, driving further operational leverage as our revenue has grown.

Our statutory NPAT of $194.6 million was up 80% on FY21, and FY22 underlying NPAT was up 72% at $181.8 million, demonstrating the high quality of our earnings.

Continued strength and dividends

We have a solid financial position that is supported by a resilient balance sheet and strong cash flows.

Cash as at 30 June 2022 was $483.4 million, with no outstanding debt excluding lease liabilities. Combined with our additional undrawn $225 million debt facility, we have significant financial flexibility and headroom to fund strategic growth opportunities.

Our operating cash flows were $339.6 million, up 48% on FY21, and free cash flow of $237.3 million was up 71% on FY21 driven by higher EBITDA. This demonstrates the strength of our highly cash-generative operating model.

The Board declared a fully franked final dividend of 6.40 cents per share (cps), representing a 66% increase on the FY21 final dividend. The final FY22 dividend coupled with the FY22 interim dividend of 4.75cps equates to a total FY22 dividend of 11.15cps, representing a payout ratio of 20% of underlying NPAT.

Our dividend reinvestment plan enables eligible shareholders to reinvest their dividends to acquire additional WiseTech shares. Our ongoing dividend policy is to target a dividend payout ratio of up to 20% of our NPAT.

Strong growth outlook

This year, COVID-19 continued to cause disruptions to global supply chains in the form of capacity constraints, port congestion and labor shortages, as well as impacting general operations. The complexity of global supply chains and the challenges in a constantly evolving environment will continue to push global freight forwarders and logistics providers to strive for operational improvements with a focus on efficiency.

Our focus continues to be building on our market penetration and expanding the CargoWise ecosystem through strategic investment in innovation and product development.

Subject to the assumptions set out in detail in our FY22 Results presentation and no material change in market conditions, we expect FY23 revenue growth of 20% to 23% (representing revenue of $755 million–$780 million) and EBITDA growth of 21% to 30% (representing $385 million–$415 million).

Board activities

WiseTech continues to expand its technology leadership, global reach, and geographic footprint.

We appointed two additional independent Non-Executive Directors to the Board, Michael Malone and Richard Dammery, on 1 December 2021.

Michael brings more than 20 years' experience across the technology, telecommunications, and media industries. Richard has over 30 years' experience across the telecommunications, retail, infrastructure, technology, health, and legal sectors. Both Michael and Richard bring comprehensive ASX-listed company experience.

These appointments bring the number of Directors on the WiseTech Global Board to nine, including seven independent Non-Executive Directors.

After 17 years as a shareholder and 16 years as a Director, Mike Gregg will retire from the Board at the conclusion of the Annual General Meeting on 23 November 2022. On behalf of the Board, I would like to thank Mike for his commitment as an independent Non-Executive Director and his contribution to WiseTech's growth. We wish Mike all the best for the future.

To support the business' needs as we grow, we are dedicated to continuing to evolve the Board composition and have commenced a search for an additional independent Non-Executive Director.

Building a sustainable future

Our people, the communities and markets in which we operate, and the environment all play important roles in our strategy and operational decisions. We are committed to prioritizing accountability and ensuring we have robust governance frameworks.

This year, we have taken clear steps in building our Environmental, Social and Governance commitments, demonstrating that we are dedicated to providing beneficial contributions to the communities we are part of.

Our technology solutions play an important role in solving the challenges faced by the logistics industry globally by enhancing productivity and efficiencies for logistics providers. We have a fantastic team of almost 2,000 people worldwide representing more than 60 nationalities and who range in age from 18 to 75.

We take great pride in our diverse and inclusive workforce. Approximately 30% of our employees and 33% of our Board members are female and we remain committed to encouraging and supporting more women to enter the technology and logistics industries.

In FY22, our sustainability reporting has been informed by the internationally recognized Global Reporting Initiative (GRI) Framework. Over time, we will continue to develop and build on our ESG disclosures.

I encourage you to read more about our FY22 ESG performance in our Sustainability Report on pages 26 to 49 and on the WiseTech Global investor center website.

Acknowledgments

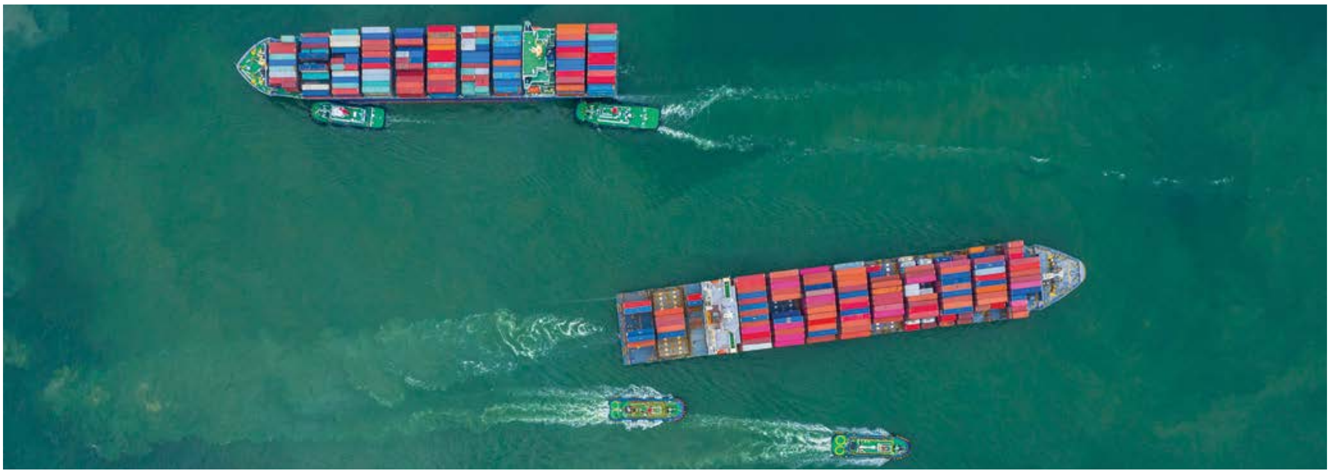
On behalf of the Board, I would like to thank our CEO, Richard White, for his continued commitment, leadership and unwavering vision, and the highly talented and dedicated WiseTech Global teams for their hard work and commitment to our mission.

Thank you to our shareholders, employees, customers, and the communities in which we operate for the support they provide and their continued trust.

We are steadfast in delivering on our strategy and vision and advancing long-term shareholder value.

Andrew

Andrew Harrison
Chair



CEO's message

"I am delighted to share this Annual Report with you, which highlights our excellent FY22 result and shows the strength and progress of our business, the resilience of our strategy, and the commitment of our global team. I would invite you to read our Credo and Mantras on pages 3 and 4 which are at the core of who we are.

One team, one vision

Continued financial growth

Our financial performance this year demonstrates the increasing revenue contribution of our CargoWise platform and the Large Global Freight Forwarder rollouts achieved. We continue to attract new customers, large and small, and also see increased usage by our existing customers, as we rapidly expand the CargoWise platform across the supply chain.

Global supply chain market conditions: different views

During FY22, COVID-19 continued to be the cause of many well-publicized disruptions to global supply chains, in the form of capacity constraints, port congestion and labor shortages, along with general operating inefficiencies.

Relative to 2021, merchandise trade volume grew more slowly this year, however, growth is predicted to increase again in 2023, while demand for goods continues to track approximately 5% ahead of pre-COVID levels[1]. Geo-political risks have seen significant obligations and potential penalties arise for international trade.

While there are differing views around near-term trends, the structural drivers of the industry are expected to continue to push global freight forwarders and logistics providers to strive for operational improvements with a focus on efficiency and productivity. In this uncertain environment, organizations are much more focused on their efficiency and profitability, while they continue to adapt to changing conditions and adopt new working models driven by digitization. We see an increased customer focus on efficiency and digitizing their documents and processes that will continue to yield substantial additional benefits for existing customers and create increased attraction for potential customers.

This supports the replacement of in-house legacy systems and the vast array of small glued on systems often seen supporting each country in a global business, with modern, globally capable, integrated software solutions that deliver efficiency, enhanced productivity, transparency and visibility, mitigate risks, and facilitate better planning and control of their complex global operations. CargoWise powerfully delivers these capabilities and more.

1 Journal of Commerce: Freight demand to remain strong through 2022: analyst, 3 August 2022.

The operating system for global logistics

Our strategic vision is to be the operating system for global logistics. Our focus remains on our 3P strategy— Product, Penetration and Profitability— to help achieve this and support our long-term sustainable growth and shareholder value.

Product

The continued enhancement of our CargoWise platform is critical to achieving our strategic vision. In FY22, we invested $180.8 million in research and development (R&D), up from $167.1 million in FY21. With 54% of our people focused on product development, we delivered 1,199 new product enhancements to our CargoWise customers.

Over the past five years alone, we have invested over $695 million in R&D delivering more than 4,900 product enhancements. This substantial product investment will help expand our penetration into six CargoWise development priority areas: landside logistics, warehouse, Neo, digital documents, customs and compliance, and international eCommerce.

Our customers operate in an increasingly complex, dynamic, and competitive environment. By addressing these complexities, we are solving supply chain problems, building new areas of capability, and replacing manual or missing processes, as well as old technologies with cloud-first, global digital capabilities.

To support the acceleration of our product development strategy and to fuel long term organic growth, we will continue to pursue targeted tuck-in and strategic acquisitions. In FY22, we completed two tuck-in acquisitions, Inobiz, which provides tools for designing and managing CargoWise connections to industry and between customers, and Hazmatica, which provides hazardous materials compliance and management capabilities. In early FY23, we also acquired Bolero, a business that will help accelerate our capability in digital documentation by adding electronic Bills of Lading.

Penetration

This year, we secured five new global contract wins with UPS, FedEx, Craft Multimodal, Brink's Global Services, and Access World. We also saw five existing customers grow organically into Large Global Freight Forwarder customers, by adding new geographies and users. We now have 43 global rollouts, including 10 of the Top 25 Global Freight Forwarders, with a strong pipeline of future opportunities.

We will continue to focus on the Top 25 Global Freight Forwarders and top 200 global logistics providers as CargoWise's global capabilities and operational efficiencies are what make it most attractive to global businesses of this scale.

Profitability

We made excellent progress in our organization-wide efficiency and acquisition synergy program. This specific program is essentially complete and delivered a $32.6 million net benefit this financial year and an annualized cost reduction of around $50 million, ahead of our announced target.

Our focus on efficiency is part of our ongoing financial discipline and is supported by a reduction in non-CargoWise product maintenance costs, and price increases to further offset inflationary impacts and generate returns from our substantial investments. This focus on efficiency and productivity will continue to enhance our operating leverage as we grow and scale.

An enhanced focus on ESG

As technologists and innovators, we create solutions that solve complex problems. We have applied these capabilities to education initiatives, from K–12 through to university and ongoing professional development education, and also to our net zero carbon goals. We believe we can make WiseTech stronger whilst also achieving these goals.

This year, we have made some important investments and are working hard on both these initiatives. Our people clearly love the increased sustainability focus, and we have many staff that want to be part of these developments. We hope you will also love what we create and develop in this space.

We are very proud of our new five-year partnership with Grok Academy, in which WiseTech will contribute 1% of pre-tax profits to Grok over the five years, to transform the availability and quality of technical education in K–12 schools at substantial scale. As part of this, all Australian schools, students, teachers, parents and adult learners, will have free access to the Grok Academy Learning platform.

This partnership continues, enhances, and extends a long-term social impact program for WiseTech that tackles a critical societal and business challenge, building a strong science, technology, engineering, and mathematics (STEM) skills base in Australia, from primary school right through to tertiary education and beyond. Together, we have the ability to lead the world in building the STEM skills and jobs that will lead us into the future. Most importantly, Australian technology companies, like WiseTech, will be a long-term beneficiary of this program.

Climate change is one of most important issues to address and whilst, as a technology company, our carbon footprint is small, relative to other industries, we take our obligations to mitigate our footprint very seriously. In accepting this responsibility, we want to create an innovative solution that benefits WiseTech strongly in line with our ambition to achieve net zero global operations.

This year, we offset 100% of our Scope 1 and 2 emissions from our global operations using offsets aligned to verified carbon standards. Our vision is to eliminate our direct emissions, starting with the electricity used at our largest office and by our employees in Australia.

Building on my personal experience in this space, we plan to scale and innovate, and share these innovations with the broader community, as we progress our net zero carbon ambition. Given the current and predicted dramatic rises in electricity prices in Australia and elsewhere, we believe our net zero carbon vision is likely to also provide WiseTech with improved resilience and cost reductions over the long term.

We've set our path to achieve net zero global operations, and my vision is that over time we will go further than this to reach zero carbon.

For more information on the actions we have taken to support our people, customers, and the communities we operate in, please read our Sustainability Report on pages 26 to 49.

Resilience, growth, and commitment

We have a vision and a mission that is making an incredible difference to the world around us, and we remain firmly on track to achieve this vision, by building a powerful solution that our customers love and cannot do without.

Our innovations are enabling us to drive momentum in our market penetration, and our strong balance sheet and cash generation provides us with a strong foundation for future growth. We have a talented, diverse, and resilient global team who are dedicated to enabling and empowering our customers with world-leading solutions.

Acknowledgments

On behalf of the WiseTech Global team, I would like to thank our shareholders for your investment and continued belief and support in our vision and mission.

Richard White
Founder and CEO

Our business

Our vision is to be the operating system for global logistics.

Through our software solutions, we bring meaningful, continual improvement to the world's supply chains by replacing aging, legacy systems with efficient, highly automated, and integrated global capabilities.

To achieve our vision, our strategy is focused on the 3Ps: Product, Penetration and Profitability.

Vision: to be the operating system for global logistics

Need to replace aging legacy systems and reduce complexity

Demand for integrated global software solutions with increased visibility

Logistics providers pursuing industry consolidation

Powered by our talented people, and accelerated by our innovation culture and targeted acquisitions

Product
Extend technology lead

Penetration
Expand market penetration

Profitability
Drive operational efficiency

Our product

The importance of supply chain visibility and resilience is critical for logistics service providers.

Our industry-leading flagship product, CargoWise, is centralizing logistics operations on a single global database, delivering business continuity, scalability, and security.

Real-time data visibility in CargoWise helps our customers track the movement of goods, origin to destination, enabling the efficient execution of logistics processes. From freight forwarding, customs, warehousing, and shipping to tracking, land transport, eCommerce and cross-border compliance. CargoWise offers truly global capabilities for a global industry.

The power of CargoWise

- Single global platform
- Extensive configuration tools
- Work-flow automation
- Real-time visibility
- Streamlined processes
- No rekeying of data
- Integrated data flows
- Digital documentation

THE NETWORK EFFECT

We have a strong network of CargoWise Partners, Certified Practitioners and industry partners for freight forwarding. Our network of technology, logistics and education experts work within the logistics industry across our customers, associations, logistics business and education institutions – all helping enable and empower the world's supply chains.

451 partner agreements

Our global partner network delivers consulting, sales and technical services that enable CargoWise customers to achieve their digital transformation goals.

16 Education Partners

CargoWise Education Partners are educational institutions (such as universities, colleges, and vocational institutions) who incorporate CargoWise learning into their supply chain and logistics courses. The program allows Education Partners to greatly enhance their offering to students, at no cost.

19,000+ CargoWise Certified Practitioners

Certified practitioners work within our customer and partner organizations as product experts, acting as highly efficient in-house support resources.

Hear from industry experts about why logistics providers are turning to technology to navigate short-term disruptions, while staying focused on long-term growth.

Read about the latest direct connections with some of the world's largest global air and ocean carriers, like Emirates SkyCargo, Lufthansa Cargo, MSC and WorldWide Alliance.

Find out about CargoWise's successful implementation of the FIATA paperless Bill of Lading.

Learn more about the latest CargoWise news and capabilities on the CargoWise website: cargowise.com/news

CASE STUDY

CLASQUIN

CargoWise is supporting CLASQUIN's long-term growth strategy

Headquartered in France

1,000+ employees in 22 countries

Operations across 66 offices

Air and sea freight forwarding and overseas logistics specialist

Operating from their own custom-built TMS for more than 30 years, CLASQUIN realized maintaining and updating their legacy system was becoming more difficult and costly, and the changing regulatory environment left them unable to keep on top of their compliance.

CLASQUIN wanted to focus their efforts on the needs of their clients rather than maintaining their technology, and in 2016 they made the move to CargoWise.

"Our goal was to find a solution that could support our growth and help us remain compliant with changing customs requirements and regulation, such as tax compliance or national e-invoicing. We looked for a system that was highly customizable, could seamlessly handle customs regulations and evolving legislation, and would boost our productivity.

"Because CargoWise is constantly updated to reflect changing laws and legislation, we now have peace of mind that we're submitting the right paperwork. Denied party screening is also extremely important in our industry, and we now have a tool that we know is going to make sure that we're compliant and is going to improve and enhance our processes," explained Frederic Serra, CIO, CLASQUIN.

Previously, CLASQUIN's operators were performing manual tasks and working from paper documents or excel spreadsheets, which was time consuming and left them prone to errors. With CargoWise, every task, process or job can be configured into a workflow, freeing up their people to work on high-value tasks and projects, such as delivering innovative solutions to their clients.

"Workflows are an extremely powerful tool that have completely transformed the way we work and have helped us generate more productivity at the level of the operations. The operator can now look at their to do list in the system and execute their tasks based on rules and priorities, which has increased efficiencies and boosted productivity across the business," said Mr Serra.

Using CargoWise as their core product and single source of data, CLASQUIN have adopted an integration-based, building block approach to their technology strategy to provide tailored solutions to their customers and create differentiation in the market.

"When you have a foundation that is extremely solid, you can provide a unique service that will differentiate your business, offer your clients new services, and use data that is produced systematically from the one system, rather than relying on spreadsheets or patchworked systems."

Centralizing their logistics operations on a single platform solution has enabled French freight forwarder, CLASQUIN, to optimize their operations, accelerate their growth, and differentiate themselves in an increasingly competitive market.

Benefits

- Strong compliance capabilities
- Workflows to automate tasks and improve efficiencies
- One system, one data entry point

Watch the case study video featuring Frederic Serra on the WiseTech website. wisetechglobal.com/news/how-cargowise-is-supporting-clasquin-s-long-term-growth-strategy/

Learn about how CLASQUIN launched the CargoWise French customs capability linkedin.com/posts/clasquin_clasquin-x-wisetech-global-collaborative-activity-6955803527747141633-HWNI?utm_source=share&utm_medium=member_desktop

"We see CargoWise as the backbone of our operations. Everybody within our business is working from the platform, and it has transformed the way we work at the level of operation, and it will secure the way we work in the future and the way we deliver service to our clients."

Frederic Serra,
CIO, CLASQUIN

Our product development strategy

The continued enhancement of CargoWise is critical to achieving our strategic vision. We invest in new CargoWise product innovations driven by our Product and Development teams. With over $695 million invested in R&D since FY18, and more than 4,900 product enhancements, we are at the technological forefront in managing international and cross-border logistics, changes in trade patterns, and evolving logistics regulations.

We have increased our focus on six CargoWise development priorities, to enhance and extend the CargoWise ecosystem: landside logistics, warehouse, Neo, digital documents, customs and compliance, and international eCommerce.

Through targeted tuck-in and strategically significant acquisitions we are accelerating our product development. These businesses allow us to fast track the extension of CargoWise with new functionalities and adjacent market capabilities in our existing CargoWise ecosystem.

In FY22, we completed two tuck-in acquisitions:

- **Inobiz:** provides tools designing and managing CargoWise connections to industry and between customers
- **Hazmatica:** hazardous goods compliance and management capabilities.

6 CARGOWISE PRODUCT DEVELOPMENT PRIORITIES

Landside logistics	Warehouse	Neo	Digital documents	Customs and compliance	International eCommerce
Extending into import/export container haulage	Configurable and integrated solution across 3PL, transit and bonded warehouse	Global integrated platform for Beneficial Cargo Owners to plan, book, track and manage their freight	Digital documents and straight through digital processing of data	Customs and compliance procedures (including import/export) targeting ~90% of global manufactured trade flows	Single platform for international eCommerce fulfilment

Tuck-ins and strategically significant acquisitions to accelerate CargoWise product development and ecosystem reach

$180.8m
invested in R&D in FY22

35
product development centers

54%
of our people focused on product innovation

CASE STUDY

The Fracht Group

CargoWise is uniting The Fracht Group in their global vision

Headquartered in Switzerland

Privately owned

115 offices across 40+ countries

Leading freight forwarder in general and specialized logistics solutions

The Fracht Group is one global family who are united in their commitment to deliver strategic and innovative solutions to their clients, says Ruedi Reisdorf, CEO, The Fracht Group.

"In our company, people come first. We care about our people, and we care about our customers, because these two things are the most valuable assets of our company."

Making local decisions gives Fracht an agility and a quickness in the everyday decision-making process, giving them an advantage in the marketplace.

Fracht Australia led the way when it came to implementing CargoWise as their core freight forwarding platform. In the early stages of adopting the solution, their main priority was to create a paperless office environment and digitize their processes. According to George Koutroulis, Director Fracht Australia, CargoWise has now completely transformed the way they operate.

"We're almost at the stage now where we can't go back to the way we were working before. It's such a refined process where all our business rules are in the workflows, and we can really pick up on any errors in advance, before anything happens," he said.

Regina Cross, Executive Vice President of Operations and Compliance, Fracht USA explained, "Our international colleagues gave us a lot of confidence. Particularly Fracht Australia, having used CargoWise for so many years."

Real-time visibility, detailed financial reporting and improved data quality have enabled Fracht USA to speed up their processes and make strategic decisions faster than ever before.

"We can look at the reports at any given day and within two minutes, we have the insights and the visibility we need to make major decisions," said Ms Cross.

Fracht France followed in the footsteps of their international counterparts and implemented CargoWise in early 2021.

"We realized that the ability to work from a single global database would be a huge advantage for our business and for our customers. After just the first three months, the reporting and the KPI's that we get from the software is providing us with accurate data that is enabling us to make more agile, customer-focused decisions.

"We also have the ability to easily share this data between each country, which was previously a much more complicated process," said Fracht France's Managing Director, Lionel Tristan.

"Everybody says that data is the new gold, and that it just needs to be mined. And for Fracht, CargoWise is the mining equipment we're using to find that gold," concluded Mr Reisdorf.

Benefits

- Automated workflows
- Optimized business processes
- Real-time visibility and reporting

Watch the case study featuring The Fracht Group on the WiseTech website wisetechglobal.com/news/how-cargowise-has-united-the-fracht-group-in-their-global-vision/

Our customers

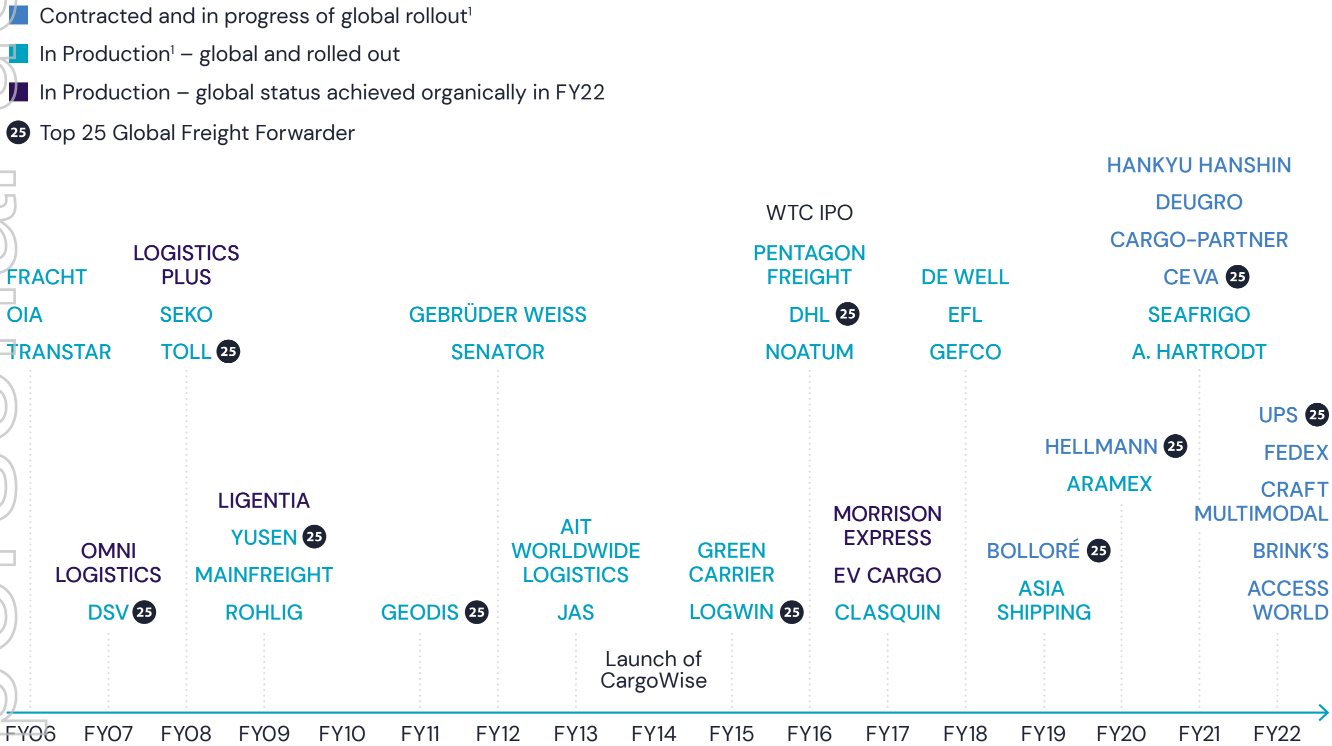
Our customers are the people who move the world. They are integral links in the global supply chain and use out software solutions to operate more efficiently across borders, regulatory bodies, and freight modes.

In an increasingly complex regulatory environment, global logistics providers continue to strive for operational improvements, with a focus on efficiency, and an increasingly critical need for better control of risks. These factors, along with COVID-related capacity constraints, port congestion and labor shortages, combine to accelerate the replacement of in-house legacy systems with a modern, globally capable, integrated software solution like CargoWise.

We target global rollouts with the Top 25 Global Freight Forwarders and the top 200 global logistics providers. In FY22, we continued to gain momentum in signing up global rollouts for the world's largest freight forwarders, adding five Large Global Freight Forwarder[1] rollouts with UPS, FedEx, Craft Multimodal, Brink's Global Services, and Access World.

In addition, five existing customers grew organically into global rollouts, adding new geographies and users, these included EV Cargo, Ligentia, Logistics Plus, Morrison Express, and Omni Logistics.

GLOBAL ROLLOUTS – CARGOWISE LARGE GLOBAL FREIGHT FORWARDERS



Customers have been categorized in the financial year that reflects the later of their CargoWise revenue cohort or global contract signing date (if applicable).

5 new CargoWise global rollouts by Large Global Freight Forwarders in FY22

5 additional organic global rollouts 'In Production'[1]

10 of the Top 25 global freight forwarders have signed up for CargoWise global rollouts

1 See definition in glossary on page 158.

CASE STUDY

Neolink

Accelerating growth with a technology-first approach

Founded in 2017, Neolink is an Australian-based freight forwarder providing a range of freight forwarding and customs, brokerage, warehousing, domestic and international transport services to and from more than 800 cities and 200 countries.

After looking into the latest logistics technologies that were being pioneered and applied globally around workflow automation, triggers and exceptions, and artificial intelligence, they quickly landed on CargoWise.

"When we looked at all the capabilities that existed in the industry around automation potential versus the gap of what was being delivered, we saw a major opportunity with CargoWise," said Christopher Makhoul, co-founder, Neolink.

A technology-first focus meant that CargoWise was implemented from Neolink's inception, a decision which provided a significant advantage to the business.

Co-founder, Sean Crook, said "CargoWise was the only platform that we felt could offer a lot of the global integrations, shipping line integrations and solve a lot of the tech stack issues we have within the global supply chain. We also felt that we had a unique advantage to leverage the capability of the system by starting fresh.

"When we saw the platform's capabilities, combined with our business model, we felt like we had a potential competitive advantage if we could get our automation up to speed as quickly as possible."

Continued investment in technology is a key priority for Neolink, and that includes keeping up with the latest CargoWise developments.

Since implementing PAVE, CargoWise's Productivity Acceleration and Visualization Engine, they can clearly see workflows and identify areas that can be improved or automated, enabling their staff to be more efficient and productive.

"It helps us to identify the operational bottlenecks within our business more quickly and easily. There wasn't really a way of doing that without PAVE, so it's been fantastic in helping us implement that process," added Mr Crook.

"Without CargoWise, we wouldn't have been able to scale the business as quickly as we have, so there's also the potential for us to replicate what we're doing here overseas as well as in other markets in the long-term."

Benefits

- Streamline shipping process
- Increase productivity
- Free up staff to provide tailored supply chain solutions to customers

Watch the Neolink video case study on the WiseTech website. wisetechglobal.com/news/neolink-accelerates-growth-with-technology-first-approach/

People profile: Paving the way for the next generation of women

Dee Carvill, Innovation, Research and Human Practice Manager

What has your experience as a woman working in the tech industry been like?

As a mother to two daughters (aged 9 and 11) and as a woman, I'm very mindful of supporting females in this space. Throughout my career, I've been fortunate to work with some really strong, passionate, inspiring women and some great men in progressive companies. It's really important to me to be able to pay it forward through mentorship and coaching with younger females coming through the workforce.

As a woman in tech often you're the minority, so I think women supporting women is so important as well as speaking out when you come across bias or discrimination. It's exciting to see more women in tech leadership roles breaking down those barriers, challenging biases and influencing perceptions.

What does International Women's Day (IWD) mean to you?

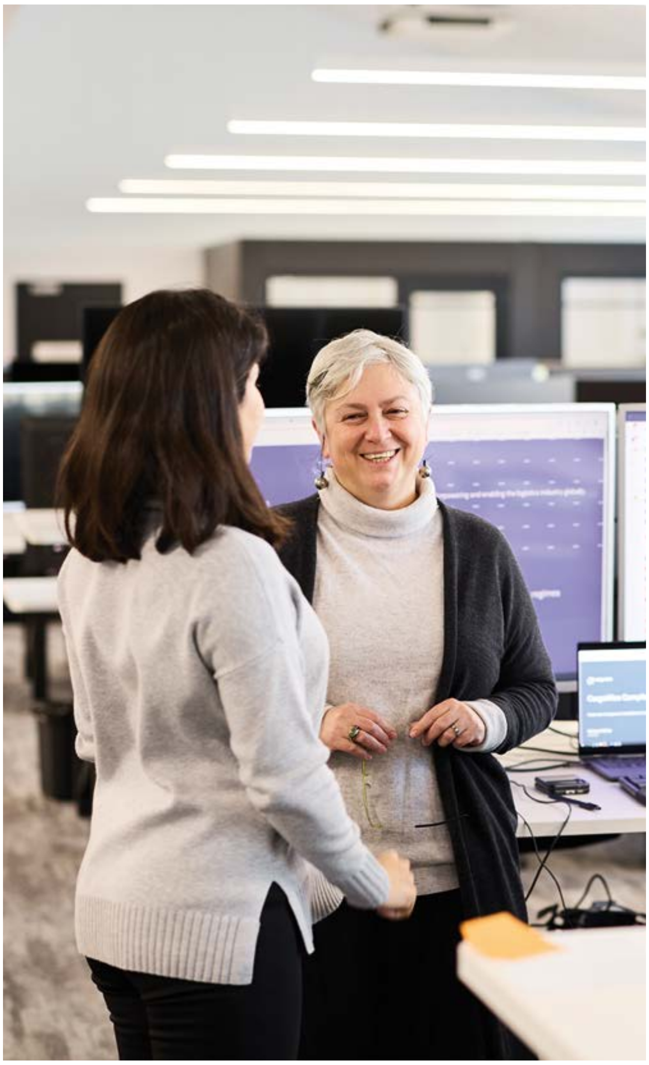
It's really important, and for me personally, it's a celebration of who I am and the inspiring women around me and it's also a reminder for us to celebrate women's achievements. I'm proud to be a woman and I'm proud of all the women in my life who are achieving amazing things, challenging stereotypes and discrimination and paving the way for the next generation.

It also means supporting the next generation to feel included, elevated and inspired. Holding space and supporting women is so important if we want to encourage more people into the tech space. We can give women a voice and encourage them to share their alternative opinions or views in a room full of men. Having that network of women supporting each other is such an important factor in building each other's confidence, and International Women's Day reminds us of that.

What advice would you give to young women about to embark on their career?

My advice for any young person would be to seek out the progressive companies with the right work culture and flexible working practices and choose a company with values that align to your own. Every company will have to step up its game in order to get the best people. So, I think if we demand those companies to be progressive to attract and retain the best talent, they will.

I'd also recommend speaking to somebody you trust and seek out mentors and coaches who can offer feedback or advice. We've all suffered from impostor syndrome, lacking confidence and sometimes not really sure what we're doing. Having somebody who has your back and can guide you is valuable, especially when you're young and coming into a work environment, it can be intimidating. We're all continuously learning in our careers and there's always somebody you can go to who has similar experiences or overcame a challenge or obstacle that you may be facing. I've found that many people are happy to give advice and help others to be the best versions of themselves. Don't be afraid to reach out and ask for that guidance.



Sustainability Report

Our approach to sustainability

Our people and teams around the world are aligned in our strong vision to be the operating system for global logistics.

Our ambition is to be a force for good, improving productivity, connectivity and resource usage across global supply chains.

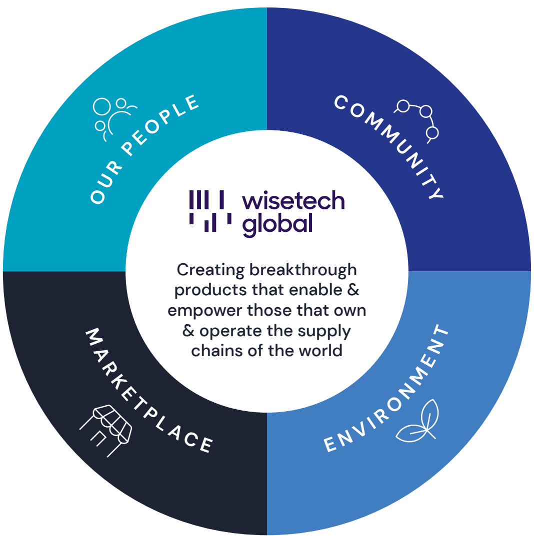
Technology innovation is transforming almost every process across the supply chain. We recognize we have an important role to play in creating breakthrough products that support and enhance the sustainability of global supply chains.

Innovation is core to our company's DNA and is key to creating new products and solutions at pace and scale. We apply an innovation-led approach to the way we think about sustainability, and our role in solving business and societal challenges.

Sustainability is embedded in the WiseTech Way, including our credo, values and mantras through our commitment to innovation.

We are focused on identifying opportunities to enhance our approach to our environmental, social and governance (ESG) performance, and addressing these through updates to our principles, policies and procedures.

Our approach to sustainability centers on four pillars; our people, communities, the environment and marketplace.



Our priorities

Informed by the Global Reporting Initiative (GRI) Framework, we identified a number of sustainability-related issues in FY21 that are most important to our stakeholders and the long-term sustainability of our business.

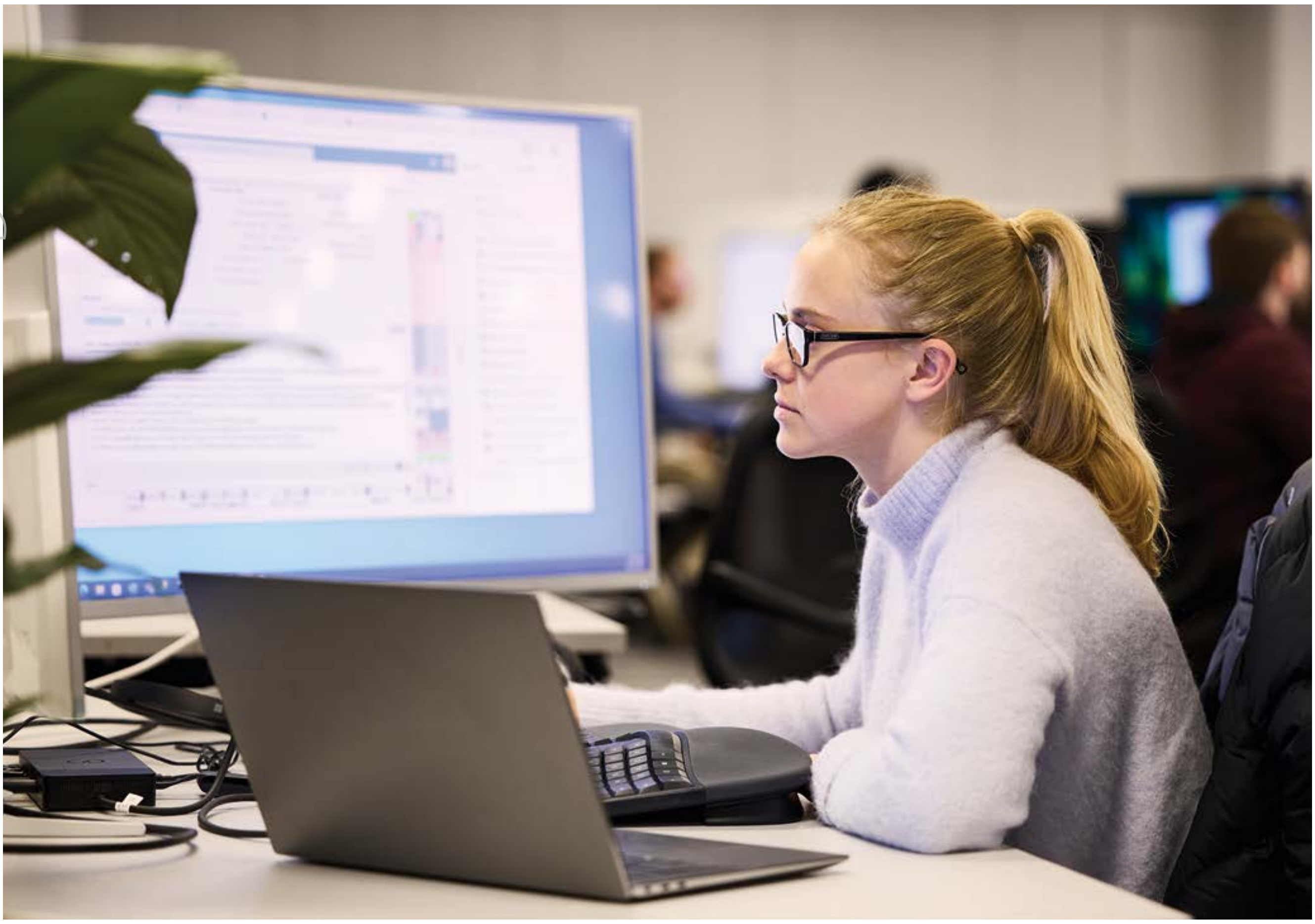
This was completed using a four-step process to identify, assess, verify, and prioritize issues in partnership with stakeholders. More information about our process can be found on the WiseTech Global website.

This year we conducted a desktop review to validate these issues, consulting GRI Material Topics Standards and Sustainability Accounting Standards Board (SASB) Software & IT Services Standard. We also reviewed feedback from our people in the employee engagement survey undertaken during the period. These issues were prioritized based on significance to determine the information presented in this report.

A comprehensive materiality assessment will be undertaken in FY23.

We manage and report on the topics listed below, informed by GRI and SASB Standards.

1. Our People
   - Talent attraction and retention
   - Learning and development
   - Diversity and inclusion
   - Health, safety and wellbeing
2. Community
   - Education
   - Community investment
3. Environment
   - Energy consumption
   - Emissions
   - Waste
4. Marketplace
   - Data security and privacy
   - Product innovation
   - Working with industry
   - Modern slavery



Industry participation

We partner with industry associations around the world to promote the collective interests of the logistics industry and share global best practices.

During the period, we participated in a number of industry associations. A list of our memberships is available on our website.

We joined the Tech Council of Australia this year and participate in a number of its subcommittees including regulation, talent and skills, and growth, tax and investment.

Sustainability governance

This year, the Board Charter was updated to directly reference the Board's responsibility for overseeing the implementation and management of WiseTech's sustainability and ESG practices and initiatives, including our sustainability reporting.

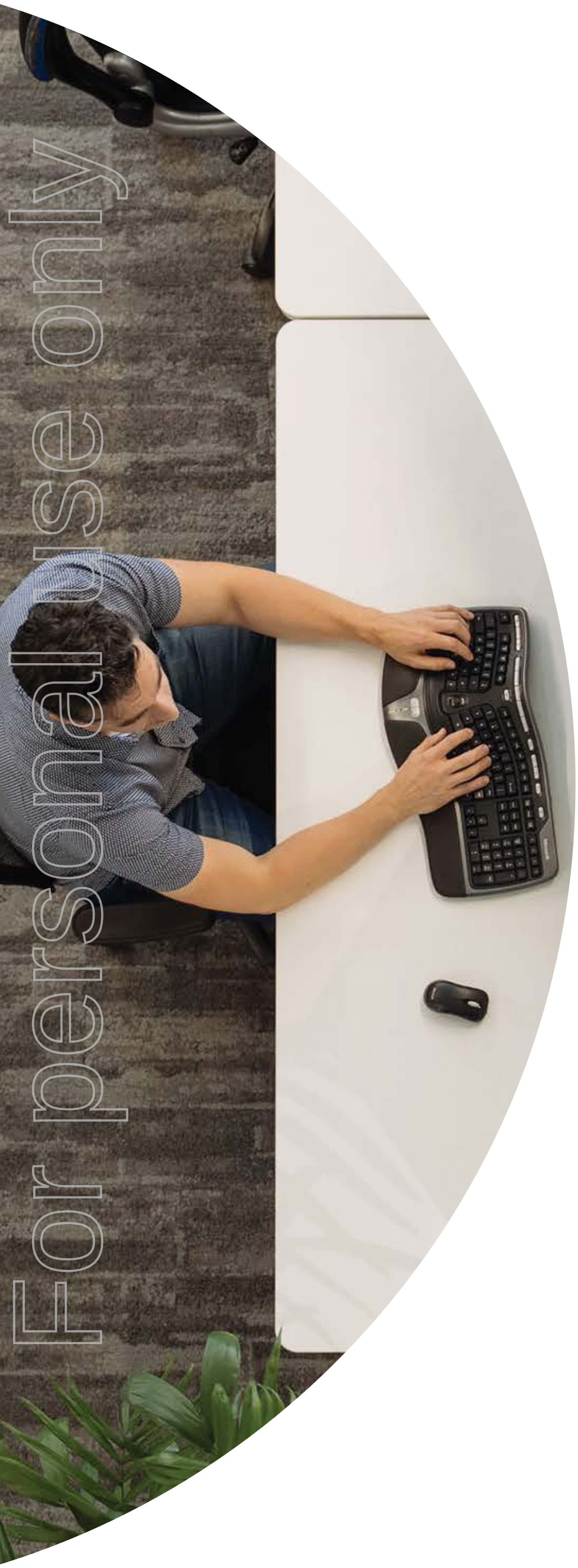
Board Committees such as the People & Remuneration Committee (PRC) and the Audit & Risk Committee, support the Board to meet its responsibilities. The PRC Charter was also updated this year to reflect its responsibility for making progress towards pay equity and setting measurable objectives for achieving gender diversity in the composition of senior management and the workforce.

This year, discussions in these committees covered topics including diversity and inclusion (D&I), talent attraction and retention, ESG risks and opportunities, including in the transition to a low carbon economy, data privacy and security and WiseTech's sustainability disclosures.

The Chair and CEO regularly meet with investors and other stakeholders on a range of topics which include ESG matters.

Information about our approach to risk management is set out on our website in our Risk Management Principles, and our Corporate Governance Statement discusses our approach to ESG risk management.

During the reporting period, a dedicated ESG & Sustainability team was established, reporting into the Chief Financial Officer. Day-to-day management of sustainability-related risks and opportunities is coordinated by the ESG & Sustainability Team and led by the Senior Management Team and relevant business leaders. A number of cross-functional working groups covering topics including climate resilience, D&I, and energy were also established this year to further progress our sustainability agenda.



WiseTech Global's Code of Conduct defines the expectations and acceptable behaviors of employees, Directors, and – in certain circumstances – consultants, secondees, and contractors representing us. We are committed to maintaining ethical standards in how we conduct our business activities and stakeholder relationships. This year, we updated our Code of Conduct and introduced mandatory refresher training for our people.

Contribution to the United Nations Sustainable Development Goals (UN SDGs)

The UN SDGs seek to address the most significant challenges our world is facing today. We have mapped the UN SDG framework against our activities to understand the role we play in addressing these challenges.

Our activities directly contribute to the achievement of five UN SDGs. Details on what this means in the context of our business are referenced throughout this report and available on our website.

About this Sustainability Report

Reporting scope

Unless otherwise stated, our Sustainability Report covers the operations and activities of WiseTech Global Limited and its controlled entities ('WiseTech') for the period 1 July 2021 to 30 June 2022.

The report has been prepared with reference to the GRI Standards and the SASB Software and IT Services Sector Standard. The GRI and SASB Content Index for this report and more information about our contribution to the UN SGDs is available on our website www.wisetechglobal.com/investors/sustainability/.

Anyone seeking to use information in this Sustainability Report to interpret the data presented should email sustainability@wisetechglobal.com for assistance.

Report boundary

In this report, the terms 'WiseTech, 'WiseTech Global', 'our business', 'we', 'us', 'our' and 'ourselves' refer to WiseTech Global Limited and its controlled entities.

This report contains information for WiseTech and its controlled entities as at the date of this report and, for businesses that were part of WiseTech during only part of the reporting period, information after the date ownership was transferred to WiseTech (unless otherwise stated).

Forward-looking statements

This Sustainability Report may contain forward-looking statements in relation to WiseTech and its controlled entities including statements regarding our intent, belief, goals, objectives, initiatives, commitments or current expectations with respect to our business and operations, market conditions, results of operations and financial conditions, and risk management practices. This Sustainability Report also includes forward-looking statements regarding climate change and other environmental and energy transitions.

Such statements can generally be identified by the use of words such as 'may', 'will', 'expect', 'intend', 'plan', 'estimate', 'anticipate', 'believe', 'continue', 'objectives', 'outlook', 'guidance', 'forecast' and similar expressions. Indications of plans, strategies, and objectives are also forward-looking statements.

Such statements are not guarantees of future performance, and involve known and unknown risks, uncertainties, assumptions, contingencies and other factors, many of which are outside the control of WiseTech. No representation is made or will be made that any forward-looking statements will be achieved or will prove to be correct. Readers are cautioned not to place undue reliance on forward-looking statements and WiseTech assumes no obligation to update such statements.

No representation or warranty, expressed or implied, is made as to the accuracy, reliability, adequacy or completeness of the information contained in this Sustainability Report.

Except as required by applicable laws or regulations, WiseTech does not undertake any obligation to publicly update or revise any of the forward-looking statements or to advise of any change in assumptions on which any such statement is based. Past performance information in this presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance.

Feedback

We welcome feedback on this document. For more information or to provide comments, please contact us at sustainability@wisetechglobal.com.

Our People

Our people are the heart and soul of WiseTech and the driving force of our strategy.

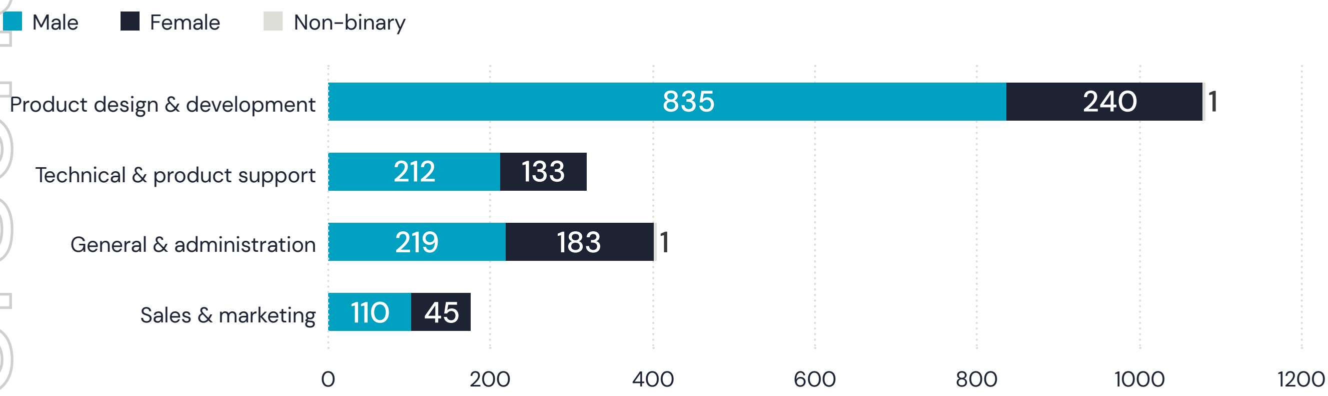
Integral to the success of our business, our people and unique culture help drive the delivery of our long-term strategy. We are focused on attracting and retaining the best people to work at WiseTech and pride ourselves on our culture of learning, collaboration, and continuous development. We value a strong and diverse workforce and are committed to diversity and inclusion.

Our workforce

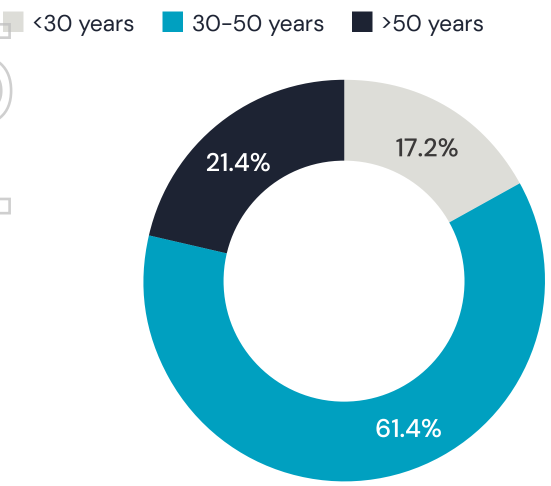
At 30 June 2022, we employed 1,979 people across nearly 50 offices globally, including 35 development centers. Over the past year, our total workforce has grown by more than 100 people.

Our continued investment to deliver our strategic priorities saw 54% of our people working in Product Design and Development roles in FY22. The majority of our people are based in the Asia Pacific region, and 61% are aged between 30 and 50 years old. Female representation across our business was 30% in FY22 in line with the prior reporting period. See the D&I section of this report for more information on female representation.

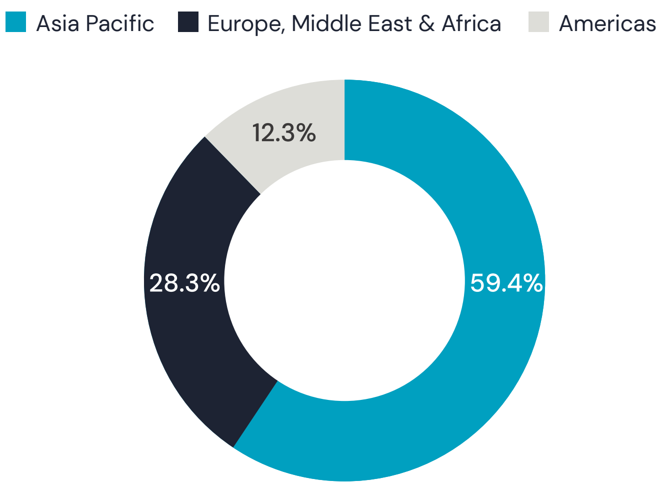
FY22 WORKFORCE BY FUNCTION & GENDER



FY22 WORKFORCE BY AGE



FY22 WORKFORCE BY REGION



We welcomed nearly 350 new team members into the company, largely driven by continued investment in the growth of our product design and development function.

In the second half of the year, we saw considerable growth in the number of people joining our business, balancing out suppressed growth during the first half of the year which was impacted by border closures in Australia due to COVID-19.

Our total turnover was 11.8% down from 20.8% last year as we completed a specific organization-wide efficiency and acquisition synergy program initiated in FY20. Voluntary turnover was down from 10.8% in FY21 to 9.7% this year. We have not experienced the 'Great Resignation' trend and continue to experience low turnover levels for our sector.

Talent attraction and retention

At WiseTech, we hire for true potential. We focus on what people can be tomorrow, creating opportunities for people and our business to learn and grow. These pathways are often not linear and allow our people to gain experience outside their areas of expertise.

We think this develops more well-rounded people and a more well-rounded career, and we find these opportunities drive retention and engagement.

Our in-house talent team is focused on finding the right people to join our growing business. They understand our business and take a proactive and always-on approach to recruitment, ensuring we maximize our access to talented people.

A key focus is finding people that are the right fit for our culture, and are aligned to our credo, values and mantras.

Our values are the foundation of our culture, while our mantras empower us as individuals and align us as a team.

We use various tools and techniques to find the best people for our business, including behavioral and cognitive testing, behavioral interviewing and deep technical and skills testing for developers.

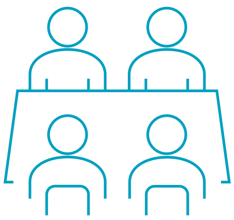
We have a range of initiatives and policies in place to attract and retain the best people. One of the more successful ways we find new people is through our Employee Referral Scheme, which provides cash incentives to our people for successful referrals. During the year, we ran a campaign that doubled our usual cash bonus for each successful referral to increase the number of leads from this critical source of talent.

We have longstanding and meaningful relationships with universities and tertiary education institutions, supporting pathways for young people to develop workplace skills and experience. Many who come to WiseTech as interns have gone on to join us as employees.

This year we hosted a total of 31 students as part of their study or transition into the workplace. In Australia, we provided work placements for technology students studying at the University of Technology Sydney and the University of New South Wales.

We also hosted high school graduates and further education students studying industry related certifications. This year, 12 former interns or work experience students joined us as WiseTech employees.

We ran our first internship program in China this year, with nine students from universities and colleges in Nanjing. Following the program, seven of the participants have joined WiseTech as employees, while two are continuing their postgraduate studies.



"Since joining WiseTech as an intern, I have developed both my coding and English-speaking abilities. The supportive working atmosphere and advanced approach to development has helped me grow my skills and I'm proud to have moved from my internship to start my career at WiseTech. I see my future with WiseTech and look forward to new challenges so I can continue to grow and help the company thrive."

Nathan Zhang, Software Engineer
Joined the WiseTech team in 2022

Remuneration plays an essential role in both attracting and retaining talent. Our remuneration framework, as outlined in our FY22 Remuneration Report, motivates and retains leaders and talented employees in a sustainable way for the business, by providing a mix of cash remuneration and equity incentives. We favor this program over traditional cash incentives to create a long-term value creation mindset in our teams.

The scheme is open to permanent employees of WiseTech in over 20 countries, with 77% of our workforce owning shares and/or share rights in the business. Our Invest As You Earn program provides employees with the opportunity to invest up to 20% of their post-tax salary on a monthly basis to acquire WiseTech shares, with 23% of eligible employees participating in this program.

How we work and how we use our workspaces has changed significantly in the last few years. Our hybrid working model combines mostly remote work with regular collaboration with team members in shared workspaces, when it is safe and practical.

This year, we moved to unallocated seating in our Sydney headquarters. Moving to a fluid workspace with hot desks means that anyone can work from any available desk in the office, grouping teams together to fuel innovation and collaboration.

We continue to see the value of office spaces for when our teams want to come together to innovate and learn, and this year we moved to a new, larger office in Nanjing and a shared office space in Melbourne and Adelaide. These environments provide flexible working spaces for our teams to be productive and co-create.

For remote working, we continued to provide employees globally with a Ways of Working allowance this year. This benefit assists team members to set-up and maintain an effective home working environment.

Employee engagement

We recognize that an engaged workforce is one which is happier and more productive. We want to understand and continuously improve the experience of working at WiseTech for our people. Our goal is to engage our employees through intellectual stimulation, opportunity, and autonomy.

This year, we conducted our first global employee engagement survey. From this survey, we identified key focus areas team members told us would have the biggest impact on their experience at WiseTech, where we can build on our strengths and continue to improve. Results of the overall survey have been shared with the whole organization, with programs underway to address the feedback we received.

Rotation program

Our 26-week global rotation program offers our newly hired software engineers and product managers the ability to enhance their learning journey through guided mentorship, regardless of years of experience or prior knowledge.

We tailor each rotation to the individual's experience and capability by providing immersive learning designed to empower people to be accountable for their success. Our rotations simultaneously provide individuals with everything they need to understand how we work, our product, and the industry we serve. Importantly, rotations help them build their critical peer networks to support their long-term success.

Those participating in rotations develop skills and experience across a wide range of product focus areas, from international logistics to cross-border compliance and accounting.

The program integrates training, coaching, and mentoring with regular feedback presenting individuals the opportunity to shape their careers by choosing the team that is the best fit for them while also considering key business objectives. In FY22, 225 people participated in this program globally.

Learning and development

WiseTech's learning approach is based around three principles:

- **Lifelong learning:** Our people have a passion for learning and know it's continuous
- **Self-driven learning:** We offer the opportunity and tools to our people – learning is contagious
- **Lead and learn with content:** On the job and in the team, as well as online and structured

Our learning culture at WiseTech is strong. We believe everyone has an obligation to themselves, their team, and the company to grow and improve.

We want to provide our people with the tools and support that will challenge them to think differently, achieve personal growth, and deliver fantastic results.

We recognize most career learning takes place on the job. Our rotations, mentoring, coaching, peer review, problem-solving and team sharing reinforce this. We also provide structured learning opportunities through WiseTech Academy, sponsored tertiary education, leadership development programs, conferences and resources including LinkedIn Learning. Our people completed almost 20,000 hours of training via these programs.

Mentoring and coaching: The majority of our learning takes place on the job through our mentors who assist new colleagues participating in our rotation program. Our Mentor Development program provides knowledge and skills for mentors. This year, around 25% of our workforce mentored new colleagues.

LinkedIn Learning: LinkedIn Learning is an online educational platform that helps our people build new skills through e-learning and online classes. Our team members spent over 2,900 hours learning new skills on the platform this year.

Leadership training: We delivered our Emerging Leaders Program (ELP) this year to our second cohort of participants. ELP is a 12-month leadership development program designed to identify, develop, and prepare WiseTech's future leaders with essential leadership skills. These include fostering a culture of coaching and feedback and building resilience among others. The program includes functional rotations to expand experience and understanding of our approach to software development.

We also launched our New Leaders Program (NLP) this year. The NLP is an eight-month leadership development program that equips and empowers recently appointed new leaders with essential leadership skills. The program is aimed at people who have been promoted into leadership roles in the past 12–24 months.

"I joined WiseTech eight years ago after I took part in a programming competition run by UTS Programming Society sponsored by WiseTech. I did really well and was offered a job by Richard (WiseTech's CEO and Founder). I started out on a casual basis working one day a week. After two years at WiseTech, I realized that the knowledge and skills I was learning on the job were far more advanced than the concepts I was learning in my degree, so I moved to full-time work alongside part-time study. I'm now a Team Leader in WiseTech's Human Resources Management (HRM) Development team and will graduate with my Bachelor of Engineering in the next couple of years. I've had a lot of encouragement and been exposed to many new people. I've never really stopped learning."

Jacob Dunk, Software Engineering Team Leader – HRM
Joined the WiseTech team in 2014

Diversity and inclusion (D&I)

We're proud to be a workplace of incredibly smart people with diverse and eclectic experience, an abundance of talents and motivation fueled by purpose.

We embrace and respect our people for their individuality, creativity, and innovation, and we recognize that our differences are what help us thrive.

We measure and manage performance through targets, initiatives, policies, and engagement. Our short-term objective is to broadly maintain levels of female representation in our business at the following levels:

- 30%+ on the Board
- 20%+ in senior management
- 30%+ in the workforce

Attracting and retaining women in the technology workforce is a challenge shared by our peers globally. This year, our overall female representation is approximately equal to last year. While female turnover reduced by 8% this year, more males joined our business due to increased hiring into software engineering and technical roles where women represent a lower proportion of the profession at large.

This year we launched a global D&I framework to focus efforts and impact in this area. We worked with expert D&I advisers to better understand employee perceptions of inclusion as an important input into the formulation of this framework.

Through our D&I program, we are working to ensure our global workforce is diverse and representative of the communities we operate in, across level and function, and our team members feel supported, respected, connected, and empowered to contribute fully to all aspects of their role and our company culture.

Our D&I program is sponsored by three Senior Management Team members.

During the year, our People & Remuneration Committee Charter was updated to directly reference the committee's responsibility for making progress towards pay equity and setting measurable objectives for achieving gender diversity in the composition of senior management and the workforce.

Since launching the framework, we updated our Parental Leave Policy to better support WiseTech parents and caregivers and provide increased flexibility. Key changes to the policy include:

- Primary caregivers now receive paid parental leave equivalent to the value of six months of paid leave
- Secondary caregivers receive paid parental leave equivalent to the value of a month and a half of paid leave
- In the event of miscarriage at any time during pregnancy, team members (regardless of whether they are the primary or secondary caregiver) are entitled to two weeks paid leave
- Reduced tenure eligibility from 18 months to six months during FY22.

This builds on our existing policy to pay superannuation on company paid parental leave.

WiseTech has undertaken an internal pay equity analysis each year since FY20 and report annually to the Workplace Gender Equality Agency (WGEA).

We create transparency of pay review budget spend (by gender) for People Leaders as part of our pay review process. This year, we improved training and information about unconscious bias provided to our People Leaders at the time of performance and remuneration reviews and again, allocated a dedicated budget to support leaders in addressing pay equity gaps.

Our gender pay gap is representative of a broader systemic underrepresentation of women in technology roles across the sector. In the past year, we have decreased our pay gap for total remuneration, and we continue to implement initiatives to further close this gap.

Part of the challenge in our sector is to increase representation of women in technical and senior roles within our business and our sector at large. See the Community section of this report for more about our work to help grow and diversify the pool of talent entering the technology profession.

Beyond gender diversity, we took steps to foster inclusion for our LGBTQ and neurodiverse team members and improve awareness and inclusion about the wide variety of ethnic and religious communities within our teams globally. Initiatives included:

- This year we became a member of ACON's Pride in Diversity, Australia's leading employer support program for all aspects of LGBTQ workplace inclusion. We celebrated Pride Month, running a global LGBTQ Awareness webinar in partnership with Pride in Diversity, and sharing 'Real Me' interviews with some of our LGBTQ team members to promote inclusion and encourage allyship in our workforce.
- We recognized Neurodiversity Celebration Week by sharing insights and experiences from some of the WiseTech team about what it means to be neurodiverse and their journey to joining WiseTech. We worked with Xceptional, neurodiversity recruiters and advisers based in Australia, which supported training for managers, and the hiring of three new team members. One of the employees referred by Xceptional moved into our Leadership stream and others continue to be strong contributors.
- Employees were invited to share their culture, background, or country to celebrate World Day for Cultural Diversity. Nearly 50 team members shared their stories from countries including Brazil, China, India, South Africa, Turkey and the USA, highlighting the diversity of our global team.
- During the year we also introduced country-specific policies in support of gender and racial equality. In Australia, South Africa and China we introduced domestic violence leave, and from this year onwards, we recognize Juneteenth, a nationally celebrated commemoration of the emancipation of enslaved people after the US Civil War, as a company holiday for our team members based in the United States.

"WiseTech encourages me to be open, honest, and vulnerable and to provide that safe space for others to share too. The more people talk about attention deficit hyperactivity disorder (ADHD), the more it can help people who are suffering in silence and the less it becomes a stigma. I'm lucky that I have an incredibly supportive and empathetic people leader, so talking to her about having ADHD was natural and easy to do, without any thought of judgment or misunderstanding. That's part of working at a company where you can be yourself."

Steve Murdoch, Global Digital Lead
Joined the WiseTech team in 2019

10 REDUCED INEQUALITIES

Our D&I Principles are designed to foster a culture that values and achieves diversity in our workforce and on our Board

Health, safety and wellbeing

We take safety in the workplace seriously and work to ensure the health, safety, and wellbeing of all our people.

Our approach to health, safety, and wellbeing is guided by a range of policies, principles, training, and guides.

This is governed by our global Workplace Health and Safety policy. It applies to everyone who works at our sites and offices or engages in WiseTech Global business activities, and is translated into local languages for non-English speaking employees.

This year, we implemented several initiatives designed to raise awareness of hazards to prevent health and safety incidents. These included:

- Implementation of an office risk assessment process requiring office managers to evaluate, identify, and remove or minimize any hazards within the office environment.
- Development of a workplace hazards and incidents process spanning mental, physical, social, and environmental wellbeing. To support this new process, workplace health and safety compliance training was developed on how to work safely, report an incident or hazard, and prevent injury or harm in a hybrid working environment. Our people completed this updated training in June 2022, and the workplace hazards and incidents process will launch in early FY23.
- Rolling out a Remote Workstation Wellbeing Guide, which supports our people to regularly assess their remote work environment and identify any potential hazards or risks to their safety and wellbeing.
- A 'Spot the Hazards' competition, with team members from around the world, participating to raise awareness of workplace health and safety hazards across different working environments, and prevent incidents.

We are also committed to strengthening wellbeing and ensuring sustainable productivity for our team members at and away from the office.

We work to build positive habits, set healthy boundaries, and have access to professional support for ourselves and our families.

This year, we implemented initiatives to support wellbeing of our people and their families.

We introduced new WiseTech Wellbeing Principles, designed to strengthen the wellbeing and balance of our people.

More than 470 team members across 27 countries completed training that provided practical skills to increase resilience. Almost all of our people who completed the training reported they are using tools learned from the course, with a 17% increase in team members feeling fully mentally alert.

We also extended and enhanced our 24/7 Employee Assistance Program (EAP), partnering with a new provider for global coverage and a wider range of benefits for employees and their immediate family, and introduced access to discounted private health insurance for Australian employees and their dependents.

Other initiatives included:

- Free access for our people to a mindfulness, meditation, and relaxation app in their local language, which can be used to enhance mental fitness.
- Launched an employee-led Wellbeing Group across global teams who drive wellness campaigns, initiatives, and communications.
- Recognized Mental Health Month with weekly newsletters and special events.

WISETECH WELLBEING PRINCIPLES

Mental wellbeing

Proactively looking after our mental health

Physical wellbeing

Listening to and taking care of our bodies

Social wellbeing

Building and nurturing social connections and relationships

Environmental wellbeing

Making mindful choices for positive work environments

Community

Making a positive contribution to society is at the core of WiseTech's DNA.

We think deeply about our impact on society. For us, this means helping inspire and educate the next generation of technologists, giving back to the communities in which we operate, and using our capabilities to provide high-quality accessible learning at scale through our own registered training organization. These activities support our social license to operate, build capacity and drive positive social impact.

Education: A new long-term partnership

We are passionate about helping develop the next generation of technologists.

Supporting education and encouraging students to embrace technology careers is a founding principle of WiseTech Global. We know that exposure to technology in school is vital for young people joining the technology workforce.

Building on more than a decade of support for technology education, we will work with Grok Academy to support primary and high school students, parents, teachers, and other learners to gain computing knowledge and skills.

In a five year partnership from FY22, WiseTech will contribute 1% of pre-tax profits annually to Grok Academy to transform the availability and quality of technical education in schools at scale. Our partnership provides free platform access to every learner in Australia, making curriculum-mapped learning tools accessible for every child and teacher. It also continues our long-term Platinum level sponsorship of the National Computer Science School (NCSS) Summer School and NCSS Challenge, an online coding competition to support the pathway for young people to strengthen their coding skills and will enable new content and platform development.

Grok Academy is an Australian educational charity that combines the longstanding Grok Learning platform and the Australian Computing Academy from the University of Sydney. Grok Academy is led by Dr James Curran, a writer of Australia's Digital Technologies school curriculum. The Grok platform provides interactive classroom-ready learning materials and intelligent automated marking and feedback for students learning coding and related technologies.

As Grok Academy's technology platform connects teachers, students, and parents to improve their capabilities at pace and scale, we are establishing and enhancing a long-term social impact program for WiseTech that tackles a critical societal and business challenge.

Building skills and careers in technology early

Encouraging curiosity and interest in technology skills at a young age has multiple benefits, including diversity of talent and greater participation.

Throughout the year we continued to support the development of technical skills and awareness of career potential for young people by supporting programs that heightened curiosity about technology careers.

To encourage this and to commence our new five year partnership with Grok Academy, more than 180 children of WiseTech employees in Australia participated in Digital Tech @ Work events during FY22 to learn about the world of digital technology. An 'Algorithms @ Work' session introduced the concept of coding to children aged 8–17, exploring the different ways humans and computers process information. Participants were gifted a one-year subscription to Grok's online platform where they can participate in self-paced coding lessons and competitions.

We also continued our partnership with Explore Careers, a careers information platform, where over the year, 2,500 schools and more than 1.5 million high school students, parents, and career advisers had access to information about future technology careers and WiseTech Global.

We once again sponsored the NCSS Challenge with our WiseTech team members volunteering to mentor participating students, answering questions and helping them learn as they progress through the Challenge. The NCSS Challenge teaches coding to school students at all levels while promoting computer literacy and digital curiosity.

We are a Titanium sponsor of the BiG Day In and have supported the event as a sponsor since 2014. Hosted at universities across Australia, BiG Day In inspires and provides information to senior secondary and university students interested in careers in technology. During the year, over 3,200 students had the opportunity to learn about tech careers virtually and in-person via BiG Day In where WiseTech team members spoke about their journeys and life at WiseTech. Several WiseTech interns and team members first heard about our company at BiG Day In events, with two team members who joined after meeting us at BiG Day In marking their seventh work anniversary with WiseTech this year.

We also support programs that provide internships and work experience for university students and higher education leavers, to assist their transition to employment. For more information about our university internship program, go to the People section of this report.

"I joined WiseTech last year after completing a work placement here as part of my undergraduate degree at the University of New South Wales. I have spent two years working in our WiseTech Academy team, where I am now a Product Specialist. In my role, I feel like I'm contributing to the bigger picture rather than feeling like a small cog in a big machine. What attracted me to work at WiseTech is how anyone can talk to anyone. It's not a hierarchical company. As a permanent member of my team, I've actually mentored the next cohort of university students who came to us as interns. I have also had the opportunity to speak at BiG Day In career events aimed at informing high school students about the work we do at WiseTech and the importance of advancing human potential in the tech industry. I'm passionate about opening doors for young and curious individuals and advocate the importance of young women having the opportunity to experience tech at a young age, so they can see what great careers the industry can offer them."

Mikayla McEwan, Product Specialist
Joined the WiseTech team in 2020

Building skills in supply chain logistics

We empower individuals by providing affordable access to high-quality online education through the WiseTech Academy.

Established in 2018, WiseTech Academy offers accessible and affordable learning resources to develop new skills, advance careers, accelerate productivity, and manage corporate risk, with a focus on the supply chain logistics industry. We design our programs with industry experts to deliver the knowledge and skills that employers are looking for.

During the year, more than 9,700 courses were completed by external users via WiseTech Academy, an increase of 12% on the previous year as the catalogue of courses available on the platform continues to grow.

Courses covered diverse areas including supply chain logistics, freight forwarding, customs broking, accounting, biosecurity, dangerous goods training, cyber security and corporate compliance. We also provide free introductory courses on supply chain mathematics and geography, tailored towards new-starters in the industry.

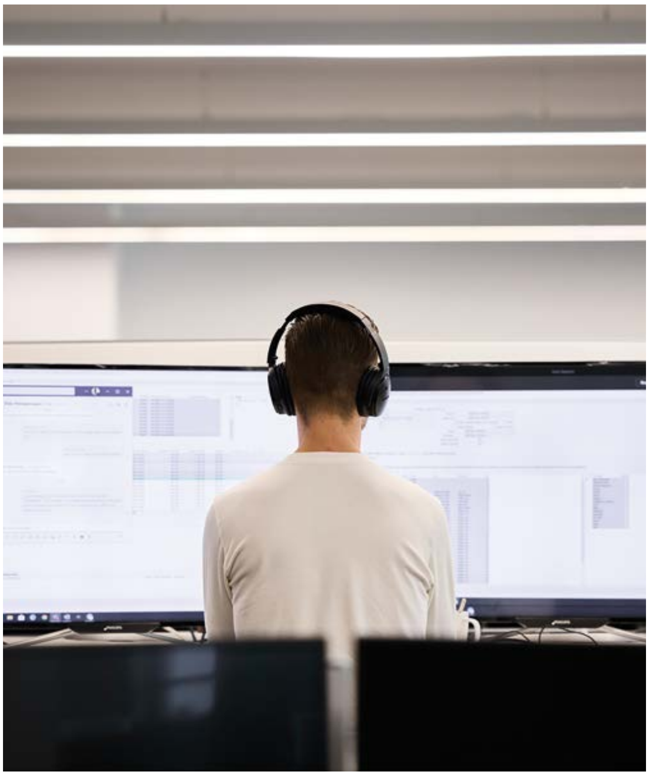
4 QUALITY EDUCATION

WiseTech Academy's affordable industry and compliance training delivers inclusive and equitable education and promotes lifelong learning.

Giving back

Our people support their colleagues and a variety of causes each year, through fundraising, donations, and volunteering. Examples for this year at a global team and individual level included:

- Our people generously donated over $30,000 to registered charities supporting humanitarian causes on the ground in Ukraine. WiseTech matched these donations in early FY23, bringing the total amount donated to over $60,000. We will continue to match donations made by team members to our selected humanitarian charities supporting Ukraine.
- In May 2022, members of our of Finance team based in Sydney participated in the Spin 4 Kids charity event to raise funds for sick and disadvantaged children. Our team of 10 volunteers took it in turn to ride a collective 115km, raising more than $3,800 for the children's charity Variety NSW.
- In October 2021, Warren Bain, one of our Product Managers, took part in the 7 Bridges Walk for the Cancer Council of NSW. Warren raised just under $6,500 for walking 28km around Sydney. Many WiseTech team members donated, contributing thousands to Warren's fundraising appeal, with colleagues joining him on the day for moral support.



"WiseTech provides Voluntary Emergency Management Activities and Crisis Leave which means employees are entitled to up to 10 days of additional paid leave. I've been volunteering with the NSW State Emergency Service (SES) for the past 11 years, and access to this type of leave means I can keep supporting my community in this way. In terms of volunteering around my work, there's a fair amount of flexibility in catering to this and sometimes it will be a matter of saying, 'Hey, tomorrow I'm going to be at SES, so can we complete a couple of things today and bring things forward?' I like to think that I make a useful contribution, so if everything at work is under control and we can shift things around, then absolutely I'll take that time off to help out."

Alexander Eagles, Product Manager
Joined the WiseTech team in 2014

Environment

We are committed to reducing our environmental footprint and finding ways to help our customers reduce theirs.

Through our software and innovations, we drive business efficiencies that enhance logistics processes worldwide. We continue to explore the best approaches to reduce our environmental footprint and mitigate our impacts, and improve our data collection, tracking, and reduction initiatives.

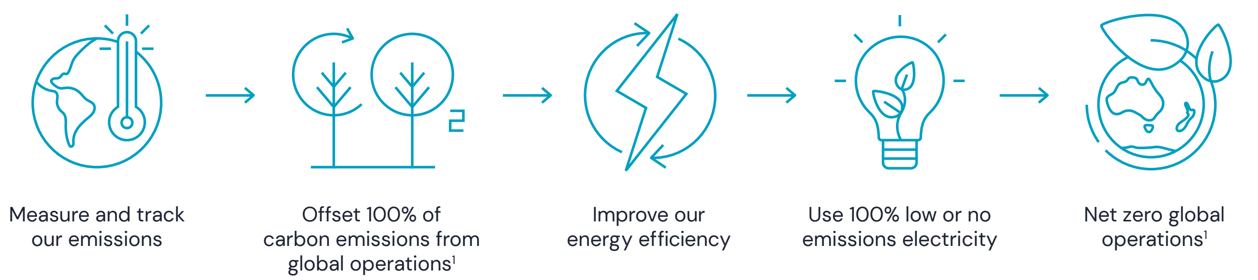
As a software solutions provider, WiseTech is not directly involved in the manufacture or physical transportation of goods. While our global environmental footprint is relatively small across our operations, we are committed to reducing our environmental impacts where they exist.

Our net zero pathway

In an important step towards achieving net zero, we have offset 100% of carbon emissions from our global operations[1] in FY22. We will continue to use offsets as an interim measure to mitigate emissions caused by our direct operations as we transition our electricity to renewable sources over the coming years.

We recognize that climate change is one of the greatest challenges of our time and are committed to taking action to reduce, and eventually eliminate, emissions from our operations.

We have set out a pathway to achieve our net zero global operations ambition, which we will be working to achieve over the coming years, including exploring opportunities to install onsite renewable generation at our Sydney headquarters.



1 Scope 1 and 2 emissions.

OFFSETTING OUR EMISSIONS

We have partnered with an Australian provider and purchased a mixed portfolio of offsets from cool fire projects conducted at Arnhem Land in Australia's Northern Territory, and wind power projects in southern India and the United States.

These offsets are aligned to the Emissions Reduction Fund, Clean Development Mechanism and Verified Carbon standards.

Through controlled burning and active bushfire management, cool fire burning projects aim to prevent devastating bushfires which release carbon into the atmosphere and harm people and wildlife. This project is under the exclusive management of Indigenous communities. Wind power projects support rural electrification and renewable energy use in these communities, reducing emissions and pollution.

While avoiding carbon emissions, the offsets we purchase also have important co-benefits for local communities, including employment and training, preservation of culture, improvements in air quality, and reliability of electricity supply.

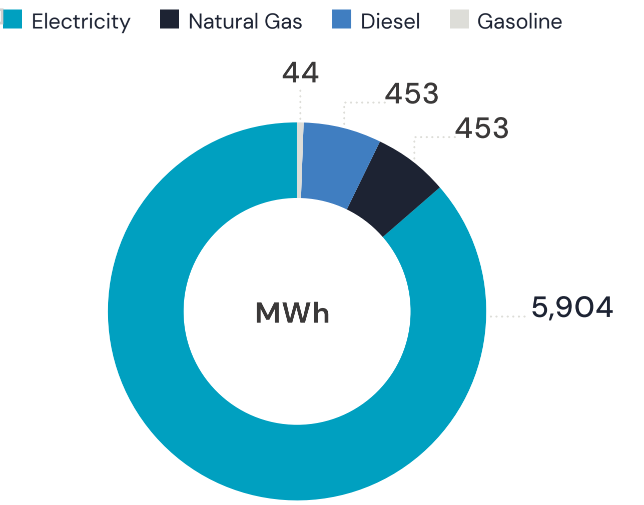
Energy consumption

In FY22, we operated or leased nearly 50 offices in 35 countries around the world, including three data centers in Australia, the United States and Germany.

Around 86% of our energy consumption is from purchased electricity, primarily used to power data centers and our offices. We also use natural gas, diesel, and gasoline to heat our buildings, run generators and fuel company-owned or operated vehicles. This direct energy use accounted for 14% of our total energy consumption in FY22.

In FY22, our total energy consumption was 6,853 MWh or 24,672 gigajoules. As offices around the world reopened this year after COVID-19 shutdowns, we saw a slight increase in global electricity consumption. We also continued to improve data collection for our natural gas, diesel, and gasoline use, which has contributed to the year on year increase in reported use.

FY22 ENERGY CONSUMPTION (MWh)



We will transition to low or no emissions sources of electricity across our operations over time to reduce emissions, alongside initiatives to reduce our energy consumption. Currently, around 7% of our electricity is from renewable or no emission sources. The biggest source of renewable consumption in FY22 was our data center located in Hamburg, which uses 100% renewable electricity.

Emissions[1]

In FY22, we completed a Scope 1 and 2 emissions inventory in accordance with the Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standards. See our Performance Data tables on page 48 for our complete GHG inventory.

This year, our gross global Scope 1 and 2 (market-based) GHG emissions were 3,328.5 tCO_2e.

The majority of our emissions came from electricity consumption under Scope 2 location-based sources. Our offices in Sydney and Chicago accounted for the majority of our total GHG emissions, with data centers operating in these office locations.

Most of our Scope 1 emissions are from natural gas use in offices for heating, with the remaining emissions derived from fuel used in our data center back-up generators and company vehicles in Europe.

While these vehicles represent a small portion of our emissions footprint, as of 1 December 2021 all new and replacement vehicles in the scheme will be either plug in hybrid or electric vehicles.

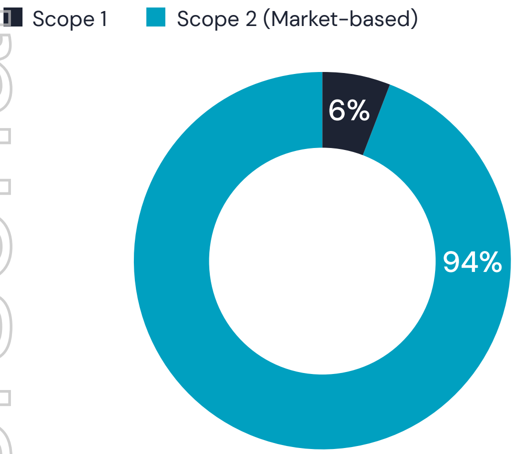
We continue our work to identify emissions reduction initiatives, in line with our ambition to achieve net zero global operations[1].

Work will commence in FY23 to identify the major sources of emissions associated with our value chain, known as Scope 3 emissions. This will support us to understand the opportunities for WiseTech to work with our business partners to reduce emissions over time.

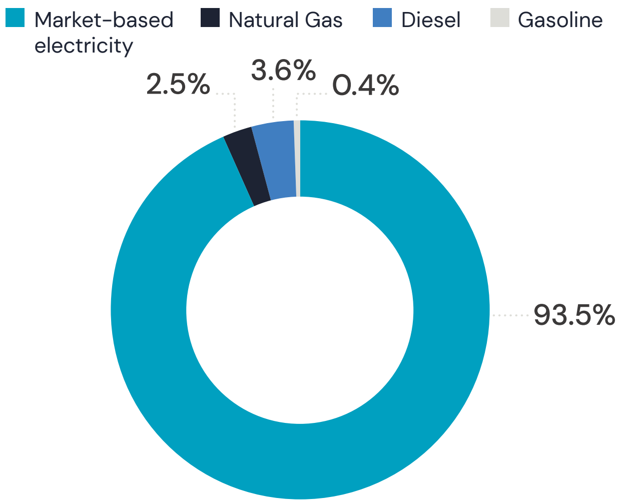
13 CLIMATE ACTION

We offset 100% of Scope 1 and 2 emissions and have set a pathway to achieve net zero global operations

FY22 SCOPE 1 & 2 MARKET-BASED EMISSIONS (tCO_2e)



FY22 EMISSIONS BY SOURCE



1 Emissions have been calculated in line with the Greenhouse Gas (GHG) Protocol. We are committed to improving the quality of this inventory as we further refine our global data management systems and processes. To overcome data limitations, a small number of data points in our inventory were generated using assumptions and extrapolations from partial data.

CASE STUDY: CARGOWISE

CargoWise has a number of functionalities which allow our customers to reduce their environmental footprint. With intelligent planning tools, customers can significantly reduce futile transport trips. With planning optimization, as well as address cleansing capabilities, not only can customers optimize their transport, but they can eliminate incorrect deliveries due to inaccurate master data. This means better quality documentation, less delays or returns to port, and high-quality deliveries.

When planning port pickups, CargoWise's up-to-date container tracking tools, using machine learning and artificial intelligence, allow customers to plan the truck arrival more accurately, saving time at the port, wasted fuel, and optimizing labor resources. CargoWise's Cloud deployment also makes remote working and collaboration easy to deploy. With full visibility of people and processes, no matter where they are located, customers can save considerable cost on building overheads and power consumption.

Waste management

We recognize the importance of minimizing the waste we generate.

As a software business in the IT sector, our waste footprint is relatively low compared to other industries as we do not produce any goods or extract raw materials. The main sources of waste for WiseTech include electronic equipment used by our employees in offices, office waste, and packaging.

This year, more than 4,000kgs of e-waste globally was recycled, a significant increase from the 200kgs recycled in FY21. This was due to decommissioned data center infrastructure, which included servers, as we consolidated our data centers as part of our cost efficiency program. This was in addition to laptops, desktop PCs and monitors, which remained at similar levels to the previous reporting period.

We have recycled our e-waste in Australia since 2018, working with our partner to recover and collect used electronic equipment or e-waste.

Once collected, detailed tests and inspections are completed to assess the condition of the equipment. If suitable and approved by WiseTech, the equipment with commercial value is resold. Where there is no commercial value, the equipment is recycled in Australia.

We are working towards a more comprehensive analysis of our waste profile for our largest offices, and we intend to further evaluate the materiality of waste to the business with various stakeholders. We will continue to invest heavily in R&D which delivers efficiencies and streamlines processes that enable our customers to reduce their waste generation and resource use.

Our e-waste recycling partnership reduces waste to landfill and drives reuse of equipment

Water consumption

Water is an essential resource in both natural and built environments. We recognize the importance of tracking our water consumption and reducing our water-related impacts where possible.

Our WiseTech operated data centers in Sydney and Chicago are designed to use water efficiently. For cooling, these data centers use a split air conditioning system, as opposed to more water intensive chillers or cooling systems. Work is commencing to evaluate our water footprint and the greatest sources of consumption and identify opportunities to minimize this consumption.

Environmental compliance

WiseTech is committed to operating in an environmentally responsible manner.

We work to understand and manage any existing or emerging risks to the environment that our business activities may pose. We are subject to Federal, state and local regulations and laws globally and we have procedures in place to ensure that we are compliant to all applicable environmental regulations in the jurisdictions in which we operate.

During the reporting period, there were no significant instances of non-compliance with environmental laws.

Marketplace

We strive every day to build products that surprise and delight our customers and empower their success.

Our products enable and empower the world's supply chains, facilitating global trade. We recognize data security is critical to our success and customer relationships, and product innovation is fundamental to the sustainability of our business and key to our competitiveness. We work with industry partners to drive efficiency and productivity through our software solutions, and are committed to conducting business responsibly.

Data security and privacy

Our products involve the storage and transmission of our customers' confidential and proprietary information.

We have adopted a structured, proactive approach to managing information security risks. We use a strong internal set of controls related to data protection. Our risk-based approach utilizes industry frameworks and best practice to build our strategy with appropriate governance at a Board and Senior Management level.

We take a best practice approach to privacy and data protection, aiming to comply with the General Data Protection Regulation (GDPR) as a baseline while also striving for continuous improvement.

This year we achieved ISO 27001 certification, the internationally recognized standard for an Information Security Management System. To supplement this, we are renewing our System and Organizational Controls (SOC) certification over the next year with an external auditor. We are also now aligned with ISO 31000, which provides a structured approach for risk identification, assessment, and treatment in support of our Information Security Management System (ISMS).

We undertook a Cyber Security Maturity audit in partnership with a third party this year, based on the leading NIST Cybersecurity Framework. The results allow us to track the progress of our Cyber Security program in line with our commitment to continuously improve our maturity in this area.

We continued to deliver privacy and data protection and cyber security training in FY22. This training was tested using targeted phishing campaigns, performing company-wide simulated attacks to track click rate and submission of credentials. This allowed us to enhance our security awareness program and perform specific, targeted training where required.

During the reporting period, our Information Security Committee (ISC) continued to meet quarterly. The ISC includes key personnel such as the Global Managers for Information Services and Security, and the CEO. The ISC supports the successful implementation and ongoing management of our ISMS.

Product innovation

Our technology facilitates global trade and the movement of essential goods. It delivers efficiencies and enhances productivity, transparency, visibility, and control of the operations of large freight forwarders and global logistics providers.

Our industry leading flagship product, CargoWise, delivers business continuity, scalability and security for our customers.

Product innovation is fundamental to our business and key to our competitiveness, customer attraction, and retention.

We invest in new CargoWise product innovations driven by our own Product and Development teams. At WiseTech, 54% of our global workforce focus on product development and teams are supported by innovation methodologies and training to solve deep problems and build world-leading products that make a real difference. We have 35 product development centers globally, with centers of excellence in Bangalore and Nanjing.

As part of our substantial product investment, we have increased our focus on six CargoWise development priorities, which are outlined on page 20. Focusing substantial investment in these development priorities will expand our penetration of these adjacent areas.

In FY22, we reinvested 29% of our revenue in R&D and delivered 1,199 CargoWise product enhancements, continuing to expand our pipeline of commercializable innovations.

We are also helping the industry move closer to eliminating paper documents as a medium for conducting international trade. Advances this year include partnering with FIATA to help facilitate the digitalization of the bill of lading. On 1 July 2022, we acquired Bolero, a leading provider of electronic Bills of Lading and digital documentation solutions to facilitate global trade. We are working to integrate this solution with our CargoWise platform to accelerate the adoption of paperless trade.

8 DECENT WORK AND ECONOMIC GROWTH

Our technology facilitates global trade, the movement of essential goods and supports greater global economic productivity

Working with industry

We work to develop and strengthen the technology and logistics industries globally which in turn support us to build breakthrough ideas.

In 2018, we established WiseTech Academy – a Registered Training Organization in Australia – to help improve skills and knowledge of existing professionals and provide a stepping stone for individuals looking to launch their career in technology and supply chain logistics.

Courses offered via WiseTech Academy are written or reviewed by industry experts to ensure the knowledge and skills developed are relevant to employers in the industry. To read more about its work this year, see the Community section of this report.

We worked closely with Charles Sturt University this year to achieve recognition of prior learning for the WiseTech Diploma of Customs Broking. Students who have completed the Diploma course and go on to study the Bachelor of Border Management at Charles Sturt University attract 64 points of credit, or the equivalent of one year of a three year degree.

We are members of numerous industry associations around the world. This year WiseTech Global became a bronze sponsor of the FIATA International Federation of Freight Forwarders, a non-governmental organization with over 40,000 members from the multimodal freight transport industry.

We also became a member of the Tech Council of Australia this year, the peak body for the technology sector. To learn more about our industry association memberships, visit the sustainability section of the WiseTech Global website.

In partnership with Reuters Research, we surveyed logistics and supply chain professionals from around the world to understand how they think about and drive productivity across their operations, and the role technology plays in achieving this. We shared findings from the research with our customers and partners, to continue to build knowledge and understanding of why digital transformation is crucial for logistics businesses to succeed in an increasingly disrupted and competitive landscape.

Modern slavery

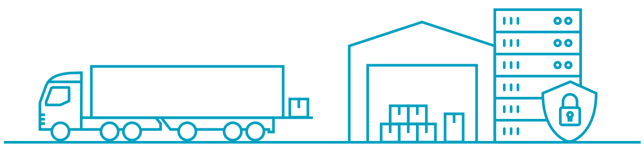
We are committed to conducting business in an ethical, lawful, and socially responsible manner and expect the same from our team members and suppliers.

Our approach to upholding and respecting human rights for all people has regard to the UN Guiding Principles on Business and Human Rights, the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights, and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work.

We continued to roll out our Supplier Labor Code of Conduct to suppliers during the year.

During the reporting period we continued with our mandatory Modern Slavery training for all new starters as part of onboarding, and refresher training required every two years.

Our Modern Slavery Statement is published annually on our website and the Australian Government's Modern Slavery Register.



FY22 data tables

The data selected and reported in the Sustainability Report allows stakeholders to assess WiseTech Global's sustainability performance in key areas for our business. The data covers the performance and activities over which WiseTech Global had operational control during all, or part of, the year ended 30 June 2022.

Our data set is informed by the Global Reporting Initiative (GRI) Standards and the Sustainability Accounting Standards Board (SASB) Software & IT Services Standard (see the GRI & SASB Index on our website for more detail).

People

Metric	FY22			FY21		
Total employees		1,979			1,860	
Employment type	M	F	N-B[1]	M	F	N-B[1]
Permanent	1,296	569	2	1,221	539	2
Temporary	80	32	0	66	32	0
Full time or part time						
Full time	1,326	532	2	1,253	509	2
Part time	50	69	0	34	62	0
Contractors						
Contractors	63	22	0	57	29	0
Gender						
Total workforce by gender	70%	30%	0%	69%	31%	0%
Function[2]						
Total product design & development		1,076			995	
% workforce		54%			53%	
	M	F	N-B[1]	M	F	N-B[1]
By gender	835	240	1	N/A	N/A	N/A
Total technical & product support		345			361	
% workforce		17%			20%	
	M	F	N-B[1]	M	F	N-B[1]
By gender	212	133	0	N/A	N/A	N/A
Total general & administration		403			333	
% workforce		20%			18%	
	M	F	N-B[1]	M	F	N-B[1]
By gender	219	183	1	N/A	N/A	N/A
Total sales & marketing		155			171	
% workforce		8%			9%	
	M	F	N-B[1]	M	F	N-B[1]
By gender	110	45	0	N/A	N/A	N/A
Region[3]						
Total Asia Pacific		1,175			1,019	
Permanent		1,077			N/A	
Temporary		98			N/A	
Contractors		64			N/A	
Full time		1,118			1,001	
Part time		57			53	
Total Europe, Middle East and Africa (EMEA)		561			594	
Permanent		548			N/A	
Temporary		13			N/A	
Contractors		12			N/A	
Full time		504			498	
Part time		57			38	
Total Americas		243			247	
Permanent		242			N/A	
Temporary		1			N/A	
Contractors		9			N/A	
Full time		238			265	
Part time		5			5	

1 Non-binary data represents employees who have self-selected to disclose as gender identity.
2 Gender split by function available from FY22 onwards. Percentages may not add due to rounding.
3 Permanent, temporary and contractor data by region reported from FY22 onwards.

Metric	FY22			FY21		
Age						
Total workforce						
<30 years		17.2%			17.2%	
30–50 years		61.4%			61.8%	
>50 years		21.4%			21.0%	
Board						
<30 years		0%			0%	
30–50 years		0%			0%	
>50 years		100%			100%	
Senior Management Team[2]						
<30 years		0%			0%	
30–50 years		46.2%			53.8%	
>50 years		53.8%			46.2%	
Technical workforce						
<30 years		19.6%			19.3%	
30–50 years		62.0%			62.7%	
>50 years		18.4%			17.9%	
Recruitment and retention[3]						
Total new hires		**347**			**152**	
	M	**F**	**N-B**[1]	**M**	**F**	**N-B**[1]
New hires by gender	252	95	0	120	32	0
% total workforce	13%	5%	0%	6%	2%	0%
New hire by age group						
<30 years		7%			4%	
30–50 years		9%			4%	
>50 years		1%			0%	
New hires by region						
Asia Pacific		15%			7%	
EMEA		2%			1%	
Americas		1%			0%	
Turnover[3]						
Total turnover		11.8%			20.8%[4]	
Voluntary turnover		9.7%			10.8%	
Involuntary turnover		2.1%			10.0%	
Turnover by gender	**M**	**F**	**N-B**[1]	**M**	**F**	**N-B**[1]
% total turnover by gender	8.3%	3.5%	0%	12.6%[5]	7.9%[5]	N/A
Turnover by age group						
<30 years		3.2%			4.2%[5]	
30–50 years		7.1%			13.3%[5]	
>50 years		1.6%			3.1%[5]	
Turnover by region						
Asia Pacific		6.8%			9.1%	
EMEA		3.9%			8.0%	
Americas		1.1%			3.6%	
Remuneration equity						
% of employee equity ownership		77%			>70%	
% of eligible employees enrolled in Invest As You Earn (IAYE)		23%			17%	
Learning and development						
Total average training hours[6]		9.91			N/A	
	M	**F**	**N-B**[1]	**M**	**F**	**N-B**[1]
Total average training hours per employee[5,6]	8.69	12.60	N/A	N/A	N/A	N/A

1 Non-binary data represents employees who have self-selected to disclose as gender identity.
2 For a list of our Senior Management Team visit the WiseTech website www.wisetechglobal.com/investors/senior-management-team/.
3 Percentages may not add due to rounding.
4 Updated for accuracy following internal data reviews.
5 Excludes employees where gender and age was not reported.
6 Data covering a 12 month period.

Environment

Metric[1]	FY22	FY21[2]
Greenhouse Gas (GHG) emissions Total emissions (tCO_2e)[3]		
Total Scope 1 & 2 (Market-based[4])	**3,328.5**	**3,187.5**
Scope 1	215.8[5]	87.0
Scope 2 (Market-based)	3,112.7	3,100.5
Total carbon emissions by source (tCO_2e)		
Scope 1 emissions	**215.8[5]**	**87.0**
Stationary fuels[6]	**83.5**	**81.1**
Natural gas	83.5	79.9
Diesel	–	1.2
Transport fuels[7]	**132.3**	**5.9**
Motor gasoline/Petrol	11.9	5.9
Diesel	120.4	N/A
Scope 2 emissions		
Electricity (Market-based)	3,082.3	3,100.5
Electricity (Location-based[8])	3,228.6	3,140.5
Purchased heating and cooling	30.4	N/A
Carbon Offsetting (tCO_2e)[9]		
Total offsets retired	3,328.5	N/A
Energy Total energy consumption (MWh)		
Total indirect and direct energy (MWh)	**6,853**	**5,786**
Indirect energy		
Electricity	5,904	5,324
Direct energy		
Natural gas	453	433
Diesel	453	4
Gasoline	44	25
Waste		
E-waste recycled (Kg)	4,001	208

1 Totals and sub totals may not sum due to rounding.
2 FY21 GHG emissions and energy consumption data has been updated for accuracy following internal data reviews. All references to FY21 emissions and energy data throughout this report are consistent with these updated figures.
3 Emissions have been calculated in line with the Greenhouse Gas (GHG) Protocol on an operational control basis. We are committed to improving the quality of this inventory as we further refine our global data management systems and processes. To overcome data limitations, a small number of data points in our inventory were generated using assumptions and extrapolations from partial data.
4 A market-based method reflects emissions from electricity that WiseTech has chosen to purchase.
5 Scope 1 emissions increased in FY22 due to improved availability of actual data and improved estimation methodologies.
6 Excludes diesel consumption in France.
7 Excludes vehicle usage in South Korea and Netherlands.
8 A location-based method reflects the average emissions intensity of grids on which energy consumption occurs.
9 Carbon offsets applied from FY22 onwards. To read more about the offsets retired, see the Environment section of this report.

Board of Directors

Andrew Harrison, Independent Chair and Non-Executive Director

Andrew joined the Board in 2015 and was appointed Chair in September 2018. Andrew is an experienced company director and corporate adviser.

Andrew has previously held executive roles and non-executive directorships with both public and private companies. He was the CFO of Seven Group Holdings and group finance director of Landis+Gyr, and has been a director of ASX-listed companies Estia Health Limited (November 2014 to October 2018), IVE Group Limited (November 2015 to November 2018), Xenith IP Limited (October 2015 to September 2018), Bapcor Limited (March 2014 to February 2021), as well as of Alesco Limited, Moorebank Intermodal Company Ltd and Vend Ltd. Andrew was a senior manager at Ernst & Young (Sydney and London) and Gresham Partners Limited, and an associate at Chase Manhattan Bank (New York).

Andrew holds a Bachelor of Economics from The University of Sydney and a Master of Business Administration from the Wharton School at the University of Pennsylvania. He is a Chartered Accountant.

Richard White, Executive Director, Founder and CEO

Richard has been CEO and an executive director of WiseTech Global since founding the company in 1994.

Richard has more than 35 years of experience in software development, embedded systems and business management and over 25 years of freight and logistics industry experience. Prior to founding WiseTech Global, Richard was the managing director of Real Tech Systems Integration (a provider of computer consulting and systems integrations services) and CEO of Clear Group (a distributor of computer related equipment).

Richard holds a Master of Business in Information Technology Management from the University of Technology, Sydney (UTS). Richard is a UTS Luminary and a Fellow of UTS.

Richard Dammery, Independent Non-Executive Director

Richard joined the Board in December 2021. Richard is an experienced company director. In addition to WiseTech Global, he currently serves on the boards of Aussie Broadband Limited (ASX:ABB) (since July 2020), Australia Post, and Nexus Day Hospitals Group. He is the chairman of Doctor Care Anywhere PLC (ASX:DOC) (director since September 2020) and Creative Partnerships Australia, the Australian Government's primary body encouraging and facilitating private sector and philanthropic investment in the arts.

His previous directorships include leading data analytics group, Quantium Group, and Australian Leisure and Hospitality Group (now part of ASX-listed Endeavour Group).

Richard has held a range of senior leadership roles in major Australian companies and was a corporate partner with law firm Minter Ellison. He holds a BA (Hons) and LLB from Monash University, an MBA from the University of Melbourne, a PhD from the University of Cambridge, and is a Fellow of the Australian Institute of Company Directors. He is also an Adjunct Professor at Monash University Business School.

Teresa Engelhard, Independent Non-Executive Director

Teresa joined the Board in 2018 and is Chair of the Nomination Committee and the People & Remuneration Committee. Teresa has more than 20 years' international experience as a director, executive and venture capitalist in the technology, software and energy sectors. Teresa is currently the CEO and Founder of stealth-stage startup StickyTek Pty Ltd and a non-executive director of non-profit organization LaunchVic. She is also a former director of ASX-listed Redbubble Limited (August 2011 to October 2017) and Origin Energy Limited (May 2017 to October 2020).

Teresa holds a Bachelor of Science (Hons) from the California Institute of Technology (Caltech) and a Master of Business Administration from Stanford University. She is a graduate of the Australian Institute of Company Directors and a member of Chief Executive Women.

Charles Gibbon, Independent Non-Executive Director

Charles joined the Board in 2006, served as Chair from 2006 to 2018, and has been a shareholder since 2005. Charles is a director of Shearwater Capital Pty Ltd and has previously been a director of Monbeef Pty Ltd, Photolibrary Pty Ltd and the former ASX-listed Health Communication Network Ltd.

Charles has more than 20 years of experience in institutional funds management. He was a member of the Investment Committee of Quadrant Capital Funds I, II and III for Quadrant Private Equity, and has held roles as the CEO of Russell Private Equity, CEO of Risk Averse Money Managers Pty Ltd, a director of Morgan Grenfell Australia and an associate director of Schroders Australia.

Charles holds a Bachelor of Science in Mathematics from Otago University and a Master of Commerce (Hons) from the University of Canterbury.

Michael Gregg, Independent Non-Executive Director

Michael joined the Board in 2006 and has been a shareholder since 2005. Michael is currently a non-executive director of Surgical Partners (Ehealthme Pty Ltd), Emudent Technologies Pty Ltd, Shearwater Capital Pty Ltd and Community Connections Australia. Previously, Michael was the managing director of the former ASX-listed Health Communication Network Limited. Michael has also held executive positions in the telecommunications, transport and retail industries.

He holds a Bachelor of Science from The University of Sydney, a Master of Business Administration from the Australian Graduate School of Management and is a Graduate of the Australian Institute of Company Directors.

Maree Isaacs, Executive Director, Co-founder and Head of License Management

Maree co-founded WiseTech Global with Richard White in 1994 and has been an Executive Director since 1996.

One of Australia's most successful female tech founders, Maree has more than 30 years of senior executive experience across the logistics, supply chain and technology industries. Her extensive knowledge across business and administrative operations, account management, customer service, and quality assurance, has been instrumental in WiseTech's rapid growth and in driving a productivity-first approach.

Maree is Head of License Management and is also a Company Secretary at WiseTech Global. Prior to co-founding WiseTech Global, Maree worked at Real Tech Systems Integration and Clear Group.

Michael Malone, Independent Non-Executive Director

Michael joined the Board in December 2021. Michael is an Australian-based entrepreneur, business executive, and professional director with more than 20 years' experience across the technology, telecommunications and media industries. He is a non-executive director at ASX-Listed Seven West Media Ltd (since June 2015).

Michael is also currently non-executive director at NBN Co. His previous directorships include the Axicom Group and ASX-listed companies Dreamscape Networks Ltd (September 2016 to September 2018), DUG Technology Ltd (June 2020 to August 2021), Speedcast International Ltd (July 2014 to March 2021) and Superloop Ltd (April 2015 to March 2020).

Michael founded iiNet in 1993 and continued as CEO until his retirement in 2014. He has also co-founded and grown multiple for-profit and not-for-profit companies including .au Domain Administration, Diamond Cyber Security (now part of CyberCX) and Autism West (now Spectrum Space).

Michael is a Fellow of the Australian Institute of Company Directors, the Australian Institute of Management and the Australian Computer Society. He has a Bachelor of Science (Mathematics) and a post graduate Diploma in Education, both from the University of Western Australia.

Arlene Tansey, Independent Non-Executive Director

Arlene joined the Board in June 2020 and is Chair of the Audit & Risk Committee. Arlene is an Australian-based professional director with more than 30 years' international experience in financial services and investment banking. Arlene is currently a non-executive director of ASX-listed Aristocrat Leisure Limited (since July 2016) and TPG Telecom Ltd (since July 2020). She is a former non-executive director of Adelaide Brighton Limited (April 2011 to October 2019) and Healius Limited (August 2012 to October 2020).

Arlene has a Juris Doctor from the University of Southern California Law Center and an MBA Finance and International Business from New York University. She is a Fellow of the Australian Institute of Company Directors and a member of Chief Executive Women and the International Women's Forum Australia.

Corporate Governance Statement

A governance framework has been established to support our business and help us to deliver on our strategy. This framework provides the structure through which our strategy and business objectives are set, our performance is monitored, and the risks we face are managed.

We are committed to excellence in corporate governance, transparency and accountability. We regularly review our governance arrangements and practices to reflect changes in our business and in market practices, expectations, and regulation.

This statement explains how the Board oversees the management and corporate governance of WiseTech Global. The main principles and policies adopted by us are summarized below. Details of our key principles and policies and the charters for the Board and each of its Committees are available on our website at: wisetechglobal.com/investors/corporate-governance

This statement is as at 13 October 2022 and has been approved by the Board of WiseTech Global.

ASX Recommendations

The ASX Corporate Governance Council has developed corporate governance principles and recommendations for ASX-listed entities (ASX Recommendations) in order to promote investor confidence and to assist entities in meeting stakeholder expectations. The ASX Recommendations are not prescriptive, but guidelines. Under the ASX Listing Rules, we are required to provide the statements below disclosing the extent to which we have followed the ASX Recommendations.

This Corporate Governance Statement benchmarks our corporate governance practices against the 4th edition of the ASX Recommendations, released in February 2019. WiseTech Global followed all of the ASX Recommendations throughout FY22.

WiseTech Global intends to follow all of the ASX Recommendations for the financial year commencing 1 July 2022.

Our governance framework

SHAREHOLDERS

WISETECH GLOBAL LIMITED BOARD
Oversees management on behalf of shareholders

AUDIT & RISK COMMITTEE
Oversees corporate reporting and risk management

NOMINATION COMMITTEE
Considers Board composition and succession planning

PEOPLE & REMUNERATION COMMITTEE
Oversees people practices and strategies and our remuneration and incentive framework

CEO
Responsible for the day-to-day management of WiseTech Global and the implementation of our strategy

SENIOR MANAGEMENT TEAM
Responsible for running the business and delivering on our strategic objectives

Board composition

Our Board currently comprises a total of nine Directors — seven independent Non-Executive Directors (including our Chair) and two Executive Directors.

Biographies of the Board members, including details of their qualifications, tenure and experience, can be found on pages 50 and 51, and on our website at: wisetechglobal.com/investors/board-of-directors

Board Committees

The Board may, from time to time, establish appropriate committees to assist in performing its responsibilities. Three committees operated throughout FY22:

- the Audit & Risk Committee;
- the Nomination Committee; and
- the People & Remuneration Committee

The Board's Related Party Committee was disbanded in June 2022. Any future related party matters will be considered by the Audit & Risk Committee.

Please refer to page 91 for further information regarding the Committee meetings (including the number of times each Committee met throughout the reporting period and the individual attendances of the members at those meetings).

Corporate governance principles and policies

We have implemented a principles-based governance model whereby practical sets of principles are provided to guide behavior. These principles are designed to give direction on our approach to business conduct. More structured policies are implemented where appropriate.

You can find copies of our corporate policies and principles on our website at: wisetechglobal.com/investors/corporate-governance

Principle 1: Lay solid foundations for management and oversight

Responsibilities of the Board

The Board is responsible for our overall corporate governance, including establishing and monitoring key performance goals, and is committed to maximizing performance, generating appropriate levels of shareholder value and financial returns, and sustaining our long-term growth and success. In accordance with these objectives, the Board seeks to ensure that we are properly managed to protect and enhance shareholder interests, and that we and our Directors, officers and staff, operate in an appropriate environment of corporate governance. Accordingly, the Board has created a framework for managing WiseTech Global, including relevant internal controls, risk management processes and corporate governance principles, policies and practices – that is designed to promote the responsible management and conduct of WiseTech Global.

The Board has approved a Board Charter, which governs the operations of the Board, its role and responsibilities, composition, structure and membership requirements.

The Board's role is to:

- represent and serve the interests of shareholders by overseeing and appraising our strategies, policies and performance;
- optimize our performance and build sustainable value for shareholders;
- set, review and ensure compliance with our values and governance framework (including establishing and observing high ethical standards); and
- ensure that shareholders are kept informed of our performance and major developments.

Matters which are specifically reserved for the Board or its Committees include:

- approving the Group's strategy, business plans and policies and monitoring the Group's performance, strategic direction and portfolio of activities and the associated risks;
- appointing the Chief Executive Officer (CEO), and approving the remuneration of, and overseeing the performance review of, the CEO;
- reviewing and approving succession plans for the CEO and the Company's executive team;
- reviewing, approving and monitoring the Group's risk appetite within which the Board expects management to operate and the financial and non-financial risk management systems, including internal compliance and control mechanisms;
- approving the annual report and financial statements (including the directors' report and remuneration report) and any other published periodic reporting required by law, or under the ASX Listing Rules, to be adopted by the Board;

- approving and monitoring the progress of major capital expenditure, capital management and capital raising initiatives and acquisitions and divestments;
- approving the dividend policy of the Company and payment of dividends;
- overseeing the Group's accounting and corporate reporting systems and appointing, re-appointing or removing the Company's external auditors and approving the auditor's remuneration;
- approving and monitoring the effectiveness of the Group's system of corporate governance, including reviewing corporate policies and principles and monitoring their effectiveness;
- approving the Company's values, monitoring corporate culture and management's promotion of the Company's values;
- approving the overall remuneration policy, including non-executive director remuneration, executive director and senior executive remuneration and any executive incentive plans;
- overseeing the implementation and management of the Group's sustainability/ESG practices and initiatives;
- determining the size, composition and structure of the Board and its Committees, and the process for evaluating its performance;
- overseeing the management of the Company's interactions and communications with shareholders and the broader community; and
- reviewing the division of functions and responsibilities between the Board, CEO and the Company's executive team.

The CEO is responsible for running the day-to-day business of WiseTech Global under delegated authority from the Board and to implement the strategies and policies approved by the Board.

In carrying out management responsibilities, the CEO must report to the Board in a timely and clear manner and ensure all reports to the Board present a true and fair view of our financial condition and operational results. The role of management is to support the CEO and implement the running of the general operations and financial business of WiseTech Global in accordance with the delegated authority of the Board.

Appointment of Directors

Prior to the appointment of any new Non-Executive Director, appropriate checks are conducted to determine whether the candidate has the capabilities needed, and is fit and proper, to undertake the responsibilities of the role. On appointment, each Director receives a formal letter, outlining the key terms, conditions and expectations of their appointment. All new Directors, other than the CEO, must stand for election by shareholders at the first Annual General Meeting (AGM) after their appointment and all Directors, other than the CEO, must stand for re-election no later than the third AGM after their previous election or re-election.

Before each AGM, the Board reviews the performance of each Director standing for election or re-election and advises shareholders whether it recommends their election or re-election.

Co-founder and Executive Director, Maree Isaacs, is retiring by rotation and intends to stand for re-election at the 2022 AGM. Richard Dammery and Michael Malone, having been appointed to the Board in December 2021, will stand for election at the 2022 AGM. The Notice of AGM will provide information on each Director's background, skills and experience. The Board considers that each candidate continues to make a valuable contribution to the Board.

CEO and senior executives

The CEO and senior executives have clearly understood goals, accountabilities and employment contracts setting out their terms of employment, duties, rights and responsibilities, and entitlements on termination of employment. Appropriate background checks are undertaken prior to appointing senior executives.

Company secretaries

WiseTech Global has two company secretaries, appointed by the Board. The company secretaries are directly accountable to the Board, through the Chair, on all matters related to the proper functioning of the Board. This includes advising the Board and its Committees on governance matters and procedures, coordinating Board business (including preparing and maintaining Board and Committee papers) and providing a point of reference for dealings between the Board and management.

Diversity and Inclusion Principles

We value a strong and diverse workforce and are committed to diversity and inclusion in our workplace. We have implemented Diversity and Inclusion Principles, designed to foster a culture that values and achieves diversity in our workforce and on our Board. The main objectives are to ensure that we:

- promote the principles of merit and fairness when making decisions about recruitment, development, promotion, remuneration and flexible work arrangements;
- recruit from a diverse pool of qualified candidates, making efforts to identify prospective employees who have diverse attributes, and seeking to ensure diversity of those involved in selection processes when selecting and appointing new employees and Board members;
- embed the importance of diversity within our culture by encouraging and fostering a commitment to diversity by people at all levels of our global business;

- leverage our employees' unique skills, values, backgrounds and experiences, which will assist with understanding our customer needs across our global business; and
- develop an inclusive work environment that enables all employees to show their full potential, regardless of their background, gender, age, work status, marital status, religious or cultural identity.

Our Diversity and Inclusion Principles include a requirement for the Board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the Company's progress in achieving them. A copy of our Diversity and Inclusion Principles is available on our website at: wisetechglobal.com/investors/corporate-governance

We pride ourselves on our highly diverse and strongly inclusive workforce. We remain committed to diversity and inclusion. Diversity refers to all the characteristics that make individuals different from each other. They include attributes or characteristics such as religion, race, ethnicity, language, gender, sexual orientation, disability, age and any other ground for potential unlawful discrimination. Diversity is about our commitment to treating individuals equally and with respect.

The percentages of women at Board and senior management levels and across our organization as at 30 June 2022, and at 30 June 2021, were:

	2022	2021
Board	33%	43%
Senior management[1]	24%	25%
All employees	30%	31%

While there is more work for us to do, we believe our current levels of female representation compare well to other technology companies and are relatively positive in the context of both the logistics industry and technology for business-to-business software. In the short-term, our objective is to broadly maintain levels of female representation in our business at the following levels:

- 20%+ of senior managers; and
- 30%+ of our workforce.

As an S&P/ASX 300 company, our measurable objective for achieving gender diversity in the composition of our Board is to continue to have not less than 30% of our Directors of each gender.

1 Senior management is determined by assessing the role, scope and responsibilities of managers with reporting levels CEO-1 and CEO-2.

We also invest in developing the potential for qualified females to enter our industry. We believe this broader technology industry challenge requires comprehensive and multi-faceted efforts at the early education stage to encourage greater industry participation across genders. Our initiatives include programs to encourage girls and young women to pursue technology careers, with a longer-term aim of increasing the female talent pool available. For more information on our diversity and inclusion practices and our student scholarships, sponsorships and training programs, please see our Sustainability Report, pages 26 to 49.

Review of Board, Committee and Director performance

The Board has agreed that it will conduct periodic performance evaluations of itself, its Committees and of each Director. Generally, the evaluation process will involve the Chair holding one-to-one interviews with Directors on their own performance, the performance of the Board as a whole and the performance of the Committees and other Directors. The performance of the Chair will be evaluated by one of the other Non-Executive Directors in a one-to-one interview with the Chair, incorporating feedback from the other Directors. The Board will then review and discuss the collated results of those interviews to determine ways to enhance the effectiveness and efficiency of the Board.

In FY22, the Board enlisted an independent external adviser to assist with the conduct of the annual performance review including an anonymous questionnaire and one-on-one interviews with Directors and senior managers. The assessment included consideration of the current performance of the Board, its Committees and the Directors.

Review of CEO and senior executives' performance

The Board reviews the performance of the CEO annually against performance measures and other agreed goals, in accordance with the business requirements of the Company. The CEO reviews the performance of the senior executives regularly, but no less than annually, based on their agreed performance measures. Performance reviews in accordance with these processes were conducted in respect of FY22 for the CEO and senior executives shortly after the end of the reporting period.

Principle 2: Structure the board to be effective and add value

Nomination Committee

The Nomination Committee's role is to assist and advise the Board in relation to the following matters:

- the process for nomination and selection of Directors;
- the Board skills matrix setting out the mix of skills, expertise and experience that the Board currently has or is looking to achieve in its membership;
- the size and composition of the Board, including reviewing Board succession plans;
- the process to review Director contributions and the performance of the Board, Board Committees and individual Directors; and
- Director induction and professional development programs, and their effectiveness.

The Nomination Committee Charter sets out the role, responsibilities and composition of the Committee and provides that the Committee must comprise a majority of independent Directors, an independent Chair and a minimum of three members. A copy of the charter is available on our website at: wisetechglobal.com/investors/corporate-governance

The Nomination Committee comprised these Directors throughout FY22:

- Teresa Engelhard, Chair;
- Andrew Harrison; and
- Richard White.

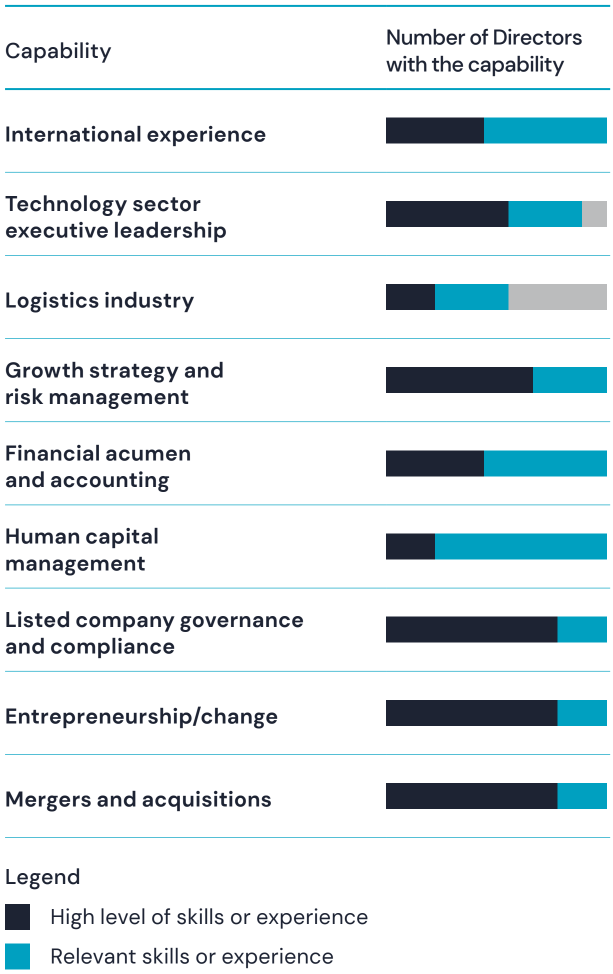
Board skills matrix

The Board is responsible for Board succession planning, the appointment of new directors and continuing professional development of directors. In doing so, it has regard to the balance of skills, diversity, experience, independence and expertise on the Board. The Board uses a skills matrix which identifies the skills and experience needed to support WiseTech in achieving its strategy and meeting its regulatory and legal requirements.

The key skills and experience that comprise the matrix include:

- International experience: Board, senior executive or senior adviser experience with a large global organization;
- Technology sector executive leadership: Senior executive experience in the technology sector, preferably with a B2B focus;
- Logistics industry: Experience and expertise or formal qualifications in the area of global logistics;
- Growth strategy and risk management: Board or senior executive experience in setting and overseeing strategies and risk frameworks which support and enable success at global high-growth technology companies, preferably in the B2B software sector;
- Financial acumen and accounting: Financial literacy or accounting qualifications and/or experience in the area of financial reporting integrity;
- Human capital management: People management and human resources expertise including talent management and driving organizational change;
- Listed company governance and compliance: Board or senior executive experience in a listed company, including investor relationships and corporate governance;
- Entrepreneurship/change: Board or senior executive experience in an entrepreneurial enterprise and/or rapidly changing business environments; and
- Mergers and acquisitions: Board or executive experience with M&A and business integration.

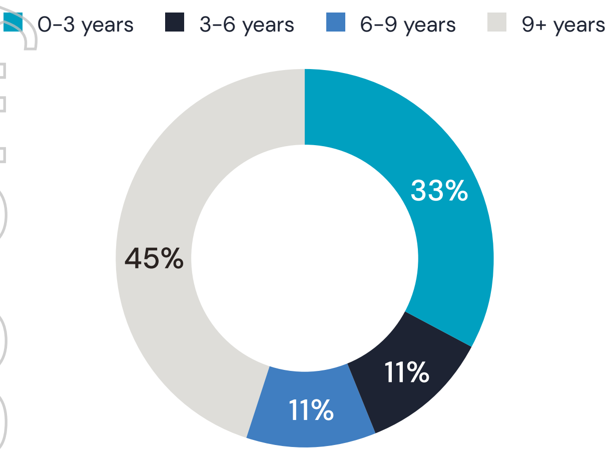
The Board believes that all areas in the skills matrix are currently well represented on the Board. The Board will continually review and, if appropriate, update the matrix to reflect the needs of the business.



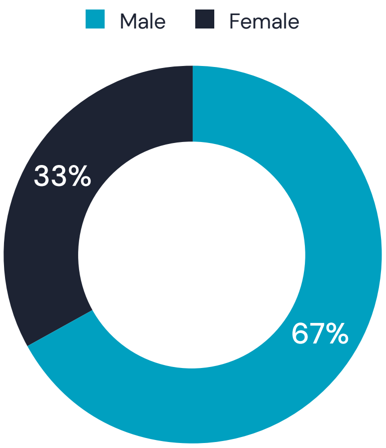
Board tenure and diversity

As at 30 June 2022, these were:

TENURE



DIVERSITY



Independence of Directors

The Board considers an independent Director to be a Non-Executive Director who is not a member of our management team and who is free of any business or other relationship that might influence or reasonably be perceived to influence in a material respect the unfettered and independent exercise of their judgment. The Board considers a range of factors relevant to assessing the independence of Directors in accordance with the ASX Recommendations. The Board considers quantitative and qualitative principles of materiality for the purposes of determining 'independence' on a case-by-case basis.

The Board considers that Andrew Harrison (Chair of the Board), Richard Dammery, Teresa Engelhard (Chair of the People & Remuneration and Nomination Committees), Charles Gibbon, Michael Gregg, Michael Malone and Arlene Tansey (Chair of the Audit & Risk Committee) are independent Directors, free from any business or any other relationship that could materially interfere with, or reasonably be perceived to interfere with, the independent exercise of the Director's judgment and each is able to fulfill the role of an independent Director for the purposes of the ASX Recommendations. On this basis, the Board consists of a majority of independent Directors.

Charles Gibbon held approximately 5.3% of the Company's issued share capital as at 30 June 2022 and joined the Board in 2006. The Board (absent Charles Gibbon) has taken into account Charles' substantial shareholding and tenure when considering whether Charles Gibbon should be considered to be independent. The Board does not consider those factors to be sufficiently dominant or influential in the circumstances so as to conclude he is not independent or that his interests will be different to those of shareholders with smaller stakes. In particular, the Board had regard to Charles Gibbon's conduct to date on the Board and the existence of Richard White's voting control over approximately 41% of the Company's issued share capital as at 30 June 2022 and the lack of other factors referred to in the ASX Recommendations and Board Charter which might lead the Board to query his independence. The Board also noted that much of Charles Gibbon's tenure as a Director occurred prior to WiseTech's listing on the ASX in 2016. He has been a Director of WiseTech as a listed company for just over six years.

Michael Gregg joined the Board in 2006. The Board (absent Michael Gregg) has taken into account his tenure when considering whether Michael Gregg should be considered to be independent. The Board does not consider this factor to be sufficiently dominant or influential in the circumstances so as to conclude he is not independent. In particular, the Board had regard to Michael Gregg's conduct to date on the Board and the lack of other factors referred to in the ASX Recommendations and Board Charter which might lead the Board to query his independence.

The Board also noted that much of Michael Gregg's tenure as a Director occurred prior to WiseTech's listing on the ASX in 2016. He has been a Director of WiseTech as a listed company for just over six years.

Richard White and Maree Isaacs, as members of management, are not considered by the Board to fulfill the role of independent Directors.

The Board regularly reviews the independence of each Director in light of interests disclosed to the Board and will disclose any change to the ASX, as required by the ASX Listing Rules.

Director orientation, education and access to advice

An orientation program is tailored to meet the needs of each new Director, including briefings on our strategy, financial, operational and risk management matters and our governance framework.

As part of the Board meeting cycle, the Directors receive regular briefings on the business and key developments in areas such as governance, regulatory and accounting matters. Director performance reviews periodically consider whether there is a need for certain Directors to undertake professional development to maintain the skills and knowledge needed to perform their roles as a Director effectively.

Principle 3: Instill a culture of acting lawfully, ethically and responsibly

Our values

Our credo, mantras and values give us focus and purpose. Our values are disclosed on our website at: wisetechglobal.com/who-we-are/our-values

Code of Conduct

Our Code of Conduct outlines the ethical standards expected of all our Directors, senior executives and employees. WiseTech Global is committed to maintaining ethical standards in how we conduct our business activities and stakeholder relationships. WiseTech Global's reputation as an ethical business organization is important to our ongoing success. Our Audit & Risk Committee is informed of any material breaches of our Code of Conduct.

A copy of the Code of Conduct is available on our website at: wisetechglobal.com/investors/corporate-governance

Whistleblower Protection Principles

Our Whistleblower Protection Principles establish mechanisms and procedures for employees to report suspected unethical or illegal conduct in a manner which protects the whistleblower and gathers the necessary information for us to investigate such reports and act appropriately.

Our Whistleblower Protection Principles apply to all staff globally. These principles may be supplemented by additional policies to meet local requirements (including in Australia). The Board is informed of any material incidents reported under the Principles.

Our global Whistleblower Protection Principles are available on our website at: wisetechglobal.com/investors/corporate-governance

Anti-Bribery and Corruption Policy

We are committed to conducting our business activities in an ethical, lawful and socially responsible manner, and in accordance with the laws and regulations of the countries in which we operate. The Anti-Bribery and Corruption Policy supports the Group's Code of Conduct and, in particular, the Group's firm commitment to operating an ethical business organization.

Our Anti-Bribery and Corruption Policy is available on our website at: wisetechglobal.com/investors/corporate-governance

The Board is informed of any material breaches of our Anti-Bribery and Corruption Policy.

Principle 4: Safeguard the integrity of corporate reporting

Audit & Risk Committee

The Audit & Risk Committee assists the Board in fulfilling its corporate governance and oversight responsibilities in relation to our periodic corporate reports, financial reporting process and internal control structure, management of risks and the external audit processes.

The Committee's primary function is to assist the Board to carry out its responsibilities to:

- review and monitor the integrity of the Company's consolidated financial reports and statements;
- review and oversee systems of risk management, internal control and regulatory compliance within the Company and its controlled entities, including overseeing the process for implementing appropriate and adequate control, monitoring and reporting mechanisms;
- review the adequacy of the Company's corporate reporting processes; and
- liaise with and monitor the performance and independence of the external auditor.

The Audit & Risk Committee Charter sets out the role, responsibilities and composition of the Committee and provides that the Committee must comprise only Non-Executive Directors, a majority of independent Directors, an independent Chair who is not Chair of the Board, and a minimum of three members. In accordance with its charter, it is intended that all members of the Committee should have familiarity with general financial and accounting practices, and at least one member must have accounting or related financial management expertise. A copy of the charter is available on our website at: wisetechglobal.com/investors/corporate-governance

The composition of the Committee during FY22 is set out below:

- Arlene Tansey, Chair;
- Richard Dammery, from 1 April 2022;
- Charles Gibbon;
- Michael Gregg, until 1 April 2022; and
- Andrew Harrison.

Michael Malone became a member of the Committee with effect from 30 June 2022, replacing Andrew Harrison.

Non-Committee members, including members of management and our external auditor, may attend meetings of the Audit & Risk Committee by invitation of the Committee Chair.

Related Party Committee

Taking into account existing, long-standing related party transactions for property and data centers between WiseTech Global and its co-founders, and the potential for future transactions, in 2017, the Board established a Related Party Committee comprising independent Directors to consider and review transactions. The Board disbanded the Committee in June 2022. Any future related party matters will be considered by the Audit & Risk Committee.

The Related Party Committee's role was to support the Company's compliance with related party rules and disclosure obligations. The Related Party Committee Charter set out the role, responsibilities and composition of the Committee and provided that the Committee must comprise only independent Directors, an independent Chair who is not Chair of the Board, and a minimum of three members.

The composition of the Committee during FY22 is set out below:

- Michael Gregg, Chair;
- Charles Gibbon; and
- Andrew Harrison.

CEO and Chief Financial Officer assurance

The Board receives regular reports about the operational results and financial condition of the WiseTech Global group. The Board has received and considered a declaration from each of the CEO and the Chief Financial Officer in relation to the financial statements, prior to approving the financial results, in accordance with ASX Recommendation 4.2. The declaration states that, in their opinion, the financial records of WiseTech Global have been properly maintained, that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Company, and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

Periodic corporate reports

Any periodic corporate reports that have not been audited or reviewed by an external auditor are subject to internal verification processes before being released to the market. All content is either verified by the Finance team against source data or data that has been audited or reviewed by the external auditor or is reviewed and signed-off by relevant subject matter experts from within the business. Equivalent procedures are also used to verify other materials such as presentations to investors.

Principle 5: Make timely and balanced disclosure

Market Disclosure and Communications Principles

Our Market Disclosure and Communications Principles establish procedures to help ensure that:

- we comply with our continuous disclosure obligations contained in the ASX Listing Rules and the *Corporations Act 2001*; and
- all our stakeholders have equal and timely access to information we make available.

A copy of the principles is available on our website at: wisetechglobal.com/investors/corporate-governance

Market announcements

We provide copies of all material market announcements to Directors promptly after they have been released to the market.

In accordance with best practice guidelines, we release any investor presentation materials that contain new and substantive information to the ASX Market Announcement Platform ahead of the presentation to investors and/or analysts.

Principle 6: Respect the rights of security holders

Investor relations

The Company also has an investor relations program to facilitate effective communication with investors – primarily through our AGMs, our investor website and a detailed program of interactions with institutional investors, retail investor groups, sell-side and buy-side analysts, proxy advisers and the financial media.

AGM

Our AGM is an opportunity for the Company to provide information to shareholders and to receive feedback from shareholders (including the opportunity for shareholders to ask questions about the business operations and management of the Company).

Our 2022 AGM will be held as a virtual online meeting. Shareholders and proxyholders will be able to participate online, ask questions and vote in real time during the AGM by logging on to the online platform at: meetings.linkgroup.com/WTC22

Since WiseTech's listing on the ASX in 2016, all resolutions at meetings of security holders have been decided on a poll. The Board intends to continue this practice.

Investor website

Our website includes a separate 'Investors' section, where shareholders and other stakeholders can access information about WiseTech Global, including annual reports and presentations, ASX announcements and share price information.

Shareholders can elect to receive their annual reports, notices of meeting and dividend statements online or in print. In addition, shareholders are able to communicate electronically with us and our share registry, Link Market Services, including being able to lodge proxy forms online.

Principle 7: Recognize and manage risk

Risk Management Principles

We view risk management as a continual process, integral to achieving our corporate objectives, that is, managing our assets effectively and creating and maintaining shareholder value.

Our Board is responsible for monitoring the Group's risk management systems across its business and has delegated this oversight to the Audit & Risk Committee. Risk management is also delegated to a group of senior executives (with the CEO maintaining overall responsibility), who oversee a system of internal controls and risk management, and monitor and manage those risks. These executives hold regular meetings with the CEO, during which risks are discussed and analyzed, and any necessary actions are determined.

Material exceptions or issues are reported to the Audit & Risk Committee and/or the Board. A review of the risk management framework was conducted by the Audit & Risk Committee in FY22 to satisfy itself that the framework continues to be sound and that the Company is operating with due regard to the risk appetite set by the Board.

Our 2022 annual report includes a summary of the main risks affecting WiseTech Global, including environmental, social and governance (ESG) matters. The sustainability section of the annual report includes our performance in relation to ESG key topics, and our approach to managing the topics is explained on our website.

Internal audit

A Risk Management and Internal Audit function operated throughout FY22. The Head of Risk Management and Internal Audit reports to the Chair of the Audit & Risk Committee. The role of the Risk Management and Internal Audit function is to provide independent assurance to executive management and the Board that an appropriate enterprise risk framework has been established, and that key controls are in place and operating effectively. The internal audit function has a global role and is assisted with resources from a co-sourced specialist provider.

Principle 8: Remunerate fairly and responsibly

People & Remuneration Committee

The People & Remuneration Committee's role is to assist and advise the Board in relation to:

- people and culture practices and strategies that support the development of WiseTech's desired culture and alignment with our values;
- our remuneration policy and incentive framework for all our staff;
- the process for overseeing performance accountability and effective monitoring of management, including setting and evaluating performance against goals and targets;
- recruitment, retention and termination strategies;
- achievement against diversity objectives in relation to remuneration; and
- the annual Remuneration Report to shareholders.

The People & Remuneration Committee Charter sets out the role, responsibilities and composition of the committee and provides that the committee must comprise a majority of independent Directors, an independent Chair and a minimum of three members. A copy of the charter is available on our website at: wisetechglobal.com/investors/corporate-governance

The People & Remuneration Committee comprised these Directors throughout FY22:

- Teresa Engelhard, Chair;
- Richard Dammery, from 1 April 2022;
- Charles Gibbon, until 1 April 2022;
- Michael Gregg; and
- Michael Malone, from 1 April 2022.

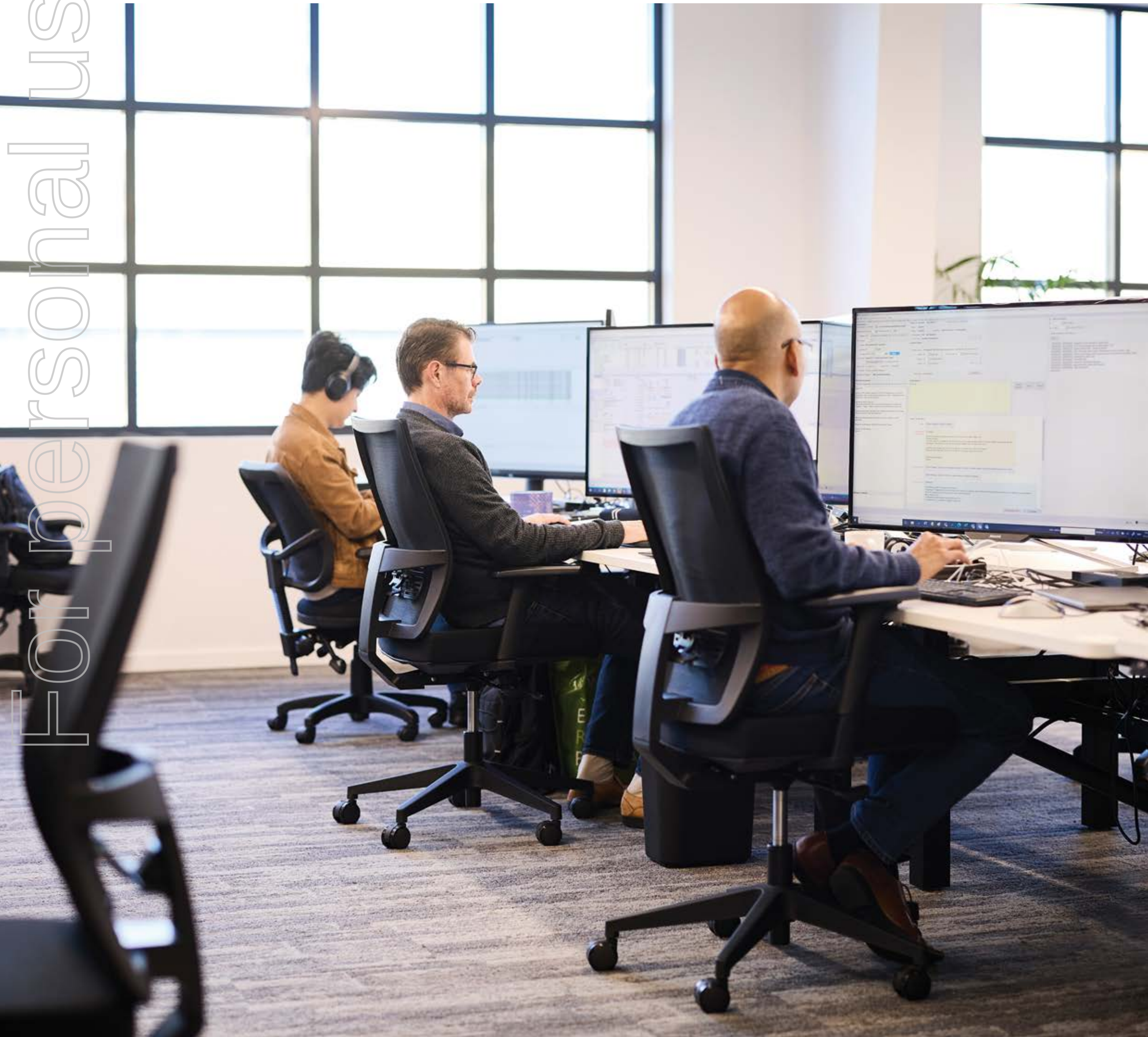
Remuneration Report

Our Remuneration Report describes the policies and practices regarding the remuneration of Non-Executive Directors and the remuneration of Executive Directors and senior executives.

Securities Trading Policy

Our Securities Trading Policy outlines the rules for Directors and employees trading in WiseTech Global securities. The purpose of the policy is to assist Directors and employees to comply with their obligations under the insider trading provisions of the *Corporations Act 2001* and to protect the reputation of the Company, its Directors and employees.

Our policy establishes trading blackout periods for key employees and Directors and prohibits the use of hedges or arrangements that operate to limit the economic risk of unvested, or vested but subject to disposal restrictions, WiseTech Global securities issued in connection with equity-based remuneration schemes.



Operating and financial review

for the full-year ended 30 June 2022

Review of operations

Principal activities

We are a leading provider of software solutions to the logistics industry globally. We develop, sell and implement software solutions that enable and empower logistics service providers to facilitate the movement and storage of goods and information, domestically and internationally. We provide our solutions to more than 18,000 customers in 170 countries.

Our industry-leading flagship technology, CargoWise, is a deeply integrated, global software platform for logistics service providers. Our software enables and empowers logistics service providers to execute highly complex logistics transactions and manage their operations on one global database across multiple users, functions, offices, corporations, currencies, countries and languages. Our main data centers in Australia, Europe and the US deliver our CargoWise platform principally through the cloud, which customers access as needed and pay for usage as they execute on our platform.

Our customers range from small and mid-sized domestic and regional logistics providers to large multi-national and global logistics providers, including 24 of the Top 25 Global Freight Forwarders[1] and 41 of the Top 50 Global Third-Party Logistics Providers (3PLs)[2]. Our software solutions are designed to assist our customers to efficiently navigate the complexities of the logistics industry and can dramatically increase productivity, reduce costs and mitigate risks for our customers.

Innovation and productivity remain key areas of focus for the business. We invest significantly in product development and continue to deliver hundreds of new product enhancements each year. This drives greater usage of our CargoWise platform, enabling the business to achieve sustainable, profitable growth. Our strategy of focusing on the *'3Ps' – Product; Penetration; and Profitability* – is delivering our vision to be the operating system for global logistics. We are building our capabilities and, where appropriate, fast-tracking our technology development and know-how through acquisitions. This allows us to deliver a comprehensive global logistics execution solution for our customers, from the first-mile road movement, connecting to long-haul air, sea, rail and road, crossing international borders – all while navigating complex regulatory frameworks with improved compliance, safety, visibility, predictability, manageability and productivity.

We are committed to making a positive contribution to the communities that we are part of and recognize that our social license to operate is integral to our ability to create long-term value for our stakeholders. Our people, the communities and marketplaces in which we operate, and the environment are integral to our strategy and our operating decisions. We are focused on ensuring we prioritize accountability and that we have robust governance frameworks in place.

Our technology solutions have an important role to play in solving the complex pain points of the logistics industry and in enhancing productivity and efficiencies for logistics providers. We have secured a strong foundation for future technology development and geographic expansion, with 35 product development centers, including centers of excellence in Bangalore and Nanjing, and a headcount of almost 2,000 people globally across 35 countries.

1 Based on Armstrong & Associates Inc. Top 25 Global Freight Forwarders List ranked by 2021 gross logistics revenue/turnover and freight forwarding volumes – Updated 4 August 2022.

2 Based on Armstrong & Associates Inc: Top 50 Global Third-Party Logistics Providers List ranked by 2021 gross logistics revenue/turnover – Updated 4 August 2022.

Operating and financial review

for the full-year ended 30 June 2022

Summary of statutory financial performance

During the twelve months to 30 June 2022, we delivered strong revenue growth, driven mainly by increased market penetration primarily from Large Global Freight Forwarder[1] rollouts, increased customer usage and adoption of our technology, and price increases during the year to offset the impacts of inflation as well as generate returns on product investments. We continued our significant investment in innovation and development and essentially completed our specific cost reduction initiative implemented in FY20, maximizing operating leverage and driving efficiencies across the business.

Revenue increased 25% to $632.2m (FY21: $507.5m)

Operating profit increased 70% to $255.0 (FY21: $149.8m)

Net profit after tax increased 80% to $194.6m (FY21: $108.1m)

Underlying net profit after tax increased 72% to $181.8m (FY21: $105.8m)

Basic earnings per share increased 79% to 59.7 cents (FY21: 33.3 cents)

Summary financial results[2]

	FY22 $M	FY21 $M	Change $M	Change %
Recurring On-Demand License revenue	491.6	383.0	108.6	*28%*
Recurring One-Time License ("OTL") maintenance revenue	74.2	75.1	(0.9)	*(1)%*
OTL and support services	66.5	49.4	17.0	*34%*
Revenue	632.2	**507.5**	**124.7**	***25%***
Cost of revenues	(92.5)	(85.6)	(7.0)	*8%*
Gross profit	539.7	**421.9**	**117.8**	***28%***
Product design and development[3]	(142.9)	(128.9)	(14.0)	*11%*
Sales and marketing	(50.0)	(50.3)	0.2	*-%*
General and administration	(91.8)	(92.9)	1.1	*(1)%*
Total operating expenses	(284.7)	**(272.1)**	**(12.6)**	***5%***
Operating profit	255.0	**149.8**	**105.1**	***70%***
Net finance costs[4]	(2.7)	(4.1)	(1.4)	*(35)%*
Fair value gain on contingent consideration	0.1	2.2	(2.1)	*(96)%*
Profit before income tax	252.4	**147.9**	**104.4**	***71%***
Tax expense[5]	(57.7)	(39.9)	(17.9)	*45%*
Net profit after tax	194.6	**108.1**	**86.6**	***80%***
Underlying net profit after tax[6]	181.8	**105.8**	**75.9**	***72%***

Key financial metrics	FY22	FY21	Change
Recurring revenue %	89%	90%	(1)pp
Gross profit margin %	85%	83%	2pp
Product design and development as % total revenue[3]	23%	25%	(2)pp
Sales and marketing as % total revenue	8%	10%	(2)pp
General and administration as % total revenue	15%	18%	(3)pp
Capitalized development investment ($m)[7]	83.9	78.3	5.6
R&D as a % of total revenue[8]	29%	33%	(4)pp

1 A Large Global Freight Forwarder is a CargoWise customer contracted to grow or who has grown either organically or contractually to 10 or more countries and 400 or more registered users on CargoWise.

2 Differences in tables are due to rounding, see page 104 Rounding of amounts.

3 Product design and development includes $46.0m (FY21: $40.1m) depreciation and amortization but excludes capitalized development investment.

4 Net finance costs includes finance income and finance costs but excludes fair value gain on contingent consideration.

5 Tax expense includes non-recurring tax on acquisition contingent consideration (FY22: $12.8m, FY21: $ nil).

6 Underlying net profit after tax excludes fair value adjustments from changes to acquisition contingent consideration (FY22: $0.1m, FY21: $2.2m) and non-recurring tax on acquisition contingent consideration (FY22: $12.8m, FY21: $ nil).

7 Includes patents and purchased external software licenses used in our products.

8 R&D is total investment in product design and development expense, excluding depreciation and amortization, but including capitalized development investment.

Operating and financial review

for the full-year ended 30 June 2022

Revenue

Total revenue grew 25% to $632.2m (FY21: $507.5m). Increased revenue growth came from:

- increased usage by existing customers through the addition of transactions, seats and new sites, utilization of additional products and modules, and growth from industry consolidation;
- new CargoWise customers won in the period and growth from customers won in FY21;
- price increases during the year to offset the impacts of inflation as well as generate returns on product investments;
- monetization of new product enhancements reflecting ongoing product development investment;
- $8.4m increase in non-CargoWise revenue;
- $1.8m from two tuck-in acquisitions completed in FY22, which are being integrated into the CargoWise ecosystem;
- partially offset by $9.4m of unfavorable foreign exchange (FX) movements (FY21: $23.4m unfavorable).

Revenue from CargoWise increased by $124.1m (excluding FX) (FY21: $82.2m), with $82.7m (FY21: $63.4m) from existing customers and $39.6m (FY21: $18.9m) from new customers. Growth was mainly driven by increased CargoWise usage primarily from Large Global Freight Forwarder rollouts, new customer growth, increased usage of the CargoWise platform from existing customers adding transactions, seats and new sites, utilizing additional modules, and growth from industry consolidation. Part of the growth includes price increases during the year to offset the impacts of inflation as well as generate returns on product investments. CargoWise revenue growth also includes $1.8m from two tuck-in acquisitions completed in FY22, which are being integrated into the CargoWise ecosystem. $7.7m of unfavorable FX was experienced in FY22 (FY21: $13.6m unfavorable).

In FY22, revenue growth for CargoWise was achieved across all existing customer cohorts (from FY06 & prior through to FY22).

Revenue from customers on non-CargoWise platforms increased by $8.4m driven by increased usage from FY21 and prior acquisitions and general price increases. Revenue from non-CargoWise platforms included $1.7m of unfavorable FX movements (FY21: $9.7m unfavorable).

Revenue from OTL and support services increased to $66.5m (FY21: $49.4m), reflecting increased revenue from CargoWise customer paid product enhancements which stepped up in 2H as expected, and also a product license agreement to accelerate commercialization and future growth of a CargoWise landside logistics component.

Recurring revenue decreased for the Group from 90% in FY21 to 89% in FY22, as a result of an increase in non-recurring OTL and support services revenue.

Customer attrition rate for the CargoWise platform continued to be extremely low, less than 1%, as it has been for the last ten years since we started measuring[1]. Our customers stay and grow their transaction usage due to the productivity and deep capabilities of our platform.

Foreign exchange Our revenue is invoiced in a range of currencies, reflecting the global nature of our customer base and, as a result, may be positively or negatively impacted by movements in foreign currency exchange rates. We use foreign exchange instruments to hedge against currency movements.

Gross profit and gross profit margin

Gross profit increased by $117.8m, up 28%, to $539.7m (FY21: $421.9m) and gross profit margin increased to 85% (FY21: 83%). Gross profit growth reflects the impact of revenue growth and continuing efficiencies from cost reduction initiatives.

1 Annual attrition rate is a customer attrition measurement relating to the CargoWise platform (excluding any customers on non-CargoWise platforms). A customer's users are included in the customer attrition calculation upon leaving i.e. having not used the product for at least four months.

Operating and financial review

for the full-year ended 30 June 2022

Operating expenses

A specific organization-wide efficiency and acquisition synergy program commenced in FY20 to extract efficiencies by streamlining processes and teams and ensuring that resources are appropriately allocated to support scalability, growth and delivery of WiseTech's strategic vision. In FY22, this program delivered $32.6m net cost benefits ($33.5m gross cost reductions offset by $0.9m restructuring costs). The run rate exceeded the FY22 target of ~$45m and the specific program is now essentially complete.

Total R&D investment: In FY22, we continued our significant investment in product innovation to further develop our software platform and to build our innovation pipeline. Our R&D investment for the period increased by 8% net to $180.8m (FY21: $167.1m), reflecting increased investment in CargoWise innovation and development partially offsetting a planned reduction in non-CargoWise platforms and benefits of cost reductions. In FY22, 29% of total revenue was reinvested in R&D (FY21: 33%).

Product design and development expense increased by 11% to $142.9m (FY21: $128.9m), reflecting:

- our significant ongoing investment in the development and maintenance of CargoWise;
- increased investment in hiring and retaining high-quality talent globally;
- increased amortization, primarily due to continued capitalized development investment; and
- the effect of cost reductions in supporting non-CargoWise platforms.

Capitalized development investment increased to $83.9m (FY21: $78.3m), reflecting increased investment focused on six key development priorities. Costs related to development activity that is not commercializable and maintenance costs are expensed.

Sales and marketing expense was relatively flat at $50.0m (FY21: $50.3m), reflecting ongoing cost reductions in support functions for non-CargoWise platforms.

General and administration expense decreased to $91.8m (FY21: $92.9m), representing 15% of total revenue (FY21: 18%) driven by the benefits of our cost efficiency program. Our general and administration expense excluding restructuring costs, was 14% of revenue in FY22 (FY21: 17%).

Throughout FY22, and consistent with prior years, we did not receive any material benefit from any COVID-19 government support programs globally.

Net finance costs

Fair value gain on contingent consideration reflects the impact of contingent consideration liability settlement and reassessment which, in FY22, resulted in a net reduction of the contingent consideration liability and a corresponding non-cash (not taxed) fair value gain of $0.1m (FY21: $2.2m).

Other net finance costs in FY22 of $2.7m (FY21: $4.1m) included $4.1m of finance costs (FY21: $5.5m), comprising interest expenses and debt facility fees. Finance income of $1.4m (FY21: $1.4m) was flat on FY21 due to growing cash balances that were offset by lower global interest rates.

Operating and financial review

for the full-year ended 30 June 2022

Cash flow

We continued to generate strong positive operating cash flows demonstrating the highly cash-generative nature of the business and strength of our underlying operating model, with $339.6m of operating cash flow, up 48% on FY21. FY22 net cash flows from operating activities were $306.7m (FY21: $211.6m). Free cash flow of $237.3m was up 71% on FY21. FY22 cash flows include $1.2m of payments for restructuring activities (FY21: $8.6m).

Investing activities in long-term assets to fund future growth included:

- $75.4m in intangible assets as we further developed and expanded our commercializable technology, resulting in capitalized development investment for both commercialized products and those yet to be launched (FY21: $74.5m);
- $26.8m in assets mostly related to data center expansion, IT infrastructure investments to enhance scalability, reliability and security (FY21: $16.3m); and
- $3.4m for two tuck-in acquisitions, and contingent payments for prior acquisitions (FY21: $5.8m).

Dividends of $26.5m (FY21: $13.2m) were paid in cash during FY22, with shareholders choosing to reinvest an additional $1.5m of their dividends via the dividend reinvestment plan.

Our closing cash balance of $483.4m, with no outstanding debt, other than lease liabilities, provides significant financial headroom. In addition, we have an undrawn, unsecured, four-year, $225m bi-lateral debt facility supported by six banks, providing a solid financial foundation for future growth including supporting our acquisition strategy.

Product strategy and integration progress

WiseTech's vision is to be the operating system for global logistics. To achieve this, we have invested significantly in our own 'in-house' R&D and capabilities and in strategic acquisitions which enable us to fast track the expansion of CargoWise's functionality. Our focus is on six key development priorities, being landside logistics, warehouse, Neo, digital documents, customs and compliance, and international eCommerce. Accelerating our capabilities in these areas will further embed CargoWise across the global supply chain ecosystem, broaden our market opportunity and support future revenue growth over the medium to long-term.

We have completed a number of strategic acquisitions since listing on the ASX in 2016. We consider our strategic investments holistically, rather than individually in isolation. They are interconnected and designed to drive improved product capability, greater market penetration and sustainable profit growth. We are now well-progressed in integrating the intellectual property from prior acquisitions into the CargoWise ecosystem and aligning the non-CargoWise teams to CargoWise development priorities.

Accordingly, we are now focused on the next strategic opportunities. Going forward we'll focus on both tuck-in acquisitions and larger strategically significant acquisition opportunities within the six development priorities. We are looking at tuck-in acquisitions, which are typically smaller acquisitions, that can quickly bring their team, technology and knowledge without major rewrites and rapidly add value to the CargoWise ecosystem.

We also continue to look at larger, strategically significant, acquisition opportunities supported by our strong balance sheet and funding options. We have a very talented, successful, experienced and skilled team internally and we know our markets well, which gives us confidence as we continue to explore and evaluate these opportunities.

Operating and financial review

for the full-year ended 30 June 2022

FY22 strategic highlights

We are focused on our vision by creating breakthrough products that enable and empower those that own and operate the supply chains of the world. We are extending the reach of the global CargoWise integrated platform, expanding technology to increase market penetration and new addressable markets, growing our commercial foundation to new geographies, and investing in transforming our content architectures, channels and brand, while also growing our R&D capacity. In FY22, we essentially have completed our specific organization-wide efficiency program to maximize operating leverage and allocate resources to support ongoing growth.

We have 43 Large Global Freight Forwarders with global rollouts "Contracted and in Progress"[1] or "In Production"[2], including 10 of the Top 25 Global Freight Forwarders. In FY22, we secured new global rollout contracts with Access World, Brink's Global Services, Craft Multimodal, FedEx and UPS. We have also added five organic Large Global Freight Forwarders through more extensive adoption of CargoWise and greater product penetration.

Throughout FY22, we continued our extensive product development program, investing $180.8m and 54% of our people in product development. CargoWise product development resources increased by 31% in FY22 driven by new hire recruitment and transfers from non-CargoWise teams, delivering 1,199 product enhancements to the CargoWise platform.

In FY22, we completed two tuck-in acquisitions. These were Inobiz, which provides tools for designing and managing CargoWise connections to industry and between customers and Hazmatica, which provides hazardous materials compliance and management capabilities. These acquisitions, including their staff, knowledge and technology are being integrated directly into the CargoWise ecosystem to provide benefits to existing CargoWise customers and as a result, their revenue contribution is included in CargoWise revenue in FY22.

Post balance date events

Since period end, the Directors have declared a fully franked dividend of 6.40 cents per share, payable on 7 October 2022. The dividend will be recognized in subsequent period financial statements.

On 1 July 2022, we completed the acquisition of Bolero, a leading provider of electronic Bills of Lading and digital documentation capabilities to facilitate global trade that is headquartered in the United Kingdom. The consideration for the acquisition is $66.2m, net of cash acquired. Transaction costs of $2.8m were incurred to complete the acquisition, $1.9m being recognized in FY22. The acquired business generated revenue and EBITDA of $10.1m and $1.1m respectively for the 12 months ended 31 December 2021. This transaction, while of strategic value, is not material to the Group.

Outlook for 2023

WiseTech provides the following guidance on the basis that market conditions do not materially change, noting in particular uncertainty around future economic and industrial production growth and/or global trade may lead to alternative outcomes. Prevailing uncertainties relating to sovereign and geopolitical risk may also impact assumed growth rates.

Based on, and subject to, the underlying assumptions set out in the WiseTech Global FY22 Results presentation, the Company currently anticipates FY23 revenue growth will be in the range of 20% to 23% (representing revenue of $755m–$780m) and EBITDA growth of 21% to 30% (representing EBITDA of $385m–$415m).

1 Contracted and in Progress refers to CargoWise customers who are contracted and in progress to grow to rolling out CargoWise in 10 or more countries and for 400 or more registered users, who have less than 75% of expected registered users on CargoWise.
2 In Production refers to customers who are operationally live on CargoWise and are using the platform on a production database, having rolled out in 10 or more countries and 400 or more registered users on CargoWise, excluding customers classified as 'Contracted and In Progress'.

Five year financial summary[1]

	FY18 $M	FY19 $M	FY20 $M	FY21 $M	FY22 $M
Recurring On-Demand revenue	171.0	249.8	309.2	383.0	**491.6**
Recurring OTL maintenance revenue	27.7	57.8	72.8	75.1	**74.2**
OTL and support services	22.9	40.7	47.4	49.4	**66.5**
Revenue	221.6	348.3	429.4	507.5	**632.2**
Cost of revenues	(38.7)	(66.7)	(83.5)	(85.6)	**(92.5)**
Gross profit	182.9	281.6	345.9	421.9	**539.7**
Operating expenses					
Product design and development[2]	(53.4)	(84.2)	(115.4)	(128.9)	**(142.9)**
Sales and marketing	(24.6)	(47.7)	(62.3)	(50.3)	**(50.0)**
General and administration	(46.6)	(69.5)	(87.7)	(92.9)	**(91.8)**
Total operating expenses	(124.6)	(201.3)	(265.4)	(272.1)	**(284.7)**
Operating profit	58.4	80.2	80.5	149.8	**255.0**
Finance income	1.4	1.9	3.1	1.4	**1.4**
Finance costs	(2.7)	(7.3)	(12.9)	(5.5)	**(4.1)**
Fair value gain on contingent consideration	–	1.6	111.0	2.2	**0.1**
Share of profit/(loss) of equity accounted investees	0.0	–	–	–	**–**
Profit before income tax	57.2	76.4	181.8	147.9	**252.4**
Tax expense	(16.4)	(22.3)	(21.0)	(39.9)	**(57.7)**
Net profit after tax	40.8	54.1	160.8	108.1	**194.6**
Net profit after tax attributable to:					
Equity holders of the parent	40.8	54.1	160.8	108.1	**194.6**
Non-controlling interests	0.0	–	–	–	**–**
Net profit after tax	40.8	54.1	160.8	108.1	**194.6**
Key financial metrics					
Recurring revenue %	90%	88%	89%	90%	**89%**
Gross profit margin %	83%	81%	81%	83%	**85%**
Product design and development as % of total revenue[2]	24%	24%	27%	25%	**23%**
Sales and marketing as % of total revenue	11%	14%	15%	10%	**8%**
General and administration as % of total revenue	21%	20%	20%	18%	**15%**
Capitalized development investment ($m)[3]	35.3	46.9	74.2	78.3	**83.9**
Total R&D as a % of total revenue[4]	34%	32%	37%	33%	**29%**

1 Differences in tables are due to rounding, refer to Rounding of amounts in note 2 to the financial statements included in this report.
2 Product design and development includes $46.0m (FY21: $40.1m, FY20: $30.5m, FY19: $18.1m, FY18: $12.2m) depreciation and amortization but excludes capitalized development investment.
3 Includes patents and purchased external software licenses used in our products.
4 R&D is total investment in product design and development expense, excluding depreciation and amortization, but including capitalized development investment.

Remuneration Report

Letter from the People & Remuneration Committee

Dear Shareholders,

The People & Remuneration Committee ("PRC") is pleased to introduce WiseTech's Remuneration Report and to share some of our people and culture highlights from FY22.

Building on strong foundations, our global team achieved high performance in FY22 to substantially strengthen WiseTech's category leadership in software for global logistics. New customer wins and global rollouts by Large Global Freight Forwarders drove growth in revenue and cash flow, alongside increased investment in product development. In part to respond to a tightened market for software technology talent, two global pay reviews were conducted in FY22, leading to an average annual per person pay increase of 10.4% across the Group.

As a result of our people's aligned efforts, the financial targets set by the Board at the start of the year have been met or exceeded, including:

- 25% growth in revenue to $632.2m, towards top end of $600m to $635m target
- 54% growth in EBITDA to $319.0m, exceeding $260m to $285m target
- $32.6m net benefit and greater than $45m run-rate savings achieved, exceeding original run-rate target of $40m

Other notable KPI achievements set internally by the CEO and overseen by the Board include:

- Operating cash flow of $339.6m with conversion rate of 106% and free cash flow of $237.3m with conversion rate of 74%
- Optimization of the CargoWise Cloud code base to increase performance

Considering the performance of the executive team and the Company, the PRC believes the remuneration outcomes detailed in the Remuneration Report reflect an appropriate alignment between pay and performance, especially relative to the broader category of listed technology peers. Against a backdrop of rising global interest rates and increasing risks of recession, WiseTech's share price rose by 19% in FY22, outperforming ASX200 by 28.7%.

In light of WiseTech's sustained, long-term performance, the PRC believes our agile remuneration structure remains fit-for-purpose and no significant changes to the remuneration approach and framework are planned for FY23. Notably, our Founder and CEO, Richard White, will continue to receive fixed remuneration with no performance-based incentives due to his substantial shareholding of more than 37% of WiseTech's total issued share capital.

As a result of the equity initiatives in our remuneration structure, more than 75% of our global team members own WiseTech equity in the form of shares and/or share rights. Importantly, in addition to aligning our team with long-term shareholder interests, we believe our equity-linked remuneration programs have contributed to retention of staff during the recent software talent crunch, demonstrated by our voluntary turnover rate of 9.7% in FY22.

To further strengthen the long-term sustainability of WiseTech, during FY22, we invested in a number of ESG initiatives as described in our Sustainability Report. Our remuneration model has not previously linked remuneration outcomes to ESG measures and we have no plans to do so in FY23 considering the strong positive motivations for our executive team to invest in our ESG and sustainability performance.

Highlights of our people-related ESG investments in FY22 include:

- The introduction of a regular global employee engagement and culture survey across our nearly 2,000 team members in 35 countries.
- A diversity & inclusion (D&I) review led by an external specialist and engagement with focus groups to develop a multi-year D&I strategy and work plan.
- A continued focus on training and education with almost 20,000 hours of formal training completed across the year through our many learning channels including WiseTech Academy, leadership programs and LinkedIn Learning.
- Extension and enhancement of multiple people & culture programs to give broader global coverage and a wider reach, including global expansion of our Employee Assistance Program (EAP), the launch of well-being principles, Calm app (Tide in China), and the launch of resilience training and employee-led wellbeing groups which covered over 470 participants in 27 countries.
- Enhancements to our hybrid working model focused on the needs of individuals, teams and the organization.
- Investments in new facilities in Nanjing and Adelaide and a continued focus on the safety of our teams with enhanced workplace health and safety tools and training.
- Increased research and development leadership depth with new roles including Head of Product & Development, Head of Design and Head of Innovation, Research & Human Practice.

We expect that our global team, customers and shareholders will benefit well beyond FY22 from WiseTech's achievements this year and from our substantial investments in products, people and culture. As with prior years' investments, the long-term sustainability of WiseTech remains central to our decision-making.

We invite you to read the Remuneration Report and welcome your questions and feedback.

Sincerely,

Teresa Engelhard (Committee Chair), Richard Dammery, Michael Gregg and Michael Malone

People & Remuneration Committee

Remuneration Report

This Remuneration Report for the twelve months ended 30 June 2022 has been prepared in accordance with the requirements of section 300A of the *Corporations Act 2001*, and has been audited as required by section 308(3C) of the *Corporations Act 2001*.

Remuneration at a glance

Our remuneration strategy and framework

Driven by **our mission** and **our values**, WiseTech rewards our global workforce for performance aligned to our business strategy, specialized operations and sustained growth.

Drive innovation

Relentlessly innovate to deliver world-leading products that drive success for our customers

People powered

Attract, develop, motivate and retain an exceptional global team focused on market leadership and product excellence

Performance culture

Drive a high performance, global culture aligned with long-term strategy

Equitable

Retain a consistent approach to reward decisions promoting diversity and freedom from bias

Market competitive

Deliver market competitive fixed remuneration and long-term value growth through equity ownership

Remuneration Report

Our priority

Building multi-year deferred equity into fixed remuneration across our global workforce to align employees' interests with those of shareholders and encourage value creating behaviors.

Component/structure

Fixed annual remuneration

BASE SALARY AND PENSION/SUPERANNUATION

Base salary paid as cash on a monthly basis, with legislated contributions to a complying pension/superannuation fund

REMUNERATION EQUITY

Annual allocation of share rights granted during the financial year, with ¼ vesting in July each year for the following four years

Strategic objective/performance link

Set at competitive levels to attract and retain talent who can support growth, executive strategy, deliver economic outcomes and build shareholder value, based on:

- Role and responsibility
- Capability, competencies and contribution, and
- Internal and external relativities

Remuneration equity creates a strong alignment with long-term shareholder interests and supports retention

Performance equity incentives

PERFORMANCE EQUITY

Deferred equity granted based on the achievement of annual objectives with ¼ vesting immediately on grant and ¼ vesting in July each year over three years

PERFORMANCE MEASURES

- Financial and operational targets weighted to areas of control, and
- Development team pool bonuses related to specific innovation pipeline achievements

ANNUAL ASSESSMENT

Performance measures reward execution of and accountability for actions, direct outcomes and lead measures aligned to long-term strategy and annual priorities

ONGOING CALIBRATION

Lag outcomes ultimately reflected in long-term growth in revenue, earnings and Total Shareholder Return ("TSR")

SHAREHOLDER ALIGNMENT

Deferred equity and minimum holding requirements for KMP ensures strong link with creation of shareholder value and supports staff retention

Further alignment with shareholders

Rewarding our global workforce for increasing their holding of WiseTech Global shares by purchasing shares through our **Invest as You Earn** program.

IAYE Program

INVEST AS YOU EARN (IAYE)

Invest up to 20% of post-tax salary on a monthly basis during a calendar year to acquire shares:

- Potential to receive one share right for every five shares acquired
- Available to all employees (subject to local regulations)

SHAREHOLDER ALIGNMENT & RETENTION

- Program delivered in equity
- Shares acquired must be retained until end of calendar year for share rights to be granted
- Share rights vest after 18 months

Remuneration Report

Actual executive KMP remuneration received in FY22

	Current year's remuneration				Prior years' remuneration		Total		
	Fixed cash[1]	Cash incentive	FY22 Remuneration equity	FY22 Performance equity	Remuneration equity vested	Performance equity vested	Remuneration received	Equity growth	Total including equity growth
Richard White	$1,000,000	–	–	–	–	–	$1,000,000	–	$1,000,000
Maree Isaacs	$422,500	$210,000	–	–	–	–	$632,500	–	$632,500
Andrew Cartledge	$715,000	–	–	$216,563	$49,978	$399,118[2]	$1,380,659	$154,943	$1,535,602
Brett Shearer	$475,000	–	–	$58,125	$74,967	$235,300	$843,392	$117,785	$961,177

1 Fixed cash includes superannuation but excludes any allowances or non-monetary benefits. In particular, the amounts do not include the value related to annual and long service leave entitlements.
2 Andrew Cartledge's performance equity vested includes the vesting of 8 IAYE Share Rights in January 2022.

In the above table, Executive KMP remuneration received in FY22 is separated into remuneration received for employment in FY22 and deferred equity from previous years that vested during FY22.

Current year's remuneration

FY22 fixed cash remuneration, plus any FY22 performance incentive payments paid in cash, or equity which vested immediately on grant in August 2022. As remuneration equity is granted at the beginning of the year and earned throughout the year, with the first tranche to vest on the 1st business day of the following financial year, no FY22 remuneration equity was received in FY22.

Prior years' remuneration

Any deferred equity awards from prior periods that vested during FY22. This includes remuneration equity and performance equity incentives from prior years, excluding the value of any vested performance equity incentive for FY21 disclosed as 'Current year's remuneration' in the corresponding table in the FY21 Remuneration Report.

Equity growth

The value of the vested equity shown in the table is the face value at date of original award (under the headings Remuneration equity vested and Performance equity vested). Equity growth is the value contribution from the change in share price between the award and vesting dates.

For share rights that do not automatically convert to ordinary shares at vesting but are instead exercisable at the discretion of the Executive KMP, the values in the table reflect the market value at the vesting date, regardless of whether the share rights have been exercised.

Please note the actual remuneration outcomes in the tables above differ from the required statutory disclosures on page 87, which are prepared in accordance with the relevant accounting standards and represent a blend of actual amounts and accounting accruals. We believe that the information presented above provides shareholders with greater clarity of Executive KMP remuneration.

Remuneration Report

Key management personnel covered by the Remuneration Report

The Remuneration Report outlines key aspects of the Company's remuneration strategy, policy and framework and provides details of remuneration awarded to Key Management Personnel ("KMP") during FY22.

KMP includes Executive Directors, certain senior executives of the Group (Other Executives) and Non-Executive Directors, who have specific authority and responsibility for planning, directing and controlling the activities of the Group. In this report, the term "Executive KMP" refers to the KMP excluding Non-Executive Directors.

The Group's KMP for FY22 are listed in the table below.

Name	Title	Term	KMP Status
Executive Director KMP			
Richard White ("RW")	Executive Director, Founder and Chief Executive Officer ("CEO")	Full year	Current
Maree Isaacs ("MI")	Executive Director, Co-founder and Head of License Management ("HLM")	Full year	Current
Other Executive KMP			
Andrew Cartledge ("AC")	Chief Financial Officer ("CFO")	Full year	Current
Brett Shearer ("BS")	Chief Technology Officer ("CTO")	Full year	Current
Non-Executive Director KMP			
Andrew Harrison	Chair and Non-Executive Director	Full year	Current
Richard Dammery	Non-Executive Director (appointed 1 December 2021)	Part year	Current
Teresa Engelhard	Lead Independent Director and Non-Executive Director	Full year	Current
Charles Gibbon	Non-Executive Director	Full year	Current
Michael Gregg	Non-Executive Director	Full year	Current
Michael Malone	Non-Executive Director (appointed 1 December 2021)	Part year	Current
Arlene Tansey	Non-Executive Director	Full year	Current

People & Remuneration Committee and governance

The Board is responsible for ensuring that WiseTech's remuneration strategy and framework support the Group's performance and that executives and Non-Executive Directors are rewarded fairly and responsibly with regard to legal and corporate governance requirements. The People & Remuneration Committee ("PRC") oversees remuneration matters and, where appropriate, makes recommendations to the Board. During the year, the Committee comprised the following independent Non-Executive Directors:

- **1 July 2021 to 31 March 2022** – Teresa Engelhard (Chair), Charles Gibbon and Michael Gregg
- **1 April 2022 to 30 June 2022** – Teresa Engelhard (Chair), Richard Dammery, Michael Gregg and Michael Malone.

Further information on the PRC's responsibilities is set out in the PRC Charter available on the Company website which can be accessed at the following link: www.wisetechglobal.com/investors/corporate-governance/

Remuneration Report

The following graphic describes the roles of the Board, the PRC and Management in ensuring that WiseTech's remuneration governance processes are robust and defendable.

WISETECH GLOBAL LIMITED BOARD

- Approving the overall remuneration policy, including Non-Executive Director remuneration, Executive Director and senior executive remuneration and any executive incentive plans.
- Appointing the CEO, and approving the remuneration of, and overseeing the performance review of, the CEO.

PEOPLE & REMUNERATION COMMITTEE

Responsible for reviewing the following matters and bringing items of significance to the attention of the Board:

- The processes for overseeing performance accountability and monitoring of the senior management team, including setting and evaluating performance against goals and targets.
- Our remuneration structure and its effectiveness.
- Recruitment, retention and termination strategies.
- Diversity and Inclusion governance.
- The Remuneration Report.
- Other relevant matters identified or requested by the Board from time to time.

INDEPENDENT REMUNERATION ADVISORS

- Provide independent advice to the PRC and/or Management on remuneration market data and market practice.
- WiseTech has protocols in place to ensure that any external advice is provided in an appropriate manner.

MANAGEMENT

- Makes recommendations to the PRC on WiseTech's remuneration strategy and framework.
- Provide relevant information to support decision-making.

Independent remuneration advisors

WiseTech Global has protocols in place to ensure that external advice is provided in an appropriate manner and is free from undue influence by management. For the purposes of section 206L of the *Corporations Act 2001*, no independent advice was provided on remuneration recommendations in relation to KMP.

Minimum shareholding requirements

To reinforce WiseTech's objective of aligning their interests with the interests of shareholders, reinforce an owner's mindset and to foster an increased focus on building long-term shareholder value, the following minimum shareholding requirements are in place for KMP:

- 100% of fixed remuneration for Executive KMP in the form of shares or share rights within five years of appointment, and
- 100% of base fees for Non-Executive Directors in the form of shares, within three years of their appointment to the Board.

Remuneration Report

Our remuneration strategy and framework

WiseTech's future growth and innovation rely on the talent, motivation and enthusiasm of our people across the world. We aim to reward our high-performance global workforce with a remuneration and incentive program aligned to our business strategy, specialized operations, and aspirations for sustained growth.

Our remuneration framework includes cash and equity components that reward our workforce for achieving operational and strategic priorities and for creating long-term sustainable value for WiseTech and its shareholders.

The elements of our global remuneration structure

Our organizational focus on developing breakthrough solutions to replace aging legacy systems and rapid expansion to drive long-term growth and market position, does not line up with the cycle of a financial year. As such, the traditional approach of a mix of fixed remuneration, Short-Term Incentive ("STI") and Long-Term Incentive does not necessarily recognize the ongoing contribution of employees and, more importantly, does not provide a strong alignment with shareholder interests.

To create a stronger alignment with shareholder interests, in addition to base salary and legislated pension/superannuation contributions, we build Remuneration Equity, an annual grant of multi-year deferred equity, into fixed base remuneration across our global workforce. This aligns employees' interests with those of shareholders, encouraging value-creating behaviors and supporting staff retention within the Group.

This equity is typically granted at the start of the financial year and vests in four equal annual tranches:

	July Year 2	July Year 3	July Year 4	July Year 5	July Year 6
Year 1 Grant – July	25%	25%	25%	25%	
Year 2 Grant – July		25%	25%	25%	25%
Year 3 Grant – July			25%	25%	25%
Year 4 Grant – July				25%	25%
Year 5 Grant – July					25%
Total vesting	**25%**	**50%**	**75%**	**100%**	**100%**

As detailed in the table above, the annual grant of Remuneration Equity with 25% vesting each year builds up so that after four years there will be four tranches of 25% of an annual grant vesting in July each year. The above approach provides a strong alignment to shareholder outcomes as:

- the number of share rights granted is based on the WiseTech share price at the time of grant, and
- the benefit derived by an employee is based on the share price at the time of vesting.

In addition to remuneration equity, certain executives are eligible to receive performance equity incentives to reward execution of, and accountability for, actions, direct outcomes and lead measures aligned to long-term strategy and annual priorities. Following the assessment of performance at the end of the financial year, any awards are delivered in share rights, with ¼ vesting immediately and ¼ vesting each year for the following three years.

In the event that an employee (including an Executive KMP) ceases employment, unvested share rights (whether related to performance incentives or remuneration equity) will typically lapse. However, in exceptional circumstances (including genuine retirement), as detailed in the Equity Incentives Plan Rules the Board retains discretion to determine that some, or all, of the unvested share rights will not lapse.

The plan rules grant the Board clawback powers, if in the opinion of the Board, a participant acts fraudulently or dishonestly or is in breach of their obligations to a Group company, the Board may deem that any award of share rights held by the participant to be forfeited. As part of the ongoing monitoring of equity participation, in FY22, the Board exercised its clawback powers for one non-KMP participant resulting in the forfeiture of 1,662 share rights.

During FY22, WiseTech has continued to increase the proportion of total remuneration that is delivered as a multi-year deferred equity component across our global team members. Where appropriate, deferred equity is also used to deliver a component of sales incentives and for sign-on or retention awards for key team members. Development team bonus pool incentives related to specific innovation achievements that require extra discretionary effort from team members are also delivered as deferred equity.

Remuneration Report

In addition to Remuneration Equity, our Invest As You Earn ("IAYE") equity investment program enables employees to acquire WiseTech shares by investing up to 20% of their post-tax salary, with an annual incentive of one free share right for each five shares acquired during the calendar year. The free share rights:

- Are granted if the acquired shares are not sold before the end of the calendar year of participation, and
- Vest 18 months after the end of the calendar year of participation.

For the two calendar-year IAYE programs that operated during FY22, the number of participants continued to increase and remained above 20% of eligible team members:

	IAYE 2018	IAYE 2019	IAYE 2020	IAYE 2021	IAYE 2022
Participants	231	301	350	361	386
Participation rate	21%	21%	21%	22%	23%

Annual remuneration review

The PRC and the Board review remuneration annually to ensure that there is an appropriate balance between fixed and at-risk performance-related pay and that it reflects both short-term and long-term performance objectives linked to WiseTech's strategy.

WiseTech's people and culture are the source of our industry-leading products and attracting and retaining the best talent in our sector is a core driver of Company performance. To ensure we continue to remunerate our people appropriately, as detailed last year, WiseTech brought forward our FY21 remuneration review to April 2021 (from July 2021) and conducted an additional global remuneration review in January 2022. While the annual review cycle returned in July 2022, the PRC and Board will continue to monitor the movement in remuneration in the markets where we compete for talent.

FY22 remuneration framework for our executive team

Remuneration for our executive team, including Executive KMP and other senior managers, is delivered through a mix of fixed remuneration, including base salary, legislated pension/superannuation contributions and Remuneration Equity, as well as performance equity incentives as outlined below:

1 July 2021		1 July 2022	3 July 2023	1 July 2024	1 July 2025
Fixed remuneration – cash base salary and pension/superannuation					
Fixed remuneration – equity Remuneration Equity	**Grant**	**Vest**	**Vest**	**Vest**	**Vest**
FY22 Incentive – incentive equity		**Assess performance** **Grant**			
		Vest	**Vest**	**Vest**	**Vest**

Our executive team's performance incentive framework is focused on annual financial targets and operational key performance indicators ("KPIs") that are lead measures for long-term strategic outcomes. In any year, our financial outcomes reflect the successful execution of deliverables over many prior years. Conversely, the operational and strategic actions undertaken this year are expected to deliver shareholder value for many years into the future. Product development deliverables are examples of operational KPIs designed to support long-term strategy and deliver sustainable, long-term financial value.

To ensure alignment with shareholders' interests, we aim for 100% of performance incentives to be paid in deferred equity (other than for Executive Director Maree Isaacs, due to the size of her co-founder equity holding). Our view is that this approach – fixed remuneration equity vesting over four years, combined with performance equity incentives vesting over three years – removes the need for a separate long-term incentive.

Performance equity incentives for Executive KMP and senior managers are delivered as multi-year deferred equity, with a grant date in August 2022, and vesting in four equal installments, immediately on grant and then in July 2023, 2024 and 2025.

The number of share rights granted was determined using an average WiseTech share price at the end of the annual performance period in June 2022.

The performance of Executive KMP is assessed by the Board against key indicators. Performance incentive outcomes for senior managers, including the Executive KMP, are determined by the CEO, with input and review by the PRC and approval by the Board.

Remuneration Report

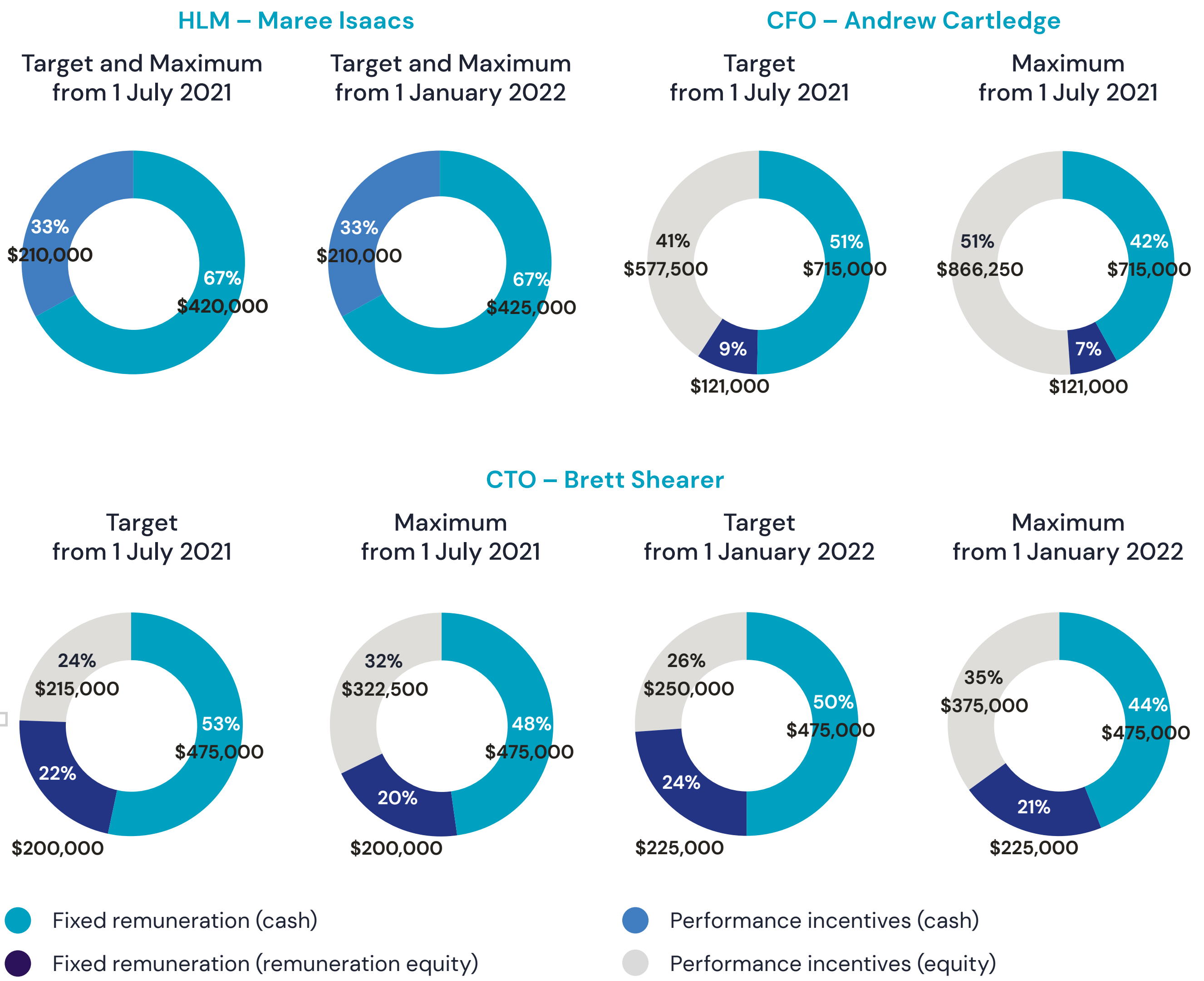
FY22 Executive KMP remuneration

Remuneration structure and mix for FY22

A global remuneration review was completed in January 2022 and included Executive KMP:

- **CEO** – No change was made to the CEO package, with total fixed remuneration of $1,000,000.
- **HLM** – Base salary was increased in line with Australian market wage inflation.
- **CFO** – Total package (both fixed remuneration and target performance incentive) was increased by 10% effective 1 July 2021 to more closely reflect local market norms following benchmarking with other similar ASX-listed technology companies.
- **CTO** – Total fixed remuneration was increased by 7.4% with an uplift in remuneration equity while base salary remained unchanged. The target performance incentive was increased from $215,000 to $250,000.

The remuneration mix for each Executive KMP detailed above is expressed as a percentage of total remuneration, excluding the CEO, who was remunerated solely with fixed pay as we believe that his significant equity holding provides adequate alignment with other shareholders. As a co-founder of WiseTech, the HLM also holds a significant amount of WiseTech equity, thus her performance incentive is paid in cash.



Remuneration Report

Remuneration outcomes for FY22 and the link to WiseTech performance

The tables below summarize the performance of WiseTech shares for the five years from FY18 to FY22 and for FY22, and our financial performance for the five years from FY18 to FY22. The information was considered in conjunction with an assessment of individual performance of senior managers by the CEO, and reviewed by the PRC, when determining Executive KMP remuneration.

Period	Period start	Share price at start of period	Share price 30 June 2022	Change in share price	Change in ASX 200	WTC performance v ASX 200	Dividends paid per share	WTC TSR[1]
FY18–FY22	1 July 2017	$6.92	$37.85	447.0%	14.8%	+432.2%	$0.2195	451.8%
FY22	1 July 2021	$31.93	$37.85	18.5%	-10.2%	+28.7%	$0.086	18.7%

1 Total shareholder return with dividends reinvested.

	FY18	FY19	FY20	FY21	FY22
Revenue ($m)	221.6	348.3	429.4	507.5	**632.2**
Revenue growth over prior year	44%	57%	23%	18%	**25%**
EBITDA ($m)	78.0	108.1	126.7	206.7	**319.0**
NPAT[1] ($m)	40.8	54.1	160.8	108.1	**194.6**
Underlying NPAT[2] ($m)	40.8	52.6	52.6	105.8	**181.8**
Earnings per share (cents)	13.9	17.7	50.3	33.3	**59.7**
Dividends[3] per share (cents)	2.70	3.45	3.30	6.55	**11.15**
Change in share price during the year[4]	126%	77%	-30%	65%	**19%**

1 NPAT is net profit after tax attributable to equity holders of the parent.
2 Underlying NPAT is net profit after tax attributable to equity holders of the parent excluding fair value adjustments from changes to acquisition contingent consideration, contingent consideration interest unwind net of tax and non-recurring tax on acquisition contingent consideration.
3 Dividends declared in respect of the financial year.
4 Percentage change in the closing share price on the last business day in the current year over that on the last business day in the prior year.

Board assessment of WiseTech's FY22 performance against key indicators

In using WiseTech's FY22 results to help determine performance incentives for Executive KMP, the Board considers the market conditions and short-term performance in the context of WiseTech's longer-term strategy. In FY22, key indicators continued to grow strongly despite supply chain constrains, inflationary pressures and COVID-related business disruption, demonstrating the strengthen of our product offer, the effectiveness of our Product, Penetration and Profitability strategy and the quality of our people.

Our business and our people have again, exceeded targets in many areas, including strong results against the KPIs set by the Board.

Our executive team and global workforce have continued to focus, and deliver, on strategic priorities in the context of a challenging global social economic environment. The Board again found the performance to be exemplary, in particular their timely and effective efforts to:

- continue to deliver key product development outcomes and innovations;
- generate customer sales and support the acceleration of global rollouts by large customers;
- accelerate integration and alignment plans with acquired entities while executing cost reduction and cash bolstering initiatives; and
- implement a hybrid working model with sustainable productivity across our workforce.

Remuneration Report

In light of this outstanding executive performance, the Board determined that a number of stretch (above target) performance bonuses would be awarded across the executive team. For the 12-member senior management team reporting to the CEO, 124% of the total target performance incentive pool was distributed for FY22 (94% of stretch). For Executive KMP, the specific KPIs and performance assessments which underpin the FY22 performance incentive awards, and the Board's assessment of the performance of the CEO, are detailed below.

Key performance indicator	Performance outcome	Board assessment	Executive KMP
Revenue growth	25% growth in revenue to $632.2m vs $600m to $635m target	**Target achieved**	CEO, HLM, CFO
EBITDA	54% growth in EBITDA to $319.0m vs $260m to $285m target	**Target exceeded**	CEO, HLM, CFO
Recurring revenue	24% growth in recurring revenue to $565.8m Recurring revenue 94% of CargoWise revenue and 89% of total revenue	**Target exceeded**	CEO, HLM
M&A integration and capture of synergies	$32.6m net benefit in FY22 and greater than $45m run-rate savings vs original run-rate target of $40m	**Target exceeded**	CEO, CFO
Operational efficiency	G&A expense/G&A % of Revenue excluding restructuring costs of $90.9m/14%	**Target exceeded**	CEO, CFO
Cash flow	Operating cash flow/Operating cash flow conversion $339.6m/106%, and Free cash flow/Free cash flow conversion 237.3m/74%	**Target exceeded**	CEO, HLM, CFO
Product development outcomes	Optimization of CargoWise Cloud code base to increase performance	**Target exceeded**	CEO, CTO

Performance against the relevant financial and operational criteria above makes up at least 70% of each Executive's performance incentive opportunity. The remainder relates to strategic outcomes particular to each Executive's role in the organization as described below:

- Maree Isaacs: customer contract management, pricing, licensing, and legacy business model transition;
- Andrew Cartledge: integration of acquired businesses, cash flow, and financial risk management; and
- Brett Shearer: improvements in development efficiency, increased monitoring of data centers/CargoWise Cloud/eHub and improved reliability resilience of CargoWise Cloud and tier 1 customers' CargoWise private clouds.

FY22 performance incentives outcome

The remuneration awarded to the Executive KMP in relation to performance during FY22 is set out in the table below, including the performance incentives resulting from the assessment of KPI outcomes described above. The table also shows the performance outcome for each Executive KMP as a percentage of target opportunity and of maximum opportunity.

	FY22 performance incentive awarded	Target opportunity	% of target incentive awarded	% of target incentive forgone	Maximum opportunity	% of maximum incentive awarded	% of maximum incentive forgone
Maree Isaacs	$210,000	$210,000	100%	0%	$210,000	100%	0%
Andrew Cartledge	$866,250	$577,500	150%	0%	$866,250	100%	0%
Brett Shearer	$232,500	$232,500[1]	100%	0%	$348,750	67%	33%

1 The FY22 target opportunity for Brett Shearer is based on the average of his incentive opportunity from 1 July 2021 and from 1 January 2022.

Vesting of previous performance equity incentives

Vesting of deferred equity components of Executive KMP performance incentives each year is subject to consideration by the Board. The Board determined that the relevant tranches of FY19, FY20 and FY21 performance equity incentives would vest fully in July 2022.

Remuneration Report

FY23 remuneration

The Board considers that the existing remuneration approach and framework is working effectively. As such, no substantive changes are planned for FY23.

Overview of Non-Executive Director remuneration

The Board sets Non-Executive Director remuneration at a level that enables the Group to attract and retain Directors with the appropriate mix of skills and experience. The remuneration of the Non-Executive Directors is determined by the Board, on advice from the PRC.

Non-Executive Directors receive a base fee inclusive of statutory superannuation contributions. Non-Executive Directors do not receive any performance-based remuneration.

Non-Executive Director fee pool and structure

The total amount of fees that can be paid to Non-Executive Directors is capped by a pool approved by shareholders. The current fee pool is $1,800,000 per annum, approved by shareholders at the 2021 Annual General Meeting.

During FY22, the Board approved an increase of $50,000 per annum, plus the statutory increase to superannuation contributions, to the Chair fee for FY23 to more closely reflect the fee levels of ASX200 and ASX technology peers, the increasing workload and growing responsibilities as WiseTech continues to expand its global operations and market capitalization. The Board approved an increase of approximately 3.5% plus the statutory increase of superannuation contributions to the other Non-Executive Directors' fees for FY23. This increase was in line with the percentage increase applied to the Company's Australian non-technical employee population for FY23 after considering the macro environment, market movements and retention.

The table below outlines the Board and committee fees, inclusive of superannuation, effective for FY22 and for FY23.

	FY22		FY23	
	Chair fee	Member fee	Chair fee	Member fee
Board	$330,000	$165,000	$386,750	$171,551
Audit & Risk Committee	$33,000	$19,250	$34,310	$20,014
Nomination Committee	$16,500	–	$17,155	–
People & Remuneration Committee	$16,500	$9,625	$17,155	$10,007

Remuneration Report

Non-Executive Director Fee Sacrifice Share Acquisition Plan

The Non-Executive Director Fee Sacrifice Share Acquisition Plan ("NED Share Plan"), introduced in October 2020, provides a mechanism for the Non-Executive Directors to build their equity holding in the Company using their pre-tax Director fees. Under the NED Share Plan, Non-Executive Directors can elect to voluntarily sacrifice all, or a portion, of their pre-tax Director fees over the relevant financial year to receive a grant of share rights. Each share right is a conditional entitlement to acquire one ordinary share in the Company.

The following table details the NED Share Plan participation in FY22, including the number of share rights granted and the vesting schedule. Shareholder approval under ASX Listing Rule 10.14 was obtained at the 2020 Annual General Meeting for grants of share rights to Andrew Harrison, Teresa Engelhard, Michael Gregg and Arlene Tansey. As equivalent shareholder approval has not been obtained for the rights granted to Richard Dammery (appointed to the Board on 1 December 2021), the Company intends to acquire shares on-market to satisfy the vesting of his share rights.

		Fees sacrificed for share rights	Number of rights granted[1]	Fair value at grant date[2]	Vesting date[3]
Andrew Harrison	Tranche 1	$34,925	657	$34,039	Feb 2022
	Tranche 2	$34,925	658	$34,091	Aug 2022
Richard Dammery	Tranche 1	$74,250	1,398	$84,188	Aug 2022
Teresa Engelhard	Tranche 1	$19,800	373	$19,325	Feb 2022
	Tranche 2	$19,800	373	$19,325	Aug 2022
Michael Gregg	Tranche 1	$19,388	365	$18,911	Feb 2022
	Tranche 2	$19,388	365	$18,911	Aug 2022
Arlene Tansey	Tranche 1	$49,500	932	$48,287	Feb 2022
	Tranche 2	$49,500	933	$48,339	Aug 2022

1 The number of share rights granted was calculated using an allocation price based on the 5-day VWAP for the period immediately following the Company's AGM in November 2021.
2 Fair value at grant was determined based on $60.22 for Richard Dammery and $51.81 for other Non-Executive Directors in the table, the closing share prices on the respective grant dates.
3 Except for share rights granted to Richard Dammery, share rights vest (convert to shares) in two equal tranches on the days following the release of the half-year and full-year results. Richard Dammery was appointed on 1 December 2021. In view of his participation period of six months from January to June 2022, all the share rights granted will vest in a single tranche on the day following the release of the full-year results in August 2022.

Directors participating in the NED Share Plan in FY23 will be granted share rights at the end of August 2022 in respect of the fees sacrificed during the year. The number of share rights will be determined by the average closing share prices for the five business days up to, and including, 30 June 2022. The share rights will convert to shares in two equal tranches, following release of WiseTech's half-year results in February 2023 and full-year results in August 2023.

Remuneration Report

Non-Executive Director remuneration

The following table details Non-Executive Directors' remuneration for FY22 and FY21.

		Board and committee fees – cash	Fees sacrificed under the NED Share Plan	Superannuation	Total
Andrew Harrison	FY22	$255,832	$69,850	$23,568	$349,250
	FY21	$222,667	$37,592	$21,694	$281,953
Richard Dammery[1]	FY22	$19,813	$74,250	$9,406	$103,469
	FY21	–	–	–	–
Teresa Engelhard	FY22	$140,400	$39,600	$18,000	$198,000
	FY21	$145,176	$24,824	$16,150	$186,150
Charles Gibbon	FY22	$174,062	–	$17,406	$191,469
	FY21	$160,000	–	$15,200	$75,200
Michael Gregg	FY22	$133,100	$38,775	$17,188	$189,063
	FY21	$163,768	–	$15,558	$179,326
Michael Malone[1]	FY22	$89,688	–	$8,969	$98,656
	FY21	–	–	–	–
Arlene Tansey	FY22	$90,000	$99,000	$9,000	$198,000
	FY21	$111,027	62,048	$7,600	$180,675
Total	FY22	$902,895	$321,475	$103,537	$1,327,906
	FY21	$778,010	$147,824	$76,082	$1,001,915

1 Richard Dammery and Michael Malone were appointed on 1 December 2021.

Remuneration Report

Trading in WiseTech securities and equity ownership

Trading in WiseTech securities

All KMP must comply with WiseTech's Securities Trading Policy, which includes a requirement that Directors and restricted persons must not trade WiseTech securities during specified trading blackout periods. Directors and employees must not trade in WiseTech securities if they possess inside information. The policy also prohibits the purchase or creation of hedge or derivative arrangements which operate to limit the economic risk of WiseTech securities under employee share plans.

Executive KMP equity ownership

The following tables provide details of WiseTech Global Limited ordinary shares and share rights (being rights to acquire ordinary shares) held directly, indirectly or beneficially by each Executive KMP and their related parties:

	Shares held on 30 June 2021	Shares acquired as part of remuneration[1]	Other shares acquired[2]	Shares disposed	Shares held on 30 June 2022[3]
Richard White	131,991,736	–	–	(9,050,407)	122,941,329
Maree Isaacs	11,189,597	–	–	(425,393)	10,764,204
Andrew Cartledge	177,681	24,884	8	(40,176)	162,397
Brett Shearer	452,527	16,217	–	(44,188)	424,556

1 Shares acquired from vesting or exercise of share rights granted as part of remuneration.
2 8 shares converted from IAYE Share Rights in January 2022.
3 Number of shares held on 30 June 2022 and as at the date of this report.

	Share rights held on 30 June 2021	Awarded	Vested and converted or exercised	Lapsed	Share rights held on 30 June 2022	Including share rights vested but not yet exercised[1]
Richard White[2]	–	–	–	–	–	–
Maree Isaacs[2]	–	–	–	–	–	–
Andrew Cartledge	40,432	26,239	(24,892)	–	41,779	–
Brett Shearer	36,332	16,228	(16,217)	–	36,343	–

1 Depending on the terms of a grant, on vesting, share rights may automatically convert to ordinary shares, or become exercisable. The Executive KMP can choose when to convert the exercisable share rights to ordinary shares. Share rights are converted to ordinary shares at nil cost to the Executive KMP.
2 Richard White and Maree Isaacs have not been awarded any share rights as at the date of this report.

Executive KMP equity ownership policy

Executive KMP are required to maintain a minimum WiseTech equity holding, including shares and share rights, equal to 100% of fixed remuneration within five years of appointment. Each Executive KMP satisfied this objective as at 30 June 2022.

	Shares held on 30 June 2022	Share rights held on 30 June 2022	Total equity held on 30 June 2022	Value of equity holding on 30 June 2022[1]	Minimum equity holding guideline[2]	Status
Richard White	122,941,329	–	122,941,329	4,653,329,303	1,000,000	Meets
Maree Isaacs	10,764,204	–	10,764,204	407,425,121	425,000	Meets
Andrew Cartledge	162,397	41,779	204,176	7,728,062	836,000	Meets
Brett Shearer	424,556	36,343	460,899	17,445,027	725,000	Meets

1 Value of shareholding was calculated based on $37.85, the closing share price on 30 June 2022.
2 Minimum equity holding guideline is the annualized fixed remuneration as at 30 June 2022.

Remuneration Report

Non-Executive Director share ownership policy and equity holdings

The Board has established a policy that all Non-Executive Directors should accumulate and hold WiseTech shares equivalent to the value of their base Director's fees within three years of their appointment to the Board. All Non-Executive Directors satisfied this objective as at 30 June 2022. Richard Dammery and Michael Malone were only appointed to the Board effective 1 December 2021.

The following tables provide details of WiseTech Global Limited ordinary shares and share rights (being rights to acquire ordinary shares) held directly, indirectly or beneficially by each Non-Executive Director and their related parties.

	Shares held on 30 June 2021	Shares received on vesting of share rights	Shares issued under DRP	Other shares acquired	Shares disposed	Shares held on 30 June 2022[1]	Value of shareholding on 30 June 2022[2]	Minimum shareholding guideline[3]	Status
Andrew Harrison	41,176	1,266	–	–	–	42,442	1,606,430	349,250	Meets
Richard Dammery	–	–	–	2,068	–	2,068	78,274	193,875	On track
Teresa Engelhard	43,296	775	–	–	(36,595)	7,476	282,967	198,000	Meets
Charles Gibbon	17,349,014	–	–	–	–	17,349,014	656,660,180	184,250	Meets
Michael Gregg	13,476,978	743	12,305	–	(840,000)	12,650,026	478,803,484	174,625	Meets
Michael Malone	–	–	–	3,000	–	3,000	113,550	174,625	On track
Arlene Tansey	5,005	1,937	–	–	–	6,942	262,755	198,000	Meets

1 Number of shares held on 30 June 2021 and at the date of this report.
2 Value of shareholding was calculated based on $37.85, the closing share price on 30 June 2022.
3 Minimum shareholding guideline is the annualized Non-Executive Director fee as at 30 June 2022.

	Share rights held on 30 June 2021	Awarded	Vested and converted	Lapsed	Share rights held on 30 June 2022
Andrew Harrison	609	1,315	(1,266)	–	658
Richard Dammery	–	1,398	–	–	1,398
Teresa Engelhard	402	746	(775)	–	373
Charles Gibbon	–	–	–	–	–
Michael Gregg	378	730	(743)	–	365
Michael Malone	–	–	–	–	–
Arlene Tansey	1,005	1,865	(1,937)	–	933

Remuneration Report

Other disclosures

Key terms of Executive KMP employment contracts

The following table outlines the key terms of the Executives' latest employment contracts as at the date of this report:

	Richard White	Maree Isaacs	Andrew Cartledge	Brett Shearer
Fixed remuneration – cash	1,000,000	425,000	750,000	500,000
Fixed remuneration – remuneration equity	–	–	150,000	275,000
Total fixed remuneration	1,000,000	425,000	900,000	775,000
Commencement date	15 April 2019	1 July 2017	22 September 2017	1 July 2020
Notice period	12 months	3 months	6 months	3 months

The employment contracts do not contain contractual termination benefits.

Other statutory disclosures – Executive KMP remuneration

The following table of Executive KMP remuneration has been prepared in accordance with accounting standards and the *Corporations Act 2001* requirements, for the period from 1 July 2021 to 30 June 2022 and the prior period:

		Short-term benefits	Cash incentive	Post employment	Share-based payments	Long-term benefits	Total	
		Base salary and benefits[1]		Super-annuation	Share rights	Other[2]		Performance-related
Richard White	FY22	$976,432	–	$23,568	–	$94,077	$1,094,077	–
	FY21	$978,306	–	$21,694	–	$41,762	$1,041,762	–
Maree Isaacs	FY22	$398,932	$200,000	$23,568	–	$45,754	$668,254	30%
	FY21	$383,306	$100,000	$21,694	–	$42,006	$547,006	18%
Andrew Cartledge	FY22	$691,432	–	$23,568	$936,924	$42,690	$1,694,613	48%
	FY21	$611,116	–	$21,694	$744,126	$42,690	$1,419,626	46%
Brett Shearer	FY22	$451,432	–	$23,568	$551,910	$65,608	$1,092,518	32%
	FY21	$454,746	–	$21,694	$477,487	$65,608	$1,019,535	32%
Total	FY22	$2,518,228	$200,000	$94,272	$1,488,834	$248,129	$4,549,462	N/A
	FY21	$2,427,474	$100,000	$86,776	$1,221,613	$192,066	$4,027,929	N/A

1 FY21 base salary included increases to fixed remuneration effective 1 April 2021 for Maree Isaacs, Andrew Cartledge and Brett Shearer.
2 FY22 base salary included increases to fixed remuneration effective 1 July 2021 for Andrew Cartledge and effective 1 January 2022 for Maree Isaacs and Brett Shearer.
3 Other long-term benefits relate to annual and long service leave.

Remuneration Report

Executive KMP share rights and conditions

- Share rights are rights to acquire ordinary shares at no cost to the participant.
- There are no further performance conditions after grant but share rights generally lapse on ceasing employment. No share rights under the grants below have lapsed.
- Brett Shearer's FY23 remuneration equity includes the increase of FY22 remuneration equity effective from 1 January 2022 and FY23 remuneration equity.
- The plan rules grant the Board clawback powers if, in the opinion of the Board, a participant acts fraudulently or dishonestly or is in breach of his or her obligations to any Group company, the Board may deem any award of share rights held by the participant to be forfeited.
- No dividends or dividend equivalents are paid on share rights.

Details of share rights granted in FY22

	Grant	Share rights granted	Grant date	Fair value at grant date	Face value of grant	Vesting schedule
Andrew Cartledge	FY21 Performance Equity Incentives	23,585	25-Aug-21	$46.50	$750,003	4 annual tranches commencing 26-Aug-21
	FY22 Remuneration Equity Increase	354	02-May-22	$41.97	$10,995	4 annual tranches commencing 1-Jul-22
	FY23 Remuneration Equity	2,300	02-May-22	$41.97	$121,026	4 annual tranches commencing 3-Jul-23
Brett Shearer	FY21 Performance Equity Incentives	11,006	25-Aug-21	$46.50	$349,991	4 annual tranches commencing 26-Aug-21
	FY23 Remuneration Equity	5,222	02-May-22	$41.97	$274,782	4 annual tranches commencing 3-Jul-23

Remuneration Report

Details of share rights affecting current and future remuneration

Andrew Cartledge

Award	Grant date	Share rights granted	Fair value at grant date	Fair value of grant	Share rights vested prior years	Vesting date in FY22	Share rights vested in FY22	% of total grant vested	Value of share rights vested	Unvested rights at 30 June 2022	Future vesting schedule
FY18 Performance Equity Incentives	28-Sep-18	22,479	$22.09	$496,561	(14,986)	01–Jul–21	(7,493)	100%	594,495	–	–
FY19 Performance Equity Incentives	30-Aug-19	25,319	$36.93	$935,031	(12,658)	01–Jul–21	(6,329)	75%	552,332	6,332	1 annual tranche from 1-Jul-22
FY20 Remuneration Equity	30-Aug-19	3,553	$36.93	$131,212	(888)	01–Jul–21	(888)	50%	44,702	1,777	2 annual tranches from 1-Jul-22
2019 IAYE Share Rights	24-Jan-20	8	$24.74	$198	–	24–Jan–22	(8)	100%	411.44	–	–
FY21 Remuneration Equity	01-Jul-20	4,890	$18.55	$90,710	–	01–Jul–21	(1,222)	25%	38,847	3,668	3 annual tranches from 1-Jul-22
FY20 Performance Equity Incentives	17-Aug-20	12,225	$19.48	$238,143	(3,056)	01–Jul–21	(3,056)	50%	156,681	6,113	2 annual tranches from 1-Jul-22
2020 IAYE Share Rights	01-Feb-21	10	$31.20	$312	–	–	–	–	–	10	Vesting on 1-Feb-23
FY22 Remuneration Equity	07-Jun-21	3,536	$29.43	$104,064	–	–	–	–	–	3,536	4 annual tranches from 1-Jul-22
FY21 Performance Equity Incentives	25-Aug-21	23,585	$46.50	$1,096,703	–	26–Aug–21	(5,896)	25%	275,225	17,689	3 annual tranches from 1-Jul-22
FY22 Remuneration Equity Increase	02-May-22	354	$41.97	$14,857	–	–	–	–	–	354	4 annual tranches from 1-Jul-22
FY23 Remuneration Equity	02-May-22	2,300	$41.97	$96,531	–	–	–	–	–	2,300	4 annual tranches from 3-Jul-23

Remuneration Report

Brett Shearer

Award	Grant date	Share rights granted	Fair value at grant date	Fair value of grant	Share rights vested prior years	Vesting date in FY22	Share rights vested in FY22	% of total grant vested	Value of share rights vested	Unvested rights at 30 June 2022	Future vesting schedule
FY18 Performance Equity Incentives	28-Sep-18	14,197	$22.09	313,612	(9,464)	01–Jul–21	(4,733)	100%	375,469	–	–
FY19 Special Project Bonus	01-May-19	1,787	$22.64	40,458	(892)	01–Jul–21	(446)	75%	35,386	449	1 annual tranche from 1-Jul-22
FY19 Special Project Bonus	30-Aug-19	51	$36.93	1,883	(24)	01–Jul–21	(12)	71%	1,047	15	1 annual tranche from 1-Jul-22
FY19 Performance Equity Incentives	30-Aug-19	10,660	$36.93	393,674	(5,330)	01–Jul–21	(2,665)	75%	232,575	2,665	1 annual tranches from 1-Jul-22
FY20 Remuneration Equity	30-Aug-19	5,330	$36.93	196,837	(1,332)	01–Jul–21	(1,332)	50%	67,053	2,666	2 annual tranches from 1-Jul-22
FY21 Remuneration Equity	01-Jul-20	7,335	$18.55	136,064	–	01–Jul–21	(1,833)	25%	58,271	5,502	3 annual tranches from 1-Jul-22
FY20 Performance Equity Incentives	17-Aug-20	9,780	$19.48	190,514	(2,445)	01–Jul–21	(2,445)	50%	125,355	4,890	2 annual tranches from 1-Jul-22
FY22 Remuneration Equity	07-Jun-21	6,679	$29.43	196,563	–	–	–	–	–	6,679	4 annual tranches from 1-Jul-22
FY21 Performance Equity Incentives	25-Aug-21	11,006	$46.50	511,779	–	26–Aug–21	(2,751)	25%	128,417	8,255	3 annual tranches from 1-Jul-22
FY23 Remuneration Equity	02-May-22	5,222	$41.97	219,167	–	–	–	–	–	5,222	4 annual tranches from 3-Jul-23

Related party transactions

During FY22, the Group was party to an ongoing arrangement with an entity associated with Executive Director, Founder and CEO, Richard White. The transaction was negotiated and agreed on arms-length terms no more favorable than those it is reasonable to expect the entity would have adopted if dealing with an unrelated person at arm's length. Further details of the arrangement are disclosed in note 20 to the financial statements included in this report.

Directors' Report

The Directors present their report together with the consolidated financial statements of the Group, comprising WiseTech Global Limited and its controlled entities, for the financial year ended 30 June 2022 and the auditor's report thereon. Information in the Financial Report referred to in this report, including the Operating and Financial Review and the Remuneration Report, or contained in a note to the financial statements referred to in this report, forms part of, and is to be read as part of, this report.

Directors

The names and details of the Company's Directors in office during the financial year and until the date of this report are set out below. Directors were in office for the entire period unless stated otherwise.

- Andrew Charles Harrison (Chair);
- Richard John White (Founder & CEO);
- Richard Dammery (appointed 1 December 2021);
- Teresa Engelhard;
- Charles Llewelyn Gibbon;
- Michael John Gregg;
- Maree McDonald Isaacs;
- Michael Malone (appointed 1 December 2021); and
- Arlene Mary Tansey.

The qualifications, experience and special responsibilities of the Directors, including details of other listed company directorships held during the last three years, are detailed on pages 50 to 51 of this report.

Director attendance at meetings in FY22

The number of Directors' meetings and meetings of committees of Directors held during the financial year and the number of meetings attended by each Director are set out below. The table reflects the number of meetings held during the time the Director held office, or was a member of the committee, during the year. Directors also frequently attend meetings of committees of which they are not members.

	Board		Audit & Risk Committee		Nomination Committee		People & Remuneration Committee		Related Party Committee	
	Held	Attended	Held	Attended	Held	Attended	Held	Attended	Held	Attended
Andrew Harrison	14	14	6	6	3	3	–	–	1	1
Richard White	14	14	–	–	3	3	–	–	–	–
Richard Dammery	7	7	1	1	–	–	2	2	–	–
Teresa Engelhard	14	14	–	–	3	3	5	5	–	–
Charles Gibbon	14	14	6	6	–	–	3	3	1	1
Michael Gregg	14	14	5	5	–	–	5	5	1	1
Maree Isaacs	14	14	–	–	–	–	–	–	–	–
Michael Malone	7	7	–	–	–	–	2	2	–	–
Arlene Tansey	14	13	6	6	–	–	–	–	–	–

Company Secretaries

David Rippon, Corporate Governance Executive & Company Secretary
BSc (Hons) Mathematics

As Company Secretary, David is responsible for company secretarial and corporate governance support for WiseTech Global Limited and the WiseTech Group. After an initial career in the UK as an actuary, David held senior corporate office roles at AMP Limited and Henderson Group (now Janus Henderson Group plc) in Australia, before joining WiseTech Global as Corporate Governance Executive & Company Secretary in 2017.

Maree Isaacs

Details of Maree's qualifications and experience are disclosed on page 51 of this report.

Directors' Report

Review of operations

Information on the principal activities, operations and financial position of the Group and its business strategies and prospects is set out in the Operating and Financial Review on pages 64 to 69 of this report.

Dividends

Details of dividends paid during FY22 and the prior period are disclosed in note 6 to the financial statements included in this report.

Significant changes in the state of affairs

There have been no significant changes in the state of affairs of the Group during the year.

Events subsequent to balance date

Other than the matters disclosed in note 28 to the financial statements, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature, likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

Likely developments and expected results

For further information about likely developments in the operations of the Group, refer to the Operating and Financial Review on pages 64 to 69 of this report.

Environmental regulation and performance

The operations of the Group are not subject to any particular or significant environmental regulations under a Commonwealth, State or Territory law of Australia.

Indemnification and insurance of Directors and other officers

WiseTech's constitution provides that every person who is, or has been, a Director or Company Secretary of the Company or a subsidiary of the Company is indemnified by the Company to the maximum extent permitted by law. The indemnity covers liabilities and legal costs incurred by the person as a director or company secretary.

In accordance with the Company's constitution, the Company has entered into deeds with each of the Directors providing indemnity, insurance and access. No Director has received benefits under an indemnity from the Company during or since the end of the financial year.

During FY22, the Company paid a premium under a contract insuring certain current and former officers of the Group (including the Directors) against liability that they may incur as an officer of the Company. Disclosure of the nature of the liability and the amount of the premium is prohibited by the confidentiality clause of the contract of insurance.

Share rights

At the date of this report, WiseTech had 2,557,635 share rights outstanding across 1,661 holders. The share rights relate to grants of deferred equity to employees under the Equity Incentives Plan and have a range of vesting dates through to July 2026. Generally, share rights are subject to employment conditions. On vesting, the holder is entitled to receive one ordinary share at no cost to the holder. 568,865 share rights were converted to ordinary shares during the financial year.

To meet the Company's obligations when share rights vest, the Board prefers to issue new shares (to a maximum of 1% of issued share capital in any 12-month period) while reserving the right to buy shares on-market and off-market where appropriate. During FY22, 40,107 shares were purchased on-market for the purpose of employee incentive schemes, at an average price of $44.52 per share, primarily on behalf of participants in the Invest As You Earn program.

Directors' Report

Proceedings on behalf of the Group

Under section 237 of the *Corporations Act 2001*, no application has been made in respect of the Group and no proceedings have been brought or intervened in or on behalf of the Group under that section.

Remuneration Report

Information on WiseTech's remuneration framework and the FY22 outcomes for key management personnel are included in the Remuneration Report on pages 71 to 90 of this report.

Corporate governance

Our Corporate Governance Statement for FY21 is available from our website: www.wisetechglobal.com/investors/corporate-governance/

Our FY22 statement is expected to be published in October 2022.

Non-audit services

During the year, KPMG, the Company's auditor, performed certain other services in addition to the audit and review of the financial statements. Details of the amounts paid to the auditor of the Group, KPMG, and its network firms for audit and non-audit services are provided in note 21 to the financial statements included in this report.

The Board has considered the non-audit services provided during FY22 by the auditor and, in accordance with written advice provided by resolution of the Audit & Risk Committee, is satisfied that the provision of those non-audit services during FY22 by the auditor is compatible with, and did not compromise, the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services were subject to the corporate governance procedures adopted by the Group and have been reviewed by the Audit & Risk Committee to ensure they do not impact the integrity and objectivity of the auditor; and
- the non-audit services provided did not undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants*, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as an advocate for the Group or jointly sharing risks and rewards.

Lead auditor's independence declaration

The lead auditor's independence declaration is set out on page 94 of this report and forms part of the Directors' Report for the financial year ended 30 June 2022.

Signed in accordance with a resolution of the Directors.

Andrew Harrison
Chair

24 August 2022

Richard White
Executive Director, Founder and CEO

24 August 2022

Lead Auditor's Independence Declaration under Section 307C of the *Corporations Act 2001*

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of WiseTech Global Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of WiseTech Global Limited for the financial year ended 30 June 2022 there have been:

i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

KPMG

Caoimhe Toouli

Caoimhe Toouli

Partner

Sydney

24 August 2022

Risk management

We recognize and manage a variety of business risks that could affect our operations and financial results. The main risks affecting WiseTech Global, and the steps we take to manage or mitigate these risks, are described below.

Ability to attract and retain key personnel

Our success depends on attracting and retaining key personnel, in particular our Founder and CEO, Richard White, and members of the senior management and product development teams. In addition, we need to attract and retain highly skilled software development engineers.

The loss of key personnel, or delay in their replacement, could adversely impact our ability to expand and operate our business and increase the potential loss of business process knowledge.

To mitigate this risk, we invested significantly both in our workforce and in processes and systems to ensure knowledge and skills are maintained within the Group. This enables its continued and stable growth. Our remuneration framework also delivers flexible components designed to support the recruitment, motivation and retention of our staff.

Execution of integration of acquired businesses

In recent years, we have completed a number of strategic acquisitions, the integration of which can include product development and transitioning of customers to our CargoWise platform. There is a risk that customers do not transition (or require more financial and management resources or time than planned) or that the acquisitions fail to generate the expected benefits or adequate returns on investment.

We have adopted an integration framework characterized by a three-phased approach to:

- integrate the target: operations and workforce;
- develop the product capability and commercial foundation; and
- grow revenue from new capabilities and conversion of the acquired customer base.

This process is designed to be delivered through a combination of self-integration toolkits and the utilization of our internal architectures and engines. We also engage the talented teams in our 35 product development centers worldwide. When considering a target for potential acquisition, we also assess the capabilities of the business to support the integration and product development phases mentioned above.

Regulatory and compliance complexities

Our acquisition and growth strategy has and is still expanding our presence in new international jurisdictions, with exposure to greater risk of political, legal and economic instability, as well as different compliance and regulatory requirements.

To mitigate these risks, we tailor our acquisition and integration approach to address geographic and political risk in the region in which each acquisition business is based.

We continually monitor the regulatory requirements in our global network to aim for full compliance. Our Code of Conduct reinforces our commitment to comply with all laws and regulations relating to our business and operations. We are committed to maintaining ethical standards in how we conduct our business activities and stakeholder relationships. WiseTech Global's reputation as an ethical organization is important to our ongoing success. We expect our people to meet these standards.

WiseTech Global operates in a competitive industry

We compete against other commercial logistics service software providers and within the marketplace face the risk that:

- competitors could increase their competitive position through product innovation or expansion, aggressive marketing campaigns, price discounting or acquisitions;
- our software products may fail to meet our customers' expectations;
- we may fail to anticipate and respond to technology changes as quickly as our competitors;
- logistics service providers may continue to operate in-house developed systems in preference to commercial logistics software; and
- new competitors could emerge and develop products (including cloud-based software) which compete with our products.

We believe that our deeply integrated, open-access platform, which provides an efficient platform for global rollouts and a valuable consolidation tool for large 3PLs, and our commitment to relentlessly invest in product development, are the most effective mitigants to this risk. We continue to invest significantly in product development and innovation, investing over $695m in the past five years. In FY22, we reinvested 29% of our revenues in product development and innovation and delivered 1,199 new product features and enhancements to the platform. We also continue to acquire smaller software vendors in key geographic regions and technology adjacencies, enlarging our global footprint and technology capacity and capability.

Failure to retain existing customers and attract new customers

Our business success depends on our ability to retain and grow usage by our existing customers, as well as our ability to attract further business from new customers. There is a risk that our customers reduce their use of our software, in terms of the users and volume of transactions, or that they cease to use our software altogether. There is a risk that if customers reduce their usage of our software, our revenue could decrease.

Risk management

We mitigate this risk by:

- providing our customers with open access to our platform to new sites/geographies;
- continuing to innovate and add more modules and functionality, which drive productivity benefits for our customers and respond to industry and regulatory changes faced by customers; and
- providing a platform which enables rapid onboarding of users without additional contract negotiations.

Our success in managing this risk is characterized by the high level (89%) of recurring revenue in FY22 and our low level (<1%) of annual customer attrition (by CargoWise customers) every year for the past ten years.

Decline in trade volumes and economic conditions

Our customers are logistics service providers whose business operations depend on regional and global logistics activities, which are closely linked to regional and global trade volumes. A decline in regional and global trade volumes and recessionary economic conditions including, but not limited to, the effects of the COVID-19 pandemic, supply chain disruptions, geopolitical events and the impacts of climate change, may adversely affect our financial performance.

Our software provides an integrated logistics execution solution which increases productivity and drives efficiency in a complex, highly regulated and competitive industry. We believe that risks associated with a reduction in trade volumes and economic conditions would be offset by the opportunities which present themselves from changes in trade routes, regulation, trade patterns and increased competition amongst our customers.

Impact of foreign currency on financial results

As a global business, the majority of our revenue (FY22: 75%) is invoiced in currencies other than Australian dollars. Therefore, our financial results are influenced by movements in the foreign exchange rates of currencies including the US dollar, pound sterling and euro.

This risk is partially offset by natural hedges where we also incur operational costs in the same foreign currency. Where appropriate, we seek to denominate new customer contracts in Australian dollars and may also utilize foreign exchange contracts to hedge the currency risks on a portion of forecast exposures.

Disruption or failure of technology systems

The performance, reliability and availability of our technology platform, data center and global communication systems (including servers, the internet, hosting services and the cloud environment in which we provide our products) are critical to our business. There is a risk that these systems may be adversely affected by disruption, failure, service outages or data corruption.

Prolonged disruption to our IT platform, or operational or business delays, could damage our reputation and potentially lead to a loss of customers, legal claims by customers, and an inability to attract new customers.

We mitigate this risk by operating: separate data centers in three distinct regions around the world to reduce reliance on any individual data center; a global network of support centers providing 24/7 365 support internally; and automated replication of data as well as disaster recovery planning and testing. Our technology framework provides for segregation of data, backups stored on independent infrastructures and critical access monitoring.

Security breach and data privacy

Our products involve the storage and transmission of our customers' confidential and proprietary information and our risks include security breaches of our customers' data and information by unauthorized access, theft, destruction, loss of information, or misappropriation or release of confidential customer data.

To mitigate these risks, we have adopted a layered approach to protecting customer data that includes physical security, system security, policy, governance, logging and auditing. We perform penetration testing on our key business systems (including our acquired businesses) and remediate any potential issues identified by the testing.

We are in the process of further managing and documenting these controls through the implementation of the ISO 27001 Information Technology standard.

WiseTech Global and its subsidiaries recognize the importance of data privacy and comply with relevant data privacy regulations, including the EU General Data Protection Regulation, to safeguard the security and privacy of all customer data.

Intellectual property

The value of our products is partially dependent on our ability to protect our intellectual property, including business processes and know-how, copyrights and trademarks. There is a risk that we may be unable to detect the unauthorized use of our intellectual property rights in all instances. Further, there is a risk that third parties may allege that our products use intellectual property derived by them or from their products without their consent or permission, potentially resulting in disputes or litigation.

We mitigate this risk through an active program of monitoring and registering patents and other intellectual property where appropriate, and through protections in contractual agreements. Both internal and external legal resources are used to support this process.

Financial Report contents

for the year ended 30 June 2022

Consolidated statement of profit or loss and other comprehensive income

for the year ended 30 June 2022

	Notes	2022 $M	2021 $M
Revenue	3	632.2	507.5
Cost of revenues		(92.5)	(85.6)
Gross profit		539.7	**421.9**
Product design and development		(142.9)	(128.9)
Sales and marketing		(50.0)	(50.3)
General and administration[1]		(91.8)	(92.9)
Total operating expenses		(284.7)	(272.1)
Operating profit		255.0	149.8
Finance income		1.4	1.4
Finance costs	24	(4.1)	(5.5)
Fair value gain on contingent consideration	24	0.1	2.2
Net finance costs		(2.6)	(1.9)
Profit before income tax		252.4	147.9
Income tax expense	4	(57.7)	(39.9)
Net profit after income tax		194.6	108.1
Other comprehensive (loss)/income, net of tax			
Items that are/or may be reclassified to profit or loss			
Movement in cash flow hedges, net of tax		(10.2)	(5.7)
Exchange differences on translation of foreign operations		8.9	(23.0)
Other comprehensive loss, net of tax		(1.3)	(28.8)
Total comprehensive income, net of tax		193.4	79.3
Earnings per share			
Basic earnings per share (cents)	5	59.7	33.3
Diluted earnings per share (cents)	5	59.7	33.2

1 For the year ended 30 June 2022 $0.9m of restructuring expenses are included in General and administration expenses (2021:$8.2m).

These Consolidated financial statements should be read in conjunction with the accompanying notes.

Consolidated statement of financial position

as at 30 June 2022

	Notes	2022 $M	2021 $M
Assets			
Current assets			
Cash and cash equivalents	9	483.4	315.0
Trade receivables	10	88.0	74.1
Current tax receivables		11.8	–
Derivative financial instruments	24	1.6	2.9
Other current assets	11	24.3	22.6
Total current assets		609.2	414.6
Non-current assets			
Intangible assets	7	961.2	904.5
Property, plant and equipment	8	75.8	64.1
Deferred tax assets	4	9.5	11.0
Derivative financial instruments	24	0.6	0.4
Other non-current assets	11	7.4	5.1
Total non-current assets		1,054.4	985.2
Total assets		1,663.6	1,399.8
Liabilities			
Current liabilities			
Trade and other payables	12	75.5	59.3
Borrowings	15	–	–
Lease liabilities	16	9.5	9.8
Deferred revenue	13	12.5	25.8
Employee benefits	19	23.3	20.7
Current tax liabilities		12.1	7.5
Derivative financial instruments	24	7.7	2.1
Other current liabilities	14	66.7	62.8
Total current liabilities		207.4	188.0
Non-current liabilities			
Lease liabilities	16	24.0	25.2
Employee benefits	19	4.9	2.1
Deferred tax liabilities	4	81.0	58.3
Derivative financial instruments	24	8.1	4.3
Other non-current liabilities	14	23.0	16.0
Total non-current liabilities		141.1	105.9
Total liabilities		348.4	293.9
Net assets		1,315.2	1,106.0
Equity			
Share capital	17	906.3	827.8
Reserves		(101.0)	(67.7)
Retained earnings		509.9	345.8
Total equity		1,315.2	1,106.0

These Consolidated financial statements should be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity

for the year ended 30 June 2022

	Notes	Share capital $M	Treasury share reserve $M	Acquisition reserve $M	Cash flow hedge reserve $M	Share-based payment reserve $M	Foreign currency translation reserve $M	Retained earnings $M	Total equity $M
Balance as at 1 July 2020		779.8	(32.1)	(17.0)	3.2	26.0	(17.6)	261.2	1,003.4
Net profit for the year		–	–	–	–	–	–	108.1	108.1
Other comprehensive loss, net of tax		–	–	–	(5.7)	–	(23.0)	–	(28.8)
Total comprehensive income/(loss), net of tax		**–**	**–**	**–**	**(5.7)**	**–**	**(23.0)**	**108.1**	**79.3**
Issue of share capital	17	35.8	(35.8)	–	–	–	–	–	–
Shares issued under acquisition	17	11.4	–	0.1	–	–	–	–	11.5
Dividends declared and paid	6	–	–	–	–	–	–	(14.0)	(14.0)
Shares issued under DRP	17	0.7	–	–	–	–	–	–	0.7
Transaction costs (net of tax)	17	(0.1)	–	–	–	–	–	–	(0.1)
Vesting of share rights		–	12.9	–	–	(13.4)	–	0.5	–
Equity settled share-based payment	19	–	–	–	–	22.1	–	–	22.1
Equity settled remuneration to Non-Executive Directors		0.1	–	–	–	(0.1)	–	–	–
Tax benefit from equity remuneration		–	–	–	–	13.2	–	(10.2)	3.1
Revaluation of subsidiary due to hyperinflationary economy		–	–	–	–	–	–	0.2	0.2
Total contributions and distributions		48.0	(23.0)	0.1	–	21.9	–	(23.4)	23.6
Changes in ownership interest									
Acquisition of non-controlling interest without a change in control		–	–	(0.3)	–	–	–	–	(0.3)
Balance as at 30 June 2021		827.8	(55.0)	(17.3)	(2.5)	47.9	(40.6)	345.8	1,106.0

These Consolidated financial statements should be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity

for the year ended 30 June 2022

	Notes	Share capital $M	Treasury share reserve $M	Acquisition reserve $M	Cash flow hedge reserve $M	Share-based payment reserve $M	Foreign currency translation reserve $M	Retained earnings $M	Total equity $M
Balance as at 1 July 2021		827.8	(55.0)	(17.3)	(2.5)	47.9	(40.6)	345.8	1,106.0
Net profit for the year		–	–	–	–	–	–	194.6	194.6
Other comprehensive loss, net of tax		–	–	–	(10.2)	–	8.9	–	(1.3)
Total comprehensive income/(loss), net of tax		–	–	–	(10.2)	–	8.9	194.6	193.4
Issue of share capital	17	70.8	(70.8)	–	–	–	–	–	–
Shares issued under acquisition	17	6.0	–	(0.1)	–	–	–	–	5.9
Dividends declared and paid	6	–	–	–	–	–	–	(28.0)	(28.0)
Shares issued under DRP	17	1.5	–	–	–	–	–	–	1.5
Transaction costs (net of tax)	17	(0.1)	–	–	–	–	–	–	(0.1)
Vesting of share rights		–	16.7	–	–	(13.2)	–	(3.5)	–
Equity settled share-based payment	19	–	–	–	–	31.2	–	–	31.2
Equity settled remuneration to Non-Executive Directors		0.2	–	–	–	(0.2)	–	–	–
Tax benefit from equity remuneration		–	–	–	–	4.4	–	–	4.4
Revaluation of subsidiary due to hyperinflationary economy		–	–	–	–	–	–	1.0	1.0
Total contributions and distributions		78.5	(54.1)	(0.1)	–	22.2	–	(30.5)	15.9
Balance as at 30 June 2022		906.3	(109.2)	(17.4)	(12.7)	70.1	(31.8)	509.9	1,315.2

These Consolidated financial statements should be read in conjunction with the accompanying notes.

Consolidated statement of cash flows

for the year ended 30 June 2022

	Notes	2022 $M	2021 $M
Operating activities			
Receipts from customers		650.4	535.6
Payments to suppliers and employees[1]		(310.9)	(305.6)
Income tax paid		(32.9)	(18.4)
Net cash flows from operating activities	22	306.7	211.6
Investing activities			
Acquisition of businesses, net of cash acquired	18	(3.4)	(5.8)
Payments for intangible assets		(75.4)	(74.5)
Purchase of property, plant and equipment (net of disposal proceeds)		(26.8)	(16.3)
Interest received		1.4	1.3
Net cash flows used in investing activities		(104.3)	(95.2)
Financing activities			
Proceeds from issue of shares		70.8	35.8
Transaction costs on issue of shares		(0.1)	(0.1)
Treasury shares acquired		(70.8)	(35.8)
Repayments of lease liabilities		(7.8)	(8.7)
Interest paid		(3.9)	(2.4)
Dividends paid	6	(26.5)	(13.2)
Net cash flows used in financing activities		(38.2)	(24.4)
Net increase in cash and cash equivalents		164.2	91.9
Cash and cash equivalents at 1 July	9	315.0	223.7
Effect of exchange differences on cash balances		4.2	(0.6)
Net cash and cash equivalents at 30 June	9	483.4	315.0

1 For the year ended 30 June 2022, $1.2m of payments related to restructuring programs are included in payments to suppliers and employees (2021: $8.6m).

These Consolidated financial statements should be read in conjunction with the accompanying notes.

Notes to the financial statements

for the year ended 30 June 2022

1. Corporate information

WiseTech Global Limited ("Company") is a company domiciled in Australia. These Consolidated financial statements comprise the Company and its controlled entities (collectively "Group") for the year ended 30 June 2022. The Company's registered office is at Unit 3a, 72 O'Riordan Street, Alexandria, NSW 2015, Australia.

The Group is a for-profit entity and its principal business is providing software to the logistics services industry globally.

2. Basis of preparation

Statement of compliance

These Consolidated financial statements are general purpose financial statements, which have been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards ("AAS") and other authoritative pronouncements of the Australian Accounting Standards Board ("AASB"). The Consolidated financial statements also comply with International Financial Reporting Standards ("IFRS") and interpretations ("IFRICs") adopted by the International Accounting Standards Board.

Material accounting policies adopted in the preparation of these financial statements are presented alongside the relevant notes and have been consistently applied unless stated otherwise. Other significant accounting policies which are relevant to understanding the basis of preparation of these Consolidated financial statements are included in note 28.

The Consolidated financial statements have been prepared on an accruals basis and are based on historical costs except for:

- Derivative financial instruments which are measured at fair value in accordance with AASB 9 *Financial Instruments*; and
- Contingent consideration which is measured at fair value in accordance with AASB 13 *Fair Value Measurement*.

The Consolidated financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realization of assets and the settlement of liabilities in the ordinary course of business.

The Consolidated financial statements were authorized by the Board of Directors on 24 August 2022.

Accounting policies

The accounting policies applied in these Consolidated financial statements are the same as those applied in the Group's Consolidated financial statements as at, and for the year ended 30 June 2021.

Going concern

The accompanying Consolidated financial statements have been prepared assuming the Company will continue as a going concern. The ultimate parent entity's financial position is strong with robust cash generation, and significant liquidity to support its strategic and operational initiatives.

The Company supplies software as a service ("SaaS") to the logistics industry, which is a critical service to that market sector. The logistics sector continues to be a critical element of the global economy. The Company's customer base is significant and comprises large, medium and small operators. The Company is not subject to concentration of credit risk. The Company has no borrowings as at 30 June 2022 and has sufficient cash to meet all committed liabilities and future expected liabilities.

Notes to the financial statements

for the year ended 30 June 2022

2. Basis of preparation (continued)

Key accounting estimates and judgments

In preparing these Consolidated financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses including accompanying disclosures. Changes in these judgments, estimates and assumptions could result in outcomes that require a material adjustment in future periods. Information on key accounting estimates and judgments can be found in the following notes:

Accounting judgments, estimates and assumptions	Note	Page
Income tax determination in relation to assets and liabilities	4	109
Recognition and recoverability of other intangible assets	7	112
Recoverability of goodwill	7	113
Trade receivables expected credit losses	10	116
Lease terms	16	121
Valuation of contingent consideration	24	134

Revenue recognition is excluded on the grounds that the policy adopted in the area is sufficiently objective.

Functional and presentational currency

These Consolidated financial statements are presented in Australian dollars which is the Group's functional currency.

Rounding of amounts

Unless otherwise expressly stated, amounts have been rounded off to the nearest whole number of millions of dollars and one place of decimals representing hundreds of thousands of dollars in accordance with ASIC Corporations Instrument 2016/191, dated 24 March 2016. Amounts shown as "–" represent zero amounts and amounts less than $50,000 which have been rounded down. There may be differences in casting the values in the Consolidated financial statements due to rounding in millions to one place of decimals.

Presentation of results

The Group has presented the expense categories within the Consolidated statement of profit or loss on a functional basis. The categories used are cost of revenues, product design and development, sales and marketing and general and administration. This presentation style provides insight into the Company's business model and enables users to consider the results of the Group compared to other major SaaS companies. The methodology and the nature of costs within each category are further described below and on the next page.

Cost of revenues

Cost of revenues consists of expenses directly associated with securely hosting the Group's services and providing support to customers. Costs include data center costs, personnel and related costs (including salaries, benefits, bonuses and share-based payments) directly associated with cloud infrastructure and customer consulting, implementation and customer support, contracted third party costs, related depreciation and amortization and allocated overheads.

Product design and development expenses

Product design and development expenses consist primarily of personnel and related costs (including salaries, benefits, bonuses and share-based payments) directly associated with the Company's product design and development employees, as well as allocated overheads. When future economic benefits from development of an intangible asset are determined probable and the development activities are capable of being reliably measured, the costs are capitalized as an intangible asset and then amortized to profit or loss over the estimated life of the asset created. The development activities comprise the design, coding and testing of a chosen alternative for new or improved software products, processes, systems and services. The amortization of those costs capitalized is included as a product design and development expense.

Sales and marketing expenses

Sales and marketing expenses consist of personnel and related costs (including salaries, benefits, bonuses, commissions and share-based payments) directly associated with the sales and marketing team's activities to acquire new customers and grow revenue from existing customers. Other costs included are external advertising, digital platforms, marketing and promotional events, as well as allocated overheads.

Notes to the financial statements

for the year ended 30 June 2022

2. Basis of preparation (continued)

General and administration expenses

General and administration expenses consist of personnel and related costs (including salaries, benefits, bonuses and share-based payments) for the Company's executive, Board of Directors, finance, legal, people and culture, mergers and acquisitions and administration employees. They also include legal, accounting and other professional services fees, insurance premiums, acquisition and integration costs, restructuring expenses, other corporate expenses and allocated overheads.

Overhead allocation

The presentation of the Consolidated statement of profit or loss and other comprehensive income by function requires certain overhead costs to be allocated to functions. These allocations require management to apply judgment. The costs associated with Group's facilities, internal information technology and non-product related depreciation and amortization are allocated to each function based on respective headcount.

3. Revenue

Disaggregation of revenue from contracts with customers

The Company has concluded that disclosing a disaggregation of revenue types amongst 'Recurring On-Demand revenue', 'Recurring One-Time License ("OTL") maintenance revenue' and 'OTL and support services' best reflects how the nature, amount, timing and uncertainty of the Group's revenues and cash flows are affected by economic factors, and that further disaggregation is not required to achieve this objective. Revenue by geographic location is disclosed in note 23.

	2022 $M	2021 $M
Revenue		
Recurring On-Demand License revenue	491.6	383.0
Recurring One-Time License maintenance revenue	74.2	75.1
OTL and support services	66.5	49.4
Total revenue	632.2	507.5

The Group applies the following five steps in recognizing revenue from contracts with customers:

1. Identify the contract or contracts with the customer;
2. Identify the performance obligations in the contract;
3. Determine the transaction price;
4. Allocate the transaction price to performance obligations based on their relative standalone selling price; and
5. Recognize revenue when, or as, performance obligations are satisfied.

Revenue is recognized upon transfer of control of promised products and services to customers in the amount that reflects the consideration expected to be received in exchange. Revenue is recognized net of any taxes collected from customers, which are subsequently remitted to governmental authorities.

The Group's revenue primarily consists of license fees from customers to access or use computing software.

Revenue recognition approach

Recurring On-Demand License revenue

The majority of revenue is derived from recurring On-Demand Licenses, where customers are provided the right to access the Group's software as a service, without taking possession of the software. These arrangements include the ongoing provision of standard customer support and software maintenance services.

Revenue is recognized over the contract period and is based on the utilization of the software (numbers of users and transactions). Customers are typically billed on a monthly basis in arrears and revenue is recognized for the amount billed.

Recurring One-Time License maintenance revenue

Additional recurring revenue is derived from the recurring maintenance fees charged to customers on OTL arrangements and is recognized over time during the maintenance period.

Notes to the financial statements

for the year ended 30 June 2022

3. Revenue (continued)

OTL and support services

OTL fee revenue is derived when the Group sells, in a one-off transaction, the perpetual right to use the software. This license revenue is recognized at the point in time when access is granted to the customer and the one-off billing is raised.

Support services revenue mainly consists of fees charged for business consultancy and paid product enhancements delivered upon specific customer requests. These contracts are typically short-term (less than 12 months) and are charged on a fixed-fee basis. Consulting revenue is recognized on a proportional performance basis and ratably over the contract term. Paid product enhancements revenue is recognized at the time when the requested enhancement is completed and can be accessed by customers.

Contracts with multiple performance obligations

The Company enters into contracts with its customers that can include promises to transfer multiple performance obligations. A performance obligation is a promise in a contract with a customer to transfer products or services that are distinct.

Revenue (including any discounts) is allocated between separate goods and services on a relative basis of standalone selling prices. The standalone selling prices reflects the price that would be charged for a specific product or service if it was sold separately and is calculated using standard list prices.

For On-Demand licensing contracts, there are a series of distinct goods and services, including access to software maintenance and support provided to customers, that are treated as a single performance obligation because they are delivered in the same pattern over a period of time.

Material rights in the form of contract renewal options or incremental discounts

Contracts may involve customers having the option to obtain discounts upon renewal of existing arrangements. AASB 15 *Revenue from Contracts with Customers* considers a material right to be a separate performance obligation in a customer contract, which gives the customer an option to acquire additional goods or services at a discount or free of charge. The inclusion of these clauses may give rise to a change in the timing of revenue recognition.

The Group regularly assesses renewal options on current contracts for material rights that would need to be accounted for as separate performance obligations.

Costs of obtaining a customer contract

AASB 15 requires that incremental costs associated with acquiring a customer contract, such as sales commissions, be recognized as an asset and amortized over a period that corresponds with the period of benefit.

Commissions paid by the Group performed in connection with the sale of software products are conditional on future performance or service by the recipient of the commission, and therefore are not incremental to obtaining the contract. Consequently, under current arrangements, the costs of obtaining a contract are expensed in the period incurred.

Principal versus agent

Where the Group has arrangements involving multiple parties to provide goods and services to customers, judgment is required to determine if the Group acts as a principal or an agent.

The Group is an agent if its role is to arrange a third party to provide the goods or service; or it is to deliver a third party's goods or service on its behalf. The Group is a principal if it has the primary responsibility for fulfilling the promised goods or service delivery; and has the discretion to establish the price for the specified goods or service.

Where the Group is acting as a principal, revenue is recognized on a gross basis in accordance with the transaction price defined in contracts with customers. Where the Group is acting as an agent, revenue is recognized at a net amount reflecting the commission or margin earned.

Contract balances

The timing of revenue recognition may differ from customer billings and cash collections which results in trade receivables, unbilled receivables (contract assets) and deferred revenue (contract liabilities) recognized on the Group's Consolidated statement of financial position.

Generally, the Group invoices customers as services are provided in accordance with the agreed-upon contract terms, either at periodic intervals (e.g. monthly or quarterly) or upon completion. At times, billing occurs after the revenue recognition, resulting in contract assets (unbilled receivables). For certain customer contracts, the Group receives advance payments before revenue is recognized, resulting in contract liabilities (deferred revenue). These balances, as well as their movements from the prior reporting period, are disclosed in notes 11 and 13 respectively.

Notes to the financial statements

for the year ended 30 June 2022

4. Income tax

(a) Income tax expense

Income tax expense/(benefit) comprises current and deferred tax expense/(benefit) and is recognized in profit or loss, except to the extent that it relates to a business combination or items recognized directly in equity or other comprehensive income.

Income tax expense comprises:

	2022 $M	2021 $M
Current tax	39.5	27.7
Deferred tax	30.0	13.1
Adjustment for prior years – current tax	(12.0)	(3.5)
Adjustment for prior years – deferred tax	0.3	2.5
Income tax expense	57.7	39.9

The prima facie tax on profit before income tax is reconciled to the income tax expense as follows:

	2022 $M	2021 $M
Accounting profit before income tax	252.4	147.9
At Australia's statutory income tax rate of 30% (2021:30%)	75.7	44.4
Adjusted for: Other assessable income	1.2	1.1
Non-deductible expenses	0.4	1.4
Non-deductible acquisition expense	0.6	0.1
Under/(over) provision for income tax in prior years	2.9	(0.9)
	80.8	46.0
Adjusted for:		
Tax effect of:		
Tax deduction for acquisitions	(12.8)	–
Fair value gain on contingent consideration	–	(0.7)
Different tax rates in overseas jurisdictions	(4.8)	(1.2)
Research and development	(5.3)	(3.8)
Non-taxable income	(0.2)	(0.5)
Income tax expense	57.7	39.9

Significant accounting policies

Current tax

Current tax comprises the expected payable or receivable on the taxable income or loss for the year and any adjustment to tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes. It is measured using tax rates for each jurisdiction enacted or substantively enacted at the reporting date. Current tax assets and liabilities are offset only if certain criteria are met.

Notes to the financial statements

for the year ended 30 June 2022

4. Income tax (continued)

Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for:

- Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- Temporary differences related to investments in subsidiaries, associates and joint arrangements, to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used.

Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognize a deferred tax asset in full, then future taxable profits, adjusted for reversal of existing temporary differences are considered, based on the business plans for the individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Such reductions are revised when the profitability of future taxable profit improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date, and reflects uncertainty related to income taxes, if any.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if certain criteria are met.

(b) Movements in deferred tax balances

2021	Opening balance $M	Charged to profit or loss $M	Charged to goodwill $M	Exchange differences $M	Charged to equity $M	Total $M
Software development costs	49.7	12.4	–	(0.1)	–	62.0
Customer relationships and brands	4.6	(1.9)	–	(0.1)	–	2.6
Intellectual property	(0.1)	0.7	–	(0.1)	–	0.5
Goodwill	1.0	0.9	–	(0.2)	–	1.8
Property, plant and equipment	(1.3)	1.6	–	(0.1)	–	0.2
Future income tax benefits attributable to tax losses and offsets	(9.7)	(0.2)	–	0.8	(3.3)	(12.3)
Provisions	(8.0)	(3.5)	–	–	–	(11.6)
Revenue timing	(0.8)	(0.1)	–	–	–	(0.9)
Cash flow hedge	1.4	0.3	–	–	(2.5)	(0.8)
Transaction costs	(1.5)	0.5	–	–	–	(1.0)
Employee equity compensation	2.3	4.3	–	–	0.2	6.8
Unrealized foreign exchange	(0.8)	0.5	–	–	–	(0.2)
Other	–	0.2	–	0.1	–	0.3
Net tax liabilities	36.7	15.7	–	0.4	(5.6)	47.3

Notes to the financial statements

for the year ended 30 June 2022

4. Income tax (continued)

2022	Opening balance $M	Charged to profit or loss $M	Charged to goodwill $M	Exchange differences $M	Charged to equity $M	Total $M
Software development costs	62.0	14.5	–	0.2	–	76.7
Customer relationships and brands	2.6	0.4	0.1	–	–	3.0
Intellectual property	0.5	(0.2)	0.1	–	–	0.4
Goodwill	1.8	1.0	–	0.2	–	3.0
Property, plant and equipment	0.2	3.0	–	(0.1)	–	3.1
Future income tax benefits attributable to tax losses and offsets	(12.3)	3.8	–	(0.9)	(3.3)	(12.6)
Provisions	(11.6)	(3.0)	0.1	–	–	(14.5)
Revenue timing	(0.9)	0.9	–	–	–	–
Cash flow hedge	(0.8)	(0.3)	–	–	(1.7)	(2.8)
Transaction costs	(1.0)	0.5	–	–	–	(0.5)
Employee equity compensation	6.8	11.7	–	–	(1.1)	17.4
Unrealized foreign exchange	(0.2)	(0.8)	–	–	–	(1.0)
Other	0.3	(1.3)	–	0.3	–	(0.7)
Net tax liabilities	**47.3**	**30.3**	**0.2**	**(0.2)**	**(6.0)**	**71.5**

Key accounting estimates and judgments – Income tax

During the period the Group lodged amended Australian returns for income tax years FY18, FY19 and FY20, lodged the FY21 income tax return and accrued FY22 income tax applying specific legislation which resulted in tax deductions for certain payments relating to acquisitions. This application of the legislation had not previously been included in tax returns and accruals and resulted in a total tax benefit of $12.8m.

At 31 December 2021, the Group's application of the legislation was being reviewed by the Australian Taxation Office ("ATO") and the Group treated the matter as an uncertain tax position and had not reflected any benefit in tax expense. $8.3m cash received prior to 31 December 2021, in respect of these lodgments, was recorded in tax liabilities.

The Group has since been advised by the ATO that their review of the application of the legislation was complete. Consequently at 30 June 2022 there is no longer an uncertain tax position and the total benefit of $12.8m was recognized in full, in tax expense, for the current financial year. This includes refunds totaling $11.7m in respect of the amended returns for FY18, FY19, FY20 and the final return lodged for FY21. In addition to the above $0.4m is reflected in FY22 by reducing the current tax provision. The remaining $0.7m of cash benefit will be received in future years.

The Group is subject to tax in numerous jurisdictions. Significant judgment is required in determining the related assets or provisions as there are transactions in the ordinary course of business and calculations for which the ultimate tax determination is uncertain. The Group recognizes liabilities based on estimates of whether additional tax will be due. Where the final tax outcome of these matters is different from the amount that was initially recognized, such differences will impact on the results for the year and the respective income tax and deferred tax assets or provisions in the year in which such determination is made. The Group recognizes tax assets based on forecasts of future profits against which those assets may be utilized; tax losses in subsidiaries of $2.7m (FY21: $5.6m) have not been recognized.

Notes to the financial statements

for the year ended 30 June 2022

5. Earnings per share

The following reflects the income and share data used in the basic and diluted earnings per share ("EPS") computations:

	2022	2021
Net profit after income tax ($M)	194.6	108.1
Basic weighted average number of ordinary shares (in millions)	326.0	324.9
Basic EPS (cents)	59.7	33.3
Net profit after income tax ($M)	194.6	108.1
Basic weighted average number of ordinary shares (in millions)	326.0	324.9
Shares issuable in relation to equity-based compensation schemes (in millions)	0.1	0.1
Diluted weighted average number of ordinary shares (in millions)	326.0	325.0
Diluted EPS (cents)	59.7	33.2

Significant accounting policies

Basic EPS is calculated by dividing profit for the year attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

6. Dividends

Dividend distributions payable to equity shareholders are included in other liabilities when the dividends have been approved prior to the reporting date.

The following dividends were declared and paid by the Company during the year:

	2022 $M	2021 $M
Dividends on ordinary shares declared and paid:		
Final dividend in respect of previous reporting period (FY21: 3.85 cents per share, FY20: 1.60 cents per share)		
– Paid in cash	11.8	5.0
– Paid via DRP	0.7	0.2
Interim dividend for the current reporting period (FY22: 4.75 cents per share, FY21: 2.70 cents per share)		
– Paid in cash	14.7	8.2
– Paid via DRP	0.8	0.6
	28.0	14.0
Franking credit balance		
Franking amount balance as at the end of the financial year	48.6	36.3
Final dividend on ordinary shares		
Final dividend for FY22: 6.40 cents per share (FY21: 3.85 cents per share)	20.9	12.5

After the reporting date, a dividend of 6.40 cents per share was declared by the Board of Directors. The dividend has not been recognized as a liability and will be franked at 100%.

Notes to the financial statements

for the year ended 30 June 2022

7. Intangible assets

	Computer software $M	Development costs (WIP) $M	External software licenses $M	Goodwill $M	Intellectual property $M	Customer relationships $M	Trade names $M	Patents and other in-tangibles $M	Total $M
At 30 June 2020									
Cost	217.1	19.1	6.6	653.0	41.6	24.1	15.2	0.4	977.0
Accumulated amortization and impairment	(52.6)	–	(3.0)	(0.1)	(24.2)	(9.1)	(3.0)	(0.1)	(92.0)
Net book value	**164.5**	**19.1**	**3.6**	**652.9**	**17.4**	**14.9**	**12.2**	**0.3**	**885.0**
At 1 July 2020	164.5	19.1	3.6	652.9	17.4	14.9	12.2	0.4	885.0
Additions	–	77.6 [1]	1.9	–	–	–	–	0.8	80.3
Transfers/ reclassifications	79.9	(79.9)	(0.7)	0.7	–	–	–	–	–
Acquisition via business combination	–	–	–	1.8	0.1	–	0.1	–	2.0
Amortization	(26.5)	–	(1.2)	–	(5.6)	(2.3)	(1.5)	(0.1)	(37.2)
Exchange differences	(0.8)	–	–	(23.4)	(0.4)	(0.6)	(0.4)	–	(25.6)
Net book value at 30 June 2021	**217.1**	**16.8**	**3.6**	**632.0**	**11.5**	**12.0**	**10.4**	**1.1**	**904.5**
At 30 June 2021									
Cost	296.1	16.8	7.8	632.1	41.0	23.3	14.8	1.2	1,033.1
Accumulated amortization and impairment	(79.0)	–	(4.2)	(0.1)	(29.5)	(11.3)	(4.4)	(0.1)	(128.6)
Net book value	**217.1**	**16.8**	**3.6**	**632.0**	**11.5**	**12.0**	**10.4**	**1.1**	**904.5**
At 1 July 2021	217.1	16.8	3.6	632.0	11.5	12.0	10.4	1.1	904.5
Additions	–	82.2 [1]	0.6	–	0.9	–	–	0.2	84.0
Transfers/ reclassifications	74.6	(74.6)	–	–	–	–	–	–	–
Acquisition via business combination	–	–	–	6.1	0.3	0.1	0.2	–	6.8
Amortization	(33.5)	–	(1.4)	–	(4.0)	(2.3)	(1.6)	(0.1)	(43.0)
Exchange differences	0.8	–	–	8.0	–	0.4	(0.1)	–	9.0
Net book value at 30 June 2022	**258.9**	**24.5**	**2.8**	**646.2**	**8.6**	**10.1**	**9.0**	**1.1**	**961.2**
At 30 June 2022									
Cost	371.6	24.5	8.2	646.2	41.8	24.0	14.9	1.4	1,132.6
Accumulated amortization and impairment	(112.6)	–	(5.4)	(0.1)	(33.2)	(13.9)	(6.0)	(0.3)	(171.4)
Net book value	**258.9**	**24.5**	**2.8**	**646.2**	**8.6**	**10.1**	**9.0**	**1.1**	**961.2**

1 For FY22, Development costs (WIP) includes $1.9m (FY21: $2.4m) of depreciation charges on right-of-use ("ROU") assets and $0.3m (FY21: $0.3m) of interest costs.

Notes to the financial statements

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7. Intangible assets (continued)

Intangible assets	Useful life	Amortization method	Recognition and measurement
Computer software	5 to 10 years	Straight-line	Computer software comprises the historical cost of development activities for products transferred from development costs (WIP) when project/products are considered ready for intended use and the historical cost of acquired software. Computer software is carried at historical cost less accumulated amortization and impairment losses.
Development costs (WIP)	Not applicable	Not amortized	Development costs are costs incurred on internal software development projects. Development costs are only capitalized when they relate to the creation of an asset that can be used or sold to generate benefits and can be reliably measured.
External software licenses	1 to 10 years	Straight-line	External software licenses are carried at historical cost or fair value at the date of acquisition less accumulated amortization and impairment losses.
Goodwill	Indefinite	Not amortized	Goodwill acquired in a business combination is measured at cost and subsequently at cost less any impairment losses. The cost represents the excess of the cost of a business combination over the fair value of the identifiable assets and liabilities acquired.
Intellectual property	Up to 10 years	Straight-line	Intellectual property assets are carried at their fair value at the date of acquisition less accumulated amortization and impairment losses.
Customer relationships	10 years	Straight-line	Customer relationships are carried at their fair value at the date of acquisition less accumulated amortization and impairment losses.
Trade names	Up to 15 years	Straight-line	Trade names are carried at their fair value at the date of acquisition less accumulated amortization and impairment losses.
Patents and other intangibles	10 years	Straight-line	Patents and other intangibles are carried at historical cost less accumulated amortization and impairment losses.

Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill, is recognized in profit or loss as incurred.

Key accounting estimates and judgments – Recoverability of other finite life intangible assets

Other intangible assets with finite life are reviewed at each reporting period to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). The recoverable amount is the higher of fair value less costs of disposal and value in use.

If an impairment occurs, a loss is recognized in profit or loss for the amount by which an asset's carrying amount exceeds its recoverable amount. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit ("CGU") to which the asset belongs.

Notes to the financial statements

for the year ended 30 June 2022

7. Intangible assets (continued)

Key accounting estimates and judgments – Measurement of other finite life intangible assets

Management has made judgments in respect of intangible assets when assessing whether an internal project in the development phase meets the criteria to be capitalized, and on measuring the costs and economic life attributed to such projects. On acquisition, specific intangible assets are identified and amortized over their estimated useful lives. The capitalization of these assets and the related amortization charges are based on judgments about their value and economic life.

Management also makes judgments and assumptions when assessing the economic life of intangible assets and the pattern of consumption of the economic benefits embodied in the assets. Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. The economic lives for internal projects, which includes internal use software and internally generated software, and acquired intangibles are between five and 10 years.

Impairment testing of goodwill

The carrying amount of goodwill is tested for impairment annually at 30 June and whenever there is an indicator that the asset may be impaired. If an asset is deemed to be impaired, it is written down to its recoverable amount.

For the purposes of impairment testing, goodwill is allocated to each of the CGUs, or group of CGUs, expected to benefit from the synergies of the business combination. A CGU is the smallest identifiable group of assets that generate cash inflows that are largely independent of the cash inflows from other assets or group of assets.

At 30 June 2022, the lowest level within the Group for which information about goodwill is monitored for internal management purposes is the consolidated Group, which comprises a group of CGUs. All acquisitions are made with the intention of delivering benefits of revenue growth and synergy to the Group. All CGUs are expected to benefit from synergies and sharing of expertise from these acquisitions.

Key accounting estimates and judgments – Impairment testing of goodwill

Determining whether goodwill is impaired requires judgment to allocate goodwill to CGUs and judgment and assumptions to estimate the fair value of a CGU or group of CGUs. The Group has determined that goodwill is tested at a single group of CGU level. The valuation model (being a value-in-use model) which is used to estimate the recoverable amount of the group of CGUs, requires an estimate of the future cash flows expected to arise from the group of CGUs and a suitable discount rate in order to calculate net present value.

Key assumptions in the Group's discounted cash flow model as at 30 June 2022

A value-in-use discounted cash flow model has been used at 30 June 2022 to value the Group's CGUs incorporating financial plans approved by the Board for year ending 30 June 2023 and management projections for years ending 30 June 2024 to 30 June 2027. These include projected revenues, gross margins and expenses and have been determined with reference to historical company experience, industry data and management's expectation for the future. Management has considered the impacts of COVID-19 on forecasted cash flows and long-term projects.

The following inputs and assumptions have been adopted:

	2022	2021
Post-tax discount rate per annum	9.6%	9.3%
Pre-tax discount rate per annum	11.5%	11.9%
Terminal value growth rate	2.5%	2.5%

Sensitivity analysis

Management has performed sensitivity analysis and assessed reasonable changes for key assumptions and has not identified any instances that could cause the carrying amount of the group of CGUs, over which goodwill is monitored, to exceed its recoverable amount.

Notes to the financial statements

for the year ended 30 June 2022

8. Property, plant and equipment

	Plant and equipment $M	Leasehold improvements $M	Right-of-use assets ("ROU") $M	Total $M
At 30 June 2020				
Cost	58.1	8.1	52.8	118.9
Accumulated depreciation	(33.5)	(4.9)	(10.5)	(48.9)
Net book value	**24.5**	**3.2**	**42.3**	**70.0**
At 1 July 2020	24.5	3.2	42.3	70.0
Additions	15.8	1.5	0.9	18.1
Acquisition via business combination	–	–	0.1	0.1
Remeasurement of ROU assets	–	–	0.2	0.2
Depreciation	(10.1)	(0.9)	(11.3)	(22.2)
Exchange differences	(0.7)	(0.1)	(0.9)	(1.7)
Disposals	(0.2)	(0.1)	–	(0.2)
Net book value at 30 June 2021	**29.4**	**3.6**	**31.2**	**64.1**
At 30 June 2021				
Cost	70.9	9.3	51.1	131.3
Accumulated depreciation	(41.6)	(5.7)	(19.9)	(67.1)
Net book value	**29.4**	**3.6**	**31.2**	**64.1**
At 1 July 2021	29.4	3.6	31.2	64.1
Additions	25.5	1.3	1.8	28.6
Acquisition via business combination	–	–	0.3	0.3
Remeasurement of ROU assets	–	–	6.8	6.8
Transfers	0.1	(0.1)	–	–
Depreciation	(12.0)	(1.2)	(9.7)	(22.9)
Exchange differences	0.4	–	(0.1)	0.3
Disposals	(1.4)	–	–	(1.4)
Net book value at 30 June 2022	**41.9**	**3.6**	**30.3**	**75.8**
At 30 June 2022				
Cost	92.3	10.5	55.4	158.2
Accumulated depreciation	(50.4)	(6.9)	(25.1)	(82.4)
Net book value	**41.9**	**3.6**	**30.3**	**75.8**

Significant accounting policies

Refer to note 16 for the accounting policy for right-of-use assets.

Plant and equipment and leasehold improvements are carried at cost less any accumulated depreciation and impairment losses, where applicable.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in the Consolidated statement of profit or loss.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are recognized as expenses in the Consolidated statement of profit or loss during the financial period in which they are incurred.

Notes to the financial statements

for the year ended 30 June 2022

8. Property, plant and equipment (continued)

Depreciation

Items of property, plant and equipment are depreciated on a straight-line basis calculated using the cost of the item less its estimated residual values over its estimated useful life.

The assets' depreciation methods, residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. The annual depreciation rates used for each class of depreciable assets are:

Class of fixed asset	Depreciation rate
Plant and equipment	5%–50%;
Leasehold improvements	10%–20%; and
Right-of-use assets	Term of lease[1]

1 Lease terms range between 1–10 years.

9. Cash and cash equivalents

	2022 $M	2021 $M
Cash at bank and on hand	483.4	315.0

The effective interest rate on cash and cash equivalents was 0.35% per annum (2021: 0.54% per annum).

Significant accounting policies

Cash comprises cash on hand and on-demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

10. Trade receivables

	2022 $M	2021 $M
Trade receivables	91.3	77.7
Provision for impairment of trade receivables	(3.3)	(3.6)
	88.0	74.1

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The movements in the provision for impairment of trade receivables during the year were as follows:

	2022 $M	2021 $M
Opening balance	3.6	2.1
Impairment loss recognized	3.5	2.5
Amount written off	(3.8)	(1.0)
Closing balance	3.3	3.6

Notes to the financial statements

for the year ended 30 June 2022

10. Trade receivables (continued)

Trade receivables that were considered recoverable as at 30 June 2022 were as follows:

	2022 $M	2021 $M
Not past due	81.4	62.0
Past due 0–30 days	5.4	9.0
Past due 31–60 days	0.8	0.9
Past due more than 60 days	0.4	2.3
	88.0	74.1

Significant accounting policies

Trade receivables include amounts due from customers for services performed in the ordinary course of business. Trade receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. Other trade receivables are classified as non-current assets.

Trade receivables are initially recognized at fair value. A specific provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms. An expected credit loss provision is recognized in respect of all other receivables.

The Group does not hold any collateral as security over any trade receivable balances.

Key accounting estimate and judgments on trade receivables – Expected credit losses (“ECL”)

The Group recognizes loss allowances for ECL on trade receivables.

When estimating ECL, the Group considers reasonable and supportable information that is relevant and available. This includes qualitative and quantitative information and analysis, based on the Group’s historical experience and informed credit assessment.

The Group assumes that credit risk on an individual trade receivable has increased if it is more than 30 days past due. The Group considers a trade receivable to be in default when the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realizing security (if any is held).

Measurement of ECL

ECL are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the customer contract and the cash flows that the Group expects to receive). The impact of COVID-19 was considered in both periods based on information available at that time.

Presentation of allowance for ECL in the Consolidated statement of financial position

Loss allowances for trade receivables are deducted from the gross carrying amount of trade receivables.

Write-off

The gross carrying amount of a trade receivable is written off when the Group has no reasonable expectations of recovering the balance in its entirety or a portion thereof. For customers, the Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, trade receivables that are written off could still be subject to enforcement activities in order to comply with the Group’s procedures for recovery of amounts due.

Notes to the financial statements

for the year ended 30 June 2022

11. Other assets

	2022 $M	2021 $M
Current		
Prepayments	16.7	16.0
Unbilled receivables	4.0	2.8
Deposits	0.9	1.5
Indirect tax receivables	1.0	1.4
Contract assets	0.7	0.1
Other	1.0	0.8
	24.3	22.6
Non-current		
Prepayments	1.8	2.0
Withholding taxes	2.9	1.1
Contract assets	0.9	1.6
Deposits	0.9	–
Other	0.9	0.5
	7.4	5.1

Movements in unbilled receivables:

	2022 $M	2021 $M
Opening balance	2.8	2.8
Accrued revenue recognized	5.1	4.0
Subsequently invoiced and transferred to trade receivables	(4.0)	(4.0)
Exchange differences	0.1	(0.1)
	4.0	2.8

Significant accounting policies

Unbilled receivables represent the revenue recognized to date but not yet invoiced to customers due to the timing of the accounting invoicing cycle.

Notes to the financial statements

for the year ended 30 June 2022

12. Trade and other payables

	2022 $M	2021 $M
Trade payables	44.8	34.0
Other payables and accrued expenses	30.7	25.3
	75.5	59.3

All amounts are short term and the carrying values are considered to be a reasonable approximation of fair value.

Significant accounting policies

Trade and other payables represent the liabilities for goods and services received by the entity that remain unpaid at the end of the reporting period.

13. Deferred revenue

	2022 $M	2021 $M
Deferred revenue	12.5	25.8
	12.5	25.8

Deferred revenue reflects the value of advance payments made by customers who have been invoiced for services that will be provided in the future.

Movements in deferred revenue:

	2022 $M	2021 $M
Opening balance	25.8	22.7
Acquisition via business combination	0.5	–
Revenue recognized in current year	(42.5)	(34.0)
Advanced payments received	28.7	37.2
Exchange differences	–	(0.1)
	12.5	25.8

The Group does not disclose further qualitative information related to remaining performance obligations, as they are either part of a contract that has an original expected duration of one year or less; or the associated revenue is recognized in the amount to which the Group has a right to invoice.

Notes to the financial statements

for the year ended 30 June 2022

14. Other liabilities

	2022 $M	2021 $M
Current		
Customer deposits [1]	39.0	30.9
Contingent consideration [2]	9.5	21.4
Deferred consideration [3]	1.8	–
Indirect taxes payable [4]	12.6	7.9
Customer payables	0.8	0.6
Other current liabilities	3.0	1.9
	66.7	62.8
Non-current		
Contingent consideration [2]	21.7	15.0
Other non-current liabilities	1.3	1.0
	23.0	16.0
	89.6	78.8

1 Customer deposits represent amounts paid in advance by customers to prepay for services in exchange for price discounts.
2 See note 24 for accounting policy and measurement of contingent consideration.
3 Deferred consideration reflects the amount payable on acquisition which is time-based and not contingent on any performance conditions.
4 Included in indirect taxes payable is a provisional amount related to indirect tax liabilities in overseas jurisdictions, which is likely to be finalized and settled in future periods.

15. Borrowings

Bank debt facilities

In July 2021, unsecured bilateral revolving bank debt facilities with a total commitment of $225m were executed with six banks. These bilateral facilities have a four-year tenor maturing in July 2025. The covenant package, group guarantees and other common terms and conditions in respect of these debt facilities are governed under a Common Terms Deed Poll. As at 30 June 2022, $0.7m of these facilities was utilized for bank guarantees and no loan was drawn. Upon entry into the bilateral facility, the previous syndicated facility of $190m was canceled.

Notes to the financial statements

for the year ended 30 June 2022

16. Lease liabilities

	2022 $M	2021 $M
Current		
Lease liabilities	9.5	9.8
	9.5	9.8
Non-current		
Lease liabilities	24.0	25.2
	24.0	25.2
	33.6	35.0

(i) Definition of a lease

The Group assesses whether a contract is, or contains, a lease based on the definition of a lease under AASB 16 *Leases*. A contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

(ii) As a lessee

The Group leases properties, motor vehicles and office equipment. As a lessee, prior to 1 July 2019, the Group previously classified leases as operating or finance leases, based on its assessment of whether the lease transferred substantially all of the risks and rewards of ownership. Under AASB 16, the Group recognizes right-of-use assets and lease liabilities for most leases.

However, the Group has elected not to recognize right-of-use assets and lease liabilities for leases of low-value assets (e.g. office equipment) and leases with lease terms of less than 12 months. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The Group presents right-of-use assets in “property, plant and equipment”.

The Group presents lease liabilities separately on the face of the Consolidated statement of financial position.

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group’s incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and the type of asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in substance fixed payments;
- Variable lease payments that depend on an index variation, initially measured using the index or value as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period of the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

Notes to the financial statements

for the year ended 30 June 2022

16. Lease liabilities (continued)

(ii) As a lessee (continued)

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the right-of-use asset carrying amount, or is recorded in profit or loss if the right-of-use asset carrying amount has been reduced to $nil.

Key accounting estimates and judgments – Lease term

The Group has applied judgment to determine the lease term for some lease contracts in which it is a lessee that include renewal options. The assessment of whether the Group is reasonably certain to exercise such options impacts the lease term, which affects the amount of lease liabilities and right-of-use assets recognized.

Impacts for the year

The movements in lease liability balances are described below:

Lease liabilities	2022 $M	**2021 $M**
Opening balance	35.0	45.8
Additions[1]	8.1	1.3
Additions through business combinations	0.3	0.1
Payments	(11.0)	(12.8)
Unwinding interest on lease liabilities	1.3	1.6
Exchange differences	(0.1)	(1.0)
Closing balance	33.6	35.0

1 Additions to lease liabilities also includes remeasurement and modification of existing leases.

Notes to the financial statements

for the year ended 30 June 2022

17. Share capital and reserves

Ordinary shares issued and fully paid	Shares (thousands)	$M
At 1 July 2020	323,280	779.8
Shares issued for acquisition of subsidiaries	505	11.4
Shares issued to employee share trust	1,100	35.8
Shares issued under DRP	27	0.7
Shares issued to Non-Executive Directors for fee sacrifice	2	0.1
Transaction costs (net of tax)	–	(0.1)
At 30 June 2021	324,914	827.8
At 1 July 2021	324,914	827.8
Shares issued for acquisition of subsidiaries	123	6.0
Shares issued to employee share trust	1,275	70.8
Shares issued to Non-Executive Directors for fee sacrifice	5	0.2
Shares issued under DRP	29	1.5
Transaction costs (net of tax)	–	(0.1)
At 30 June 2022	326,346	906.3

Ordinary shares participate in dividends and the proceeds on winding-up of the Company in proportion to the number of shares held. At shareholders' meetings, each ordinary share is entitled to one vote when a poll is called; otherwise, each shareholder has one vote on a show of hands.

The Company does not have a par value in respect of its issued shares.

Nature and purpose of reserves

(i) Treasury share reserve

The reserve for the Company's treasury shares comprises the cost of the Company's shares held by the WiseTech Global Limited Employee Share Trust. At 30 June 2022, the Trust held 2,689,073 shares of the Company (2021: 1,978,217 shares).

(ii) Acquisition reserve

The acquisition reserve comprises the cumulative consideration paid to acquire non-controlling interests in excess of the fair value of the net assets when attaining control, in addition to the difference between the share price at the time of the agreement to issue shares and the share price on the date of issue when the Company's shares are issued under acquisition agreements.

(iii) Cash flow hedge reserve

The cash flow hedge reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments.

(iv) Share-based payment reserve

The share-based payment reserve represents the value of unvested and unissued share rights as part of the share-based payment scheme.

(v) Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements not in Australian dollar functional currency.

Notes to the financial statements

for the year ended 30 June 2022

17. Share capital and reserves (continued)

Capital management

Management controls the capital of the Group in order to maintain a sustainable debt to equity ratio, generate long-term shareholder value and ensure that the Group can fund its operations and continue as a going concern. The Group's capital and debt include ordinary share capital and financial liabilities, supported by financial assets.

Management effectively manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to shareholders and share issues.

Throughout FY22, the Group issued $6.0m in shares to pay for obligations under acquisition agreements. In addition, at 30 June 2022 the Group had an undrawn debt facility of $225.0m, to apply towards future strategic initiatives. The total equity of the Group at 30 June 2022 was $1,315.2m (2021: $1,106.0m) and total cash and cash equivalents at 30 June 2022 were $483.4m (2021: $315.0m). The total bank loans at 30 June 2022 were $nil (2021: $nil).

The Group is not subject to any externally imposed capital requirements.

18. Business combinations and acquisition of non-controlling interests

Acquisitions in 2022

During the year ended 30 June 2022, the Group completed the following acquisitions:

Business acquired	Date of acquisition	Description of acquisition
Inobiz AB	1 October 2021	Messaging mapping solutions provider in Sweden
Hazmatica [1]	1 November 2021	US-based hazardous materials transportation software solutions provider

1 Asset acquisition.

Neither of the acquisitions completed during the period is individually significant. Accordingly, key information on these acquisitions has been presented on an aggregated basis as set out below.

Details of the fair value of identifiable assets acquired, liabilities assumed, and goodwill determined are set out in the following tables. The identification and fair value measurement of the assets and liabilities acquired are provisional and amendments may be made to these figures up to 12 months following the date of acquisition if new information is obtained about facts and circumstances that existed at the acquisition date and, if known, would have affected the measurement of the amounts recognized as of that date.

	$M
Cash and cash equivalents	1.1
Trade receivables	0.4
Current tax receivable	0.1
Intangible assets	0.6
Property, plant and equipment	0.3
Trade and other payables	(0.4)
Deferred revenue	(0.4)
Other current liabilities	(0.1)
Lease liabilities	(0.3)
Deferred tax liabilities	(0.2)
Fair value of net identifiable assets acquired	**1.1**
Total consideration paid and payable	7.2
Less: Fair value of net identifiable assets acquired	(1.1)
Goodwill	**6.1**

Notes to the financial statements

for the year ended 30 June 2022

18. Business combinations and acquisition of non-controlling interests (continued)

Goodwill

The total goodwill arising on acquisition is $6.1m which relates predominantly to the key management, specialized know-how of the workforce, employee relationships, competitive position and service offerings that do not meet the recognition criteria as an intangible asset at the date of acquisition. The total amount of goodwill expected to be deducted for tax purposes is $1.7m.

Consideration

The upfront consideration was $4.7m (cash paid $4.4m and equity shares $0.2m), with further deferred consideration and contingent consideration payable of $2.0m and $0.8m respectively. Contingent consideration is based on a number of milestones, including the successful integration of the business acquired. At acquisition, the discounted fair value of deferred consideration and contingent consideration were $1.9m and $0.7m respectively. The acquisitions included $1.1m of cash and cash equivalents acquired. The Group incurred acquisition related costs of $0.2m (FY21: $0.2m) to external service providers in addition to internal costs which are recorded within general and administration expenses.

Contribution of acquisitions to revenue and profits

These acquisitions contributed $1.8m to Group revenue and reduction to net profit of $0.2m from their respective dates of acquisition. If the acquisitions had been acquired from 1 July 2021, the contribution to the Group revenue would have been $2.4m and a reduction to net profit of $0.3m.

Acquisitions in 2021

On 2 November 2020, the Group acquired 100% of the shares and voting interests in Kabushiki Kaisha Exas ("EXA"). EXA is a leading customs and freight forwarding solutions provider in Japan.

Details of the fair value of identifiable assets acquired, liabilities assumed, and goodwill determined are set out below. The identification and fair value measurement of the assets and liabilities acquired are provisional and amendments may be made to these figures up to 12 months following the date of acquisition if new information is obtained about facts and circumstances that existed at the acquisition date and, if known, would have affected the measurement of the amounts recognized as of that date.

	$M
Cash and cash equivalents	0.2
Trade receivables	0.1
Intangible assets	0.2
Property, plant and equipment	0.1
Trade and other payables	(0.2)
Other current liabilities	(0.1)
Lease liabilities	(0.1)
Fair value of net assets acquired	**0.2**
Total consideration paid and payable	2.0
Less: Fair value of net identifiable assets acquired	(0.2)
Goodwill	**1.8**

Goodwill

The total goodwill arising on acquisition is $1.8m which relates predominantly to the key management, specialized know-how of the workforce, employee relationships, competitive position and service offerings that do not meet the recognition criteria as an intangible asset at the date of acquisition.

Notes to the financial statements

for the year ended 30 June 2022

18. Business combinations and acquisition of non-controlling interests (continued)

Consideration

The upfront consideration was $1.4m payable in cash, with further contingent consideration payable of $0.7m. Contingent consideration is based on a number of milestones, including the successful integration of acquired intellectual property. At acquisition, the discounted fair value of these arrangements is $0.6m. The acquisition included $0.2m of cash and cash equivalents acquired.

The Group incurred acquisition related costs of $0.2m (FY20: $1.3m) to external service providers in addition to internal costs which are recorded within general and administration expenses.

Contribution of acquisitions to revenue and profits

EXA contributed $0.4m to Group revenue and had no impact on net profit from the date of acquisition. If EXA had been acquired from 1 July 2020, the contribution to the Group revenue would have been $0.6m and no impact on net profit.

Additional investment in Softship GmbH (formerly 'Softship AG')

During the year ended 30 June 2021, the Group made payments of $0.3m towards obligations under previously announced share purchase agreements for the acquisition of Softship GmbH shares. This resulted in an increase in the acquisition reserve of $0.3m.

Significant accounting policy

Business combinations occur where an acquirer obtains control over one or more businesses.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. Under the acquisition method, the business combination will be accounted for from the date that control is attained, whereby the fair value of the identifiable assets acquired and liabilities (including contingent liabilities) assumed is recognized (subject to certain limited exemptions).

Consideration transferred, including any contingent consideration is required to be measured at fair value on the date of acquisition, which takes into account the perspective of a 'market participant' and is a measurement of the amount that the Group would have to pay to such a participant for them to assume the remaining obligations under the contracts to acquire these businesses.

Contingent consideration obligations are classified as equity or liability in accordance with AASB 132 *Financial Instruments: Presentation*. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognized in profit or loss. Where the accounting standards require that an obligation to be settled in shares is classified as a liability, changes in measurement from the point of initial recognition through to when the milestone is achieved and the number of shares to be granted is determined, are recognized in profit or loss. Subsequently, once the number of shares is fixed and determined, any changes in the value of the shares to be granted between the milestone being achieved and the point of settlement, are recognized in acquisition reserve within equity (see note 17).

The Group only has contingent consideration obligations classified as liabilities at the reporting date.

As a consequence, any changes in the fair value of contingent consideration that do not meet the requirements above, such as a subsequent renegotiation and settlement of the obligation, does not result in any change to the measurement of goodwill. Instead, changes to the fair value of contingent consideration classified as a liability are recognized in the profit or loss.

Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognized in profit or loss immediately. Transaction costs are expensed as incurred except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognized in the Consolidated statement of profit or loss.

Notes to the financial statements

for the year ended 30 June 2022

19. Employee benefits

	2022 $M	2021 $M
Wages and salaries	236.3	232.7
Share-based payment expense	30.9	22.0
Defined contribution superannuation expense	19.0	18.3
Total employee benefit expense (gross before capitalization)	286.2	273.0

Annual leave and long service leave

	2022 $M	2021 $M
Current		
Annual leave	18.8	17.0
Long service leave	4.4	3.7
	23.3	20.7
Non-current		
Long service leave	4.9	2.1
	4.9	2.1
Total annual leave and long service leave	28.2	22.8

Significant accounting policies

Short-term employee benefits

Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Group's obligations for short-term employee benefits such as wages, salaries and sick leave are recognized as a part of current trade and other payables in the Consolidated statement of financial position. The Group's obligations for employees' annual leave and long service leave entitlements are recognized as employee benefits in the Consolidated statement of financial position.

Long-term employee benefits

Provision is made for employees' long service leave and not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Long-term employee benefits are measured at the present value of the expected future payments to be made to employees.

Expected future payments incorporate anticipated future wage and salary levels, duration of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on corporate bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for long-term employee benefits are recognized in profit or loss in the periods in which the changes occur.

The Group's obligations for long-term employee benefits are presented as non-current employee benefits in its Consolidated statement of financial position, except where the Group does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current employee benefits.

Defined contribution superannuation benefits

All obligations for contributions in respect of employees' defined contribution superannuation benefits are recognized as an expense as the related service is provided.

Notes to the financial statements

for the year ended 30 June 2022

19. Employee benefits (continued)

Share-based payment transactions

The Company has a number of share-based payment arrangements that were granted to employees during FY22. These related to shares or share rights granted as part of employee remuneration packages (base remuneration and performance incentives) and arrangements following completion of business acquisitions. The awards were granted on various dates in FY22, based on a specified monetary value to each recipient and a share price at the time the offer is determined. The fair value of these arrangements was deemed to be the function of the number of share rights granted and the share price at grant date. Share rights granted may vest in predetermined tranches. Share rights were also granted as part of the employee Invest As You Earn program which operated during the year. Vesting is dependent on continued employment with the Group. The fair value of the grant is recognized in profit or loss to match to each employee's service period until vesting. Generally, upon cessation of employment unvested rights are forfeited. The cost recognized in prior periods in respect of forfeited rights is credited to the Consolidated statement of profit or loss.

The total value of share-based payments was $30.9m for employees and $0.3m for Non-Executive Directors (2021: $22.0m for employees and $0.1 for Non-Executive Directors), which was also recognized in the Consolidated statement of profit or loss. Subsequently, $8.5m (2021: $5.8m) was capitalized as part of directly attributable development costs, which are required to be recognized as internally developed intangibles (refer to note 7).

20. Key management personnel transactions

Key management personnel ("KMP") compensation

The total remuneration of the KMP of the Company are as follows:

	2022 $000	2021 $000
Short-term employee benefits	3,621	3,306
Post-employment benefits	198	163
Other long-term benefits	248	192
Share-based payments	1,810	1,369
Total KMP compensation	5,877	5,030

Short-term employee benefits comprise salary, fringe benefits and cash bonuses awarded. Post-employment benefits consist of superannuation contributions made during the year. Other long-term benefits comprise accruals for annual leave and long service leave. Share-based payments represents the expensing over the vesting period at the fair value of share rights at grant date.

KMP transactions

A KMP, holds positions in other companies that result in them having control or significant influence over these companies. Some of these companies transacted with the Group during the year. The terms and conditions of these transactions were no more favorable than those available, or which might reasonably be expected to be available, in similar transactions with non-KMP related companies on an arm's length basis. The aggregate value of transactions and outstanding balances related to Richard White (CEO) and entities over which he has control or significant influence were as follows:

		Transaction values for year ended 30 June		Balance outstanding as at 30 June	
Director	**Transactions**	2022 $000	2021 $000	2022 $000	2021 $000
R White	Office leases [1]	847	2,860	–	–
R White	Office services agreement [2]	–	(18)	–	–

The above transactions were made at normal market rates and were approved by the Board following review by the Related Party Committee.

1 The Group leases an office owned by R White, in Chicago, USA which has a term ending September 2024 with an annual rent of US Dollars 0.6m. The Group leased an office owned by R White in Alexandria, Australia with a term ending April 2025 and annual rent of Australian Dollars 2.5m. In May 2021, R White completed the sale of the Alexandria property to an unrelated party. Both leases were determined in accordance with advice from independent property valuers.

2 The Group provided office accommodation and related services to a company controlled by R White. The service agreement was terminated in FY21.

Notes to the financial statements

for the year ended 30 June 2022

21. Auditor's remuneration

	2022 $000	2021 $000
Audit and assurance related services		
KPMG Australia		
Audit and review of the financial reports	984.0	959.0
	984.0	959.0
Audit and assurance related services		
KPMG and non-KPMG overseas		
Audit of statutory financial reports KPMG overseas	672.1	762.8
Audit of statutory financial reports by non-KPMG firms	114.8	79.2
Total audit and assurance related services KPMG and non-KPMG overseas	786.8	842.0
Total audit and assurance related services	1,770.8	1,801.0
Other services		
KPMG overseas and Non-KPMG		
Other assurance, advisory and taxation services-KPMG overseas	23.8	7.7
Other assurance, advisory and taxation services - non-KPMG	12.0	11.7
Total other services KPMG overseas and non-KPMG	35.8	19.4
Total other services	35.8	19.4
Total auditor's remuneration	1,806.6	1,820.4

Notes to the financial statements

for the year ended 30 June 2022

22. Reconciliation of net cash flows from operating activities

	2022 $M	2021 $M
Cash flow reconciliation		
Reconciliation of net profit after tax to net cash flows from operating activities:		
Profit after tax from continuing operations	194.6	108.1
Net Profit after tax	194.6	108.1
Adjustments to reconcile profit before tax to net cash flows from operating activities:		
Share-based payment expense	31.2	22.1
Depreciation	22.9	22.2
Net gain on asset disposals	–	(0.2)
Capitalization of share-based payment expense and depreciation	(10.5)	(8.2)
Amortization	43.0	37.2
Doubtful debt expense	3.5	2.5
Net finance costs	2.6	1.9
Exchange differences	0.1	0.9
Change in assets and liabilities:		
Increase in trade receivables	(17.4)	(18.1)
Increase in other current and non-current assets	(14.9)	(7.6)
Increase in trade and other payables	8.9	11.2
(Decrease)/increase in net current tax liabilities	(6.8)	5.5
Increase in net deferred tax liabilities	28.7	16.1
Increase in derivatives and other liabilities	28.9	10.8
(Decrease)/increase in deferred revenue	(13.6)	4.0
Increase in provisions	5.4	3.1
Net cash flows from operating activities	**306.7**	**211.6**

Notes to the financial statements

for the year ended 30 June 2022

23. Segment information

The Group manages its operations as a single business operation and there are no separate parts of the Group that qualify as operating segments under AASB 8 *Operating Segments*. The Board (Chief Operating Decision Maker or "CODM") assesses the financial performance of the Group on an integrated basis only and accordingly, the Group is managed on the basis of a single segment.

Information presented to the CODM on a monthly basis is categorized by type of revenue, recurring and non-recurring. This analysis is presented below:

Continuing operations	2022 $M	2021 $M
Recurring On-Demand revenue	491.6	383.0
Recurring OTL maintenance revenue	74.2	75.1
OTL and support services	66.5	49.4
Total revenue	632.2	507.5
Segment EBITDA[1]	319.0	206.7
Depreciation and amortization	(64.0)	(56.8)
Net finance costs	(2.6)	(1.9)
Profit before income tax	252.4	147.9
Income tax expense	(57.7)	(39.9)
Net profit after income tax	194.6	108.1

1 Earnings before interest, tax, depreciation and amortization.

In general, a large amount of revenue is generated by customers that are global, from transactions that cross multiple countries and where the source of revenue can be unrelated to the location of the users using the software. Accordingly, the Group is managed as a single segment. The amounts for revenue by region in the following table are based on the invoicing location of the customer. Customers can change their invoicing location periodically. The CODM does not review or assess financial performance on a geographical basis.

There were no customers contributing more than 10% of revenue during the current and comparative period.

Geographic information

Revenue generated by location of customer (invoicing location):

	2022 $M	2021 $M
Americas	175.6	144.2
Asia Pacific	199.9	154.5
Europe, Middle East and Africa ("EMEA")	256.7	208.8
Total revenue	632.2	507.5

Non-current assets by geographic location:

	2022 $M	2021 $M
Americas	264.7	237.7
Asia Pacific	519.1	469.1
EMEA	270.6	278.4
Total non-current assets	1,054.4	985.2

Notes to the financial statements

for the year ended 30 June 2022

24. Financial instruments

(i) Recognition and initial measurement

Trade receivables are initially recognized when customers are invoiced. All other financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual obligations.

A financial asset (unless it is a trade receivable) or financial liability is initially measured at fair value plus transaction costs that are directly attributable to its acquisition. Trade receivables are initially measured at the transaction price.

(ii) Derecognition

Financial assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from a financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial liabilities

The Group derecognizes a financial liability when its contractual obligations are discharged or canceled, or expire. The Group also derecognizes a financial liability when its terms are modified and the cash flows of the modified financial liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

(iii) Offsetting

Financial assets and financial liabilities are offset with the net amount presented in the Consolidated statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

(iv) Derivative financial instruments and hedge accounting

The Group holds derivative financial instruments to hedge some of its foreign currency risk exposures.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognized in profit or loss.

The Group designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecasted transactions arising from changes in foreign exchange rates.

At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income ("OCI") and accumulated in the cash flow hedge reserve. The effective portion of changes in the fair value of the derivative that is recognized in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in profit or loss.

The Group has designated foreign exchange forward contracts and foreign exchange collars as hedging instruments in cash flow hedge relationships with highly probable forecasted foreign exchange sales. The change in fair value of the foreign exchange instruments is recognized in a hedging reserve within equity.

When the hedged forecast transaction subsequently results in the recognition of a non-financial item, the amount accumulated in the hedging reserve and the cost of hedging reserve is included directly in the initial cost of the non-financial item when it is recognized.

For all other hedged forecast transactions, the amount accumulated in the hedging reserve and the cost of hedging reserve is reclassified to profit or loss in the same period or periods during which the hedged expected future cash flows affect profit or loss.

Notes to the financial statements

for the year ended 30 June 2022

24. Financial instruments (continued)

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the hedging reserve remains in equity until, for a hedge of a transaction resulting in the recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit or loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the hedging reserve and the hedging reserve are immediately reclassified to profit or loss.

(v) Credit-impaired trade receivables

At each reporting date, the Group assesses whether trade receivables are credit-impaired. A trade receivable is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows have occurred.

Evidence that a trade receivable is credit-impaired includes the following observable data:

- Significant financial difficulty of the debtor;
- A breach of contract such as a default; or
- It is probable that the debtor will enter bankruptcy or other financial reorganization.

(vi) Measurement of fair values

Fair value is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair value of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximize, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset of liability), or, in the absence of such a market, the most advantageous market available to the entity at reporting date (i.e. the market that maximizes the receipts from the sale of the asset or minimizes the payment made to transfer the liability, after taking into account transaction costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instrument, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and where significant, are detailed in the respective note to the financial statements.

Fair value hierarchy

Significant valuation issues are reported to the Audit & Risk Committee.

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Notes to the financial statements

for the year ended 30 June 2022

24. Financial instruments (continued)

The following tables detail the Group's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy as detailed above, based on the lowest level of input that is significant to the entire fair value measurement.

Group – 2022	Level 1 $M	Level 2 $M	Level 3 $M	Total $M
Assets				
Forward foreign exchange contracts	–	1.3	–	1.3
Foreign exchange collars	–	0.9	–	0.9
Total assets	–	2.2	–	2.2
Liabilities				
Forward foreign exchange contracts	–	5.9	–	5.9
Foreign exchange collars	–	9.9	–	9.9
Deferred consideration	–	1.8	–	1.8
Contingent consideration	–	–	31.2	31.2
Total liabilities	–	17.6	31.2	48.8

Group – 2021	Level 1 $M	Level 2 $M	Level 3 $M	Total $M
Assets				
Forward foreign exchange contracts	–	2.9	–	2.9
Foreign exchange collars	–	0.4	–	0.4
Total assets	–	3.3	–	3.3
Liabilities				
Forward foreign exchange contracts	–	4.0	–	4.0
Foreign exchange collars	–	2.3	–	2.3
Contingent consideration	–	–	36.5	36.5
Total liabilities	–	6.3	36.5	42.8

Hedging instruments

The Group has recognized net liabilities measured at fair value in relation to derivative financial instruments (i.e. forward foreign exchange contracts and options - cash flow hedges). The derivative financial instruments are designated as financial assets and liabilities and deemed to be a Level 2 measurement of fair value. Changes in the fair value of derivative financial instruments are recognized in 'other comprehensive income'.

	2022 $M	2021 $M
Opening balance (pre-tax)	(3.0)	4.6
New contracts entered during the year	(10.7)	(3.4)
Contracts settled or closed during the year	2.1	(4.3)
Revaluation	(2.1)	0.1
Closing balance (pre-tax)	(13.7)	(3.0)

Deferred consideration

The Group has recognized liabilities measured at fair value in relation to deferred consideration arising out of acquisitions made by the Group. The deferred consideration is designated as a financial liability and deemed to be a Level 2 measurement of fair value. As part of the assessment at each reporting date, the Group has considered a range of reasonably possible changes for key assumptions and has not identified instances that could cause the fair value of deferred consideration to change significantly.

Notes to the financial statements

for the year ended 30 June 2022

24. Financial instruments (continued)

Contingent consideration

The Group has recognized liabilities measured at fair value in relation to contingent consideration arising out of acquisitions made by the Group. The contingent consideration is designated as a financial liability and deemed to be a Level 3 measurement of fair value. It has been discounted accordingly based on estimated time to complete a number of milestones. As part of the assessment at each reporting date, the Group has considered a range of reasonably possible changes for key assumptions and has not identified instances that could cause the fair value of contingent consideration to change significantly. Changes in the fair value of contingent consideration after the acquisition date are recognized in profit or loss, unless the changes are measurement period adjustments.

A reconciliation of the movements in recurring fair value measurements allocated to Level 3 and the end of the measurement period of the hierarchy is provided below.

	2022 $M	2021 $M
Opening balance	36.5	54.2
Change in fair value estimate [1]	(0.1)	(2.2)
Equity payments	(5.7)	(11.4)
Cash payments	(0.1)	(4.2)
Additions	0.7	0.6
Unwinding interest [1]	(0.1)	1.3
Foreign exchange differences [1]	–	(1.8)
Closing balance	31.2	36.5

1 The effect on profit or loss is due to unwinding of earnout interest on acquisitions, change in fair value estimate and a portion of foreign exchange, as indicated in the above reconciliation.

Key accounting estimates and judgments – contingent consideration

Contingent consideration is measured at fair value, which requires management to estimate the amount likely to be paid in the future and the timing of the payment, to assess the present value using appropriate discount rates. The determination of fair value involves judgment about the probability of an acquired business achieving certain performance milestones, which include both financial and non-financial results.

Notes to the financial statements

for the year ended 30 June 2022

24. Financial instruments (continued)

Financial risk management objectives and policies

The Group has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk.

(a) Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board is responsible for developing and monitoring the Group's risk management policies. The Board has delegated day-to-day responsibility for implementation of the risk management framework to the risk committee. The risk committee is a management committee comprising senior executives and is chaired by the CEO. The aim of the risk committee is to provide the Board with assurance that the major business risks are being identified and consistently assessed and that plans are in place to address risk.

The Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board, in conjunction with the Board's Audit & Risk Committee, oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to risks faced by the Group.

Detailed work of the internal audit and risk management function is executed by internal resources and also by external service providers.

(b) Credit risk

Credit risk is the risk of financial loss to the Group if a customer fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

The Group's standard payment and delivery terms and conditions are that payment is generally due within 30 days on receipt of any invoice and the preferred payment options are by direct debit from a bank account or credit card. No limits are used and the Group's receivables are carefully managed by the credit management team. This role includes establishing customer deposits (refer to note 14).

Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base including the default risk of the industry and country in which customers operate.

The maximum exposure to credit risk at balance date to recognized financial assets, is the carrying amount, net of any provision for impairment of those assets, as disclosed in the Consolidated statement of financial position. These predominantly relate to trade receivables. Refer to note 10 for further details.

Cash and cash equivalents

The Group held cash and cash equivalents of $483.4m at 30 June 2022 (2021: $315.0m).

Notes to the financial statements

for the year ended 30 June 2022

24. Financial instruments (continued)

Financial risk management objectives and policies (continued)

(c) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The Group manages liquidity risk by monitoring net cash balances, actual and forecasted operating cash flows and unutilized debt facilities.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts of contractual cash flows are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

2022	Carrying amount $M	Contractual cash flow Total $M	Contractual cash flow Less than 1 year $M	Contractual cash flow 1–5 years $M
Financial liabilities				
Contingent consideration[1]	6.7	(7.5)	(1.2)	(6.3)
Deferred consideration	1.8	(1.8)	(1.8)	–
Lease liabilities	33.6	(36.7)	(10.6)	(26.1)
Trade payables	44.8	(44.8)	(44.8)	–
Other payables and accrued expenses	30.7	(30.7)	(30.7)	–
Other liabilities	58.3	(58.3)	(57.0)	(1.3)
Total	175.9	(179.8)	(146.1)	(33.7)

1 The total carrying value of contingent consideration is $31.2m, which includes $24.5m to be settled for an equivalent value of shares once milestones are achieved and become payable and $6.7m in the table above, which will be cash settled.

2021	Carrying amount $M	Contractual cash flow Total $M	Contractual cash flow Less than 1 year $M	Contractual cash flow 1–5 years $M
Financial liabilities				
Contingent consideration[2]	8.2	(8.6)	(5.9)	(2.7)
Lease liabilities	35.0	(38.7)	(11.0)	(27.7)
Trade payables	34.0	(34.0)	(34.0)	–
Other payables and accrued expenses	25.3	(25.3)	(25.3)	–
Other liabilities	42.3	(42.3)	(41.3)	(1.0)
Total	144.8	(148.9)	(117.6)	(31.3)

2 The total carrying value of contingent consideration is $36.5m, which includes $28.3m to be settled for an equivalent value of shares once milestones are achieved and become payable and $8.2m in the table above, which will be cash settled.

Notes to the financial statements

for the year ended 30 June 2022

24. Financial instruments (continued)

Financial risk management objectives and policies (continued)

Bank debt facilities

Refer to note 15 Borrowings for further details.

Finance costs are broken down as follows:

	2022 $M	2021 $M
Unwinding interest on contingent consideration	1.0	1.3
Re-assessment of interest unwind on contingent consideration	(1.0)	–
Unwinding interest on lease liabilities	1.3	1.6
Lease liability interest capitalized to intangible assets	(0.3)	(0.3)
Interest expense and facility fees	1.5	1.6
Loss on net monetary position due to hyperinflationary economy	0.8	0.1
Other	0.7	1.2
Total finance costs	4.1	5.5

(d) Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will adversely affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The source and nature of this risk arise from operations and translation risks.

The Company's reporting currency is Australian dollars. However, international operations give rise to an exposure to changes in foreign exchange rates as the majority of revenue from outside Australia is denominated in currencies other than Australian dollars, most significantly US dollars ("USD") and euros ("EUR").

The Group has exposures surrounding foreign currencies due to non-functional currency transactions within operations in overseas jurisdictions.

The Group has hedged approximately 52% of its estimated foreign currency exposure in respect of forecasted sales over the following 12 months. The Group uses forward exchange contracts and foreign currency collars to hedge its currency risk. These instruments are generally designated as cash flow hedges.

The Group's policy is for the critical terms of the foreign exchange instruments to align with the hedged item.

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The Group assesses whether the derivative designated in each hedging relationship is expected to be and has been effective in offsetting changes in cash flows of the hedged item using the hypothetical derivative method.

In these hedged relationships, the main sources of the ineffectiveness are the effect of the counterparties and the Group's own credit risk on the fair value of the foreign exchange instruments, which is not reflected in the change in the fair value of the hedged cash flows attributable to the change in exchange rates; and changes in the timing of the hedged transactions.

Notes to the financial statements

for the year ended 30 June 2022

24. Financial instruments (continued)

Financial risk management objectives and policies (continued)

Details of total outstanding cash flow hedges as at 30 June 2022:

Forward foreign exchange contracts	Average exchange rates	Contract value LC[1] (Millions)	Asset AUD (Millions)	Liability AUD (Millions)
EUR				
Up to 1 year	0.6300	25.6	1.2	–
1–5 years	0.6326	7.3	0.1	–
Total		32.8	1.3	–
USD				
Up to 1 year	0.7201	76.1	–	(4.7)
1–5 years	0.7069	30.1	–	(1.2)
Total		106.2	–	(5.9)

Foreign exchange collars	Average put rates	Average call rates	Contract value LC[1] (Millions)	Asset AUD (Millions)	Liability AUD (Millions)
EUR					
Up to 1 year	0.5853	0.6346	6.3	0.4	–
1–5 years	0.5860	0.6350	12.4	0.5	–
Total			18.7	0.9	–
USD					
Up to 1 year	0.7049	0.7481	55.0	–	(3.0)
1–5 years	0.7240	0.7618	70.8	–	(6.9)
Total			125.8	–	(9.9)

Details of total outstanding cash flow hedges as at 30 June 2021:

Forward foreign exchange contracts	Average call rates	Contract value LC[1] (Millions)	Asset AUD (Millions)	Liability AUD (Millions)
EUR				
Up to 1 year	0.6199	22.9	0.7	(0.2)
1–5 years	0.6261	25.1	0.2	(0.4)
Total		48.0	1.0	(0.5)
USD				
Up to 1 year	0.7538	111.7	1.7	(1.9)
1–5 years	0.7660	58.0	0.2	(1.5)
Total		169.7	1.9	(3.4)

1 LC – Local currency.

Notes to the financial statements

for the year ended 30 June 2022

24. Financial instruments (continued)

Financial risk management objectives and policies (continued)

Foreign exchange collars	Average put rates	Average call rates	Contract value LC[1] (Millions)	Asset AUD (Millions)	Liability AUD (Millions)
EUR					
Up to 1 year	0.6000	0.6315	4.2	0.1	–
Total			4.2	0.1	–
USD					
Up to 1 year	0.7125	0.7480	18.2	0.4	–
1–5 years	0.7665	0.7845	64.8	–	(2.3)
Total			83.0	0.4	(2.3)

1 LC – Local currency.

Variance analysis – FY22

A reasonably possible strengthening (weakening) of the USD or EUR weighted average exchange rate against AUD at 30 June 2022, with all other variables held constant would have affected the measurement of financial instruments denominated in a foreign currency and affected equity by the amounts shown below. This analysis assumes hedge designations as at 30 June 2022 remain unchanged and that all designations are effective.

				Effect on equity (pre-tax)		Profit (pre-tax)	
Forward foreign exchange contracts	**Average exchange rate**	**+10%**	**-10%**	**Change (+10%) AUD (Millions)**	**Change (-10%) AUD (Millions)**	**Change (+10%) AUD (Millions)**	**Change (-10%) AUD (Millions)**
AUD/EUR	0.6305	0.6936	0.5675	0.1	(0.1)	–	–
AUD/USD	0.7163	0.7879	0.6447	0.5	(0.7)	–	–

Variance analysis – FY21

A reasonably possible strengthening (weakening) of the USD or EUR weighted average exchange rate against AUD at 30 June 2021 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity by the amounts shown below. This analysis assumes hedge designations as at 30 June 2021 remain unchanged and that all designations are effective.

				Effect on equity (pre-tax)		Profit (pre-tax)	
Forward foreign exchange contracts	**Average exchange rate**	**+10%**	**-10%**	**Change (+10%) AUD (Millions)**	**Change (-10%) AUD (Millions)**	**Change (+10%) AUD (Millions)**	**Change (-10%) AUD (Millions)**
AUD/EUR	0.6231	0.6854	0.5608	–	–	–	–
AUD/USD	0.7579	0.8337	0.6821	0.2	(0.2)	–	–

Notes to the financial statements

for the year ended 30 June 2022

24. Financial instruments (continued)

Financial risk management objectives and policies (continued)

A reasonably possible strengthening (weakening) of the USD or EUR against all other currencies at 30 June 2022 would have affected the measurement of financial instruments denominated in a foreign currency and affected profit or loss and equity by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

		Profit or loss (pre-tax)		Equity	
	30 June 2022 LC (Millions)	Change (+10%) LC (Millions)	Change (-10%) LC (Millions)	Change (+10%) LC (Millions)	Change (-10%) LC (Millions)
USD					
Net trade receivables/(payables) exposure	18.3	(1.7)	2.0	–	–
EUR					
Net trade receivables/(payables) exposure	3.8	(0.3)	0.4	–	–

		Profit or loss (pre-tax)		Equity	
	30 June 2021 LC (Millions)	Change (+10%) LC (Millions)	Change (-10%) LC (Millions)	Change (+10%) LC (Millions)	Change (-10%) LC (Millions)
USD					
Net trade receivables/(payables) exposure	12.5	(1.1)	1.4	–	–
EUR					
Net trade receivables/(payables) exposure	2.3	(0.2)	0.3	–	–

1 LC - Local currency.

Interest rate risk and cash flow sensitivity

At 30 June 2022, the Group held no interest bearing financial liabilities (i.e. bank loans) (2021: nil) and held interest bearing financial assets (i.e. cash and short-term deposits) of $483.4m (2021: $315.0m).

Based on the cash balance at 30 June, a reasonably possible change of 100 basis points in interest rates at the reporting date would increase the profit or loss after tax by $3.4m (2021: increase by $2.2m). This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

25. Group information

Parent entity	Country of incorporation
WiseTech Global Limited	Australia

		% Equity interest	
Subsidiaries	**Country of incorporation**	**2022**	**2021**
Candent Australia Pty Ltd	Australia	100.0	100.0
Cargo Community Network Pty Ltd[1]	Australia	–	100.0
CMS Transport Systems Pty Ltd	Australia	100.0	100.0
Compdata Technology Services Pty Ltd[1]	Australia	–	100.0
Container Chain Pty Ltd	Australia	100.0	100.0
Containerchain Australia Holdings Pty Ltd	Australia	100.0	100.0
Containerchain Australia Pty Ltd	Australia	100.0	100.0
Containerchain Unit Trust	Australia	100.0	100.0

1 Entity de-registered, merged or amalgamated in 2022.

Notes to the financial statements

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25. Group information (continued)

Subsidiaries	Country of incorporation	% Equity interest 2022	% Equity interest 2021
IFS Global Holdings Pty Ltd	Australia	100.0	100.0
Interactive Freight Systems Pty Ltd	Australia	100.0	100.0
Maximas Pty Ltd	Australia	100.0	100.0
Microlistics Pty Ltd	Australia	100.0	100.0
Tankstream Systems Pty Ltd [1]	Australia	–	100.0
Translogix (Australia) Pty Ltd	Australia	100.0	100.0
WiseTech Academy Pty Ltd	Australia	100.0	100.0
WiseTech Global (Australia) Pty Ltd	Australia	100.0	100.0
WiseTech Global (Europe) Holdings Pty Ltd	Australia	100.0	100.0
WiseTech Global (Financing) Pty Ltd	Australia	100.0	100.0
WiseTech Global (Holdings 2) Pty Ltd	Australia	100.0	100.0
WiseTech Global (Licensing) Pty Ltd	Australia	100.0	100.0
WiseTech Global (Trading) Pty Ltd	Australia	100.0	100.0
WiseTech Global Holdings Pty Ltd	Australia	100.0	100.0
WiseTech Global Limited Employee Share Trust	Australia	100.0	100.0
WiseTech Global (Argentina) S.A.	Argentina	100.0	100.0
Intris N.V.	Belgium	100.0	100.0
CargoWise Brasil Solucoes em Sistemas Ltda	Brazil	100.0	100.0
WiseTech Global (CA) Ltd	Canada	100.0	100.0
Softcargo Chile SpA	Chile	100.0	100.0
WiseTech Global (China) Information Technology Ltd	China	100.0	100.0
Pierbridge Finland Oy [1]	Finland	–	100.0
EasyLog SAS	France	100.0	100.0
CargoWise GmbH	Germany	100.0	100.0
Containerchain Germany GmbH	Germany	100.0	100.0
Softship GmbH (formerly Softship AG)	Germany	100.0	100.0
znet group GmbH	Germany	100.0	100.0
Containerchain Hong Kong Ltd	Hong Kong	100.0	100.0
WiseTech Global (HK) Ltd	Hong Kong	100.0	100.0
WiseTech Global (India) Private Limited	India	100.0	100.0
ABM Data Systems Ltd	Ireland	100.0	100.0
Cargo Community Systems Ltd	Ireland	100.0	100.0
CargoWise (Ireland) Ltd	Ireland	100.0	100.0
A.C.O. Informatica S.r.l.	Italy	100.0	100.0
EXA-System Co., Ltd	Japan	100.0	100.0
WiseTech Global (Japan) K.K.	Japan	100.0	100.0
Containerchain (Malaysia) Sdn Bhd	Malaysia	100.0	100.0
Maxfame Technologies Sdn Bhd	Malaysia	100.0	100.0
Cargoguide International B.V.	Netherlands	100.0	100.0
Containerchain Netherlands B.V.	Netherlands	100.0	100.0
LSP Solutions B.V.	Netherlands	100.0	100.0
Containerchain New Zealand Ltd	New Zealand	100.0	100.0

1 Entity de-registered, merged or amalgamated in 2022.

Notes to the financial statements

for the year ended 30 June 2022

25. Group information (continued)

Subsidiaries	Country of incorporation	% Equity interest 2022	% Equity interest 2021
WiseTech Global (NZ) Ltd	New Zealand	100.0	100.0
Systema AS	Norway	100.0	100.0
Softship Inc.	Philippines	100.0	100.0
Candent Singapore Pte Ltd	Singapore	100.0	100.0
Containerchain (Singapore) Pte Ltd	Singapore	100.0	100.0
Containerchain Global Holdings Pte Ltd	Singapore	100.0	100.0
Softship Dataprocessing Pte Ltd	Singapore	100.0	100.0
WiseTech Global (SG) Pte Ltd	Singapore	100.0	100.0
Compu-Clearing (Pty) Ltd	South Africa	100.0	100.0
Compu-Clearing Drome Road Property (Pty) Ltd	South Africa	100.0	100.0
Compu-Clearing Outsourcing (Pty) Ltd	South Africa	100.0	100.0
Core Freight Systems (Pty) Ltd	South Africa	100.0	100.0
Drome Road Share Block (Pty) Ltd	South Africa	100.0	100.0
Wisetechglobal (Pty) Ltd	South Africa	100.0	100.0
ReadyKorea Co Ltd	South Korea	100.0	100.0
WiseTech Global LLC	South Korea	100.0	100.0
Taric Canarias, S.A.U.	Spain	100.0	100.0
Taric Trans, S.L.U.	Spain	100.0	100.0
Taric, S.A.U.	Spain	100.0	100.0
CargoIT i Skandinavien AB	Sweden	100.0	100.0
Inobiz AB	Sweden	100.0	–
X Ware Aktiebolag	Sweden	100.0	100.0
Sisa Studio Informatica SA	Switzerland	100.0	100.0
WiseTech Global (Taiwan) Ltd	Taiwan	100.0	100.0
Containerchain (Thailand) Co Ltd	Thailand	100.0	100.0
Ulukom Bilgisayar Yazılım Donanım Danışmanlık ve Ticaret Limited Şirket	Turkey	100.0	100.0
WiseTech Global FZ-LLC	UAE	100.0	100.0
LSI – Sigma Software Limited	UK	100.0	100.0
Pierbridge Limited	UK	100.0	100.0
WiseTech Global (International) Ltd	UK	100.0	100.0
WiseTech Global (UK) Ltd	UK	100.0	100.0
Pierbridge Holdings Inc.[1]	USA	–	100.0
Pierbridge Inc.[1]	USA	–	100.0
Planet Traders Inc.[1]	USA	–	100.0
Softship America Inc.[1]	USA	–	100.0
WiseTech Global (US) Inc.	USA	100.0	100.0
Eyalir S.A.	Uruguay	100.0	100.0
Ilun S.A.	Uruguay	100.0	100.0

1 Entity de-registered, merged or amalgamated in 2022.

Notes to the financial statements

for the year ended 30 June 2022

26. Deed of Cross Guarantee

Pursuant to the relief provided under ASIC Corporations (Wholly-owned Companies) Instrument 2016/785, the ten wholly-owned subsidiaries listed below are relieved from the *Corporations Act 2001* requirements for preparation, audit and lodgment of financial reports, and Directors' reports.

In order to receive the benefit of the relief provided under the Instrument, the Company and each subsidiary must be a party to the Deed of Cross Guarantee. The effect of the Deed of Cross Guarantee is that each party guarantees to each creditor of each other party, payment in full of any debt in the event of winding up of another party to the Deed of Cross Guarantee under certain provisions of the *Corporations Act 2001*.

Details of entities entering and exiting the Deed of Cross Guarantee, which represent a 'Closed Group' for the purposes of the Instrument are as follows:

	Assumption date	Revocation date
Parent entity		
WiseTech Global Limited	20 Jun 2017	–
Subsidiary entities		
Microlistics International Pty Ltd	15 Jun 2018	5 Dec 2020
Microlistics Pty Ltd	15 Jun 2018	–
Translogix (Australia) Pty Ltd	6 Jun 2019	–
WiseTech Academy Pty Ltd	6 Jun 2019	–
WiseTech Global (Australia) Pty Ltd	20 Jun 2017	–
WiseTech Global (Europe) Holdings Pty Ltd	6 Jun 2019	–
WiseTech Global (Financing) Pty Ltd	6 Jun 2019	–
WiseTech Global (Licensing) Pty Ltd	15 Jun 2018	–
WiseTech Global Holdings Pty Ltd	5 May 2021	–
WiseTech Global (Holdings 2) Pty Ltd	5 May 2021	–
WiseTech Global (Trading) Pty Ltd	20 Jun 2017	–

The Consolidated statement of profit or loss and other comprehensive income and Consolidated statement of financial position of the entities that are members of the Closed Group, after eliminating all transactions between members of the Closed Group, are as follows:

	Closed Group	
	2022 $M	2021 $M
Profit from continuing operations before income tax	195.3	131.5
Income tax expense	(36.7)	(34.7)
Profit after tax from continuing operations	158.6	96.7
Retained earnings at the beginning of the period	301.1	213.3
Opening retained earnings of entities added to the deed	–	1.5
Net profit for the period	158.6	96.7
Dividends declared and paid	(28.0)	(14.0)
Vesting of share rights	(3.5)	0.5
Tax benefit from equity remuneration[1]	(9.4)	3.1
Retained earnings at the end of the period	418.8	301.1

1 $9.4m recognized in Group accounts in FY21, moved into the Closed Group in FY22.

Notes to the financial statements

for the year ended 30 June 2022

26. Deed of Cross Guarantee (continued)

	Closed Group 2022 $M	Closed Group 2021 $M
Assets		
Current assets		
Cash and cash equivalents	292.0	222.5
Trade and other receivables	50.7	39.6
Intercompany receivables	6.3	8.7
Current tax receivables	6.8	–
Derivative financial instruments	1.6	2.9
Other current assets	15.5	15.3
Total current assets	372.8	289.0
Non-current assets		
Investments in subsidiaries	912.6	750.7
Intangible assets	277.8	229.7
Property, plant and equipment	31.6	24.0
Derivative financial instruments	0.6	0.4
Other non-current assets	6.2	3.8
Total non-current assets	1,228.9	1,008.6
Total assets	1,601.6	1,297.6
Liabilities		
Current liabilities		
Trade and other payables	34.7	26.3
Intercompany payables	62.1	9.6
Lease liabilities	3.5	4.1
Deferred revenue	7.5	7.5
Employee benefits	15.9	13.8
Current tax liabilities	–	2.3
Derivative financial instruments	7.7	2.1
Other current liabilities	48.1	43.2
Total current liabilities	179.6	108.8
Non-current liabilities		
Lease liabilities	13.4	9.8
Employee benefits	3.9	2.1
Deferred tax liabilities	75.7	58.0
Derivative financial instruments	8.1	4.3
Other non-current liabilities	10.0	7.4
Total non-current liabilities	111.3	81.5
Total liabilities	290.8	190.3
Net assets	1,310.8	1,107.4
Equity		
Share capital	906.3	827.8
Reserves	(14.3)	(21.6)
Retained earnings	418.8	301.1
Total equity	1,310.8	1,107.4

Notes to the financial statements

for the year ended 30 June 2022

27. Parent entity information

As at, and throughout the financial year ended, 30 June 2022, the parent entity of the Group was WiseTech Global Limited.

	2022 $M	2021 $M
Result of parent entity		
Net profit for the year	163.5	113.1
Total comprehensive income for the year	163.5	113.1

	2022 $M	2021 $M
Financial position of parent entity at year end		
Current assets	943.0	592.5
Total assets	1,347.3	1,241.2
Current liabilities	49.8	41.9
Total liabilities	90.3	113.5
Net assets	1,256.9	1,127.6

	2022 $M	2021 $M
Total equity of parent entity comprising:		
Share capital	906.3	827.8
Reserves	(88.9)	(7.7)
Retained earnings	439.5	307.5
Total equity	1,256.9	1,127.6

(a) Parent entity contingent liabilities

The parent entity has provided guarantees for the future settlement of a portion of contingent consideration (cash and shares) recognized in subsidiaries of the Group. There are no other contingent liabilities as at 30 June 2022 or 30 June 2021.

(b) Parent entity capital commitments for acquisition of property, plant and equipment

The parent entity had no capital commitments as at 30 June 2022 or 30 June 2021.

(c) Parent entity guarantees in respect of the debts of its subsidiaries

The parent entity has entered into a Deed of Cross Guarantee. Refer to note 26 for further details.

Notes to the financial statements

for the year ended 30 June 2022

28. Other policies and disclosures

(a) Principles of consolidation

The Consolidated financial statements incorporate all of the assets, liabilities and results of WiseTech Global Limited and all of the subsidiaries. Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related non-controlling interest and other components of equity. Any resulting gain or loss is recognized in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Intercompany transactions, balances and unrealized gains or losses on transactions between Group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

(b) Foreign currency transactions and balances

Transactions and balances

Foreign currency transactions are translated into the functional currency, using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the exchange rate at the reporting date. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated to the functional currency at the exchange rate when fair values were determined.

Exchange differences arising on the translation of monetary items are recognized in profit or loss, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognized directly in other comprehensive income to the extent that the underlying gain or loss is recognized in other comprehensive income; otherwise, the exchange difference is recognized in profit or loss.

Group companies

The financial results and position of foreign operations whose functional currency is different from the Group's presentation currency are translated as follows:

- Assets and liabilities including goodwill and fair value adjustments arising on acquisition are translated at exchange rates prevailing at the reporting date;
- Income and expenses are translated at average exchange rates for the period; and
- Retained earnings are translated at the exchange rates prevailing at the date of the transactions.

Exchange differences arising on translation of foreign operations with functional currencies other than Australian dollars are recognized in other comprehensive income and included in the foreign currency translation reserve in the Consolidated statement of financial position. The cumulative amount of these differences is reclassified into profit or loss in the period in which the operation is disposed of.

Currency of hyperinflationary economy

If the functional currency of a foreign operation is the currency of a hyperinflationary economy, then its financial information is first adjusted to reflect the purchasing power at the current reporting date and then translated into the presentation currency, using the exchange rate at the current reporting date.

(c) Provisions

Provisions are recognized when the Group has a legal or constructive obligation as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as a finance cost.

Notes to the financial statements

for the year ended 30 June 2022

28. Other policies and disclosures (continued)

(d) Standards issued but not yet effective

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2022 and have not been applied in preparing these Consolidated financial statements.

The following amended standards and interpretations are not expected to have a significant impact on the Group's Consolidated financial statements:

- Reference to the Conceptual Framework (Amendments to IFRS 3);
- Property, Plant and Equipment - Proceeds before Intended Use (Amendments to International Accounting Standard ("IAS") 16);
- Onerous Contracts - Cost of Fulfilling a Contract (Amendments to IAS 37);
- Annual Improvements to IFRS Standards 2018–2020.

(e) Commitments and contingencies

Guarantees

The Group has not provided for any material guarantees at 30 June 2022 (2021: nil).

Contingent assets and contingent liabilities

There were no contingent assets or liabilities of the Group in relation to FY22 or FY21.

(f) Events after reporting period

Dividend

Since the period end, the Directors have declared a fully franked final dividend of 6.40 cents per share, payable 7 October 2022. The dividend will be recognized in subsequent financial statements.

Acquisitions

On 1 July 2022, the Group completed the acquisition of a 100% interest in Bolero.net Limited, a leading provider of electronic Bills of Lading and digital documentation capabilities to facilitate global trade that is headquartered in the United Kingdom. The consideration for the acquisition is $66.2m, net of cash acquired. Transaction costs of $2.8m were incurred by the Group, $1.9m being recognized in FY22. The acquired business generated revenue and EBITDA of $10.1m and $1.1m respectively for the 12 months ended 31 December 2021. This transaction while of strategic value, is not material to the Group.

Directors' declaration

for the year ended 30 June 2022

In accordance with a resolution of the Directors of WiseTech Global Limited, we state that:

1. In the opinion of the Directors:
   (a) the consolidated financial statements and notes that are set out on pages 98 to 147 and the Remuneration report on pages 71 to 90 in the report are in accordance with the *Corporations Act 2001*, including:
      (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2022 and of its performance for the year ended on that date; and
      (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
   (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
2. There are reasonable grounds to believe that the Company and the Group entities identified in note 26 will be able to meet any obligations or liabilities to which they are or may become subject to by virtue of the Deed of Cross Guarantee between the Company and those Group entities pursuant to ASIC Corporations (Wholly-owned Companies) Instrument 2016/785.
3. This declaration has been made after receiving the declarations required to be made to the Directors by the chief executive officer and chief financial officer in accordance with section 295A of the *Corporations Act 2001* for the financial year ended 30 June 2022.
4. The Directors draw attention to note 2 to the consolidated financial statements, which includes a statement of compliance with the International Financial Reporting Standards.

On behalf of the Board

Andrew Harrison
Chair

24 August 2022

Richard White
Executive Director, Founder and CEO

24 August 2022

Independent Auditor's Report

for the year ended 30 June 2022

This is the original version of the audit report over the financial statements signed by the directors on 24 August 2022. Page references in relation to the Remuneration Report should be read as referring to pages 72 to 90 as opposed to 7 to 25, to reflect the correct references now that the financial statements have been presented in the context of the annual report in its entirety.

Independent Auditor's Report

To the shareholders of WiseTech Global Limited

Report on the audit of the Financial Report

Opinion

We have audited the ***Financial Report*** of WiseTech Global Limited (the Company).

In our opinion, the accompanying Financial Report of the Company is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the Group's financial position as at 30 June 2022 and of its financial performance for the year ended on that date; and
- complying with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The ***Financial Report*** comprises:

- Consolidated statement of financial position as at 30 June 2022
- Consolidated statement of profit or loss and other comprehensive income, Consolidated statement of changes in equity, and Consolidated statement of cash flows for the year then ended
- Notes including a summary of significant accounting policies
- Directors' Declaration.

The ***Group*** consists of the Company and the entities it controlled at the year-end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Group in accordance with *the Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code)* that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with the Code.

Independent Auditor's Report

for the year ended 30 June 2022

Key Audit Matters

The ***Key Audit Matters*** we identified are:

- Recognition of revenue;
- Capitalisation of software development costs;
- Testing for impairment of goodwill and intangible assets.

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Report of the current period.

These matters were addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Recognition of revenue ($632.2m)

Refer to Note 3 'Revenue,' and Note 13 'Deferred revenue' of the financial report

The key audit matter	How the matter was addressed in our audit
The recognition of revenue is considered to be a key audit matter due to: • The significance of revenue to the financial statements; • Recurring CargoWise One revenue earned in relation to customer usage is determined by the Group with reference to price lists and complex discount structures. It involves high volumes of customer transaction data recorded using a highly automated billing system. Auditing the revenue recognised based on this transactional data requires significant effort, including the use of IT and Data Specialists to supplement our senior audit team members; and • Remaining revenue is recorded across a large number of different billing systems as a result of multiple acquisitions. Auditing this revenue requires significant audit effort with extensive sample sizes.	Our procedures included: • Stratified the revenue population into homogenous revenue streams for the purposes of performing our testing; • For key recurring CargoWise One revenue streams, where revenue is recognised based on customer usage of the software we developed an expectation of the revenue for the year. We compared this to the amount recorded by the Company. This procedure was performed with the assistance of our IT and Data Specialists. The formation of our expectation involved: - understanding the Group's process for collection of transaction data, and the application of price lists and discount structures to this data; - assessing the completeness, existence and accuracy of transaction data interfaced with the billing module; - inspecting transaction data which is not subject to billing for consistency with our understanding of the process; - testing controls over access to the billing module, price lists and discount structures; - testing the interface of the output from the billing module to the general ledger; and - assessing for a sample of customers, the price list records, and discount structures based on their underlying contract documentation. • We tested the Group's key manual revenue recognition controls including;

Independent Auditor's Report

for the year ended 30 June 2022

	- approval of new customer contracts; and - approval that the pricing in the customers initial billing invoice agrees to the underlying signed customer contracts. • For other revenue, we selected a statistical sample of revenue across the Group's subsidiaries to check the timing of revenue and its recognition in the correct accounting period. We tested revenue recognition and related deferred revenue by; - inspecting revenue contracts and invoices; - checking against cash receipts recorded in bank statements; - sample checking post year end credit notes; and - using the conditions of the contract to check the timing of revenue. • We evaluated the adequacy of disclosures included in the financial report against the requirements of the accounting standards.

Capitalisation of software development costs ($82.2m)	
Refer to Note 7 'Intangible assets' of the financial report	
The key audit matter	**How the matter was addressed in our audit**
Capitalisation of software costs is considered to be a key audit matter due to: • The high volume of software developer hours; • The Group's assessment of the number of hours capitalised is reliant on data extracts from the Company's automated software workflow tool (PAVE). This is used for monitoring and recording the activities of software developers for the majority of its capitalised software development; • The Group develops its software products using an iterative development methodology. This approach requires more judgement in	Our procedures included: • We inspected the Group's documentation of their assessment of capitalised development against AASB 138: *Intangible Assets* including the requirements to demonstrate separability, control and future economic benefit; • We assessed the Group's positions using our knowledge of the business and projects. We furthered this through inquiry with various stakeholders, including: Project Leaders, the Chief Technology Officer, the Chief Executive Officer and the Chief Financial Officer. We also inspected price lists and Board of Director's papers to evaluate these assertions; • We obtained an understanding of the Group's software development processes and how software developers use PAVE to record activities;

Independent Auditor's Report

for the year ended 30 June 2022

assessing the Group's application of the requirements of the accounting standards to capitalise the development costs. These assessments include: - Whether it meets the definition of an intangible asset; - Whether a project can be completed including the potential to produce a viable software product; - eligibility of activities for capitalisation; - determination of the rate per hour for developers' time eligible for capitalisation; and - project availability for its intended use and, accordingly, commencement of amortisation. We involved IT specialists to supplement our senior audit team members in assessing this key audit matter.	• We inspected the information recorded in PAVE and assessed the Group's identification of development activities; • We tested the IT general controls over the PAVE system; • We tested a statistical sample of PAVE and non-PAVE recorded developer time capitalised. We checked the activities related to a project in development or an enhancement to an existing software product as opposed to research or maintenance; • We tested the capitalisation of developer hours to projects on a sample basis; - evaluating task descriptions logged against the criteria in the accounting standards; - assessing, for the sampled activity, the hours recorded for coding relates to an employee with a developer related role; and - assessing the task nature meets the requirements for capitalisation through inquiry with Project Leaders. • We assessed the time and labour rate eligible for capitalisation by testing a sample of key inputs to underlying records. We also assessed the Group's allocation of directly attributable overhead costs against the criteria within the accounting standards; • We considered the amortisation period including the commencement date of amortisation for completed projects for the capitalised software development costs; and • We evaluated the adequacy of the disclosures included in the financial report against the requirements of the accounting standards.

Independent Auditor's Report

for the year ended 30 June 2022

Testing for impairment of goodwill and other intangible assets ($961.2m)	
Refer to Note 7 'Intangible assets' of the financial report.	
The key audit matter	**How the matter was addressed in our audit**
The Group's annual testing of goodwill and intangible assets for impairment is a key audit matter, given the size of the balance relative to total assets. There are also judgements in assessing the Group's identification of Cash Generating Units (CGUs), allocation of goodwill and the forward-looking assumptions in their value in use models. We focused on: • Identification of CGUs – non-financial assets (other than goodwill) are required to be assessed for impairment separately, or as part of a CGU where the assets do not generate independent cash inflows. As the Group is pursuing a strategy for the integration of acquired businesses, assessing independent cash inflows during the process of integration with the global platform requires judgement; • Allocation of goodwill to CGUs – goodwill is required to be allocated to the CGU or group of CGUs where there are expected benefits from the synergies of the business combination. The Group is acquiring businesses for the purposes of integrating functionality into a global platform. Determining which of the CGUs these synergies will be obtained from, and the amount of goodwill to be allocated to them requires judgement; and • Forward looking assumptions - forecast cash flows, growth rates, discount rates and terminal growth rates used by the Group given their inherent uncertainty. We involved valuation specialists to supplement our senior audit team members in assessing this key audit matter.	Our procedures included: • We assessed the Group's determination of the CGUs used in the impairment model based on our understanding of the Group's business, acquisition strategy, and examination of cash inflows. Goodwill is tested at the single group of CGU level, whilst other intangibles and operating assets are tested at a lower level. We assessed these against the criteria in the accounting standards. We also considered internal reporting of the Group's results to assess how earnings and goodwill are monitored and reported; • We assessed the impairment testing methodology used by the Group against the requirements of Australian Accounting Standards; • We tested the mathematical accuracy of the Group's value in use models; • We assessed the Group's cash flow forecasts including; - Consideration of the historical accuracy of previous estimates; and - Reconciled the underlying cash flow projections to Board approved forecasts. • We assessed the cash flows and related growth rates in the models by comparing them to external analysts' reports. We checked the consistency of the growth rates to the Group's stated plan and strategy, past performance of the Group, and our experience regarding the feasibility of these in the industry in which they operate; • Working with our valuation specialists we assessed the Group's assumptions for terminal growth rates in comparison to economic and industry forecasts; • Working with our valuation specialists we analysed the discount rates against publicly available data of a group of comparable entities, adjusted by risk factors specific to the Group;

Independent Auditor's Report

for the year ended 30 June 2022

KPMG

	• We performed sensitivity analysis on the key assumptions used in the models and applied other values within a possible range, to challenge management assumptions; and • We assessed the disclosures in the financial report using our understanding of the Group's testing for impairment from our procedures and against the requirements of the accounting standards.

Other Information

Other Information is financial and non-financial information in WiseTech Global Limited's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

The Other Information we obtained prior to the date of this Auditor's Report was the Operating and Financial Review, Board of Directors, and the Directors' Report. The Financial Highlights, Chair's Letter, CEO's message, Our business, Sustainability report, Five year financial summary, Risk management, Shareholder information, Glossary and Corporate Directory are expected to be made available to us after the date of the Auditor's Report.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not and will not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*
- implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error
- assessing the Group and Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report

for the year ended 30 June 2022

KPMG

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf. This description forms part of our Auditor's Report.

Report on the Remuneration Report

Opinion

In our opinion, the Remuneration Report of WiseTech Global Limited for the year ended 30 June 2022, complies with *Section 300A of the Corporations Act 2001*.

Directors' responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with *Section 300A of the Corporations Act 2001*.

Our responsibilities

We have audited the Remuneration Report included in pages 7 to 25 of the Directors' report for the year ended 30 June 2022.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with *Australian Auditing Standards*.

KPMG

KPMG

Caoimhe Toouli

Caoimhe Toouli

Partner

Sydney

24 August 2022

Shareholder information

WiseTech Global Limited ordinary shares

WiseTech Global's ordinary shares are listed on the Australian Securities Exchange under ASX code: WTC.

At a general meeting, every shareholder present, in person or by proxy, attorney or representative has one vote on a show of hands and, on a poll, one vote for each share held.

All information below is as at 13 September 2022.

Distribution of shareholdings

Number of shares held	Number of holders	Number of shares	% of issued capital
100,001 and over	48	312,433,810	95.54
10,001 to 100,000	184	4,916,553	1.50
5,001 to 10,000	236	1,623,932	0.50
1,001 to 5,000	2,140	4,560,560	1.39
1 to 1,000	13,252	3,485,458	1.07
Total	**15,860**	**327,020,313**	**100.00**

There were 285 investors holding less than a marketable parcel of 9 shares (based on a share price of $60.75).

Largest 20 shareholders

	Name	Number of shares	% of issued capital
1	RealWise Holdings Pty Limited	131,806,570	40.31
2	HSBC Custody Nominees (Australia) Limited	66,017,802	20.19
3	J P Morgan Nominees Australia Pty Limited	33,709,875	10.31
4	Fabemu No 2 Pty Ltd ABN 67 003 954 070	17,127,197	5.24
5	Citicorp Nominees Pty Limited	14,508,761	4.44
6	MSG Holdings Pty Ltd	7,352,198	2.25
7	BNP Paribas Noms Pty Ltd	5,401,388	1.65
8	Mr Michael John Gregg & Mrs Suzanne Jane Gregg	5,296,707	1.62
9	National Nominees Limited	4,883,894	1.49
10	Merrill Lynch (Australia) Nominees Pty Limited	3,949,158	1.21
11	HSBC Custody Nominees (Australia) Limited - A/C 2	3,320,627	1.02
12	Citicorp Nominees Pty Limited	3,293,909	1.01
13	Solium Nominees (Aus) Pty Ltd	2,786,557	0.85
14	Mr Richard John White	1,744,013	0.53
15	Mycroft Investments Pty Ltd	1,561,000	0.48
16	HSBC Custody Nominees (Australia) Limited	983,567	0.30
17	Solium Nominees (Australia) Pty Ltd	976,610	0.30
18	Mr William Leigh Porter	705,000	0.22
19	BNP Paribas Nominees Pty Ltd	618,287	0.19
20	Three Plus Blue Pty Ltd	424,556	0.13
	Total	**306,467,676**	**93.72**

Shareholder information

Substantial shareholders

The following have disclosed a substantial shareholder notice:

Name	Number of shares	% of voting power	Date of latest notice
Richard White and RealWise Holdings Pty Ltd	133,615,433	40.94	9 September 2022
Charles Gibbon, Fabemu No 2 Pty Ltd and Gibbon Family Holdings Pty Limited	17,349,014	5.47	6 May 2019
Baillie Gifford & Co	16,877,467	5.17	5 April 2022
The Vanguard Group, Inc.	16,395,247	5.02	6 April 2022

Shares subject to voluntary escrow

Number of shares	Date period of escrow ends
10,360	28 October 2022
4,638	1 November 2022
53,651	24 November 2022
33,687	30 November 2022
41,832	14 July 2023

Unlisted securities

There were a total of 2,792,587 share rights on issue, held by 1,690 individual holders. Share rights have no voting rights.

On-market buy-back

There is no current on-market buy-back.

Glossary

Term	Meaning
3PL	Third-party logistics provider
3P strategy	Our strategy of focusing on the '3Ps' – Product, Penetration, and Profitability – is delivering our vision to be the operating system for global logistics
Attrition rate	Annual attrition rate is a customer attrition measurement relating to the CargoWise platform (excluding any customers on acquired platforms). A customer's users are included in the customer attrition calculation upon leaving i.e. having not used the product for at least four months
BCO	Beneficial Cargo Owner
CargoWise	Our flagship product, a single source, cloud-based, deeply integrated global platform for the logistics industry; see page 17
CargoWise Neo	Our global integrated platform for BCOs
'Contracted and in Progress' global rollouts	Refers to CargoWise customers who are contracted to grow to rolling out CargoWise in 10 or more countries and for 400 or more registered users
EBITDA	Earnings before interest, tax, depreciation and amortization
Ecosystem	A complex network or interconnected system of components and participants
Global manufactured trade flows	Refers to import and export related manufactured commodities
'In Production' global rollouts	Refers to CargoWise customers who are operationally live on CargoWise and using the platform on a production database (rolled out in 10 or more countries and 400 or more registered users on CargoWise)
Large Global Freight Forwarder	A Large Global Freight Forwarder is a CargoWise customer contracted to grow or who has grown either organically or contractually to 10 or more countries and 400 or more registered users on CargoWise
NPAT	Net profit after tax attributable to equity holders of the parent
R&D	Total investment in product design and development expense, excluding depreciation and amortization, but including capitalized development investment
Recurring revenue	Recurring revenue is the sum of On-Demand revenue and OTL maintenance revenue which is categorized in our statutory financial statements as recurring monthly and recurring annual software usage revenue
Share right	A right to receive an ordinary share in WiseTech Global at a point in the future. Share rights are issued to employees
TSR	Total Shareholder Return
Tuck-in acquisition	Typically smaller acquisitions that can quickly bring their team, technology, and knowledge without major rewrites and rapidly add value to the CargoWise ecosystem
Underlying NPAT	Net profit after tax attributable to equity holders of the parent excluding fair value adjustments from changes to acquisition contingent consideration, contingent consideration interest unwind net of tax and non-recurring tax on acquisition contingent consideration

Corporate directory

Shareholder enquiries

Enquiries about shareholdings in WiseTech Global

Please direct all correspondence to WiseTech Global's share registry:

Link Market Services

Level 12, 680 George Street
Sydney NSW 2000

Telephone: 1300 554 474
Email: registrars@linkmarketservices.com.au
Website: www.linkmarketservices.com.au

Further information about WiseTech Global

Website

www.wisetechglobal.com/investors

Investor relations

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Telephone: +61 (0)2 8001 2200

Registered office

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Alexandria NSW 2015

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Company Secretary

Email: company.secretary@wisetechglobal.com
Telephone: +61 (0)2 8001 2200

Auditor

KPMG

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Sydney NSW 2000

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