



ASX Announcement: 2023/57

12 October 2023

WiseTech Global Annual Report 2023

Attached is the Annual Report for the year ended 30 June 2023.

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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 17,000¹ of the world's logistics companies across 174 countries, including 44 of the top 50 global third-party logistics providers and 24 of the 25 largest global freight forwarders worldwide².

Our mission is to change the world by creating breakthrough products that enable and empower those that own and operate the supply chains of the world. At WiseTech, we are relentless about innovation, adding over 5,300 product enhancements to our global CargoWise application suite 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](https://www.wisetechglobal.com) and [cargowise.com](https://www.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 20 September 2022

Enabling and empowering the world's supply chains

Annual Report 2023





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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 2023. 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 10 October 2023 and includes the FY23 Financial Report originally published on 23 August 2023.



About us

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

A pure technology company, we are engineer founded and led, with research and development at the heart of what we do. Our team of more than 3,000 people across 35 countries is united in our goal to transform the world of logistics one innovation at a time.

This means helping goods move around the world as quickly and efficiently as possible to make the supply chain faster, more productive, efficient, secure and reduce its impact on the environment.

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 any time 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: Navigating career growth at WiseTech



Scott Dowell,
Software Operations Leader

Can you share a bit about your journey with WiseTech?

When I first started out as a developer, I was at a really small family-run software business, so it was all about meeting the needs of the individual customer and never really thinking about the big picture. So the big change for me coming to WiseTech was working at a product-focused company that tries to solve the needs of the industry.

When I first started at WiseTech, I was given the task of building a team from nothing, which was an amazing experience. To build that team, I worked with the rotations manager at the time, and I got to know him really well. He was a mentor of mine, so I got to understand the philosophy of this system that he had built.

It was just an amazing opportunity to be able to take on the role of building the team. I managed to grow it from about 50 people in rotations to 200 people in the program right now. We now have a rotation program in Australia, the US, Europe, Nanjing and Bengaluru, but it's only the beginning, which is awesome.

Can you share a bit about WiseTech's rotation program and how it works?

When you join WiseTech as a software engineer or product manager, you spend two months in three different teams across your first six months in the company. Within each team, you're assigned a mentor, so you have someone there who buddies up with you and helps you day-to-day. We don't give you busywork, we give you real work that adds value.

The purpose of the rotation program is to first of all, onboard people so that they understand what it is to be at WiseTech. We give new starters an opportunity to meet lots of different teams, and lots of different people to build their network. But more than anything, it's about fitting people to teams and teams to people. The philosophy is if you get the right person in the right team, then they'll do more creative, better work, because they love the people that they work with, and they love the work that they're doing. So that's a classic win-win.

Why do you think the rotations program is so unique?

Generally when you join an organization, you're given your desk and your team, and if you don't like the role, you're a little bit stuck. You've got no choice but to go somewhere else. But at WiseTech, what we're doing is helping you shape your career from the day you join the company. So in that first six months, you've got a chance to start that journey of shaping your career, which I think is a really unique and unusual way to approach onboarding.

What sort of people do we look for at WiseTech?

The sort of people that we look for are problem solvers and deep thinkers. So when I interview developers, we always talk about the problem statements that we solve, how the problems we work on are actual physical things happening in the real world. Developers and product people who get excited about that are a great fit for WiseTech.

From my experience, the thing that brings people the most job satisfaction from a development perspective is when they see the thing that they've built go out to customers. I really think that is the most satisfying thing about being a developer, because you're building something from scratch and you're creating something that wasn't there before. Seeing it out there and being used by people, and making a difference to me is the most satisfying part of the role.

Why do you think now is an exciting time for someone to join WiseTech?

Now is a really exciting time, because we've gotten to this point where the company is big enough to be helping the largest organizations in the world. If you think about our customer base, we've now expanded into these really large global rollouts, which means as a developer or a product person, you're working on more complex and interesting challenges. So we've got problems of scaling because our customers are bigger. They've got more complex problems that they're trying to solve, so we get to work with them on those issues.

You get this opportunity to connect really deeply with the real world, which I think is fantastic as a developer. We have this endless runway of really interesting complex work to do, so we need as many talented developers and product people as we can find to deliver on that vision.



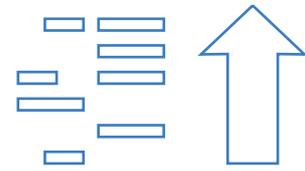
2023 Highlights (AS AT 30 JUNE 2023)



3,000+
team members
globally



39
development
centers



1,130 new
CargoWise product
enhancements

47 global rollouts in total  **6** new global rollouts added
by Large Global Freight Forwarders¹



\$261.9m
invested in research
and development



29,500+
CargoWise Certified
Practitioners
(up 53% from FY22)



60%+ increase in number of certificates
issued for CargoWise Certification

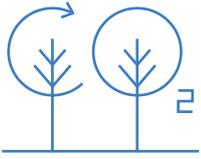


25,000+
hours of structured
learning completed
by our people



300
team members
participated in our
rotation program globally

¹ See definition in glossary on page 160.



100% of Scope 1 and 2 emissions offset



~6,000kg of e-waste recycled



Maintained **ISO 27001 Information Security Management** and achieved SOC 1 and SOC 2 attestations



Completed first **Scope 3** emissions inventory



1%

of pre-tax profits contributed to tech education saw 78% growth in number of students accessing Grok Academy



Earn & Learn

Scholarship Program launched with 30 students joining the 2023 cohort



MEMBER
2023

Continued our membership with

ACON's Pride in Diversity



13,400

courses completed via WiseTech Academy ↑ 37%

\$64,000 spent with **social enterprises** for office catering



Financial highlights

A strong financial result underpinned by continued growth in Large Global Freight Forwarder rollouts and CargoWise revenue.

Our continued strong investment in future growth remains a strategic priority for WiseTech.

Our FY23 results showcase our strong track record of revenue, EBITDA, and EBITDA margin growth since our listing in FY16, and demonstrate the strength and resilience of our business model.



STRONG REVENUE GROWTH

Total Revenue \$816.8m
 ↑ 29% reported
 (↑ 21% organically)
 96% (Group)
 recurring revenue
 CargoWise revenue
 ↑ 41% reported
 (↑ 30% organically)



RESILIENT BALANCE SHEET

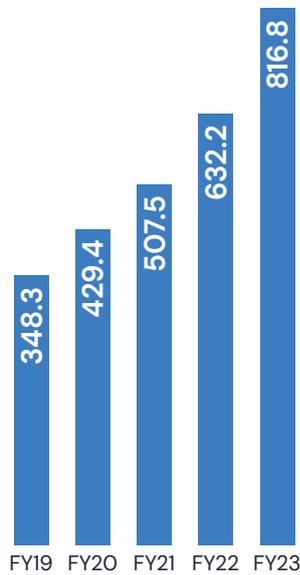
\$291.4m free cash flow
 ↑ 23%
 Free cash flow
 conversion rate of 76%
 (↑ 1pp)
 \$250m undrawn
 debt facilities



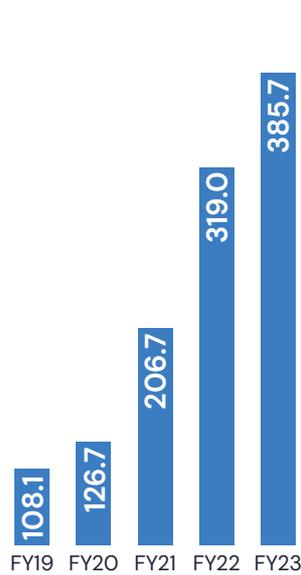
INVESTMENT IN INNOVATION

\$261.9m investment
 in R&D
 32% revenue invested
 in R&D
 96% increase in
 CargoWise product
 development resources

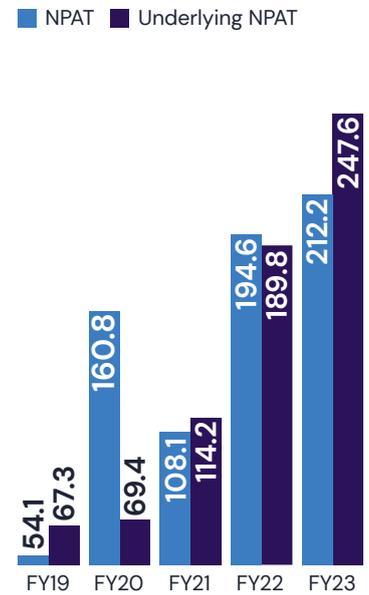
REVENUE (A\$M)



EBITDA (A\$M)



NPAT/UNDERLYING NPAT¹ (A\$M)



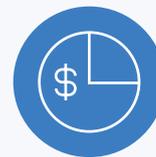
EBITDA & UNDERLYING NPAT

\$385.7m EBITDA ↑ 21%
 47% EBITDA margin
 ↓ 3pp
 Underlying NPAT¹
 of \$247.6m ↑ 30%



CONSISTENT OPERATING LEVERAGE

Gross profit margin 86%
 Operating expenses
 ↑ 3pp as % of revenue



DIVIDEND GROWTH

Total dividend
 15.0 cents per share
 ↑ 35% on FY22
 Fully franked
 Payout ratio 20%
 of Underlying NPAT

¹ See definition in glossary on page 160.





Chair and CEO Report

A united vision – to be the operating system for global logistics

We are pleased to share the 2023 WiseTech Global Annual Report, providing highlights of a strong FY23 financial performance and FY24 outlook.

Delivering on our strategy

Looking back at the financial year, we are pleased with our progress and where we are positioned as we head into FY24. The achievements of the year are due to our exceptional WiseTech team, which has grown to more than 3,000 people globally. Their talents, hard work and focus have enabled us to make great progress in realizing our vision to be the operating system for global logistics.

This year, we have made significant progress in delivering on our 3P strategy – Product, Penetration, and Profitability by:

- delivering a strong FY23 financial performance and FY24 outlook, underpinned by the continued growth in numbers of Large Global Freight Forwarder¹ rollouts.
- signing our first global customs rollout with the #1 Top 25 Global Freight Forwarder, Kuehne+Nagel, in the second half of FY23. FedEx Trade Networks also confirmed, after 30 June 2023, that they intend to roll out CargoWise global customs alongside their ongoing global forwarding rollout.
- executing a strategic move into landside logistics, initially in North America, through the strategically significant acquisitions of Envase Technologies and Blume Global and followed by a further value enhancing acquisition of Matchbox Exchange, a provider of container optimization solutions, in October 2023.
- increasing our global development capability from just over 1,000 team members at the beginning of FY23 to now over 1,800, resulting in 60% of our workforce now focused on product development.

¹ See definition in glossary on page 160.

² Armstrong & Associates: Top 50 Global 3PLs & Top 25 Global Freight Forwarders ranked by 2021 gross logistics revenue/turnover and freight forwarding volumes – updated 20 September 2022.

Product – expanding the CargoWise ecosystem

Our continued strong financial performance in FY23 is the result of years of dedicated work on enhancing our development capability by automating processes, stopping low-yield activities, and ensuring our ongoing ability to scale at low cost. This type of planning and execution positions us well for long-term sustainable growth and profitability in our core business and allows us to invest in progressing further on our six CargoWise product development priorities – landside logistics, warehouse, Neo, digital documents, customs and compliance, and international eCommerce.

CargoWise's depth of product capability and global reach is why more of the world's largest global freight forwarders are choosing to move to WiseTech, as they understand the long-term value of what we are doing. CargoWise offers world-leading capability, unparalleled productivity improvements, and IT cost reductions in an increasingly complex and costly industry.

This is why 24 of the Top 25 global freight forwarders and 44 of the top 50 third-party logistics providers² are already WiseTech customers in at least one area of their business.

As a product-led business, our focus and investment in product development and innovation is critical. In FY23, our R&D investment increased by 45% on FY22 to \$261.9 million, with 1,130 new CargoWise application suite product enhancements. Over the past five years, we have invested over \$880 million in R&D delivering more than 5,300 product enhancements. We substantially increased our global development capability to further accelerate our product delivery and address new markets.

The outcome of this substantial increase in scale and development throughput includes the release of the CargoWise Warehouse Suite, one of our six key development priorities, featuring five highly differentiated, advanced warehouse modalities, each purpose-built for integrated international forwarding and landside logistics needs; and the release CargoWise Neo, in August 2023, to select customers.

Our goal is to drive innovation within the CargoWise ecosystem, so that it is a 'must have' for large global forwarders and logistics operators.

To support this goal, in FY23, we completed two tuck-in acquisitions in Bolero and Shipamax which have extended CargoWise's digital documentation and straight-through processing capabilities. We also completed two strategically significant acquisitions in Envase Technologies and Blume Global, to accelerate and expand CargoWise's North American landside logistics capability.

Leveraging our experienced M&A team's acquisition and integration skills to accelerate our presence in these areas is a significant and long-term product and revenue growth lever.

Penetration – continued momentum driving revenue growth

Our momentum continued in FY23 with eight new or additional global rollouts secured. This included six new global rollouts with NTG Nordic Transport Group,

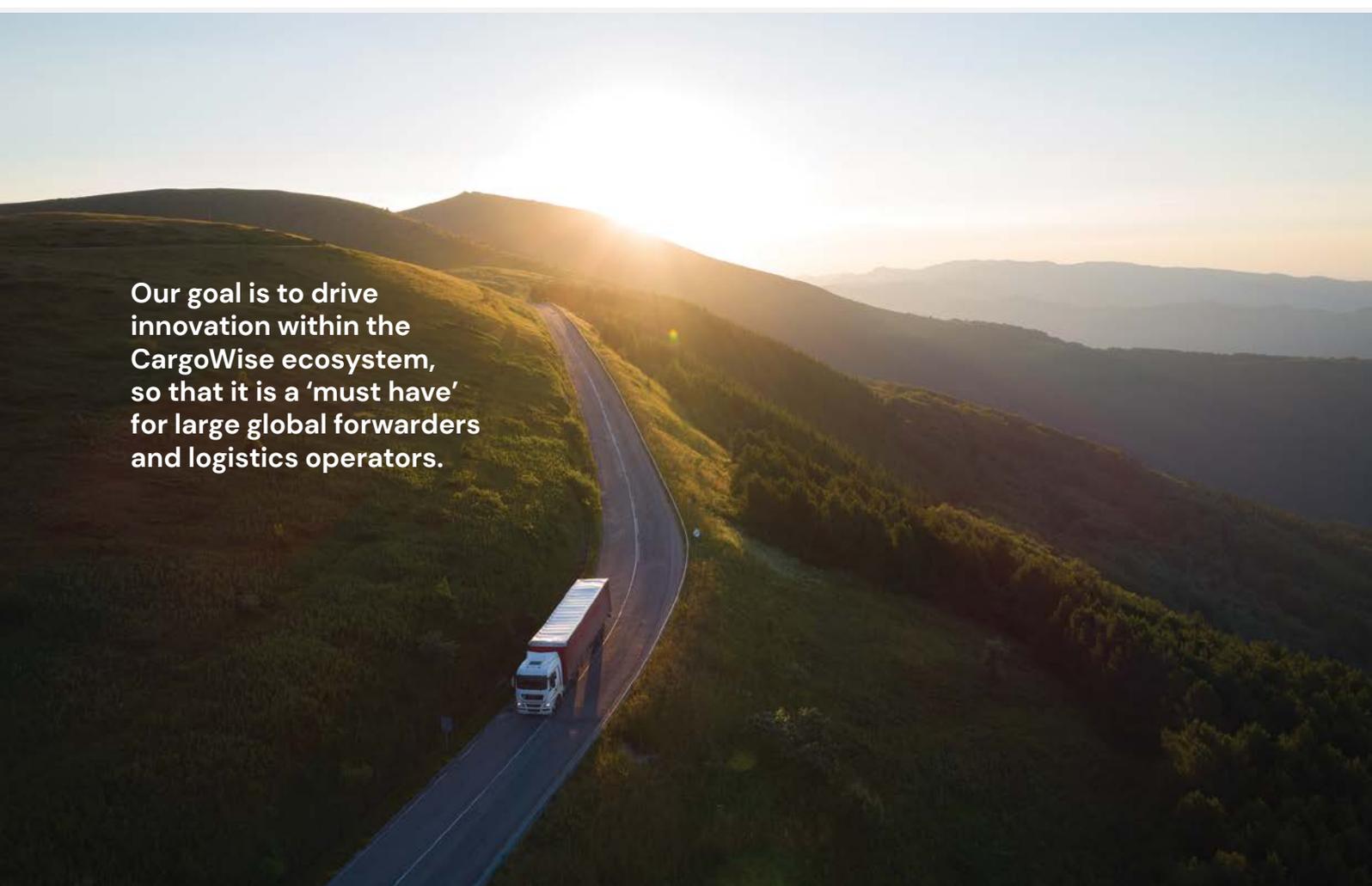
IFB International Freightbridge, EMO Trans, Kuehne+Nagel for our first global customs rollout, BBL Cargo and OEC. Alongside this we also added two additional organic rollouts with DB Group and Maersk Logistics. Since year end, we also secured APL Logistics for a global CargoWise rollout, and FedEx, adding CargoWise global customs alongside their CargoWise forwarding rollout.

This takes our total to 47 Large Global Freight Forwarder rollouts at the end of FY23 (48, counting APL Logistics, signed after year's end), including 11 of the Top 25 Global Freight Forwarders, which will continue to drive our growth in revenues. We are well placed to convert our continuing strong pipeline of sales opportunities, driving long-term revenue growth. Given the significant runway of customers available to us in both the Top 25 global freight forwarders and the top 200 logistics providers, we expect to see future revenue growth driven by additional Large Global Freight Forwarder contract wins.

Profitability – strong financial performance and outlook

We remain focused on driving returns through our high growth, scalable SaaS model which delivers strong profitability and operating cash flows.

In FY23, we delivered Total Revenue of \$816.8 million, representing a 29% increase on FY22. This demonstrates the resilience of our business model and continued strong momentum.



Our goal is to drive innovation within the CargoWise ecosystem, so that it is a 'must have' for large global forwarders and logistics operators.

The majority of growth came from CargoWise, with revenue up 41% to \$659.6 million. This increase reflects growing usage by existing customers and new customer signings.

This result was underpinned by our 96% recurring revenue base, and low attrition rate of less than 1%, where it has been for the last 11 years, making our existing business very stable and predictable.

Our statutory NPAT of \$212.2 million was up 9% on FY22, and FY23 Underlying NPAT was up 30% at \$247.6 million. This excellent outcome reflects the benefit of new customers, new product releases, price increases, and our enhanced operating leverage and ongoing financial discipline.

The Board declared a fully franked final dividend of 8.40 cents per share (cps), representing a 31% increase on the FY22 final dividend. The final FY23 dividend coupled with the FY23 interim dividend of 6.60cps equates to a total FY23 dividend of 15.0cps, representing a payout ratio of approximately 20% of Underlying NPAT.

We have launched a multi-year, company-wide efficiency program which we expect to deliver a net \$15 million saving in FY24 with an annual run rate of \$40 million. This involves extracting acquisition synergies and streamlining our processes, and removing duplication, to enhance our operating leverage and ensure appropriate allocation of resources to support scalability and delivery of our long-term strategic vision.

Our guidance for FY24 is based on the assumptions set out in our FY23 Results presentation. Assuming there are no material changes to these assumptions and no unforeseen events that arise prior to 30 June 2024, we expect to deliver FY24 revenue of \$1.04 billion to \$1.095 billion, representing revenue growth of 27%

to 34%, with CargoWise revenue expected to grow by approximately 34% to 43% overall. In terms of FY24 EBITDA, we expect to deliver \$455 million to \$490 million, representing EBITDA growth of between 18% and 27%.

People – driving our 3P strategy

Our people drive these outcomes. We have accelerated the growth in our global talent base as more high-value and talented people gravitate towards highly profitable and innovative technology companies like WiseTech. As a result of our focus on our culture, on rewarding performance and developing staff, we have seen a substantial increase in inbound applications to work at WiseTech. We have highly effective hiring and talent development programs to ensure we attract, retain, and develop the best in both the technology and logistics industries, underpinning our future success for many years to come. We are extremely proud of the WiseTech team and our culture of innovation.

A sustainable future for Australia's tech industry

WiseTech is a force for good; improving productivity, connectivity and resource usage across global supply chains, and the communities and markets in which we operate.

We continued to strengthen our sustainability governance during FY23. Our Sustainability & ESG Framework and Principles embed sustainability considerations into our decision making and operations, contributing to a more sustainable future and creating long-term value for our stakeholders.



We take great pride in our diverse and inclusive workforce. Approximately 31% of our employees and 29% of our Board members are female and we remain committed to encouraging and supporting more women to enter the technology and logistics industries.

Through our full program of technology education initiatives, which include our support of Grok Academy, our Earn & Learn Scholarship Program, our relationship with major universities and our own WiseTech Academy, we cover K-12, the bridge from high school to university, the bridge from education to employment, undergraduate, post-grad, on-the-job and adult learning. These initiatives build an on-ramp for students and adult learners to develop skills and access high value, long-term employment in the technology sector, with a particular focus on software engineering skills and jobs, while creating a diverse pipeline for our future workforce.

This year, we launched our Earn & Learn Scholarship Program, connecting high school graduation with full time employment and a university degree in software engineering. High school graduates that enter the program work as an Associate Software Engineer at WiseTech while undertaking part-time university study. Our first cohort of 30 students are studying a specially designed blend of university coursework, WiseTech-developed coursework, and on-the-job training, leading to the completion of a Bachelor's degree in four years. The combination of academic theory with real-world application in a work setting will provide these students with a strong head-start in their careers in Australia's tech industry. We have big expectations for this program and are working on scaling up further in the next few years.

We are also continuing our contribution of 1% of pre-tax profits to support tech education, partnering with Grok Academy. This contribution has grown in line with our company's profitable growth. Our partnership enables us to make the Grok Academy platform free for all K-12 and adult learners and teachers in Australia and supports the development of the next-generation technology platform and content to meet the diverse needs of K-12 learners and educators. During the first half of the 2023 Australian school year, there was a 78% increase in the number of students accessing the Grok Academy platform.

These initiatives, combined with the continued development and increased reach of WiseTech Academy and our growing engagement with schools and universities, present a powerful and comprehensive program that can introduce learners of all ages to software engineering and other valuable technical skills.

Once again, this year, we offset 100% of our Scope 1 and 2 emissions from our global operations using offsets aligned to verified carbon standards. Importantly, this financial year we have expanded our emissions inventory to include Scope 3 emissions. This is an important step

in our net zero journey, improving our understanding of emissions across our value chain and underpinning opportunities to reduce these emissions.

In FY23, our sustainability reporting has been informed by the internationally recognized Global Reporting Initiative (GRI) Framework and the SASB Software and IT services Sector Standard. Over time, we will continue to develop and build on our ESG disclosures in alignment with new sustainability accounting standards.

We encourage you to read more about our FY23 sustainability performance in our Sustainability Report on pages 24 to 48 and on the WiseTech Global investor center website.

Board activities

At the conclusion of WiseTech's 2022 Annual General Meeting, Mike Gregg and Arlene Tansey retired from the Board. We thank them for their contribution and wish them both all the very best.

WiseTech continues to build on our technology leadership, global reach, and geographic footprint. To support the business' needs as we grow, we are dedicated to continuing to evolve the Board composition and continue our search for additional independent Non-Executive Directors.

Acknowledgments

On behalf of the WiseTech Board and Senior Management Team, we would like to thank our shareholders, team members, customers and communities in which we operate, for their continued support and belief in our vision, which is **to be the operating system for global logistics**.

We are excited by the future opportunities ahead of us, and the long-term shareholder value we continue to deliver.

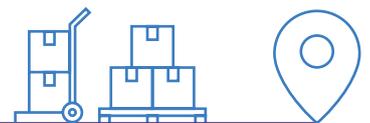
Thank you.



Andrew Harrison
Chair



Richard White
CEO & Founder



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. As a product-led business, our product strategies create deep value for existing customers, attract new customers in our existing markets, allow us to enter new markets, increase the total addressable market that we serve, and enhance our ability to gain further access to customers and opportunities in new markets.

Our 3P strategy – **Product, Penetration, Profitability** – is driving our vision and purpose.

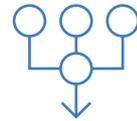
Vision: to be the operating system for global logistics



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

Enhance operating leverage



Our product

Global supply chains continue to face a multitude of challenges, from government regulations and tighter cost margins to port congestion and labor shortages. The importance of supply chain visibility, optimization, and productivity improvements is critical for logistics service providers.

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

The depth of CargoWise’s product capability helps our customers track the movement of goods from origin to destination, enabling the efficient optimization and execution of logistics processes. From international freight forwarding, customs and compliance, warehousing, and shipping, to tracking, digital documentation, landside logistics, and International eCommerce – CargoWise offers truly global capabilities for a global industry.

The power of CargoWise

- ✔ Single global platform
- ✔ Extensive configuration tools
- ✔ Workflow automation
- ✔ Real-time visibility
- ✔ Optimization
- ✔ Streamlined processes
- ✔ No rekeying of data
- ✔ Integrated data flows
- ✔ Digital documents

THE NETWORK EFFECT

We have a strong network of CargoWise Partners, Certified Practitioners and industry partners. An extension of our team, our network of technology, logistics and education experts plays an integral role working within the logistics industry, across our customers, associations, logistics businesses and education institutions.

569 partner agreements

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

26 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.

29,500+ CargoWise Certified Practitioners

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



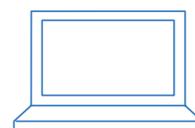
Listen to industry experts discuss the latest logistics trends, including the current investment landscape, tackling rising costs, and embracing digital transformation.



Ashley Skaanild, Regional Vice President for Logistics Data and Connectivity, discusses CargoWise’s role in digitizing ocean freight.



Discover how digital documents provide a vital layer of transparency and accountability that can enable logistics companies to operate more efficiently and reduce costs.



Learn more about the Power of CargoWise: cargowise.com/news



CASE STUDY

LEMAN

CargoWise is supporting LEMAN's digital transformation strategy



Headquartered
in Denmark



Across 8 countries



Operations across
29 offices



Advanced logistics, transportation
and pharma solutions

LEMAN's branches had been operating on multiple transport management systems (TMS) for a number of years, and maintaining visibility across the organization was becoming increasingly challenging.

They needed a logistics solution that could help them centralize and streamline their operations, provide end-to-end visibility and ultimately, help them take their air and sea activities to the next level.

"CargoWise has a great reputation in the market, from users, to vendors and customers, so it made sense for us to choose the most advanced TMS in the market," said Christian Stocker, CEO, LEMAN USA.

The opening of LEMAN China provided an opportunity for the business to trial CargoWise with their new staff before rolling out the platform to their other regions.

"The reason we chose to implement CargoWise in China first while we were running on different systems in Europe and the US was because we had an opportunity to start from scratch and trial a new system. We were also looking to hire staff in China who had previous experience using CargoWise and could support the implementation in this region," Mr Stocker added.

Suki Zhang, Sea Freight Manager, was one of the first staff members to join LEMAN's head office in Shanghai, bringing extensive experience on CargoWise.

"My previous role was at a very large global forwarding company that had a very strong relationship with WiseTech, so when I joined LEMAN, I was already very familiar with CargoWise and I was able to share my knowledge with the company.

"CargoWise is the most highly qualified system I have ever seen for global use. In the past, I've used other systems and they really just offer one functionality. But with CargoWise, there's a large team focusing on every different functionality. So every function and every module are developed together, and

it makes the platform stronger and stronger. It really is a complete system."

Once the implementation in China was deemed a success, LEMAN's global offices followed, and the global rollout was completed in the second half of 2022.

Operating on a single global platform has enabled the business to increase data quality and efficiency, streamline and scale their processes, and make strategic decisions faster than ever before.

With everyone now working from the same database, information that's entered at the origin station becomes immediately available to the destination as well, resulting in efficiency and productivity gains across the board.

"The productivity improvements we've seen are already considerable, and in terms of financial overview and understanding of how the business runs, we've made massive steps forward due to the fact that we have CargoWise in place," said Mr Stocker.

"CargoWise is a system with tons of configuration possibilities and lots of modules that could enhance everyday work, and that will be the next step for us. We have now laid the foundation to really build on and progress further on this whole digitalization journey, so the story doesn't end here," said Morten Wegelbye Holm, Group CIO, LEMAN.

Benefits

- ✓ Centralized system, one data entry point
- ✓ End-to-end visibility
- ✓ Multiple modules, highly configurable



Watch the case study video featuring LEMAN on the WiseTech website. cargowise.com/news/leman-take-air-and-sea-operations-to-next-level-with-cargowise/

“CargoWise is the most highly qualified system I have ever seen for global use. In the past, I’ve used other systems and they really just offer one functionality. But with CargoWise, there’s a large team focusing on every different functionality. So every function and every module are developed together, and it makes the platform stronger and stronger. It really is a complete system.”

Suki Zhang, Sea Freight Manager, LEMAN



Our product development strategy

Investment in innovation and product development remains a strategic priority, and continued our relentless focus on enhancing our CargoWise application suite. In FY23, we substantially increased our development capability to over 1,800 team members focused on product development, this represents 60% of our global team. Over the past five years we have invested over \$880 million in R&D, and delivered more than 5,300 product enhancements. This year, our overall R&D investment increased by 45%, and represents a reinvestment of 32% of our revenue. This investment is focused on building integrated software that enables our logistics customers to improve planning, productivity, visibility, optimization and control of their global operations, enabling WiseTech to become the operating system for global logistics.

Our six CargoWise development priorities are: landside logistics, warehouse, Neo, digital documents, customs and compliance, and international eCommerce.

This year, the substantial increase in scale and development accelerated the release of:

- ✔ the **CargoWise Warehouse Suite**, featuring five highly differentiated, advanced warehouse modalities, purpose-built for integrated international forwarding and landside logistics needs.
- ✔ **CargoWise Neo** in August 2023, to select customers.

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 FY23, we completed four acquisitions:

- ✔ **Shipamax and Bolero**: tuck-in acquisitions which have extended CargoWise’s digital document and straight through processing capabilities.
- ✔ **Envase Technologies and Blume Global**: strategically significant acquisitions to support our move into landside logistics in North America.

6 CARGOWISE PRODUCT DEVELOPMENT PRIORITIES

Landside logistics	Warehouse	Neo	Digital documents	Customs and compliance	International eCommerce
					
Extending into import/export container haulage and rail	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

		
\$261.9m invested in R&D in FY23	1,130 new CargoWise application suite product enhancements	60% of our people focused on product innovation

CASE STUDY

NFI

CargoWise amplifies digital processing with Trinium–CargoWise integration



Headquartered in the US



Privately owned



90+ years in operation



Supply chain solutions

Headquartered in Camden, New Jersey, US, NFI has solidified its position as a top-tier 3PL company. As a family-owned and operated business, they have made it their mission to deliver unparalleled supply chain solutions to businesses of all shapes and sizes for over 90 years.

With the integration of Trinium and CargoWise, NFI has expanded its digital processes with a workflow that saves costs, reduces risks, and improves productivity and efficiency – all leading to greater visibility and optimization for both NFI and its customers.

The journey of digital processing begins in CargoWise, where container drayage orders are seamlessly transmitted to Trinium. This integration allows for real-time updates and milestone tracking, ensuring complete visibility of container movements from start to finish. By harnessing the power of these platforms, NFI empowers not only its internal teams but also its valued customers with unprecedented transparency and control.

Jessica Cordero, Vice President of Drayage Operations and Operations Support at NFI Cal Cartage, explains the impact of this integration: “Our focus is on improving connectivity with all partners, including our internal teams. The Trinium–CargoWise integration has enabled us to automate several processes in our Global and Port Services divisions, improving efficiencies and visibility on both ends.”

The integration also enables Trinium–TMS users to effortlessly send invoices with supporting documentation back to CargoWise’s accounts payable module, creating a seamless transaction flow, saving time, and reducing the risks associated with manual data entry.

“This is a great example of how digital straight-through processing using the Trinium–CargoWise integration is helping NFI differentiate itself. By providing customers with improved data and visibility, customers can make faster and more accurate decisions, optimizing container use and delivering tangible benefits across their business operations,” said Dennis Lane, Managing Director, Trinium.

Benefits

- ✔ Automated workflows
- ✔ Greater visibility and optimization
- ✔ Straight through digital processing



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.

We target global rollouts with the Top 25 Global Freight Forwarders and the top 200 global logistics providers. In FY23, we secured further global rollouts, adding six

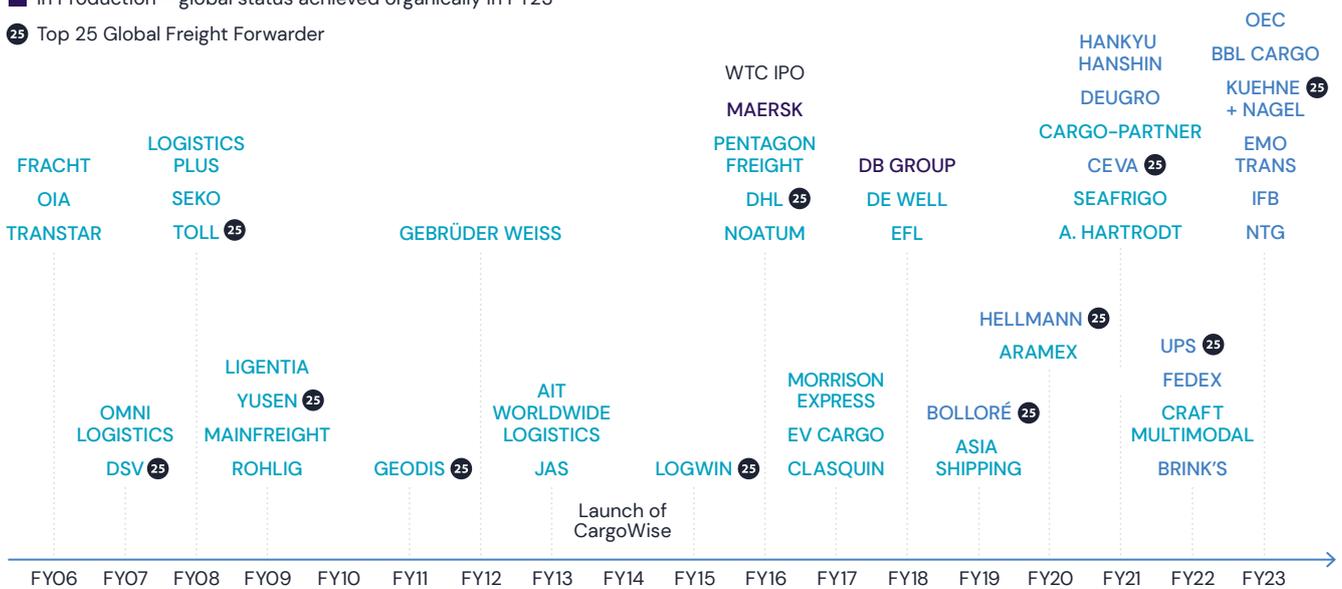
Large Global Freight Forwarder¹ rollouts with NTG Nordic Transport Group, IFB International Freightbridge, EMO Trans, Kuehne+Nagel (#1 Top 25 Global Freight Forwarder for a global customs rollout), BBL Cargo, and OEC.

In addition, two existing customers grew organically into global rollouts, adding new geographies and users – these included DB Group and Maersk.

This brings the total number of global rollouts to 47 and demonstrates how our customers grow with us and how our software becomes increasingly integral to their operations.

GLOBAL ROLLOUTS – CARGOWISE LARGE GLOBAL FREIGHT FORWARDERS

- Contracted and in progress of global rollout
- In Production – global and rolled out
- In Production – global status achieved organically in FY23
- 25 Top 25 Global Freight Forwarder



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



6 new CargoWise global rollouts by Large Global Freight Forwarders in FY23



2 additional organic global rollouts 'In Production'¹



11 of the Top 25 Global Freight Forwarders have signed up for CargoWise global rollouts

¹ See definition in glossary on page 160.

CASE STUDY

WiseTech Academy: leveraging online learning



Lavinia Tomescu, WiseTech Diploma
of International Freight Forwarding graduate

Lavinia Tomescu's path to success

Lavinia Tomescu is proud to be the very first graduate of the WiseTech Diploma of International Freight Forwarding. Right from the start, she cultivated a passion for ongoing learning to support her career within the logistics industry. The flexibility of online courses has additionally empowered her to continue to learn, even as she moves into senior roles.

"I allocate 30-60 minutes of my workday for my personal learning. Ongoing education is important in any industry, but it is critical in logistics due to the constantly changing regulations," said Lavinia.

"I firmly believe that investing in training strengthens one of a company's most important assets: its people. Personally, being up to date with best practices helps me continue to be a champion for continued transformation in our operations," she said.

Having earned a Bachelor's degree in Economics in Romania, Lavinia moved to the US in 2006 where she embarked on her logistics career. From that point she undertook several self-driven courses to quickly accumulate the industry-specific knowledge, skills and certifications to support her ongoing career path.

Today, Lavinia holds a US Customs Broker license and she serves as the Director for Global Compliance at Mid-America Overseas, a global transportation and logistics provider. Her responsibilities span compliance management, productivity enhancement, process improvements, and various other critical initiatives vital to international freight forwarding. This encompasses areas like customs compliance, paperless operations, and data integrity.

"I am a curious person, constantly looking for ways to improve my knowledge and skill set. WiseTech's Diploma of International Freight Forwarding caught my attention because it was tailored to freight forwarding," said Lavinia.

"I wanted to test my current knowledge as well as find out if I had more to learn – and there was plenty! I particularly enjoyed Global Customs, Dangerous Goods, Safety and Security, Transport Logistics

Contracts and Incoterms. The fully online format allowed me the flexibility to choose when to study and the order of modules," she concluded.

About WiseTech Academy

WiseTech Academy empowers people by providing affordable access to high-quality online education.

An online Registered Training Organization, WiseTech Academy offers the learning resources needed to develop new skills, advance careers, accelerate productivity, and manage corporate risk, with a focus on the supply chain logistics industry.

With WiseTech Academy, individuals and organizations can:

✓ Learn with purpose

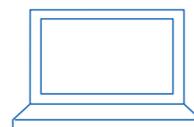
Gain the skills and credentials that will make you stand out in a competitive industry.

✓ Learn from experts

Programs are designed with industry experts to ensure people gain the knowledge and skills that employers are looking for.

✓ Learn without barriers

Fees for WiseTech Academy courses are lower than comparable industry offerings.



Find out more at
[wisetechnology.com/academy](https://www.wisetechnology.com/academy)



People profile: success as a woman in software engineering



Azadeh Rafati,
Software Engineering Team Leader

What is it about WiseTech that makes us different?

There are so many things that make WiseTech a great place to be. Company culture is so important. We're lucky to have a great culture at WiseTech, and that comes from so much diversity across the business.

WiseTech highly regards its employees and is dedicated to supporting their growth and development, encouraging them to broaden their skills and expertise. I have been exposed to so many different opportunities in WiseTech and many different challenges. I love working with the people here. I can proudly say that I have so many talented people around me.

I think joining WiseTech is the best decision I've made. I'm very proud to be here. I chose to join WiseTech because of its reputation in innovation, and also the commitment to enhancing and improving the logistics industry. When I look at the impact of the logistics industry in people's lives, I feel like we are making changes that have a lot of meaning.

What do you like about solving complex problems?

As a software engineer, solving complex problems is fascinating. It enables us to use our innovation and critical thinking to come up with something new. And also, our creativity to come up with the best solution, a solution that not only solves the problem, but exceeds expectations.

We want to be kept on our toes and keep developing our skills and our expertise. I think all software engineers want to do something new, we want to face new challenges, we want to see how we can apply new ideas, and new technologies into valuable solutions.

What's the most exciting problem that you've worked on?

There have been so many! The very first one that I feel proud of is carrier shopping. This solution helps our customers and freight forwarders to shop for their carriers based on certain criteria, for example cost or route. Based on various factors, they can pick the carriers that they want for their cargo. It's been a project that we have worked on over the past few years and continue to enhance in collaboration with our customers.

What makes the logistics industry interesting?

The logistics industry has a real impact on people's lives and we can clearly see that. As a software engineer, when I make a change, I can immediately see the impact. For example, improving delivery estimates optimizes the supply chain, and you can see the direct impact on consumers – getting their goods on time. Seeing that impact has a lot of meaning to it, you're making real changes and improvements, and at the same time, directly impacting the world.

Building your skills is really important to you, how has WiseTech supported you in developing your learning and skills?

WiseTech supports learning and development in different ways. When you join WiseTech you will go through a six-month rotation program. At first glance, it might look like, oh boy, I need to try three different teams! But then I realized that this is the best for us because it gives us an opportunity to rotate across different teams. And at the end you decide which team you want to be in.

Three years ago, I was offered to go through the Black Belt in Thinking course, which was such an amazing course and I learned so much about critical thinking and decision making.

We also have learning opportunities through LinkedIn Learning, and other online resources, internal workshops and mentoring programs, developer to developer sessions, and our leadership program too, which is amazing. Sometimes as a leader, you believe that you're doing well, and you might be doing well, it's just that there is always room for improvement.

Why do you think an experienced software engineer should consider joining WiseTech?

As an experienced engineer, you want to have the opportunity to be exposed to lots of challenges and have lots of new things to learn. The logistics industry is a complex and constantly evolving field, which brings so many new things to do and so many new challenges. If you're an experienced software engineer and you want to constantly learn something new, and you want to ensure that your development skills and your expertise are going to grow, you need to know that WiseTech is here. And WiseTech is incredibly successful, stable, and committed to employees – and you can see how many people have stayed here for over 20 years!

What is your favorite WiseTech mantra?

Anyone can talk to anyone at any time for any reason. It gives you the power not to be afraid. If you have any questions for anyone – it can be our CEO Richard White – you're more than welcome to go and ask. This is amazing.



Sustainability Report

Approach to sustainability

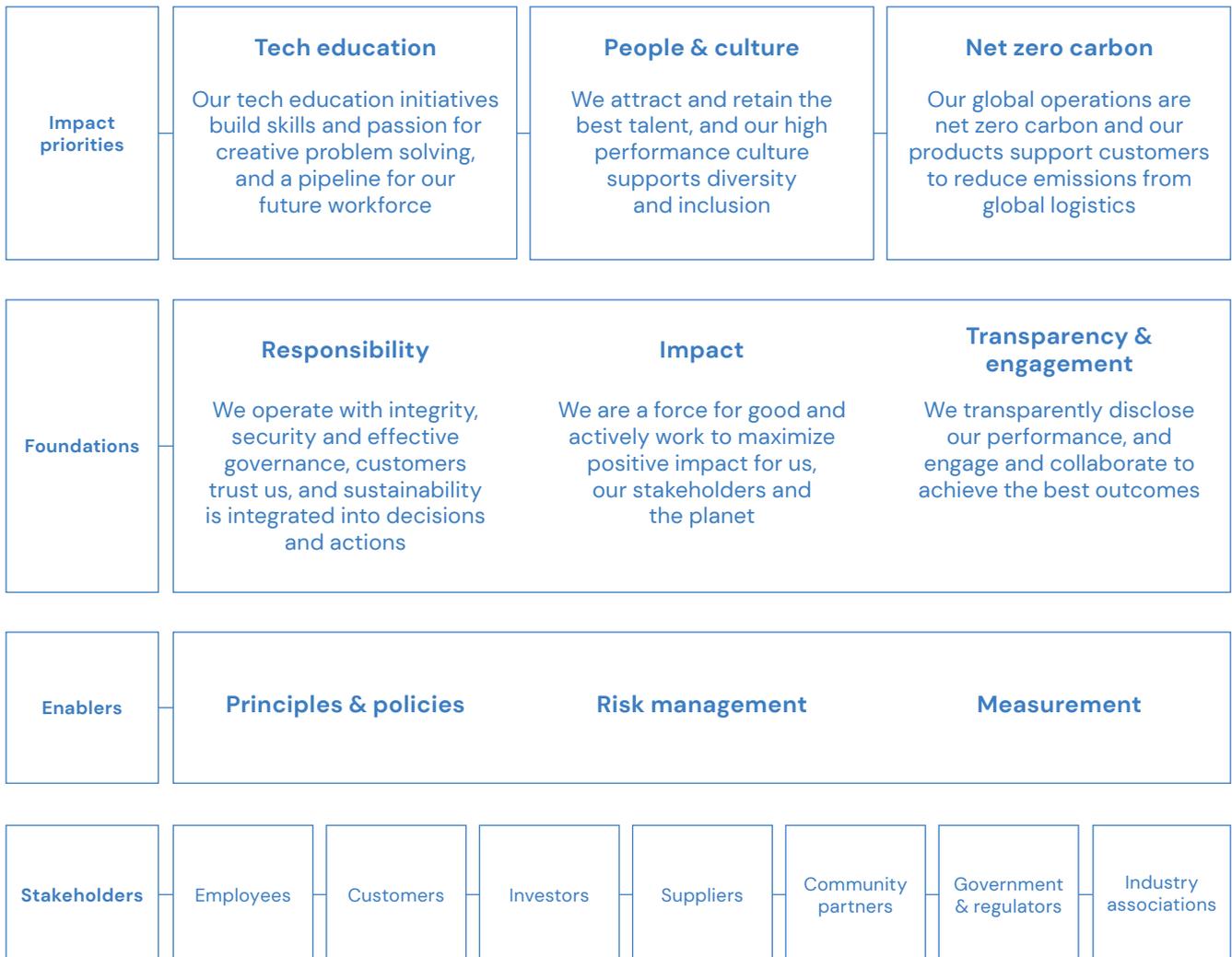
Our sustainability ambition is to be a force for good; improving productivity, connectivity and resource usage across global supply chains.

During the year, we developed a Sustainability & ESG framework which sets out our strategic objectives in three impact priority areas. These are underpinned by strong foundations and enablers.

Our framework sharpens our focus on the impact priority areas of tech education, people and culture, and net zero carbon. For WiseTech, these are both value drivers for our

business and important, long-term challenges for which WiseTech can help lead and drive solutions. It is also designed to embed sustainability across our business through the foundational principles and ensure enablers are in place to improve our long-term sustainability.

Sustainability & ESG framework and strategic objectives



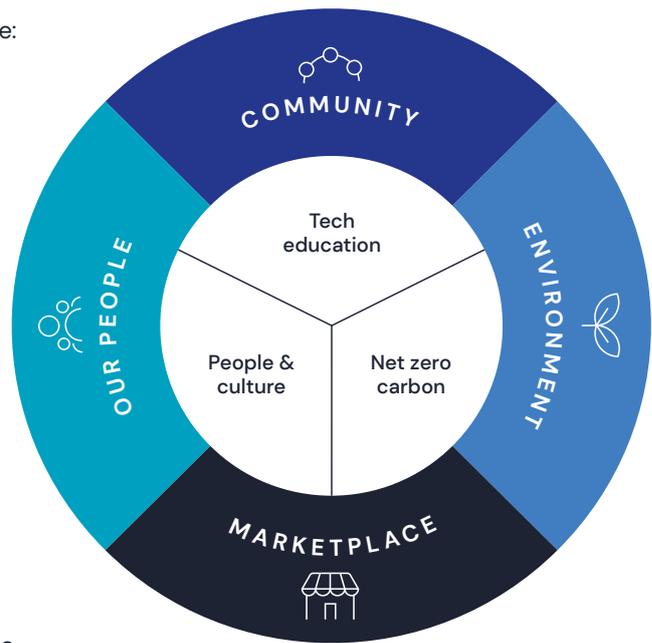
The priority impact areas map to the four pillars we use in this report to communicate our sustainability performance: Our People, Community, Environment and Marketplace.

Key ESG topics

Each year, we conduct a materiality assessment in line with the Global Reporting Initiative Standards (GRI Standards) to identify the sustainability issues that are most important to our stakeholders and the long-term sustainability of our business.

This year, we conducted a comprehensive materiality assessment. We engaged directly with stakeholders to identify and prioritize key ESG topics.

Bolded topics in the table below represent the areas which are most important to our surveyed stakeholders and our business. Our performance in these areas is discussed in the relevant sections in this report and the Corporate Governance Statement. Our management approach to these topics is set out in the Sustainability section of our website.



OUR PEOPLE	COMMUNITY	ENVIRONMENT	MARKETPLACE
Diversity and inclusion	Community engagement	Climate change and decarbonization	Business continuity and resilience
Health, safety and wellbeing	Education and skills	Environmental management	Data security and privacy
Learning and development	Responsible sourcing		Fair and ethical business
Talent attraction and retention			Products and customer

We manage our impacts across a broad spectrum of ESG topics, to meet both regulatory requirements and stakeholder expectations. As we expect these issues to evolve over time, we are committed to periodic reviews of our ESG topics and continue to regularly engage with our stakeholders.

Stakeholder engagement and industry participation

Stakeholder engagement is key to our approach to sustainability. We have a number of different stakeholders we engage with in various ways on a regular basis. We also continued to partner with industry associations around the world during the year.

To read more about how we engage with our stakeholders and our industry association memberships, visit the Sustainability section of our website.

Sustainability governance

WiseTech’s Board Charter sets out 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 reflects 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.



The Board and its committees were updated on sustainability-related matters during the reporting period. Discussions this year covered topics including data privacy and security, talent attraction and retention, diversity and inclusion (D&I), climate change, and WiseTech's sustainability disclosures.

The Chair and CEO 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.

This year, we developed new Sustainability and ESG Principles, which guide how we integrate ESG considerations into the way we work and support the delivery of our Sustainability and ESG framework. Adopting the approach set out in our principles embeds sustainability considerations into our decision making and operations, contributing to a more sustainable future and creating long-term value for our stakeholders.

WiseTech's Sustainability and ESG team reports to the Chief Financial Officer. Day-to-day management of sustainability-related risks and opportunities is coordinated by the Sustainability & ESG Team and led by the Senior Management Team and relevant business leaders. The Audit & Risk Committee also monitors these risks and opportunities as part of the Enterprise Risk Management process.

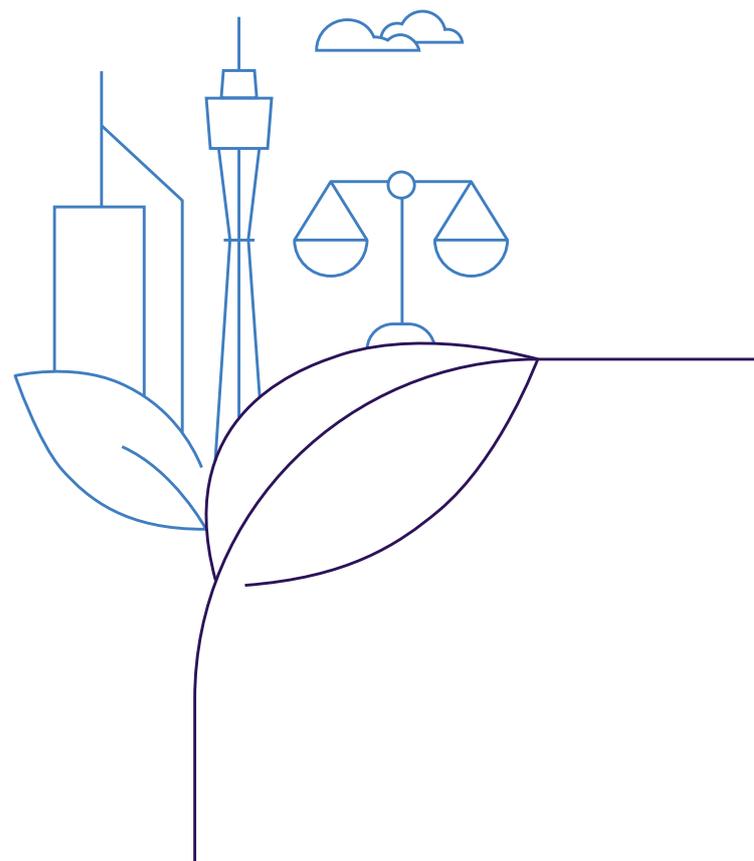
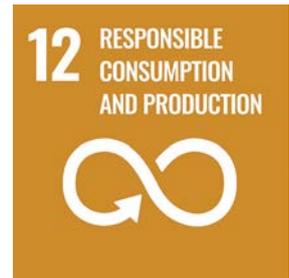
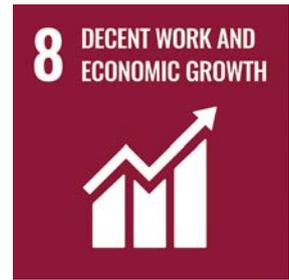
A number of cross-functional working groups, covering topics including climate resilience, D&I, modern slavery, information security and education, support further progress in our sustainability agenda.

WiseTech'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.

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 2022 to 30 June 2023.

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 wisetechglobal.com/who-we-are/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 your feedback. 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.

Our workforce

We are a global, diverse business and we are growing in a sizeable way every year.

Our focus on bringing in new senior software engineers and people with technical skills, coupled with the strategic acquisitions of Blume and Envase, saw our overall team size grow by 53% to 3,026 talented people across 58 offices around the world at 30 June 2023.

In addition to our new colleagues from Blume and Envase, we welcomed 622 new hires during FY23. We focused on hiring senior software engineers into our core technical hubs in Australia, China, USA and India to support future growth and innovation. At the same time, we are building the next generation of leaders and mentors to support the development and growth of our future interns and students. Our total employee turnover rate remains low at 7.8%, down from 11.8% last year, with a voluntary turnover rate of 6.0% this year, down from 9.7% in FY22.

We are proudly a product-led business. This year, we saw the number of our people working in product design and development roles grow by more than half, growing to account for 60% of our workforce.

More than half of our people are based in the Asia Pacific region, with strong hiring into our Nanjing tech hub this year. The number of employees based in India and the United States also grew as our new colleagues from Blume and Envase joined the WiseTech team.



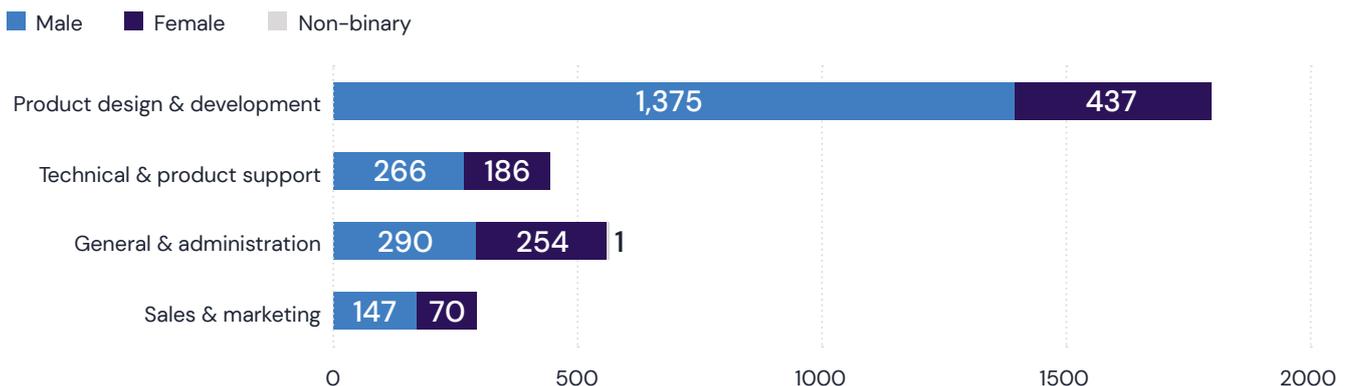
“Coming from a different culture, I’ve always felt welcomed and accepted at WiseTech. You don’t feel judged because you speak a different language or because you’re from a different background. WiseTech makes people feel comfortable, which means you actually perform better and can be the best version of yourself.”

Andy Li, Senior Software Engineer

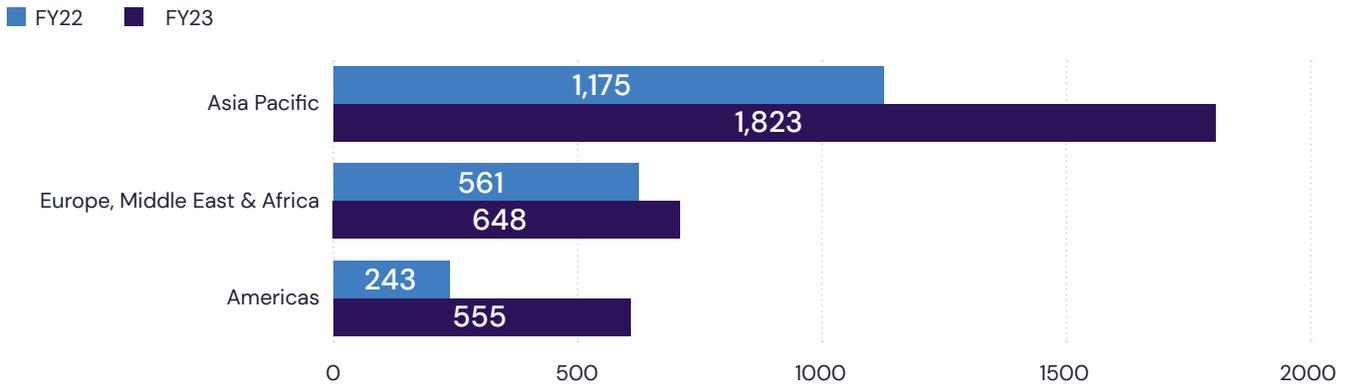


Female representation across our workforce was up from 30% to 31% of our overall workforce. See the Diversity and Inclusion section of this report for more information.

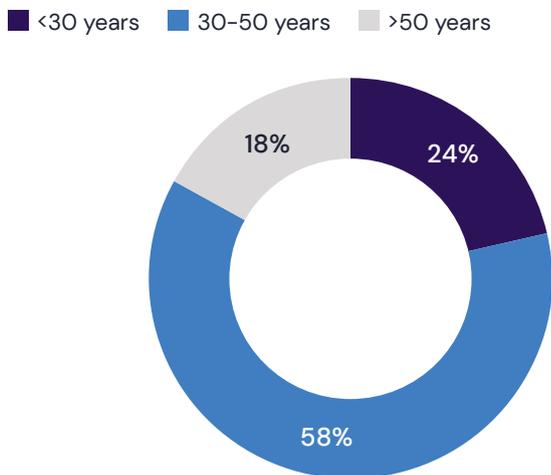
FY23 WORKFORCE BY FUNCTION & GENDER



WORKFORCE BY REGION



FY23 WORKFORCE BY AGE



Talent attraction and retention

At WiseTech, our people are one of our greatest assets and are an integral enabler of our strategy.

The rewarding nature of the work our people do, combined with our supportive culture, means we are able to attract and retain talented and curious minds. Working at WiseTech provides an opportunity to solve complex problems facing the logistics industry, an important industry which has a real impact on people’s daily lives around the world. Working to solve these real-world challenges is repeatedly raised by our team members as a reason they enjoy working at WiseTech. Our team members also tell us they value the flexibility WiseTech provides, both in terms of career development and working pattern. 95% of 2023 Pulse engagement survey respondents said they can work productively in their current hybrid working environment. Our flat hierarchy and inclusive culture are also highly valued, with nearly 90% of survey respondents saying WiseTech values diversity and inclusion.

We continued our proactive, ‘always on’ hiring approach to recruitment this year.

We saw strong growth in inbound job applications, which we attribute to our expansion into new markets and employer brand marketing campaigns. Interest from high-value tech talent in becoming a part of our growing, profitable business continued, with 622 new hires joining WiseTech during FY23. We’re building on strong foundations as we continue to grow, retaining team members with a low voluntary turnover rate of 6%.

Despite the seemingly favorable market conditions due to redundancies and hiring freezes in the global technology industry, we remained firmly focused on hiring for retention and quality over quantity.

We maintained high levels of employee engagement, as monitored through our employee pulse survey in January 2023. Results were shared with the whole company and in-depth feedback was shared with leaders to support the continuous improvement of our employee experience.

To read more about our management approach to attracting and retaining talent, please visit the Sustainability section of our website.

Employee equity

We recognize the important role remuneration plays in both attracting and retaining talent. We focus on motivating and retaining our people in a sustainable way for our business through a mix of cash and equity remuneration to cultivate a long-term value-creation mindset. To learn more about our remuneration framework, please read our Remuneration Report.

As at 30 June 2023, our employee equity plan has covered employees in over 25 countries. The plan was opened to employees based in China during FY23.

Excluding our recent acquisitions of Blume and Envase, 85% of our employees held shares or share rights as at 30 June 2023. Employees from Blume and Envase will be eligible to join our employee equity plan during FY24.





“It’s a really fun working environment where I get to collaborate with other people who also enjoy coding and programming. They give us real projects to work on, so I really feel like I’m learning things at WiseTech that I can use at uni and in my work.”

**Shenaya Mirando, Associate Software Engineer
Earn & Learn Program**

Attracting the best and the brightest

We continued to work closely with high-ranking universities to support talented technology students to gain experience in industry and build our brand awareness as an employer of choice. During the year, we had partnerships with universities in place at our three main development hubs in Australia, China and India.

We also launched our new Earn & Learn program, which combines work at WiseTech and part time university study.

While working at WiseTech, students study a specially crafted blend of University of Technology Sydney (UTS) coursework, content delivered through our own WiseTech Academy, and on-the-job training, leading to the completion of a Bachelor of Computing Science degree in four years.

Through this program, we are supporting computing undergraduates to hit the ground running by combining academic theory with real-world application in a work setting.

Students who complete the program receive a competitive salary, a superannuation contribution, and an annual grant of remuneration equity, and participate in a bonus scheme which is attached to academic performance. They are also given access to a range of benefits including mentor programs, learning platforms, personal wellness tools and flexible working practices.

Our first cohort of 30 students joined our business in 2023, and our ambition is for the program to expand considerably in scale over the coming years.

In addition to our Earn & Learn students, we hosted more than 20 student interns during the year in our Sydney and Nanjing offices who came to us independently or via university partnerships. Interns at WiseTech are placed into our main rotations program to build experience across different teams before being carefully embedded into a team and provided with mentoring. To learn more about our innovative rotations program, visit the Sustainability section of our website.

Many interns go on to join WiseTech, making this an important pipeline for future talent. This year, 13 former interns became employees of WiseTech.

We continued with partnerships to raise awareness of WiseTech with high-potential young programmers at university level through the UTS Tech Fest and UTS Programming Society, as well as the International Collegiate Programming Competition (ICPC).

To reach high school students we continued our membership of Explore Careers, a student careers platform used by careers advisors and teachers.



“I think what makes us different in terms of what we do versus other businesses is that we offer the opportunity to really build your career and make it what you want to be. For example, every new technical person who comes in goes through our six-month rotation program and gets to explore different teams. That’s not something that every company gives people a chance to do but it helps people find where in the business they want to be and we, as a company, are willing to put that time into them.”

Fi McNicoll, People and Talent Operations Leader



During the period this provided thousands of schools with information about WiseTech, our student programs, and careers in technology. We again supported BiG Day In and BiG Day In Junior career events as a Titanium sponsor. During the year, more than 3,250 students from across Australia had the opportunity to learn about careers in technology and get a feel for university life by attending career events at local universities. WiseTech interns and team members attended these events and presented to attendees, helping inform students who are making decisions about their future. These events provide an opportunity to promote our internship and Earn & Learn programs.

Our Shape Your Career campaign this year focused on WiseTech as an employer of choice for tech talent. Combined with a wider ramp-up of our recruitment activity, we saw a significant growth in the number of unique and overall user visits to the careers and job openings pages on our website and a significant uplift in job applications to WiseTech following the campaign.

We also continued our partnership with Xceptional, a recruitment agency specializing in neurodivergent talent. Working with Xceptional has enabled us to effectively hire talented neurodivergent team members who have brought a unique set of skills and perspectives to our teams, in turn helping us become a more inclusive and innovative workplace.



Beyond our product design and development team this year we continued to develop our Graduate Program for accountants within our Finance team. The program builds comprehensive knowledge and skills in finance, as well as the skills and tools required to succeed in the workplace. Participants in the program rotate through various teams in the Finance department every six months over a three-year period.

Hybrid working

We continue to operate a hybrid rhythm for our teams globally. Our approach is less about 'doing a day's work in the office', and more about coming to the office with purpose – creating opportunities for team members to connect with their teams and integrate into our culture, to enhance learning and development opportunities, and facilitate collaboration.

Productivity of our product development teams has remained high over the year as we continued our hybrid working approach. We first noticed an increase in productivity when remote working began at the start of the COVID-19 pandemic, and this continued during FY23 based on the number of coding units completed and checked in to our code store.

We create meaningful reasons to encourage people to want to come into the office, such as for code review sessions for our software developers, mentoring, business updates from senior leaders, and more informal activities to foster social interaction and personal wellbeing.

During the year, we focused on creating office environments that support engaged and productive teams. We completed 12 moves from traditional long-term leases to flex spaces around the world. These spaces prioritize community-making through wellness spaces, event programs and cafes, while providing appealing work environments with flexibility to scale.



“There are so many talented people here. You get the opportunity to learn something new from all different people, whether it's technical, communication skills, leadership skills, you get to learn something new every day.”

Pouya Abadi, Software Engineering Team Leader



Learning and development

We have a strong learning culture at WiseTech and we are not afraid to develop and push ourselves to be better. We pride ourselves on our culture of learning, collaboration, and continuous development and we work hard to improve ourselves, our colleagues, our teams, our products, and our business. 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.

To read more about our management approach to learning and development at WiseTech, visit the Sustainability section of our website.

During the year, our people across Australia, China, India, Philippines, Singapore, and the United States participated in leadership training programs. We launched our new leadership program, Leadership Foundations (LeaF), which combines our previous leadership programs into one. The program is designed for people who have been in leadership roles for less than five years and is focused on developing essential leadership skills to build and run strong teams.

Key elements of both technical and leadership training at WiseTech are delivered through peer-to-peer mentoring. We train people in how to mentor colleagues, which enhances effective onboarding of new technical team members and acts as a stepping stone towards leadership roles for existing team members. This year, 100 team members completed our mentor training program across locations including China, Europe, India and Australia.

When new developers join WiseTech, they rotate through three different teams during their first six months. This provides the opportunity to learn more about our business, and also helps new hires find the area best suited to their skills and abilities. This year, over 300 software engineers and product specialists took part in the rotations program.

We are committed to providing our people with opportunities to expand their knowledge and learn new skills. This year, more than 25,000 training hours were completed by WiseTech team members, an increase of nearly 30% on FY22. This included:

- ✔ more than 2,000 hours spent by team members on courses that teach logical thinking to problem solve or enhance productivity
- ✔ over 2,800 hours of self-paced learning via LinkedIn Learning
- ✔ online mental resilience training to over 100 team members through specialist provider Ripen, including to our undergraduate employees who are part of our Earn & Learn program
- ✔ piloting new beginner and intermediate English language workshops with team members based in Asia, Europe and South America, with a focus on conversational English skills.

We strengthened training to support diversity and inclusion during the year.

This included a bespoke half-day training course for team members from recruitment, training and product teams to support neurodiversity in the workplace. We updated our Managing Bias in People Decisions course and made this available on our WiseTech Academy platform, opening access beyond People Leaders to all team members. This year, completion of this course became mandatory for People Leaders and our People and Talent teams. Read more about diversity and inclusion below.

Diversity and inclusion

We know that diverse teams unlock innovation, allowing us to find and solve deep problems for the market and for our customers. We want everyone within the global WiseTech community to feel welcomed, valued and able to bring their authentic selves to work.

To read more about our approach to diversity and inclusion (D&I), visit the Sustainability section of our website.

Our work on D&I is guided by our D&I Principles and supported by an internal cross-functional working group which includes executive sponsors from our Senior Management Team. Our People & Remuneration Committee oversees D&I at WiseTech, including gender pay equity, gender diversity in the workforce and organizational practices in support of diversity and inclusion.

This year, we introduced a dedicated D&I section on our intranet where our people can access information about our approach to D&I in multiple languages and resources about D&I from our partner organizations including Pride in Diversity and Pink Elephants.

Throughout the year we also recognized and elevated the many ways in which our global workforce is diverse through initiatives including:

- ✔ hosting workshops across multiple time zones to help team members learn how to be an ally for the LGBTQ+ community and promote safety and inclusion in partnership with ACON's Pride in Diversity
- ✔ recognizing Neurodiversity Celebration Week by sharing resources to help our people increase their understanding and work towards creating an inclusive workplace environment for those who are neurodivergent
- ✔ an internal communications campaign to drive better cross-cultural communication by sharing practical tips and webinars on indirect and direct communications and navigating common differences across cultures.



Gender

Gender balance is a focus area of our D&I work. Both software and logistics are male-dominated industries which present challenges in increasing the representation of women in technical and senior roles in our business.

Female representation across our business increased across all functions this year. Overall female representation grew by 1% this year to 31%. Our product design and development, technical and product support, and general and administration functions increased representation by 2%, and by 3% in our sales and marketing function. We also increased our hiring rate for females, up by 3% this year.

Our gender targets were to reach female representation of 30%+ on the Board, 20%+ of senior managers and 30%+ of our workforce. This year, 31% of senior managers¹ were female, with 31% female representation across our overall workforce. The percentage of female Directors reduced to 29% during FY23 as a consequence of retirements from the Board. The Board will take this gender diversity objective into account in assessing future recruitment plans.

Our target for female representation at senior manager level has increased to 30%+ for FY24 onwards.

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.

We have undertaken internal pay equity analysis since FY20 and lodge our annual gender data and metrics with the Australian Workplace Gender Equality Agency (WGEA) which is available at wgea.gov.au

We are focused on ensuring gender pay equity across roles. This year, we continued to provide transparency of pay budget review spend by gender for People Leaders as part of our pay review processes, and allocated a dedicated budget to support leaders

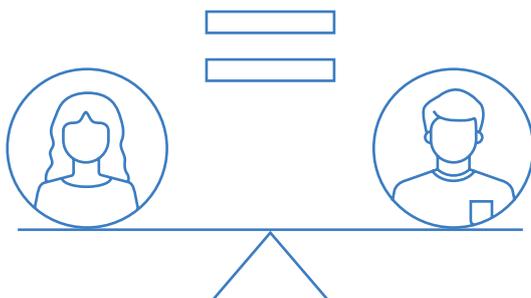
in addressing identified pay equity gaps. We remain focused on decreasing our pay gap and working to increase female representation in our industry.

Implementation of our policies related to D&I continued this year. During this year, our Paid Domestic and Family Violence Policy was introduced in 10 further locations, and we saw an increase in the number of people taking Parental Leave.

We became a Workplace Program Partner of Pink Elephants, an Australian charitable organization supporting early pregnancy loss and miscarriage. We hosted a panel discussion with Pink Elephants on pregnancy and infant loss awareness, exploring the prevalence of these types of loss, and the deep and different ways they might impact a person.

We continued to raise the visibility of our female team members globally to highlight to other women the opportunities at WiseTech. Our content showcased WiseTech team members of all genders, seniorities and functions to inspire women who may be considering joining the tech industry. Around International Women's Day, we profiled female WiseTech team members from around the world who shared their stories about why they chose a career in technology and how we can get more young women into tech careers.

This year, we became sponsors of the Women in IT society of the University of New South Wales (UNSW) based in Sydney, Australia. The sponsorship includes careers fairs, career guides and a mentoring program. The sponsorship allows us to raise WiseTech's profile among female IT students and connect us with high-potential graduate talent.



"It's a real privilege to be a mentor in Women In IT's 2023 Empowerment Mentoring Program. The thoughtfulness, curiosity, and eagerness to learn displayed by the students left a lasting impression on me."

Alison Caldicott,
Head of Marketing & Digital



¹ Senior managers are determined by assessing the role, scope and responsibilities of manager with reporting levels CEO-1 and CEO-2. Improved data access has enabled refinements to the population being measured. This methodology was updated in FY23. See Corporate Governance Statement on page 56 for updated FY22 data.



Health, safety and wellbeing

At WiseTech, safety is everybody's responsibility. We take safety in the workplace seriously and work to ensure the health, safety and wellbeing of all our people.

To read more about our approach to health, safety and wellbeing, visit the Sustainability section of our website.

During the year, we embedded our Workplace Hazards and Incidents process as a critical Work Health Safety (WHS) system.

Through this system, all team members can raise incidents or hazards they may identify within the workplace, which includes our offices, at home, working remotely in other locations or when traveling for work purposes. Where incidents or hazards are identified, investigations are conducted, and preventative and corrective actions are identified and managed through to completion.

We're committed to providing a safe workplace for our people. This year, we refreshed our People Leader training on workplace behavior, psychosocial safety and inclusion. Our Directors also completed psychosocial safety training this year.

We maintained our focus on employee wellbeing this year. We marked World Mental Health Day by celebrating how our people protect their mental health and introduced Wellness Wednesdays for team members in our Sydney HQ, with activities such as meditation and yoga sessions, pottery workshops and nutritious brunches.

As part of a range of team member activities for R U OK Day, an annual national campaign in Australia in support of mental health and suicide prevention, we held a 'Coffee and Connection Break'. During the session, team members were provided with tips and tools to have meaningful conversations about our mental health.

We continued this theme by holding virtual global coffee breaks throughout the year. Led by our Wellbeing Working Group, the sessions provided an opportunity for team members to get to know others around the world in a fun and relaxed setting.

Our Employee Assistance Program (EAP) provider delivered a series of wellbeing webinars for our people around the world, covering topics including hobbies for mental and physical health, making connections in work and life, and tips for taking care of your body during the workday by doing deskercise.



Community



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



"WiseTech is a company that creates enormous value. The purpose of a company can't be just profit, it's got to be something more meaningful. Our social responsibility, particularly around education, is beneficial to society but also for WiseTech's long term."

Richard White, Executive Director, Founder and CEO



Tech education

Tech education is one of three sustainability impact priorities for the business.

The strategic objective for our tech education initiatives is to build skills and passion for creative problem solving, and a diverse pipeline for our future workforce. We believe digital literacy is essential for the employability of tomorrow's workforce in an increasingly digitized economy. This matters for the continued growth and success of WiseTech and for the careers of the next generation.

During the year, we continued our partnership with Grok Academy, an Australian not-for-profit educational organization. Through this partnership, WiseTech contributes 1% of pre-tax profits to Grok Academy annually. Grok Academy's mission is to educate all learners in transformative computing knowledge, skills and dispositions, empowering them to meet the challenges and seize the opportunities of the future.

Our partnership with Grok enables allows us to:

- ✓ make the Grok Academy learning platform completely free for all learners and teachers in Australia, widening access to all classrooms across the country and overcoming budgetary hurdles for many schools; and
- ✓ support the development of a next-generation technology platform and content to meet the varied and evolving needs of diverse learners and educators.

During this financial year our funding was primarily used by Grok to expand its workforce of educators and developers to maintain, grow and promote the existing online learning platform. Next year will involve research and development for the next-generation learning platform, including engagement with key stakeholders in the education system, government and not-for-profits in the education space.

Since access to the Grok Academy learning platform was made free through our sponsorship of Grok, there has been a notable increase in the number of students using the platform. During the first half of the 2023 Australian school year, there was a 78% increase in the number of students accessing Grok Academy. The number of participating institutions was 54% higher, and 50% more teachers were using the learning platform during this six-month period compared to the same period in 2022.

We continued our long-standing support of the NCSS Summer School, a summer residential program in both Sydney and Melbourne for senior high school students with a strong passion for computer science which is run by Grok Academy. Our sponsorship enables the program to run at low cost for students and their families and also involves WiseTech developers as industry mentors.

In January, we hosted a half-day site visit in our Sydney office for over 60 students on the NCSS Summer School, supported by WiseTech volunteers from across our business. WiseTech Founder and CEO Richard White addressed the students about his journey into tech and shared his advice with the group, before students took part in a logistics-themed challenge and chatted with WiseTech team members over lunch.

Social enterprise procurement

We are committed to maximizing our positive impact and embedding sustainability across all areas of our business. One of the ways we can have a positive impact is through our purchasing decisions. During the year, we spent more than \$64,000 on services with social enterprise suppliers in the community in which we are headquartered. This includes working with purpose-driven suppliers to provide some of our everyday services.

Catering is a part of our everyday operating costs, and working with social enterprise providers is a simple way to deliver positive social impacts in our key communities by using our spend for good.

In early 2023, we began working with Two Good Co and Plate it Forward to provide monthly event catering in our Sydney office. Both organizations are social enterprises – a special type of business which trades for social or environmental purposes. Both businesses train and employ vulnerable and marginalized people across Sydney, with a respective focus on women experiencing domestic violence and refugees. They also donate high-quality meals to people in need across Sydney and internationally.

During the year we ran two team member Lunch and Learn events at our Sydney office, providing an opportunity for hundreds of team members to hear directly from the founders of both organizations and ask questions about their mission, and how we work with their businesses.

Our ambition is to seed this approach through our global team moving forward.

Team member charitable donations

WiseTech recognizes the importance of giving back to the community and supporting those in need.

During the year we partnered with Ripen, one of our training providers, to collect and donate over 300 gifts and toys to St Vincent de Paul Society-operated refuges for women and children escaping domestic violence or experiencing homelessness.

We continued to match donations made by team members to charities providing humanitarian support in response to war in the Ukraine. During the period we donated over \$43,000 to the United Ukraine Appeal, matching the value of team member donations.



Environment

We design products that improve productivity, connectivity and resource usage across the global supply chain and are committed to minimizing the environmental impact of our operations.

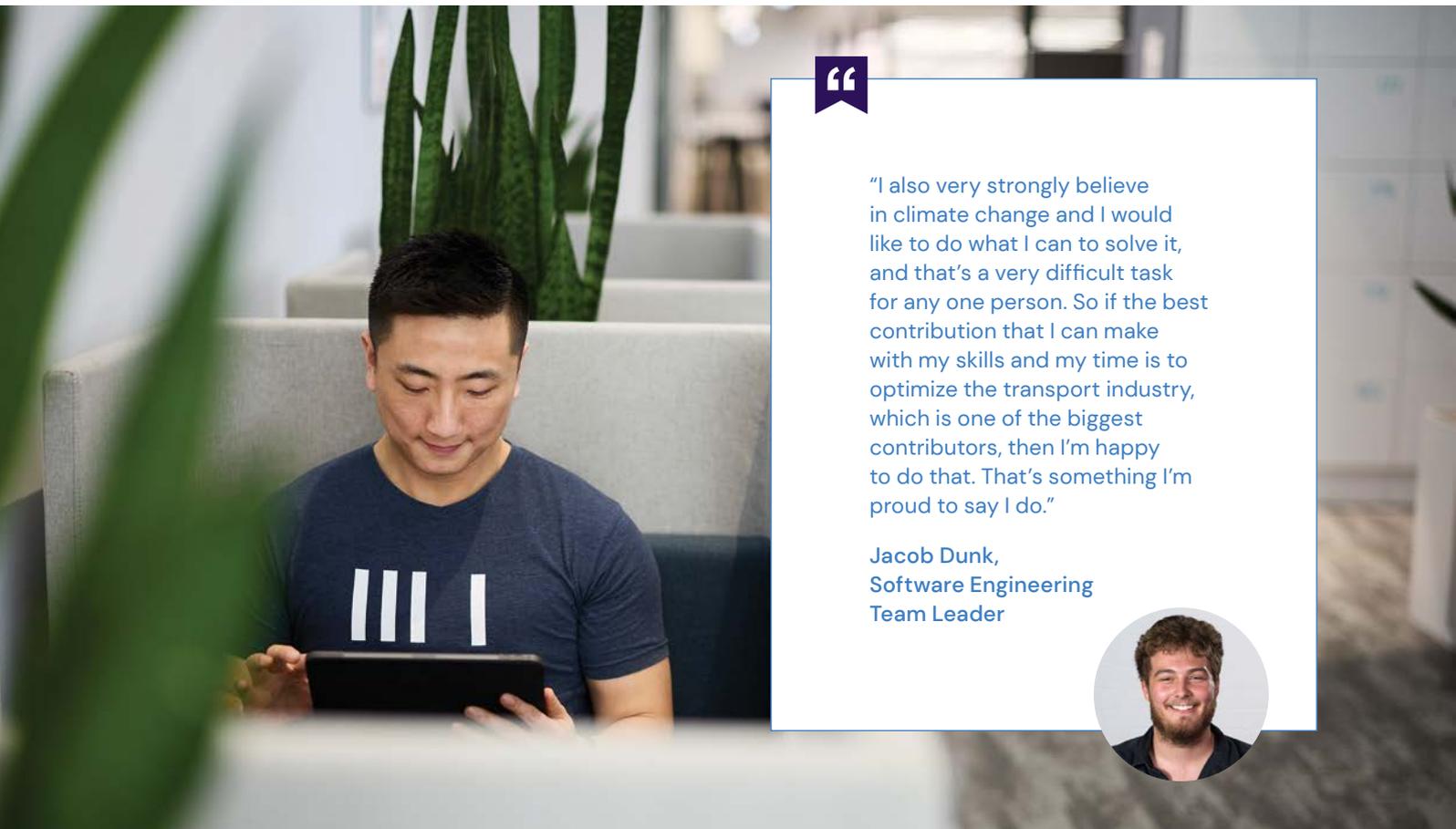
We continue to invest in research and development to deliver efficiencies that reduce the environmental footprint of our customers. This includes the ability for our customers to utilize our cloud-based, centralized data centers, removing inefficient self-hosted energy intensive environments, and CargoWise software updates that streamline customer logistic routes.

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 progress

We remain committed to achieving net zero global operations¹. We continued to explore opportunities to switch to low or no emissions electricity and onsite renewable generation at our larger sites during the year, and this work is ongoing.

This year, we have expanded our emissions inventory to include Scope 3 emissions from business travel, employee commuting and working from home. This is an important step on our net zero journey which improves our understanding of, and enables us to identify opportunities to reduce, emissions across our value chain.



“I also very strongly believe in climate change and I would like to do what I can to solve it, and that’s a very difficult task for any one person. So if the best contribution that I can make with my skills and my time is to optimize the transport industry, which is one of the biggest contributors, then I’m happy to do that. That’s something I’m proud to say I do.”

Jacob Dunk,
Software Engineering
Team Leader



Emissions ¹

Our FY23 Scope 1 and 2 (market-based) GHG emissions from our business operations were 3,381 tCO₂e, an increase of 3% on FY22. The majority of our emissions continued to come from electricity used to power, heat and cool our data centers and offices.

Our Scope 2 emissions remained steady in FY23, growing by 2% on FY22. Electricity consumption increased in our data centers in Australia and the United States to meet our growing business needs. Electricity consumption continued to be the largest contributor to our operational emissions footprint.

Our Scope 1 emissions represented 7% of emissions from our direct operations in FY23. We continued to develop our emissions inventory this year, with improved reporting of fuel use accounting for an increase in Scope 1 emissions.

We measure our emissions intensity as Scope 1 and 2 tCO₂e per \$M dollar (AUD) of revenue generated. This year, as our business continued to grow and revenue increased while our overall operational emissions remained steady, our emissions intensity reduced from 5.20 tCO₂e in FY22 to 4.14 tCO₂e this year.

This year, we began the journey of measuring our Scope 3 emissions in accordance with the Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standards.

We begin with reporting emissions in selected Scope 3 upstream emissions categories, which are indirect GHG emissions related to the production of the goods and services we purchase.

In FY23, our Scope 3 emissions were 4,585 tCO₂e. These emissions were from business travel, employee commuting and working from home.

Our focus moving forward is to continue to develop our Scope 3 inventory, while identifying opportunities to reduce emissions across our value chain.

See our Performance data tables on page 48 for our complete GHG inventory.

Offsets

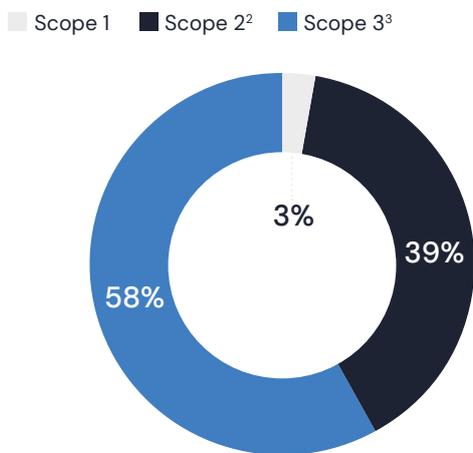
We offset our FY23 Scope 1 and 2 emissions using a mixed portfolio of offsets from cool fire projects conducted at Arnhem Land in Australia’s Northern Territory, and wind power projects in southern India and the United States. These offsets are aligned to the Emissions Reduction Fund, Clean Development Mechanism and Verified Carbon standards.

More information about the offsets we purchased can be found in the Sustainability section of our website.

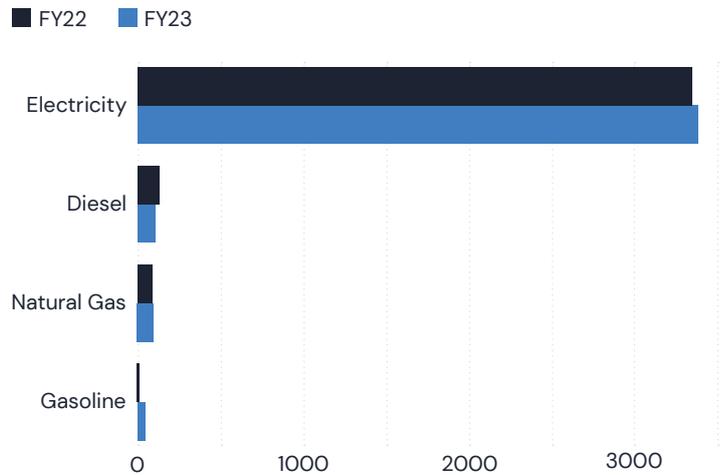
13
CLIMATE
ACTION

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

FY23 GHG EMISSIONS (tCO₂e)



SCOPE 1 & 2 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.

² Market-based emissions.

³ Emissions from business travel, employee commuting and working from home.



Energy

During FY23, we operated or leased 58 offices and workspaces across nearly 30 countries around the world, including three data centers in Australia, the United States and Europe.

Our total energy consumption during FY23 was 7,542MWh or 27,152 gigajoules, up 10% on FY22.

Indirect energy in the form of electricity, heating and cooling was again the greatest source of energy consumed to operate our business, accounting for 86% of energy consumed. Electricity consumption increased in FY23 by 8%. We continued to see an increase in the number of people returning to work in our offices around the world following COVID restrictions, which resulted in increased energy consumption in some locations.

We continued to improve our data collection and calculation methodologies. This year, we have used proxies and data extrapolations to create a more fulsome energy consumption record for sites in which electricity-based heating and cooling occurs.

We use natural gas to heat some of our buildings and water, diesel to run backup generators, and gasoline and diesel to fuel company-owned or operated vehicles, and this accounted for 14% of our energy consumption during the period. Reporting improvements account for the increase in stationary diesel use this year. Transport fuel consumption for vehicles which WiseTech Global owns or operates in its European businesses has increased slightly on FY22, with a minor decrease in diesel fuel offset by an increase in gasoline fuel.

We remain committed to increasing our purchase of low or no emissions sources of electricity across our operations over time to reduce emissions, alongside initiatives to improve our energy efficiency.

This year, 10% of our electricity was sourced from renewable or no emission sources. The majority of this renewable electricity is used at our data center in Europe, which uses 100% renewable electricity.

Waste

This year, the main sources of waste for WiseTech again included electronic equipment used by our employees in offices, office waste, and packaging.

During the period we recycled almost 6,000kgs of e-waste from our offices in Melbourne, Sydney and York. This included laptops, PCs, monitors and servers. An additional 1,224kgs of equipment was refurbished for reuse.

This year, we undertook a waste audit to better understand the waste footprint for our Sydney headquarters. The audit provided insights into the quantity and types of rubbish typically produced in a day by team members in our office floor and kitchen bins. We used the insights gained from the audit by bringing in an additional recycling service, modifying bin locations and installing signage to improve waste separation and reduce waste going to landfill. The insights will also be used to design an internal communication campaign to build team members' understanding about waste disposal and recycling.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



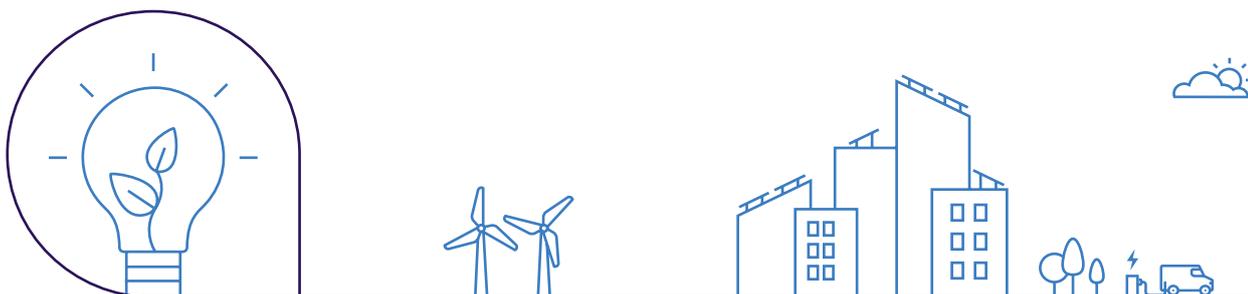
Our e-waste recycling partnership reduces waste to landfill and drives reuse of equipment

Environmental compliance

As a software business in the IT sector, our environmental footprint is relatively low compared to other industries.

We continued to monitor and manage existing and emerging risks that our business activities may pose to the environment. We are subject to federal, state and local regulations and laws globally, and we have procedures in place to ensure that we are compliant with applicable environmental regulations in the jurisdictions in which we operate.

There were no significant instances of non-compliance with environmental laws during the reporting period.





Marketplace



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

Data security and privacy

WiseTech places information security at the forefront of its operations and culture, recognizing that safeguarding sensitive information is not only a legal and regulatory obligation but also a fundamental responsibility to our customers, employees and stakeholders.

We prioritize continuous education and training for our workforce, deploy state-of-the-art security technologies, conduct regular risk assessments, and maintain robust incident response protocols to ensure a resilient and proactive approach to addressing cyber threats and maintaining the trust of those we serve.

We have a structured, proactive approach to managing information security risks, using a strong internal set of data protection controls. These include access controls, encryption, network segregation, network traffic inspection and secure storage. This is overlaid by a program of continuous monitoring, collection and secure storage of audit and access logs, patching, threat protection and vulnerability detection processes.

Our architecture philosophy is founded upon the principles of defense-in-depth, proactive threat mitigation, continuous monitoring, and a risk-based approach to safeguarding data and systems. We prioritize the implementation of robust security controls, adherence to industry best practices, and a culture of security awareness to ensure the confidentiality, integrity, and availability of our organization's critical information assets.

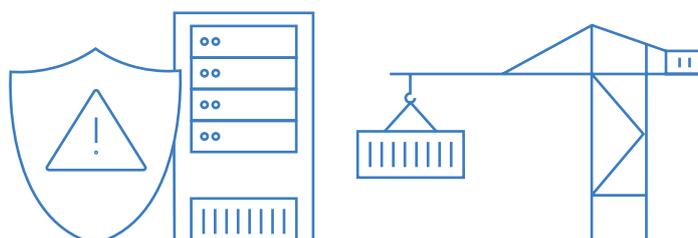
During the period, our Board Directors were kept up to date via monthly reporting on key metrics, compliance and projects, and via biannual presentations on information security.

This year, we continued to hold quarterly meetings of our Information Security Committee (ISC). Co-chaired by CEO Richard White and our Head of Information Services, during ISC meetings members review internal and external environments that may affect our business or our customers, and establish strategies and objectives to meet current and new risks. The Committee also regularly reviews industry trends, legislative and regulatory changes, and information security threat intelligence updates. Our threat intelligence is gathered from a variety of different sources including our partnership with the Australian Cyber Security Centre (ACSC) and its Cyber Threat Intelligence Sharing (CTIS) program.

We manage risks associated with cybersecurity threats via our Enterprise Risk Framework, in alignment with ISO 31000 (Risk Management). Our Information Security Risk Management Framework guides the assessment of risks and associated controls by systematically identifying potential threats and vulnerabilities, evaluating their potential impact on our organization's assets, and determining the appropriate risk response strategies.

Through a collaborative and iterative process, we prioritize risk treatments, implement effective controls, and regularly review and update our security measures to adapt to evolving threats and ensure the ongoing protection of sensitive information and systems.

In FY23, we maintained our ISO 27001 information security management systems certification and successfully achieved SOC 1 and SOC 2 attestations. We align to the NIST Cybersecurity Framework, OWASP and ACSC Essential Eight, and to standards published by the Center for Internet Security (CIS). These highly



regarded and globally recognized programs provide assurance to our customers that there are appropriate controls in place to protect WiseTech and its customer data from unauthorized or inappropriate collection, retention, use, disclosure, modification or destruction.

During the year, we ran cyber-attack simulations to test and improve our internal incident response processes. Together with annual business continuity planning, disaster recovery and crisis management simulations, this serves to prepare our teams for the many variations that a cyber-attack may take.

We continued our work to keep our people aware of cybersecurity threats during the year. We conducted regular phishing awareness campaigns to provide staff with the knowledge to identify phishing via a range of avenues, including business emails. These campaigns complement our security and data protection training, which is mandatory for all WiseTech employees and contractors.

During Cybersecurity Awareness Month, our Information Security team promoted awareness and guided team members on how to take control of their online lives, and reaffirmed WiseTech’s internal security policies, procedures and relevant best practices.

Business continuity and resilience

The performance, reliability and availability of our technology platform, data centers and global communication systems are critical to our business.

Our Business Continuity Framework is designed to minimize the likelihood and impact of potential interruptions. It is focused on ensuring that maximum possible service levels are maintained and that we recover from interruptions as quickly as possible.

It covers our crisis management response, business continuity planning, incident response and disaster recovery planning. Plans within this framework are reviewed and tested frequently, and controls related to continuity of service are continually assessed, and where necessary, modified and improved as the internal and external environment changes.

Resilience is supported by operating separate data centers in three distinct regions around the world to reduce reliance on any individual data center, and we have processes in place to automatically replicate data. Our global network of operational centers provides 24/7 365 support internally to enhance continuity. Our technology framework provides for segregation of data, backups stored on independent infrastructure and critical access monitoring.

Our Incident Management Procedure governs the logging, monitoring, escalation and resolution of incidents. Implementation of this process is supported by incident management plans and playbooks. Critical systems are tested regularly to ensure we can meet and respond to critical incidents. In the case of major incidents that could disrupt activities for an unacceptable period of time, a Disaster Response Plan as part of the Business Continuity Plan may be put into action by WiseTech’s Disaster Recovery Team.

Product innovation

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.

Innovation and productivity are key areas of focus for the business. During the year 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 45% to \$261.9 million, reflecting an expected step up in R&D investment and hiring for future growth. As a result of our significant R&D investment we delivered 1,130 new product enhancements on the CargoWise application suite.

This year our product development function grew to represent 60% of our total workforce, with 39 product development centers, including centers of excellence in Bengaluru and Nanjing.

8

DECENT WORK AND ECONOMIC GROWTH

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



Training the industry

WiseTech Academy (WTA), a Registered Training Organization in Australia, was established in 2018 to help improve the skills and knowledge of supply chain logistics professionals.

The WTA team works with experts to develop and offer courses covering a wide range of topics from freight forwarding to biosecurity. This year, the number of corporate clients utilizing private portals on our learning management system to manage their own corporate training, including a combination of WTA courses and their own courses, increased from 50 in June 2022, to 160 in June 2023. During the year, more than 13,400 courses were completed by external users via WiseTech Academy, an increase of 37% on the previous year.

WiseTech Academy is also a learning management system for CargoWise users. During FY23, an average of nearly 100,000 product-related learning videos were accessed on our platform each month and the number of certified CargoWise users increased by more than 60%.



We achieved a significant milestone by becoming the first provider to receive International Air Transport Association (IATA) accreditation for a course delivered entirely online, for our course on preparing and receiving dangerous goods by air.

We launched the WiseTech Diploma in International Freight Forwarding, offering a chance for newcomers to the industry to gain formal education on freight forwarding, and for experienced professionals to further enhance their knowledge and skills. The Diploma covers all modes of transport and deepens knowledge in important topics such as greenhouse gases in the global supply chain, information technologies, risk and safety.

We continued our formal and informal partnerships with a number of industry bodies during the year including the International Federation of Freight Forwarders Associations (FIATA), The International Air Cargo Association (TIACA), Freight Trade Alliance (FTA), the Supply Chain & Logistics Association of Australia (SCLAA) and Global Shippers Forum (GSF).

During the year we established new links with several industry groups including the Airforwarders Association (USA), South African Association of Freight Forwarders, Customs Brokers and Forwarders (NZ) and Malaysian Institute of Freight Forwarders.

Modern slavery and human rights

We take seriously the assessment and management of modern slavery risk in our operations and supply chain.

Modern slavery is an umbrella term and includes human trafficking, slavery, servitude, forced labor, forced marriage, debt bondage, child labor and deceptive recruitment for labor or services.

As outlined in our Human Rights Principles, we will not engage in, nor support the use of, coercion, threats or deception of individuals for commercial gain. WiseTech may avoid or cease working with suppliers or businesses that are known to engage in modern slavery.

We manage this topic through activities including but not limited to corporate policies, supplier labor code of conduct, supplier due diligence and mandatory annual modern slavery training for all team members.

During the year, we revisited our modern slavery risk assessment with the support of an independent expert advisor. Our advisors reviewed our modern slavery risk assessment and worked with our Modern Slavery Working Group to refine and update the risk assessment. This refined risk assessment will strengthen our risk management activities on modern slavery.

We produce a Modern Slavery Statement annually on our website as required by Australian and UK law. Our next Modern Slavery Statement will be published later in 2023 and provide detail on the risk assessment and our key risk areas.

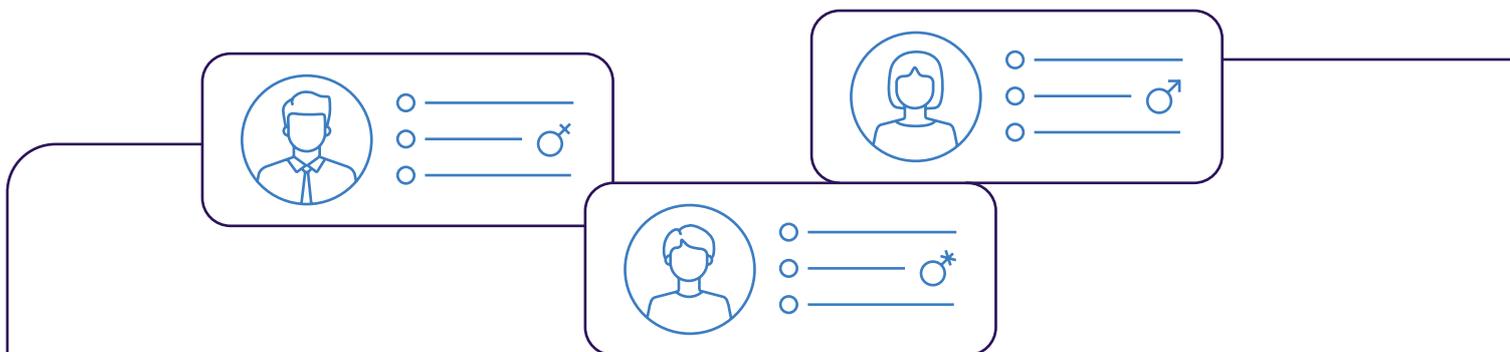
FY23 Performance data tables

The data selected and reported in the Sustainability Report allows stakeholders to assess WiseTech’s sustainability performance in key areas for our business. The data covers the performance and activities over which WiseTech had operational control during all, or part of, the year ended 30 June 2023.

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	2023			2022			2021		
Total employees	3,026			1,979			1,860		
Employment type	M	F	N-B¹	M	F	N-B¹	M	F	N-B¹
Permanent	1,944	914	1	1,296	569	2	1,221	539	2
Temporary	134	33	0	80	32	0	66	32	0
Full time or part time									
Full time	2,024	870	1	1,326	532	2	1,253	509	2
Part time	54	77	0	50	69	0	34	62	0
Contractors									
Contractors by gender ²	93	33	2	63	22	0	57	29	0
Gender									
Total workforce by gender	69%	31%	0%	70%	30%	0%	69%	31%	0%
Function³									
Product design & development	1,812			1,076			995		
% workforce	60%			54%			53%		
	M	F	N-B¹	M	F	N-B¹	M	F	N-B¹
By gender	76%	24%	0%	78%	22%	0.1%	N/A	N/A	N/A
Technical & product support	452			345			361		
% workforce	15%			17%			20%		
	M	F	N-B	M	F	N-B	M	F	N-B
By gender	59%	41%	0%	61%	39%	0%	N/A	N/A	N/A
General & administration	545			403			333		
% workforce	18%			20%			18%		
	M	F	N-B	M	F	N-B	M	F	N-B
By gender	53%	47%	0.2%	54%	45%	1%	N/A	N/A	N/A
Sales & marketing	217			155			171		
% workforce	7%			8%			9%		
	M	F	N-B	M	F	N-B	M	F	N-B
By gender	68%	32%	0%	71%	29%	0%	N/A	N/A	N/A



1 Non-binary data represents employees who have self-selected to disclose this as their gender identity.
 2 FY23 contractors by gender excludes four contractors where gender is not recorded.
 3 Gender split by function available from FY22 onwards. Percentages may not add due to rounding.



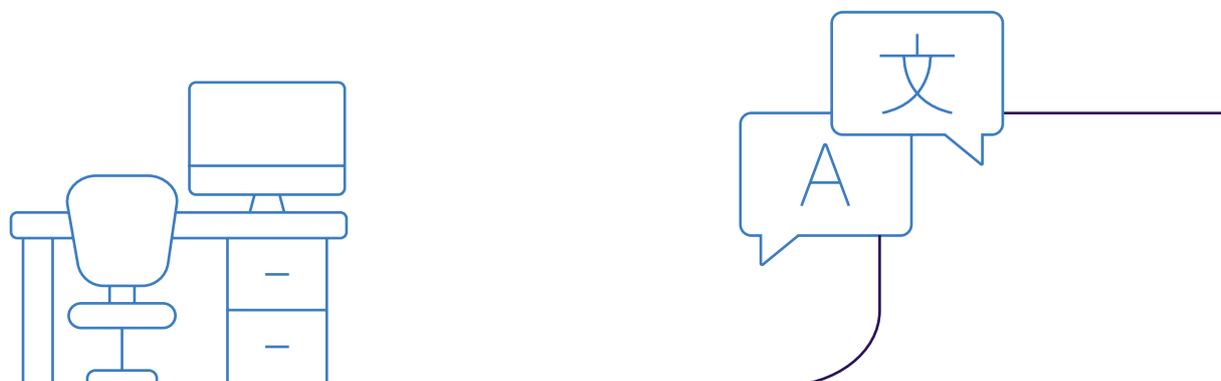
Metric	2023	2022	2021
Region¹			
Asia Pacific	1,823	1,175	1,019
Permanent	1,667	1,077	N/A
Temporary	156	98	N/A
Contractors	73	64	N/A
Full time	1,757	1,118	N/A
Part time	66	57	N/A
Europe, Middle East and Africa (EMEA)	648	561	594
Permanent	637	548	N/A
Temporary	11	13	N/A
Contractors	24	12	N/A
Full time	590	504	N/A
Part time	58	57	N/A
Americas	555	243	247
Permanent	555	242	N/A
Temporary	0	1	N/A
Contractors	35	9	N/A
Full time	548	238	N/A
Part time	7	5	N/A
Age			
Total workforce			
<30 years	24%	17%	17%
30-50 years	58%	61%	62%
>50 years	18%	21%	21%
Board			
<30 years	0%	0%	0%
30-50 years	0%	0%	0%
>50 years	100%	100%	100%
Senior Management Team²			
<30 years	0%	0%	0%
30-50 years	47%	46%	54%
>50 years	53%	54%	46%
Technical workforce			
<30 years	29%	20%	19%
30-50 years	57%	62%	63%
>50 years	15%	18%	18%



1 Permanent, temporary and contractor data by region reported from FY22 onwards

2 For a list of our Senior Management Team visit the WiseTech website [wisetechnology.com/investors/senior-management-team/](https://www.wisetechnology.com/investors/senior-management-team/)
Includes Executive Directors.

Metric	2023			2022			2021		
Recruitment and retention¹									
Total new hires	622			347			152		
	M	F	N-B²	M	F	N-B²	M	F	N-B²
New hires by gender	433	189	0	252	95	0	120	32	0
% total workforce	14%	6%	0%	13%	5%	0%	6%	2%	0%
New hire by age group									
<30 years	9%			7%			4%		
30-50 years	11%			9%			4%		
>50 years	1%			1%			0%		
New hire by region									
Asia Pacific	444			15%			7%		
EMEA	70			2%			1%		
Americas	108			1%			0%		
Turnover¹									
Total turnover	8%			12%			21%		
Voluntary turnover	6%			10%			11%		
Involuntary turnover	2%			2%			10%		
Turnover by gender³									
	M	F	N-B²	M	F	N-B²	M	F	N-B²
% total turnover by gender	6%	2%	0%	8%	4%	0%	13%	8%	N/A
Turnover by age group³									
<30 years	2%			3%			4%		
30-50 years	4%			7%			13%		
>50 years	2%			2%			3%		
Turnover by region									
Asia Pacific	5%			7%			9%		
EMEA	2%			4%			8%		
Americas	1%			1%			4%		
Remuneration equity									
% of employee equity ownership ⁴	67%			77%			>70%		
% of eligible employees enrolled in Invest As You Earn (IAYE)	21%			23%			17%		
Learning and development									
Total average training hours ⁵	8			10			N/A		
	M	F	N-B²	M	F	N-B²	M	F	N-B²
Total average training hours per employee ⁵	8	8	N/A	9	13	N/A	N/A	N/A	N/A



1 Percentages may not add due to rounding.

2 Non-binary data represents employees who have self-selected to disclose this as their gender identity.

3 Excludes employees where gender and age was not reported.

4 Includes remuneration equity, bonus equity, sales commission paid in equity, Invest As You Earn (IAYE) share rights and shares that vested from share rights.

5 Data covering a 12 month period. FY23 excludes WiseTech employees from Blume and Envase acquisitions completed in H2 FY23.



Environment

Metric ¹	FY2023	FY2022	FY2021
Greenhouse Gas (GHG) emissions			
Total emissions (tCO₂e)²			
Scope 1	234	212 ³	87.0
Scope 2 (Market-based ⁴)	3,146	3,075 ³	3,100.5
Scope 3	4,585	N/A	N/A
Total carbon emissions by source (tCO₂e)			
Scope 1 emissions			
Stationary fuels	111	83	81
Natural gas	91 ⁵	83	80
Diesel	20	–	1 ⁶
Transport fuels	123	129	6
Motor gasoline / Petrol	43	21 ^{7,8}	6 ⁷
Diesel	81	108 ^{7,8}	N/A
Scope 2 emissions			
Electricity (Location-based)	3,224	3,221 ⁸	3,141
Electricity (Market-based ⁴)	3,058	3,075 ⁸	3,101
Purchased heating and cooling	88	30	N/A
Scope 3 emissions⁹			
Category 6: Business travel ¹⁰	810		
Category 7a: Employee commuting ¹¹	938		
Category 7b: Working From Home (WFH) emissions ^{11,12}	2,837		
Carbon Offsetting (tCO₂e)¹³			
Total offsets retired	3,381	3,328	N/A
Energy – Total energy consumption (MWh)			
Total indirect and direct energy (MWh)			
<i>Indirect energy</i>			
Electricity	6,255	5,802 ⁸	5,324
Purchased heating and cooling	239	91	N/A
<i>Direct energy</i>			
Natural gas	475	453	433
Diesel	399	405 ⁸	4
Motor gasoline/petrol	175	78 ⁸	25
Waste			
E-waste recycled (Kg)	5,927	4,001	208
E-waste refurbished ¹⁴ (Kg)	1,224		

1 Totals and sub totals may not sum due to rounding.

2 Emissions have been calculated in line with the Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standards. 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.

3 Updated following internal data reviews.

4 A market-based method reflects emissions from electricity sources that WiseTech has chosen to purchase.

5 Excludes Milton Keynes office.

6 Excludes diesel consumption in France.

7 Excludes South Korea.

8 Updated following internal data reviews.

9 Scope 3 emissions reported from FY23 onwards.

10 Flights, accommodation and rental cars booked through WiseTech's corporate travel provider.

11 Excludes employees in Norway and United Arab Emirates.

12 Calculated in line with methodology set out in 'Homeworking Emissions Whitepaper' (Skillet & Ventress, 2020). Informed by employee survey responses and includes estimated emissions from powering a home office, heating using natural gas and cooling using electricity.

13 Carbon offsets applied from FY22 onwards. To read more about the offsets we purchase, please see the Environment section of this report and our website.

14 Reported from FY23 onwards.



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. Prior to joining WiseTech Global, Andrew held executive roles and non-executive directorships with both public and private companies. He was the chief financial officer 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) and Bapcor Limited (March 2014 to February 2021), as well as of Alesco Limited, Moorebank Intermodal Company Limited and Vend Limited. Andrew has also served as a senior manager at Ernst & Young (Sydney and London) and Gresham Partners Limited, and as 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 Chief Executive Officer 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 founder and 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 and is Chair of the People & Remuneration Committee. 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. His previous directorships include Doctor Care Anywhere PLC (ASX: DOC) (September 2020 to March 2023), leading data analytics group, Quantum 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 and a PhD from the University of Cambridge. Richard is a Fellow of the Australian Institute of Company Directors and a member of its Corporate Governance Committee. 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. 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 currently a director of Shearwater Capital Pty Ltd and has previously been a director of Monbeef Pty Ltd, Photolibary Pty Ltd and the ASX-listed Health Communication Network Limited.

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 served as the CEO of Russell Private Equity and CEO of Risk Averse Money Managers Pty Ltd, as a director of Morgan Grenfell Australia, and as an associate director of Schrodgers Australia. Charles holds a Bachelor of Science in Mathematics from Otago University and a Master of Commerce (Hons) from the University of Canterbury.



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.

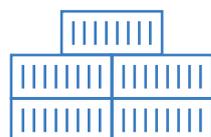
Maree is Head of License Management and is also a Company Secretary at WiseTech Global. Prior to co-founding WiseTech Global, Maree worked at Real Tech Systems Integration and Clear Group.



Michael Malone, Independent Non-Executive Director

Michael joined the Board in December 2021 and is Chair of the Audit & Risk Committee. Michael is an Australian-based entrepreneur, business executive, and professional director with more than 20 years' experience across the technology, telecommunications and media industries. In addition to serving on the Board of WiseTech Global, Michael is currently a non-executive director at ASX-listed Seven West Media Ltd (ASX: SWM) (since June 2015), the National Broadband Network (NBN Co), Health Insurance Fund of Australia (HIF), and Health Engine Ltd. He co-founded and chaired Diamond Cyber Security, from 2015 until its sale to CyberCX in 2020. Michael's previous directorships include the Axicom Group and ASX-listed companies DUG Technology Ltd (June 2020 to August 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 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 holds a Bachelor of Science (Mathematics) and a postgraduate Diploma in Education, both from the University of Western Australia.



About CargoWise
Transforms and optimizes end-to-end logistics processes, putting productivity at the center of everything.

\$850m+ Revenue
60% Profitability
5,300+ Employees

Productivity

#1 of the top 25
Highly innovative and globally leading tech. Competitive.

Power of CargoWise

- ✓ Single platform
- ✓ Clear integration
- ✓ Real-time visibility
- ✓ Complete

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



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 10 October 2023 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 FY23.

WiseTech Global intends to follow all of the ASX Recommendations for the financial year commencing 1 July 2023.

Our governance framework



Board composition

Our Board currently comprises a total of seven Directors — five 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 FY23:

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

Please refer to the Directors' Report (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 Committee 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 the Company.

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, 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, and monitoring corporate culture and management’s promotion of those 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 for implementing 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.

Charles Gibbon is retiring by rotation and intends to stand for re-election at the 2023 AGM. The Notice of AGM will provide information on the Director’s background, skills and experience. The Board considers that Charles Gibbon 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 manager levels and across our organization as at 30 June 2023, and at 30 June 2022, were:

	2023	2022
Board	29%	33%
Senior managers ¹	31%	35%
All employees	31%	30%

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:

- ✓ 30%+ 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 female and not less than 30% male. The percentage of female Directors reduced to 29% during FY23 as a consequence of retirements from the Board. The Board will take this gender diversity objective into account in assessing future recruitment plans.

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 24 to 48).

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 FY23, the Board conducted an internal review of its performance. The Chair sought feedback from the Directors on the performance of the Board including a questionnaire completed by Directors. In addition, each Committee conducted a self-assessment of its performance, including seeking feedback from other Directors and, where appropriate, relevant senior managers.

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 FY23 for the CEO and senior executives shortly after the end of the reporting period.

¹ Senior managers are determined by assessing the role, scope and responsibilities of managers with reporting levels CEO-1 and CEO-2. Improved data access has enabled refinements to the population being measured for 2023 and a restatement of the 2022 outcome.

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](https://www.wisetechglobal.com/investors/corporate-governance)

The Nomination Committee comprised these Directors throughout FY23:

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

Board skills matrix

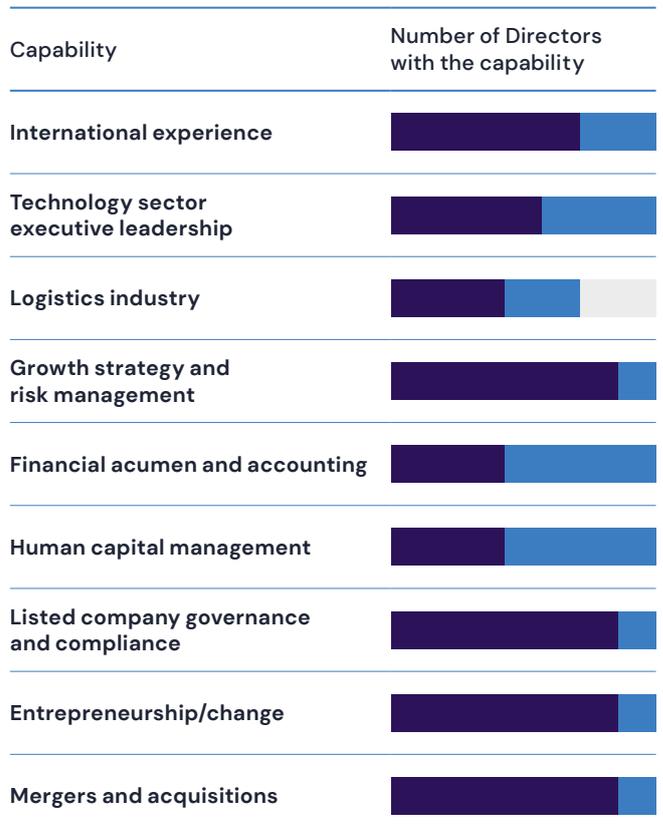
The Board is responsible for Board succession planning, the appointment of new Directors and continuing professional development of Directors. In doing so, it has regard to the balance of skills, diversity, experience, independence and expertise on the Board. The Board uses a skills matrix which identifies 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 entrepreneurial enterprises and 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.



Legend

- High level of skills or experience
- Relevant skills or experience

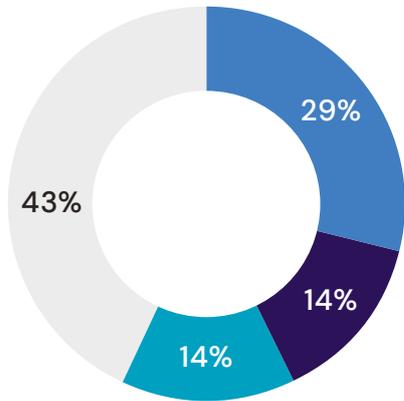


Board tenure and diversity

As at 30 June 2023, these were:

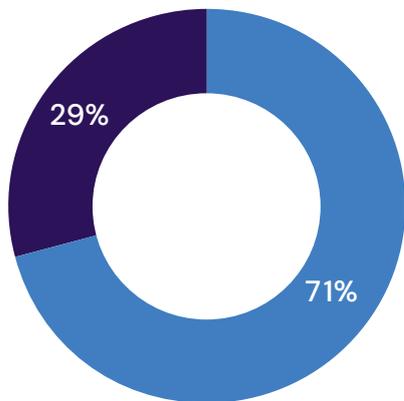
TENURE

■ 0-3 years ■ 3-6 years ■ 6-9 years ■ 9+ years



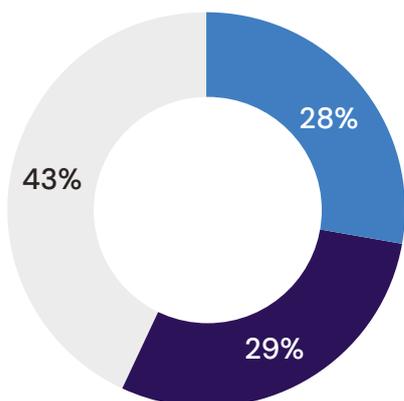
GENDER DIVERSITY

■ Male ■ Female



AGE

■ 45-54 years ■ 55-64 years ■ 65+ years



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 Dammary (Chair of the People & Remuneration Committee), Teresa Engelhard (Chair of the Nomination Committee), Charles Gibbon and Michael Malone (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 5.2% of the Company's issued share capital as at 30 June 2023 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 40% of the Company's issued share capital as at 30 June 2023 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 seven 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. The Board is informed of any material breaches of our Anti-Bribery and Corruption Policy.

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

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;
- liaise with and monitor the performance and independence of the external auditor; and
- review proposed transactions between the Group and its related parties.

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 FY23 is set out below:

- ✓ Michael Malone (Chair);
- ✓ Richard Dammery;
- ✓ Charles Gibbon; and
- ✓ Arlene Tansey, until 23 November 2022.

Michael Malone was appointed Chair of the Committee with effect from 24 November 2022, replacing Arlene Tansey as Committee Chair following her retirement from the Board.

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.

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* (Cth); 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.

Annual General Meeting

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 2023 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: <https://meetings.linkgroup.com/WTC23>

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 voting instructions and 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 FY23 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 2023 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 FY23. 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: [wisetechnology.com/investors/corporate-governance](https://www.wisetechnology.com/investors/corporate-governance)

The People & Remuneration Committee comprised these Directors throughout FY23:

- ✓ Richard Dammery, Chair;
- ✓ Teresa Engelhard; and
- ✓ Michael Malone.

Richard Dammery replaced Teresa Engelhard as Chair of the Committee with effect from 1 April 2023.

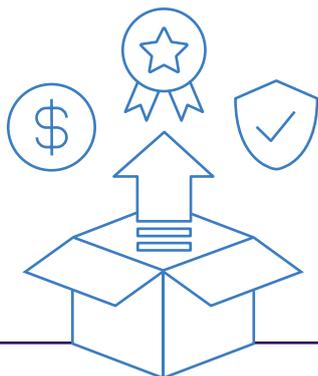
Remuneration Report

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* (Cth) and to protect the reputation of the Company, its Directors and employees.

Our policy establishes trading blackout periods for key employees and Directors. The policy also requires that WiseTech securities acquired under an employee or Director equity plan must never be hedged prior to vesting and that WiseTech securities must never be hedged while they are subject to a holding lock or restriction on dealing under the terms of an employee or Director plan operated by the Company.





Operating and financial review

for the full-year ended 30 June 2023

Review of operations

Principal activities

WiseTech Global is 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 over 17,000 customers in 174 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 Forwarders¹ and 44 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 an average of over 1,000 new product enhancements each year. This drives greater usage of our CargoWise platform, enabling the business to achieve sustainable, profitable growth. Our '3P' strategy – *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, and 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 39 product development centers, including centers of excellence in Bengaluru and Nanjing, and a headcount of over 3,000 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 20 September 2022.

² Based on Armstrong & Associates Inc: Top 50 Global Third Party Logistics Providers List ranked by 2021 gross logistics revenue/turnover – Updated 20 September 2022.

Operating and financial review

for the full-year ended 30 June 2023

Summary of statutory financial performance

During the 12 months to 30 June 2023, we delivered a strong financial performance, with significant growth in revenues and profits, driven by growth from existing and new customers, enhanced operating leverage and ongoing financial discipline.

Revenue increased 29% to \$816.8m (FY22: \$632.2m)

Operating profit increased 18% to \$300.2m (FY22: \$255.0m)

Net profit after tax increased 9% to \$212.2m (FY22: \$194.6m)

Underlying NPAT increased 30% to \$247.6m (FY22: \$189.8m)

Basic earnings per share increased 9% to 64.8 cents (FY22: 59.7 cents)

Summary financial results ¹

	FY23 \$M	FY22 \$M	Change \$M	Change %
Recurring On-Demand License revenue	683.0	491.6	191.4	39%
Recurring One-Time License (OTL) maintenance revenue	101.5	74.2	27.3	37%
OTL and support services	32.4	66.5	(34.0)	(51)%
Revenue	816.8	632.2	184.6	29%
Cost of revenues	(125.6)	(92.5)	(33.0)	36%
Gross profit	691.3	539.7	151.6	28%
Product design and development ²	(185.8)	(142.9)	(43.0)	30%
Sales and marketing	(69.3)	(50.0)	(19.3)	39%
General and administration	(135.9)	(91.8)	(44.1)	48%
Total operating expenses	(391.1)	(284.7)	(106.4)	37%
Operating profit	300.2	255.0	45.2	18%
Net finance income/(costs) ³	0.6	(2.7)	3.3	n.a.
Fair value gain on contingent consideration	0.2	0.1	0.1	150%
Profit before income tax	301.0	252.4	48.7	19%
Tax expense ⁴	(88.8)	(57.7)	(31.1)	54%
Net profit after tax	212.2	194.6	17.6	9%
Underlying NPAT ⁵	247.6	189.8	57.7	30%
Key financial metrics	FY23	FY22	Change	
Recurring revenue %	96%	89%	7pp	
Gross profit margin %	85%	85%	(1)pp	
Product design and development as % total revenue ²	23%	23%	– pp	
Sales and marketing as % total revenue	8%	8%	1pp	
General and administration as % total revenue	17%	15%	2pp	
M&A costs (\$m)	26.4	2.3	24.1	
Capitalized development investment (\$m) ⁶	134.2	83.9	50.3	
R&D as a % of total revenue ⁷	32%	29%	3pp	

1 Differences in tables are due to rounding, see note 2 to the Consolidated financial statements – Rounding of amounts.

2 Product design and development includes \$58.1m (FY22: \$46.0m) depreciation and amortization but excludes capitalized development investment.

3 Net finance income/(costs) includes finance income and finance costs but excludes fair value gain on contingent consideration.

4 Tax expense includes non-recurring tax on acquisition contingent consideration (FY23: \$2.4m, FY22: \$12.8m).

5 Underlying NPAT is Net profit after tax excluding fair value adjustments from changes to acquisition contingent consideration (FY23: \$0.2m, FY22: \$0.1m), non-recurring tax on acquisition contingent consideration (FY23: \$2.4m, FY22: \$12.8m), acquired amortization, net of tax (FY23: \$10.9m, FY22: \$5.8m), contingent and deferred consideration interest unwind, net of tax (FY23: \$0.7m, FY22: nil) and M&A costs (FY23: \$26.4m, FY22: \$2.3m).

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

7 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 2023

Revenue

Total revenue grew by 29% to \$816.8m on FY22 (\$632.2m), with 21% growth being delivered organically¹.

Revenue growth came from:

- increased usage by existing customers, new product features and enhancements, and price increases during the year to offset the impacts of inflation as well as generate returns on product investment;
- new CargoWise customers won in the period and growth from customers won in FY22 and prior, including new Large Global Freight Forwarder (LGFF) rollouts;
- \$42.8m revenue mainly from two strategically significant and two tuck-in acquisitions completed in FY23, all of which are being integrated into the CargoWise ecosystem;
- \$8.2m of favorable foreign exchange (FX) movements (FY22: \$9.4m unfavorable).

Revenue from CargoWise increased by 30% organically on FY22. Overall CargoWise revenue grew by 41% including the benefit of acquisitions and an FX tailwind. Growth was mainly driven by increased CargoWise usage, primarily from major new product releases and price increases during the year to offset the impacts of inflation and generate returns on product investment. CargoWise revenue growth also includes \$42.8m from the above mentioned acquisitions, which are being integrated into the CargoWise ecosystem. \$7.7m of favorable FX was experienced in FY23 (FY22: \$7.4m unfavorable).

In FY23, revenue growth from the CargoWise application suite was achieved across all existing customer cohorts (from FY06 and prior through to FY23).

Revenue from customers on non-CargoWise platforms decreased to \$157.2m (FY22: \$164.9m), driven by expected contraction in non-recurring revenue from acquisitions completed in FY21 and prior years, partially offset by general price increases to offset inflation. Revenue from non-CargoWise platforms included \$0.4m of favorable FX movements (FY22: \$2.0m unfavorable).

Revenue from OTL and support services decreased to \$32.4m (FY22: \$66.5m), reflecting the one-off product license agreement of a CargoWise landside logistics component in FY22 and lower CargoWise customer paid product enhancements in FY23.

Recurring revenue for the Group increased to 96% of total revenue in FY23 (FY22: 89%), with CargoWise recurring revenue growing by 48%, as a result of major new products released in FY22, price increases and recent M&A, as well as an expected contraction from acquisitions completed in FY21 and prior years from OTL and support services as noted above.

The customer attrition rate for the CargoWise application suite remains extremely low at less than 1%, as it has been since we started measuring more than 11 years ago². Our customers continue to 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 FX instruments to hedge against currency movements.

Gross profit and gross profit margin

Gross profit increased by \$151.6m, up 28% in line with revenue growth, to \$691.3m (FY22: \$539.7m) and the gross profit margin remained strong at 85% (FY22: 85%), with revenue growth offsetting dilution from recent M&A.

1 Refers to revenue and EBITDA growth and EBITDA margin adjusted for recent M&A without full period comparisons, foreign exchange impacts, restructuring and M&A costs.

2 Annual attrition rate is a customer attrition measurement relating to the CargoWise application suite (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 2023

Operating expenses

Our strong revenue growth and efficient operating model continues to drive enhanced operating leverage and margin expansion. Our strong financial discipline resulted in overall operating expenses as a % of revenue remaining flat on FY22 at 45% excluding M&A costs.

Total R&D investment: In FY23, 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 45% to \$261.9m (FY22: \$180.8m), reflecting an expected step up in R&D investment and hiring for future growth. This increase was partially offset by the planned reduction in non-CargoWise platforms and resulting cost reductions. In FY23, 32% of total revenue was reinvested in R&D (FY22: 29%), with the investment more heavily weighted to CargoWise R&D than in previous years.

Product design and development expense increased by 30% to \$185.8m (FY22: \$142.9m), reflecting:

- an expected increase in investment in CargoWise innovation and development, partially offset by decreasing cost to support non-CargoWise platforms;
- increased investment in hiring and retaining high-quality talent globally; and
- increased amortization, primarily due to continued capitalized development investment.

Capitalized development investment increased to \$134.2m (FY22: \$83.9m), driven by increased investment focused on WiseTech's six key development priorities. Overall percentage of R&D capitalized was 51%, up 5pp on FY22, and above our target range of 40%–50%. This is projected to be close to the top of our target range in the medium-term and reflects the acceleration of new strategic development priorities which have higher capitalization rates, driven by favorable hiring conditions.

As a result of our significant R&D investment, in FY23 we delivered 1,130 new product enhancements on the CargoWise application suite, bringing total product enhancements delivered on the CargoWise application suite in the last five years to over 5,300. This was moderated by a focus on larger long-term products and features, a number of new features that are in pilot with customers, as well as increased work on core optimization which benefits all customers and drives future price increases and usage growth.

Sales and marketing expense increased to \$69.3m (FY22: \$50.0m), mainly driven by our M&A activity, and reflecting our targeted focus on the Top 25 Global Freight Forwarders and top 200 global logistics providers.

General and administration expense increased to \$135.9m (FY22: \$91.8m), representing 17% of total revenue (FY22: 15%), primarily driven by a \$24.1m (FY23: \$26.4m; FY22: \$2.3m) increase in M&A costs. Excluding M&A costs, general and administration expenses were 13% of revenue in FY23 (FY22: 14%), reflecting ongoing financial discipline.

Net finance income

Other net finance income in FY23 of \$0.6m (FY22: \$2.7m net finance costs) included \$7.1m of finance costs (FY22: \$4.1m), comprising interest expenses and debt facility fees. Finance income of \$7.8m (FY22: \$1.4m) was due to interest income generated from cash balances and the benefit of rising interest rates.



Operating and financial review

for the full-year ended 30 June 2023

Cash flow

We continued to generate strong positive operating cash flows, demonstrating the strength of our highly cash-generative operating model. Operating cash flow was up 28% on FY22 to \$433.3m, with net cash flows from operating activities of \$380.5m (FY22: \$306.7m). Free cash flow of \$291.4m was up 23% on FY22.

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

- \$114.7m 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 (FY22: \$75.4m);
- \$27.2m in assets mostly related to data center capacity expansion, and IT infrastructure investments to enhance scalability, reliability and security (FY22: \$26.8m); and
- \$740.1m for two strategically significant acquisitions, two tuck-in acquisitions, and contingent payments for prior acquisitions (FY22: \$3.4m).

Dividends of \$41.6m (FY22: \$26.5m) were paid in cash during FY23, with shareholders choosing to reinvest an additional \$0.9m of their dividends via the dividend reinvestment plan.

Our closing cash balance of \$143.0m, in addition to our undrawn, unsecured, \$250m bi-lateral debt facilities as at 30 June 2023 supported by six banks, provides significant financial headroom.

Product strategy and integration progress

Our vision is to be the operating system for global logistics. Our focus is on six key development priorities, being landside logistics, warehouse, Neo, digital documents, customs and compliance, and international eCommerce. We continue to invest significantly in our own 'in-house' R&D and capabilities which enables us to fast track the expansion of CargoWise's functionality. 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.

Our organic growth is supplemented by an inorganic growth strategy focused on tuck-in and strategically significant acquisitions to accelerate CargoWise product development and ecosystem reach. Since our IPO in 2016, we have completed 45 acquisitions, including two further tuck-ins in 1H23 in Bolero and Shipamax. The integration of both businesses, their respective technologies and teams into the CargoWise ecosystem is progressing well.

In early 2H23, we completed the acquisitions of Envas Technologies and Blume Global, leading providers of landside logistics solutions in North America. These acquisitions are strategically significant for WiseTech, extending and strengthening our position in one of our six key product development priorities. Expanded landside logistics capabilities is a logical adjacency in the supply chain process for WiseTech, extending our core customer proposition and addressable market. Moving forward, we will continue to evaluate further tuck-in acquisitions as well as larger, strategically significant acquisition opportunities where there is a compelling strategic rationale.

Operating and financial review

for the full-year ended 30 June 2023

FY23 strategic highlights

We are focused on our vision by creating breakthrough products that enable and empower the supply chains of the world. We are extending the reach of our 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.

- We now have 47 LGFFs with global rollouts ‘Contracted and In Progress’¹ or ‘In Production’², including 11 of the Top 25 Global Freight Forwarders. In FY23, we secured six new global rollout contracts with NTG Nordic Transport Group, IFB International Freightbridge, BBL Cargo, OEC and EMO Trans and our first global customs rollout, with Kuehne+Nagel.
- We also added two global rollouts organically through increased adoption of CargoWise with DB Group and Maersk³.
- We signed our first global customs rollout with the world’s largest freight forwarder, Kuehne+Nagel in 1H23, and have continued our momentum after period end with FedEx confirming they intend to rollout global customs alongside their global freight forwarding rollout.
- After period end, we also signed a global rollout with APL Logistics.

Throughout FY23, we continued our extensive product development program, investing \$261.9m and 60% of our people in product development. CargoWise product development resources increased by 96% in FY23, driven by strategically significant acquisitions, new hire recruitment and transfers from non-CargoWise teams, delivering 1,130 product enhancements to the CargoWise application suite. We also made significant progress on our customs & compliance and warehouse solutions, which provides our customers with a global solution with multi-jurisdiction and multi-language capability that automates processes to deliver significant efficiency benefits.

In FY23, we completed two strategically significant acquisitions in Envas and Blume, and two tuck-in acquisitions in Bolero and Shipamax, with their revenue contribution included in total CargoWise revenue for the full year.

Post balance date events

Since period end, the Directors have declared a fully franked final ordinary dividend of 8.40cps, representing a 31% increase on the FY22 final dividend of 6.40cps. The final dividend is payable on 6 October 2023 to shareholders registered as at 11 September 2023 and represents a payout ratio of 20% of Underlying NPAT.

Effective today, the Board has updated the Company’s dividend policy, with the target payout ratio now up to 20% of Underlying NPAT, from up to 20% of NPAT previously.

Outlook for 2024

FY24 guidance is provided on the basis that market conditions do not materially change, and reflects current trends in supply chain volumes, noting that changes in industrial production and/or global trade (both favorable and unfavorable) may impact guidance.

Subject to the assumptions set out in the WiseTech Global FY23 Results presentation, the Company currently anticipates FY24 revenue of \$1,040 million–\$1,095 million (representing revenue growth of 27%–34%) and EBITDA of \$455 million–\$490 million (representing EBITDA growth of 18%–27%).

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’.

3 Maersk acquired Senator, LF Logistics, Martin Bencher and Pilot Freight Services. Maersk, [A unified Maersk brand](#), 27 January 2023.



Five year financial summary¹

	FY19 \$M	FY20 \$M	FY21 \$M	FY22 \$M	FY23 \$M
Recurring On-Demand License revenue	249.8	309.2	383.0	491.6	683.0
Recurring OTL maintenance revenue	57.8	72.8	75.1	74.2	101.5
OTL and support services	40.7	47.4	49.4	66.5	32.4
Revenue	348.3	429.4	507.5	632.2	816.8
Cost of revenues	(66.7)	(83.5)	(85.6)	(92.5)	(125.6)
Gross profit	281.6	345.9	421.9	539.7	691.3
Operating expenses					
Product design and development ²	(84.2)	(115.4)	(128.9)	(142.9)	(185.8)
Sales and marketing	(47.7)	(62.3)	(50.3)	(50.0)	(69.3)
General and administration	(69.5)	(87.7)	(92.9)	(91.8)	(135.9)
Total operating expenses	(201.3)	(265.4)	(272.1)	(284.7)	(391.1)
Operating profit	80.2	80.5	149.8	255.0	300.2
Finance income	1.9	3.1	1.4	1.4	7.8
Finance costs	(7.3)	(12.9)	(5.5)	(4.1)	(7.1)
Fair value gain on contingent consideration	1.6	111.0	2.2	0.1	0.2
Profit before income tax	76.4	181.8	147.9	252.4	301.0
Tax expense	(22.3)	(21.0)	(39.9)	(57.7)	(88.8)
Net profit after tax	54.1	160.8	108.1	194.6	212.2
Key financial metrics					
Recurring revenue %	88%	89%	90%	89%	96%
Gross profit margin %	81%	81%	83%	85%	85%
Product design and development as % of total revenue ²	24%	27%	25%	23%	23%
Sales and marketing as % of total revenue	14%	15%	10%	8%	8%
General and administration as % of total revenue	20%	20%	18%	15%	17%
Capitalized development investment (\$m) ³	46.9	74.2	78.3	83.9	134.2
Total R&D as a % of total revenue ⁴	32%	37%	33%	29%	32%

1 Differences in tables are due to rounding, refer to Rounding of amounts in note 2 to the Consolidated financial statements included in this report.

2 Product design and development includes \$58.1m (FY22: \$46.0m, FY21: \$40.1m, FY20: \$30.5m, FY19: \$18.1m) 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 the notable highlights in our people and culture initiatives from FY23.

Our global team was critical to our strong performance in FY23, aligning with our long-term strategic goals and immediate financial targets. This success has further enhanced WiseTech's position as a leader in the global logistics software sector, as we continue to harness synergies from our acquired entities worldwide. This has not only increased our free cash flow but also fueled investments in product development and our dedicated workforce.

Thanks to the concerted efforts of our people, your company has enjoyed a strong year, achieving and surpassing the financial targets set by the Board at the beginning of the year, including the KPIs below:

- 29% growth in revenue to \$816.8m vs \$755m to \$780m target
- 21% growth in EBITDA to \$385.7m vs \$385m to \$415m target
- 39% growth in recurring revenue to \$784.4m which now represents 99% of CargoWise revenue and 96% of total revenue.

In light of these accomplishments, and additional achievements, the PRC believes that the remuneration outcomes for this financial year reflect the alignment between compensation and performance, considering our position in the global market.

In FY23, we made strategic investments to strengthen our people, culture, and organization:

Global culture, attraction, and retention:

- We significantly expanded our R&D capacity, welcoming 622 new hires in the year, with a focus on senior software engineers and technical experts.
- Our strategic acquisitions of Blume and Envase, coupled with an emphasis on recruiting senior software engineers and technical experts, led to a 53% increase in our team size, totaling 3,026 talented individuals across 58 global offices as of 30 June 2023.
- In addition to organic growth, the integration of new team members from acquisitions, including Blume, Envase, Bolero, and Shipamax contributed to this substantial growth.
- We achieved remarkable team member retention, with only 6% voluntary attrition in FY23, down from 9.7% in FY22.

University engagement:

- We continued our collaboration with universities in Australia, India, and China to cultivate connections with promising entry-level talent for software engineering roles.
- We launched our new Earn & Learn Scholarship Program, allowing students entering their first year of university to combine working at WiseTech with part-time university study at the University of Technology Sydney (UTS).

Health, safety & workplace:

At WiseTech, we prioritize safety in the workplace, ensuring the health, safety and wellbeing of all our team members.

In FY23, we made significant strides in this area by embedding our Workplace Hazards and Incidents process as a critical component of our Work Health Safety system. We also implemented a global grievance process.

Throughout the year, we dedicated ourselves to creating office environments that foster engaged and productive teams. We transitioned from traditional long-term leases to flexible spaces in 12 locations worldwide. These spaces prioritize community-building while offering attractive work environments that can adapt to our evolving needs.

Learning:

- Team members devoted more than 2,000 hours to courses focused on logical thinking, problem-solving and productivity enhancement.
- Over 2,800 hours were invested in self-paced learning through LinkedIn Learning.
- We provided scaled resilience training to over 100 team members including our undergraduate employees participating in the Earn & Learn program.
- This year we piloted English language workshops, benefiting team members in Asia, Europe and South America.

Remuneration structures:

Given our robust company performance and our ability to attract and retain exceptional talent, the PRC affirms that our carefully designed remuneration structure remains well-suited to our needs. Therefore, no significant changes are planned for FY24.

Founder and CEO Richard White continues to receive a fixed remuneration, as he owns more than 36% of WiseTech's issued share capital and does not receive performance-based incentives. The CEO and the Board will continue to set annual financial KPIs and company-wide KPIs, focusing on long-term strategic and operational drivers. The CEO will also continue to set and assess individual KPIs for the executive team, which may evolve throughout the year and are subject to Board oversight.

Excluding our recent acquisitions, Blume and Envase, over 85% of our global workforce holds WiseTech equity in the form of shares and/or share rights (up from 75% in FY22). This underlines our commitment to aligning team members' interests with the Company's success.

The substantial investments made in products, people, and culture during FY23 will further our strategic vision of becoming the operating system for global logistics. We are excited that the benefits of WiseTech's accomplishments this year will extend well beyond FY23 for our global team, customers, and shareholders. We invite you to review the Remuneration Report and welcome your questions and feedback.

Sincerely,

Richard Dammery (Chair), Teresa Engelhard and Michael Malone
– People & Remuneration Committee



Remuneration Report

This Remuneration Report for the twelve months ended 30 June 2023 has been prepared in accordance with the requirements of section 300A of the *Corporations Act 2001* (Cth) and has been audited as required by section 308(3C) of the *Corporations Act 2001* (Cth).

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.

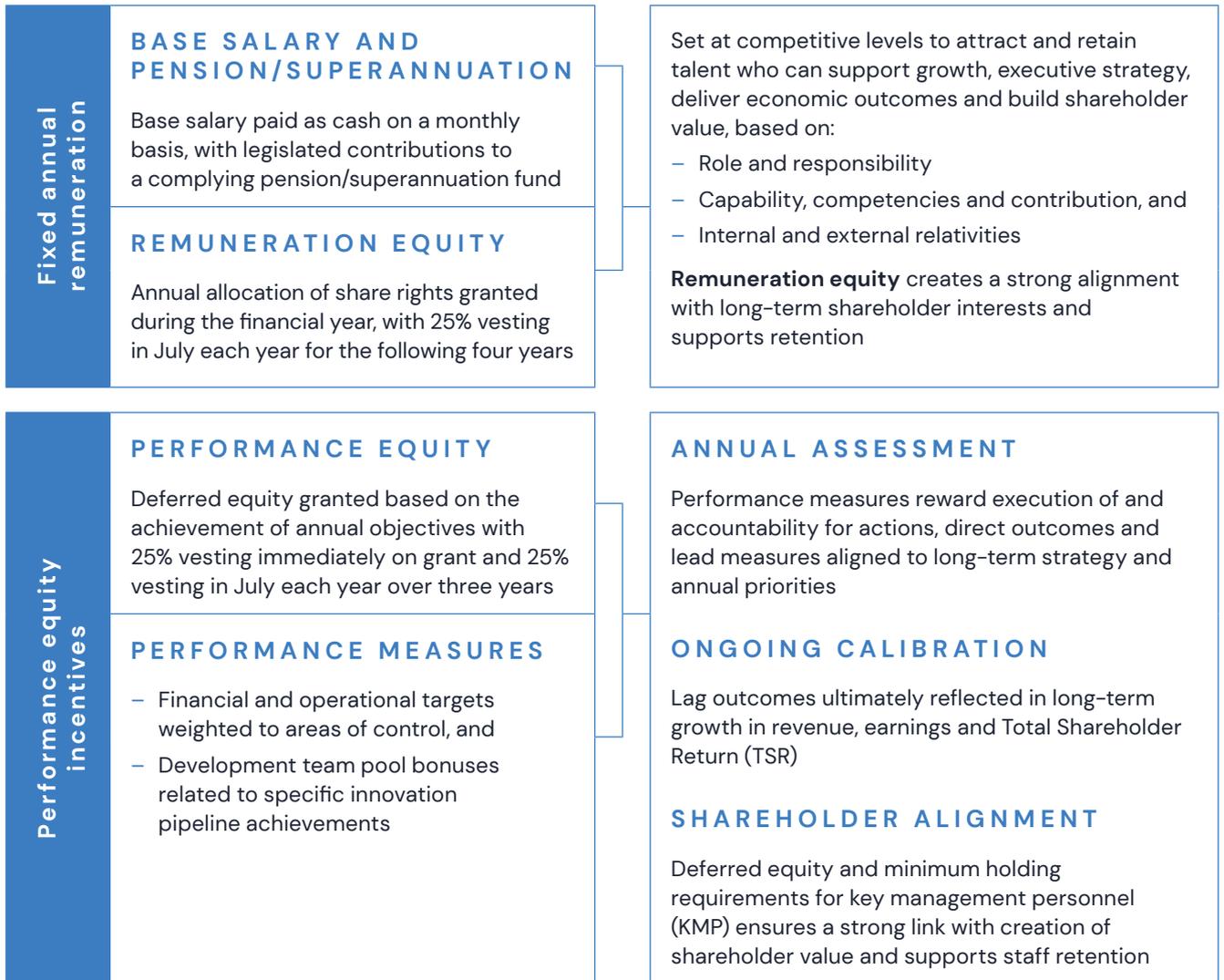


Remuneration Report

Our priority

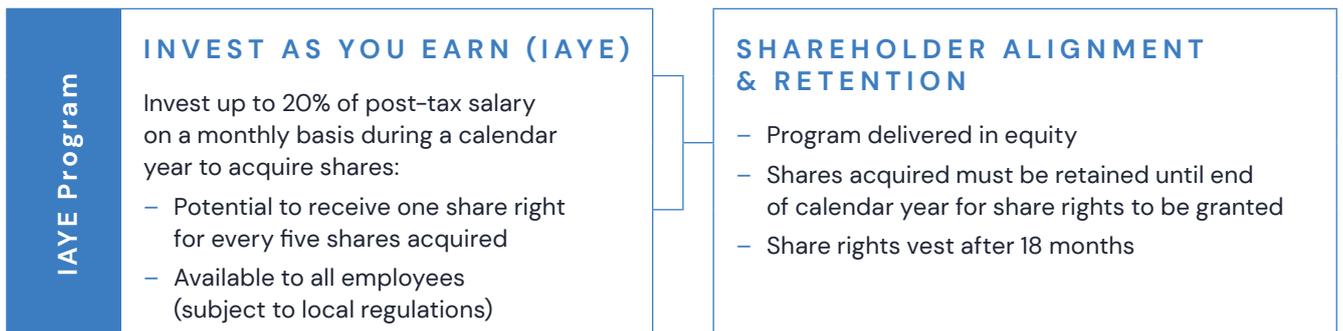
Building multi-year deferred equity into fixed remuneration across our global workforce to align employees' interests with those of shareholders and encourage value-creating behaviors.

Component/structure



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.



Remuneration Report

Actual executive KMP remuneration received in FY23

(non-IFRS disclosure)

	Current year's remuneration			Prior years' remuneration		Total			
	Fixed cash ¹	Cash incentive	FY23 Remuneration equity	FY23 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	\$480,000	–	–	\$60,000	–	–	\$540,000	–	\$540,000
Andrew Cartledge	\$750,000	\$150,000	–	\$225,000	\$80,832	\$428,482 ²	\$1,634,314	\$185,148	\$1,819,462
Brett Shearer	\$500,000	–	–	\$134,375	\$128,058	\$222,946	\$985,379	\$146,143	\$1,131,522

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 that accrued during the year less the leave taken.

2 Andrew Cartledge's performance equity vested includes the vesting of 10 IAYE Share Rights in February 2023.

In the above table, Executive KMP remuneration received in FY23 is separated into remuneration received for employment in FY23 and deferred equity from previous years that vested during FY23. The figures in this table are different from those shown in the statutory disclosure table which includes an accounting value for all unvested share rights. Accounting standards require share-based payments to be amortized over the relevant performance and service periods. We believe that the information presented above provides shareholders with greater clarity regarding Executive KMP remuneration.

Current year's remuneration

FY23 fixed cash remuneration, performance incentives paid in cash, plus any FY23 performance incentive payments paid in equity which vest immediately on grant in August 2023. As remuneration equity is granted at the beginning of the year and earned throughout the year, with the first tranche to vest on the first business day of the following financial year, no FY23 remuneration equity was received in FY23.

Maree Isaacs' FY23 performance equity incentive is expected to be granted following WiseTech's AGM in November 2023.

In addition to his FY23 performance equity, Andrew Cartledge was awarded a one-off cash payment of \$150,000 in recognition of his significant additional work to deliver the acquisitions of Envase Technologies and Blume Global during FY23.

Prior years' remuneration

Any deferred equity awards from prior periods that vested during FY23. This includes remuneration equity and performance equity incentives from prior years, excluding the value of any vested performance equity incentive for FY22 disclosed as "Current year's remuneration" in the corresponding table in the FY22 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.

Remuneration Report

KMP 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 KMP during FY23.

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 FY23 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 & Chief Architect (CTO)	Full year	Current
Non-Executive Director KMP			
Andrew Harrison	Chair and Non-Executive Director	Full year	Current
Richard Dammery	Non-Executive Director	Full 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 (<i>retired 23 November 2022</i>)	Part year	Retired
Michael Malone	Non-Executive Director	Full year	Current
Arlene Tansey	Non-Executive Director (<i>retired 23 November 2022</i>)	Part year	Retired

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 2022 to 23 November 2022** – Teresa Engelhard (Chair), Richard Dammery, Michael Gregg and Michael Malone
- **24 November 2022 to 31 March 2023** – Teresa Engelhard (Chair), Richard Dammery and Michael Malone
- **1 April 2023 to 30 June 2023** – Richard Dammery (Chair), Teresa Engelhard 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 defensible.

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.
- Recruitment, retention and termination strategies.
- The remuneration structure and its effectiveness.
- 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.
- Provides 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* (Cth), no independent advice was provided on remuneration recommendations in relation to KMP.

Minimum shareholding requirements

To reinforce WiseTech's objective of aligning the interests of KMP with the interests of shareholders thus reinforcing 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 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 here 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 25% vesting immediately and 25% 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 Equity Incentives 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 is to be forfeited. The Board did not exercise its clawback powers in FY23.

During FY23, 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. In order to incentivize the development of strategically important products and functionalities, in certain cases, we granted share rights with performance conditions to key software development employees in FY23 and plan to grant share rights with similar structures to select team members in FY24.



Remuneration Report

In addition to remuneration equity, our IAYE 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 FY23, the number of participants continued to increase and remained above 20% of eligible team members:

	IAYE 2019	IAYE 2020	IAYE 2021	IAYE 2022	IAYE 2023
Number of participants	301	350	361	386	398
Participation rate	21%	21%	22%	23%	21%

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. The PRC and Board will continue to monitor the movement in remuneration in the markets where we compete for talent.

Share rights

At the date of this report, WiseTech had 2,903,260 share rights outstanding across 2,201 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 2027. Generally, share rights are subject to employment conditions and are not subject to performance conditions. In certain cases, share rights with performance conditions related to product development milestones were also granted to select development team members during the year. On vesting, the holder is entitled to receive one ordinary share at no cost to the holder. A total of 699,579 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 FY23, 39,529 shares were purchased on-market for the purpose of employee incentive schemes, at an average price of \$59.12 per share, primarily on behalf of participants in the IAYE program.

FY23 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. The FY23 remuneration equity was granted early, from January to May 2022, to reflect the effective date of the global remuneration review in January 2022. Any increase to FY23 remuneration equity was granted at the beginning of FY23 to align the annual review cycle back to July 2022. The remuneration, as well as performance equity incentives, structure for FY23 is outlined below:

	January–May 2022	1 July 2022	3 July 2023	1 July 2024	1 July 2025	1 July 2026	
		Fixed remuneration – cash base salary and pension/superannuation					
Fixed remuneration – equity remuneration Equity	Grant	Fixed remuneration – equity remuneration equity increase	Grant	Vest	Vest	Vest	Vest
		FY23 Incentive – incentive equity	Assess performance <input checked="" type="checkbox"/>				
			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.

Remuneration Report

To ensure alignment with shareholders’ interests, we aim for 100% of performance incentives to be paid in deferred equity. 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 (other than Maree Isaacs) and senior managers are delivered as multi-year deferred equity, with a grant date in August 2023, and vesting in four equal installments, immediately on grant and then in July 2024, 2025 and 2026. The performance equity incentive for Executive Director Maree Isaacs is expected to be granted in November 2023, after WiseTech’s 2023 AGM, with vesting of the first tranche immediately on grant and the remaining three tranches in July 2024, 2025 and 2026.

The number of share rights to be granted was determined using an average WiseTech share price at the end of the annual performance period in June 2023.

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.

FY23 Executive KMP remuneration

Remuneration structure and mix for FY23

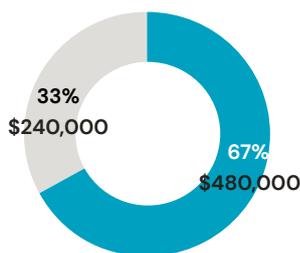
A global remuneration review was completed in July 2022 and included Executive KMP:

- **CEO** – No change was made to the CEO package, with total fixed remuneration of \$1,000,000.
- **HLM** – Base salary was increased by 13% to catch up with market norms. The performance incentive was increased from \$210,000 to \$240,000 and has been transitioned to an equity incentive to align with the remuneration structure of the Executive KMP peer group and build further alignment with shareholders.
- **CFO** – Total package (including fixed remuneration and target performance incentive) was increased by 6% effective 1 July 2022 to reflect Australian market wage inflation for similar roles in the markets where we operate. The total package excludes the one-off \$150,000 cash incentive in recognition of the CFO’s significant additional work to deliver the acquisitions of Envasa Technologies and Blume Global during FY23.
- **CTO** – Total package (including fixed remuneration and target performance incentive) was increased by 11% effective 1 July 2022 to reflect Australian market wage inflation for similar roles in the markets where we operate.

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.

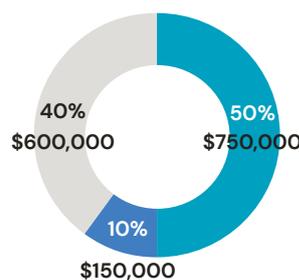
HLM – Maree Isaacs

Target and Maximum from 1 July 2022

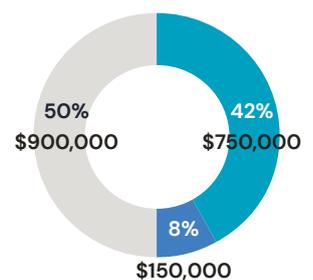


CFO – Andrew Cartledge

Target from 1 July 2022

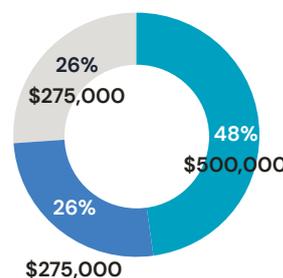


Maximum from 1 July 2022

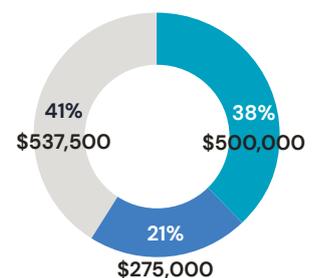


CTO – Brett Shearer

Target from 1 July 2022



Maximum from 1 July 2022



- Fixed remuneration – cash
- Fixed remuneration – remuneration equity
- Performance incentives – equity



Remuneration Report

Remuneration outcomes for FY23 and the link to WiseTech performance

The tables below summarize the performance of WiseTech shares for the five years from FY19 to FY23 and for FY23, and our financial performance for the five years from FY19 to FY23. 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 2023	Change in share price	Change in ASX 200	WTC performance v ASX 200	Dividends paid per share	WTC TSR ¹
FY19–FY23	1 July 2018	\$15.66	\$79.81	409.6%	16.3%	+393.4%	\$0.327	414.0%
FY23	1 July 2022	\$37.85	\$79.81	110.9%	9.7%	+101.2%	\$0.130	111.3%

¹ Total shareholder return with dividends reinvested.

	FY19	FY20	FY21	FY22	FY23
Revenue (\$m)	348.3	429.4	507.5	632.2	816.8
Revenue growth over prior year	57%	23%	18%	25%	29%
EBITDA (\$m)	108.1	126.7	206.7	319.0	385.7
NPAT ¹ (\$m)	54.1	160.8	108.1	194.6	212.2
Earnings per share (cents)	17.7	50.3	33.3	59.7	64.8
Dividends ² per share (cents)	3.45	3.30	6.55	11.15	15.00
Change in share price during the year ³	77%	-30%	65%	19%	111%

¹ NPAT is net profit after tax attributable to equity holders.

² Dividends declared in respect of the financial year.

³ 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 review of WiseTech's FY23 performance against key indicators

In using WiseTech's FY23 results to help review the CEO's recommended 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 FY23, key indicators continued to grow strongly, reflecting the expansion of our product offering, continued financial discipline and enhanced operating leverage as we further penetrate our chosen markets and execute our strategy powered by our people in an environment of softening global trade flows, geopolitical frictions and inflationary pressures.

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:

- accelerate product development and innovation, and expand CargoWise capability through tuck-in and strategically significant acquisitions;
- continue to secure and execute large scale global rollouts to increase penetration in WiseTech's targeted market; and
- deliver integration progress, maintain strong financial discipline and enhance operating leverage.

Remuneration Report

In light of this outstanding executive performance, the Board reviewed the CEO’s recommendations and agreed that a number of stretch (above target) performance incentives would be awarded across the executive team. For the 14-member senior management team, 131% of the total target performance incentive pool was distributed for FY23 (91% of stretch). For Executive KMP, the specific KPIs and performance assessments which underpin the FY23 performance incentive awards, and the Board’s assessment of the performance of the CEO, are detailed below.

Key performance indicator	Performance outcome	Assessment	Executive KMP
Revenue growth	29% growth in revenue to \$816.8m vs \$755m to \$780m target	Target exceeded	CEO, HLM, CFO
EBITDA	21% growth in EBITDA to \$385.7m vs \$385m to \$415m target	Target achieved	CEO, HLM, CFO
Recurring revenue	39% growth in recurring revenue to \$784.4m Recurring revenue 99% of CargoWise revenue and 96% of total revenue	Target exceeded	CEO, HLM
Operational efficiency	G&A expense/G&A % of revenue excluding M&A costs of \$109.6m/13%	Target exceeded	CEO, CFO
Cash flow	Operating cash flow/Operating cash flow conversion \$433.3m/112%, and Free cash flow/Free cash flow conversion \$291.4m/76%	Target achieved	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 and resilience of CargoWise Cloud and tier 1 customers’ CargoWise private clouds.

FY23 performance incentives outcome

The remuneration awarded to the Executive KMP in relation to performance during FY23 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.

	FY23 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	\$240,000	\$240,000	100%	0%	\$240,000	100%	0%
Andrew Cartledge	\$900,000	\$600,000	150%	0%	\$900,000	100%	0%
Brett Shearer	\$537,500	\$275,000	195%	0%	\$537,500	100%	0%

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 FY20, FY21 and FY22 performance equity incentives would vest fully in July 2023.



Remuneration Report

FY24 remuneration

The Board considers that the existing remuneration approach and framework is working effectively. As such, no substantive changes are planned for FY24.

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 FY23, the Board approved an increase of \$50,000 per annum excluding superannuation, plus the statutory increase to superannuation contributions, to the Chair fee for FY24 to more closely reflect the fee levels of ASX100 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 Board and Committee fees for FY24. This increase was in line with the percentage increase applied to the Company's Australian non-technical employee population for FY24 after considering the macro environment, market movements and retention.

The table below outlines the Board and committee fees, inclusive of superannuation, effective for FY23 and for FY24.

	FY23		FY24	
	Chair fee	Member fee	Chair fee	Member fee
Board	\$386,750	\$171,551	\$444,000	\$178,359
Audit & Risk Committee	\$34,310	\$20,014	\$35,672	\$20,808
Nomination Committee	\$17,155	–	\$17,835	–
People & Remuneration Committee	\$17,155	\$10,007	\$17,835	\$10,404

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 FY23, including the number of share rights granted and the vesting schedule. Shareholder approval under ASX Listing Rule 10.14 was obtained at the 2022 Annual General Meeting for potential grants of share rights to Andrew Harrison, Richard Dammery, Teresa Engelhard, Charles Gibbon, Michael Gregg, Michael Malone and Arlene Tansey.

		Fees sacrificed for share rights	Number of rights granted ¹	Fair value at grant date ²	Vesting date
Andrew Harrison	Tranche 1	\$38,675	1,000	\$58,770	Feb 2023
	Tranche 2	\$38,675	1,001	\$58,829	Aug 2023
Richard Dammery	Tranche 1	\$75,590	1,955	\$114,895	Feb 2023
	Tranche 2	\$75,590	1,956	\$114,954	Aug 2023
Teresa Engelhard	Tranche 1	\$41,172	1,065	\$62,590	Feb 2023
	Tranche 2	\$41,172	1,065	\$62,590	Aug 2023
Arlene Tansey ³	Tranche 1	\$42,888	1,109	\$65,176	Nov 2022

1 The number of share rights granted was calculated using an allocation price based on the average closing share price for five days up to, and including, 30 June 2022.

2 Fair value at grant was determined based on \$58.77, the closing share price on the grant date in August 2022.

3 The Board approved for 1,109 share rights to be retained by Arlene Tansey upon retirement based on the five months of fees sacrificed for FY23. The retained share rights converted to shares on 24 November 2022. The remaining 1,553 share rights granted under FY23 NED Share Plan lapsed.

Directors participating in the NED Share Plan in FY24 will be granted share rights at the end of August 2023 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 2023. The share rights will convert to shares in two equal tranches, following release of WiseTech's half-year results in February 2024 and full-year results in August 2024.



Remuneration Report

Non-Executive Director remuneration

The following table details Non-Executive Directors' remuneration for FY23 and FY22.

		Board and committee fees – cash	Fees sacrificed under the NED Share Plan	Superannuation	Total
Andrew Harrison	FY23	\$284,108	\$77,350	\$25,292	\$386,750
	FY22	\$255,832	\$69,850	\$23,568	\$349,250
Richard Dammary¹	FY23	\$32,856	\$151,179	\$19,324	\$203,359
	FY22	\$19,813	\$74,250	\$9,406	\$103,469
Teresa Engelhard	FY23	\$102,338	\$82,344	\$19,392	\$204,074
	FY22	\$140,400	\$39,600	\$18,000	\$198,000
Charles Gibbon	FY23	\$173,362	–	\$18,203	\$191,565
	FY22	\$174,062	–	\$17,406	\$191,469
Michael Gregg²	FY23	\$65,349	–	\$6,862	\$72,211
	FY22	\$133,100	\$38,775	\$17,188	\$189,063
Michael Malone¹	FY23	\$190,210	–	\$19,972	\$210,182
	FY22	\$89,688	–	\$8,969	\$98,656
Arlene Tansey²	FY23	\$31,231	\$42,865	\$7,780	\$81,876
	FY22	\$90,000	\$99,000	\$9,000	\$198,000
Total	FY23	\$879,454	\$353,738	\$116,825	\$1,350,017
	FY22	\$902,895	\$321,475	\$103,537	\$1,327,906

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

2 Michael Gregg and Arlene Tansey retired on 23 November 2022.

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 2022	Shares acquired as part of remuneration ¹	Other shares acquired ²	Shares disposed	Shares held on 30 June 2023 ³
Richard White	122,941,329	–	–	(1,898,963)	121,042,366
Maree Isaacs	10,764,204	–	–	–	10,764,204
Andrew Cartledge	162,397	23,967	10	(81,114)	105,260
Brett Shearer	424,556	14,662	–	(101,629)	337,589

1 Shares acquired from vesting or exercise of share rights granted as part of remuneration.

2 10 shares converted from IAYE Share Rights in February 2023.

3 Between 30 June 2023 and the date of this report, Andrew Cartledge and Brett Shearer acquired an additional 18,388 and 12,992 shares, respectively, from the exercise of vested share rights granted as part of remuneration. There was no further change to the number of shares held by Richard White and Maree Isaacs up to the date of this report.

	Share rights held on 30 June 2022	Awarded	Vested and converted or exercised	Lapsed	Share rights held on 30 June 2023	Including share rights vested but not yet exercised ¹
Richard White²	–	–	–	–	–	–
Maree Isaacs²	–	–	–	–	–	–
Andrew Cartledge	41,779	23,113	(23,977)	–	40,915	–
Brett Shearer	36,343	6,623	(14,662)	–	28,304	–

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 2023.

	Shares held on 30 June 2023	Share rights held on 30 June 2023	Total equity held on 30 June 2023	Value of equity holding on 30 June 2023 ¹	Minimum equity holding guideline ²	Status
Richard White	121,042,366	–	121,042,366	9,660,391,230	1,000,000	Meets
Maree Isaacs	10,764,204	–	10,764,204	859,091,121	480,000	Meets
Andrew Cartledge	105,260	40,915	146,175	11,666,227	900,000	Meets
Brett Shearer	337,589	28,304	365,893	29,201,920	775,000	Meets

1 Value of shareholding was calculated based on \$79.81, the closing share price on 30 June 2023.

2 Minimum equity holding guideline is the annualized fixed remuneration as at 30 June 2023.



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 2023.

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 2022	Shares received on vesting of share rights	Shares issued under DRP	Other shares acquired	Shares disposed	Shares held on 30 June 2023 ¹	Value of shareholding on 30 June 2023 ²	Minimum shareholding guideline ³	Status
Andrew Harrison	42,442	1,658	–	–	(10,000)	34,100	2,721,521	386,750	Meets
Richard Dammery	2,068	3,353	–	–	–	5,421	432,650	208,720	Meets
Teresa Engelhard	7,476	1,438	–	–	–	8,914	711,426	198,713	Meets
Charles Gibbon	17,349,014	–	–	–	–	17,349,014	1,384,624,807	191,565	Meets
Michael Gregg	12,650,026	365	8,185	–	–	12,658,576	N/A	N/A	N/A
Michael Malone	3,000	–	–	–	–	3,000	239,430	215,868	Meets
Arlene Tansey	6,942	933	–	–	–	7,875	N/A	N/A	N/A

1 Number of shares held on 30 June 2023 and at the date of this report, or number of shares held at date of retirement, if earlier. Michael Gregg and Arlene Tansey retired on 23 November 2022.

2 Value of shareholding was calculated based on \$79.81, the closing share price on 30 June 2023.

3 Minimum shareholding guideline is the annualized Non-Executive Director fee as at 30 June 2023.

	Share rights held on 30 June 2022	Awarded	Vested and converted	Lapsed	Share rights held on 30 June 2023 ¹
Andrew Harrison	658	2,001	(1,658)	–	1,001
Richard Dammery	1,398	3,911	(3,353)	–	1,956
Teresa Engelhard	373	2,130	(1,438)	–	1,065
Charles Gibbon	–	–	–	–	–
Michael Gregg	365	–	(365)	–	–
Michael Malone	–	–	–	–	–
Arlene Tansey²	933	2,662	(2,042)	(1,553)	–

1 Or date of retirement if earlier. Michael Gregg and Arlene Tansey retired on 23 November 2022.

2 The Board approved for 1,109 share rights to be retained by Arlene Tansey upon retirement based on the five months of fees sacrificed for FY23. The retained share rights converted to shares on 24 November 2022 and the remaining 1,553 share rights granted under the FY23 NED Share Plan lapsed.

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	\$496,200	\$760,000	\$520,000
Fixed remuneration – remuneration equity	–	–	\$175,000	\$286,000
Total fixed remuneration	\$1,000,000	\$496,200	\$935,000	\$806,000
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* (Cth) requirements, for the period from 1 July 2022 to 30 June 2023 and the prior period:

		Short-term benefits	Cash incentive	Post employment	Share-based payments	Long-term benefits	Total	Performance-related
		Base salary and benefits ¹		Super-annuation	Share rights	Other ²		
Richard White	FY23	\$974,708	–	\$25,292	–	\$91,347	\$1,091,347	–
	FY22	\$976,432	–	\$23,568	–	\$94,077	\$1,094,077	–
Maree Isaacs	FY23	\$459,708	–	\$25,292	\$148,649	\$13,624	\$647,273	23%
	FY22	\$398,932	\$200,000	\$23,568	–	\$45,754	\$668,254	30%
Andrew Cartledge	FY23	\$726,268	\$150,000	\$25,292	\$1,149,775	\$46,872	\$2,098,207	57%
	FY22	\$691,432	–	\$23,568	\$936,924	\$42,690	\$1,694,613	48%
Brett Shearer	FY23	\$476,148	–	\$25,292	\$598,600	\$26,103	\$1,126,144	37%
	FY22	\$451,432	–	\$23,568	\$551,910	\$65,608	\$1,092,518	32%
Total	FY23	\$2,636,830	\$150,000	\$101,170	\$1,897,024	\$177,947	\$4,962,970	N/A
	FY22	\$2,518,228	\$200,000	\$94,272	\$1,488,834	\$248,129	\$4,549,462	N/A

1 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. FY23 base salary included increases to fixed remuneration effective 1 July 2022 for Maree Isaacs, Andrew Cartledge and Brett Shearer. FY23 short-term benefits included a \$5,000 work anniversary gift card for Maree Isaacs, \$1,560 Ways of Working allowance for Andrew Cartledge and \$1,440 Ways of Working allowance for Brett Shearer.

2. 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.
- The Equity Incentives 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 any Group company, the Board may deem any award of share rights held by the participant is to be forfeited.
- No dividends or dividend equivalents are paid on share rights.

Details of share rights granted in FY23

	Grant	Share rights granted	Grant date	Fair value at grant date	Face value of grant at time of award	Vesting schedule
Andrew Cartledge	FY22 Bonus	22,407	24-Aug-22	\$59.77	\$866,255	4 annual tranches commencing 25-Aug-22
	FY23 Remuneration Equity Increase	706	24-Aug-22	\$59.77	\$29,002	4 annual tranches commencing 3-Jul-23
Brett Shearer	FY22 Bonus	6,014	24-Aug-22	\$59.77	\$232,501	4 annual tranches commencing 25-Aug-22
	FY23 Remuneration Equity Increase	609	24-Aug-22	\$59.77	\$25,018	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 FY23	Share rights vested in FY23	% of total grant vested	Value of share rights vested	Unvested rights at 30 June 2023	Future vesting schedule
FY19 Performance Equity Incentives	30-Aug-19	25,319	\$36.93	\$935,031	(18,987)	01-Jul-22	(6,332)	100%	\$791,555	–	–
FY20 Remuneration Equity	30-Aug-19	3,553	\$36.93	\$131,212	(1,776)	01-Jul-22	(888)	75%	\$78,251	889	1 annual tranche from 3-Jul-23
FY21 Remuneration Equity	01-Jul-20	4,890	\$18.55	\$90,710	(1,222)	01-Jul-22	(1,222)	50%	\$85,015	2,446	2 annual tranches from 3-Jul-23
FY20 Performance Equity Incentives	17-Aug-20	12,225	\$19.48	\$238,143	(6,112)	01-Jul-22	(3,056)	75%	\$272,137	3,057	1 annual tranche from 3-Jul-23
2020 IAYE Share Rights	01-Feb-21	10	\$31.20	\$312	–	01-Feb-23	(10)	100%	\$595	–	–
FY22 Remuneration Equity	07-Jun-21	3,536	\$29.43	\$104,064	–	01-Jul-22	(884)	25%	\$33,398	2,652	3 annual tranches from 3-Jul-23
FY21 Performance Equity Incentives	25-Aug-21	23,585	\$46.50	\$1,096,703	(5,896)	01-Jul-22	(5,896)	50%	\$497,976	11,793	2 annual tranches from 3-Jul-23
FY22 Remuneration Equity Increase	02-May-22	354	\$41.97	\$14,857	–	01-Jul-22	(88)	25%	\$3,325	266	3 annual tranches from 3-Jul-23
FY23 Remuneration Equity	02-May-22	2,300	\$41.97	\$96,531	–	–	–	–	–	2,300	4 annual tranches from 3-Jul-23
FY22 Performance Equity Incentives	24-Aug-22	22,407	\$59.77	\$1,339,266	–	25-Aug-22	(5,601)	25%	\$329,619	16,806	3 annual tranches from 3-Jul-23
FY23 Remuneration Equity Increase	24-Aug-22	706	\$59.77	\$42,198	–	–	–	–	–	706	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 FY23	Share rights vested in FY23	% of total grant vested	Value of share rights vested	Unvested rights at 30 June 2023	Future vesting schedule
FY19 Special Project Bonus	01-May-19	1,787	\$22.64	\$40,458	(1,338)	01-Jul-22	(449)	100%	\$52,349	–	–
FY19 Special Project Bonus	30-Aug-19	51	\$36.93	\$1,883	(36)	01-Jul-22	(15)	100%	\$1,614	–	–
FY19 Performance Equity Incentives	30-Aug-19	10,660	\$36.93	\$393,674	(7,995)	01-Jul-22	(2,665)	100%	\$333,258	–	–
FY20 Remuneration Equity	30-Aug-19	5,330	\$36.93	\$196,837	(2,664)	01-Jul-22	(1,332)	75%	\$117,376	1,334	1 annual tranche from 3-Jul-23
FY21 Remuneration Equity	01-Jul-20	7,335	\$18.55	\$136,064	(1,833)	01-Jul-22	(1,833)	50%	\$127,522	3,669	2 annual tranches from 3-Jul-23
FY20 Performance Equity Incentives	17-Aug-20	9,780	\$19.48	\$190,514	(4,890)	01-Jul-22	(2,445)	75%	\$217,727	2,445	1 annual tranche from 3-Jul-23
FY22 Remuneration Equity	07-Jun-21	6,679	\$29.43	\$196,563	–	01-Jul-22	(1,669)	25%	\$63,055	5,010	3 annual tranches from 3-Jul-23
FY21 Performance Equity Incentives	25-Aug-21	11,006	\$46.50	\$511,779	(2,751)	01-Jul-22	(2,751)	50%	\$232,349	5,504	2 annual tranches from 3-Jul-23
FY23 Remuneration Equity	02-May-22	5,222	\$41.97	\$219,167	–	–	–	–	–	5,222	4 annual tranches from 3-Jul-23
FY22 Performance Equity Incentives	24-Aug-22	6,014	\$59.77	\$359,457	–	25-Aug-22	(1,503)	25%	\$88,452	4,511	3 annual tranches from 3-Jul-23
FY23 Remuneration Equity Increase	24-Aug-22	609	\$59.77	\$36,400	–	–	–	–	–	609	4 annual tranches from 3-Jul-23

Related party transactions

During FY23, 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 Consolidated 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 2023 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 Consolidated 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 and CEO)
- Richard Dammary
- Teresa Engelhard
- Charles Llewelyn Gibbon
- Michael John Gregg (retired 23 November 2022)
- Maree McDonald Isaacs
- Michael Malone
- Arlene Mary Tansey (retired 23 November 2022).

The qualifications, experience and special responsibilities of the current Directors, including details of other listed company directorships held during the last three years, are detailed in the section headed Board of Directors in this report.

Director attendance at meetings in FY23

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	
	Held	Attended	Held	Attended	Held	Attended	Held	Attended
Andrew Harrison	14	14	–	–	2	2	–	–
Richard White	14	14	–	–	2	2	–	–
Richard Dammary	14	13	6	5	–	–	5	5
Teresa Engelhard	14	14	–	–	2	2	5	5
Charles Gibbon	14	13	6	6	–	–	–	–
Michael Gregg	7	7	–	–	–	–	2	2
Maree Isaacs	14	14	–	–	–	–	–	–
Michael Malone	14	13	6	6	–	–	5	5
Arlene Tansey	7	4	3	2	–	–	–	–

1. Michael Gregg and Arlene Tansey retired from the Board on 23 November 2022.
2. Arlene Tansey was granted leave of absence for the Board meetings held in October and November 2022 and for the Audit & Risk Committee meeting held in November 2022.

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 in the section headed Board of Directors.



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.

Dividends

Details of dividends paid during FY23 and the prior period are disclosed in note 6 to the Consolidated 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 Consolidated 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.

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.

During FY23, 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.

Proceedings on behalf of the Group

Under section 237 of the *Corporations Act 2001* (Cth), 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.

Directors' Report

Remuneration Report

Information on WiseTech's remuneration framework and the FY23 outcomes for key management personnel are included in the Remuneration Report.

Corporate governance

Our Corporate Governance Statement for FY22 is available from our website:

www.wisetechnology.com/investors/corporate-governance/

Our FY23 statement is expected to be published in October 2023.

Non-audit services

During the year, KPMG, the Company's auditor, performed certain other services in addition to the audit and review of the Consolidated 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 Consolidated financial statements included in this report.

The Board has considered the non-audit services provided during FY23 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 FY23 by the auditor is compatible with, and did not compromise, the auditor independence requirements of the *Corporations Act 2001* (Cth) 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 forms part of the Directors' Report for the financial year ended 30 June 2023.

Signed in accordance with a resolution of the Directors.



Andrew Harrison
Chair

23 August 2023



Richard White
Executive Director, Founder and CEO

23 August 2023



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 2023 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.

A handwritten version of the KPMG logo in blue ink, showing the letters 'KPMG' in a slightly stylized, cursive-like font.

KPMG

A handwritten signature in blue ink that reads 'Caoimhe Toouli'.

Caoimhe Toouli

Partner

Sydney

23 August 2023

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 39 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

WiseTech Global's growth, both organic and through acquisition, increases our exposure to a wide range of compliance and regulatory requirements. To mitigate this risk, 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 \$880m in the past five years. In FY23, we reinvested 32% of our revenues in product development and innovation and delivered 1,130 new product enhancements on the CargoWise application suite. 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 users and volume of transactions, or that they cease to use our software altogether, leading to a reduction in revenue.



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;
- having no material reliance on any single customer; 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 (96%) of recurring revenue mainly from our CargoWise platform in FY23 and our low level (<1%) of annual customer attrition (by CargoWise application suite customers) every year for the last 11 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, 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 (FY23: approximately 80%) 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 improve our resilience and mitigate this risk by: operating separate data centers in three distinct regions around the world to reduce reliance on any individual data center; having a global network of support centers providing 24/7 365 support internally; and automated replication of data.

In addition, we have a business continuity management framework in place, including disaster recovery planning and testing, incident response plans and crisis management plans. Our technology framework provides for segregation of data, backups stored on independent infrastructures and critical access monitoring.

The risks and controls related to continuity of service are continually assessed, modified and improved as the internal and external environment changes.

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 have completed an independent Service Organization Control audit of our key WiseCloud systems. We perform penetration testing on our key business systems (including our acquired businesses) and remediate any potential issues identified by the testing.

We further manage and document 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.

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for the year ended 30 June 2023

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Consolidated statement of profit or loss and other comprehensive income

for the year ended 30 June 2023

	Notes	2023 \$M	2022 \$M
Revenue	3	816.8	632.2
Cost of revenues		(125.6)	(92.5)
Gross profit		691.3	539.7
Product design and development		(185.8)	(142.9)
Sales and marketing		(69.3)	(50.0)
General and administration ¹		(135.9)	(91.8)
Total operating expenses		(391.1)	(284.7)
Operating profit		300.2	255.0
Finance income		7.8	1.4
Finance costs	24	(7.1)	(4.1)
Fair value gain on contingent consideration	24	0.2	0.1
Net finance income/(costs)		0.8	(2.6)
Profit before income tax		301.0	252.4
Income tax expense	4	(88.8)	(57.7)
Net profit after income tax		212.2	194.6
Other comprehensive (loss)/income, net of tax			
<i>Items that are/or may be reclassified to profit or loss</i>			
Movement in cash flow hedges, net of tax		(0.5)	(10.2)
Exchange differences on translation of foreign operations		46.3	8.9
Other comprehensive income/(loss), net of tax		45.8	(1.3)
Total comprehensive income, net of tax		258.0	193.4
Earnings per share			
Basic earnings per share (cents)	5	64.8	59.7
Diluted earnings per share (cents)	5	64.6	59.7

1 For the year ended 30 June 2023, included in General and administration expenses are \$1.1m of restructuring expenses (FY22: \$0.9m) and \$26.4m of M&A expenses (FY22: \$2.3m).

These Consolidated financial statements should be read in conjunction with the accompanying notes.

Consolidated statement of financial position

as at 30 June 2023

	Notes	2023 \$M	2022 \$M
Assets			
Current assets			
Cash and cash equivalents	9	143.0	483.4
Trade receivables	10	121.0	88.0
Current tax receivables		7.2	11.8
Derivative financial instruments	24	–	1.6
Other current assets	11	93.3	24.3
Total current assets		364.5	609.2
Non-current assets			
Intangible assets	7	2,192.1	961.2
Property, plant and equipment	8	88.9	75.8
Deferred tax assets	4	5.2	9.5
Derivative financial instruments	24	–	0.6
Other non-current assets	11	8.0	7.4
Total non-current assets		2,294.1	1,054.4
Total assets		2,658.6	1,663.6
Liabilities			
Current liabilities			
Trade and other payables	12	85.3	75.5
Borrowings	15	225.0	–
Lease liabilities	16	10.9	9.5
Deferred revenue	13	30.9	12.5
Employee benefits	19	36.0	23.3
Current tax liabilities		24.7	12.1
Derivative financial instruments	24	16.2	7.7
Other current liabilities	14	151.6	66.7
Total current liabilities		580.6	207.4
Non-current liabilities			
Lease liabilities	16	20.5	24.0
Employee benefits	19	11.4	4.9
Deferred tax liabilities	4	117.1	81.0
Derivative financial instruments	24	4.2	8.1
Other non-current liabilities	14	30.3	23.0
Total non-current liabilities		183.5	141.1
Total liabilities		764.1	348.4
Net assets		1,894.6	1,315.2
Equity			
Share capital	17	1,254.7	906.3
Reserves		(33.6)	(101.0)
Retained earnings		673.4	509.9
Total equity		1,894.6	1,315.2

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 2023

	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
Shares issued to employee share trust	17	70.8	(70.8)	–	–	–	–	–	–
Shares issued for acquisition of subsidiaries	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 settled share-based payment		–	–	–	–	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 changes in equity

for the year ended 30 June 2023

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 2022	906.3	(109.2)	(17.4)	(12.7)	70.1	(31.8)	509.9	1,315.2
Net profit for the year	-	-	-	-	-	-	212.2	212.2
Other comprehensive loss, net of tax	-	-	-	(0.5)	-	46.3	-	45.8
Total comprehensive income/(loss), net of tax	-	-	-	(0.5)	-	46.3	212.2	258.0
Shares issued to employee share trust	17	38.0	(38.0)	-	-	-	-	-
Shares issued for acquisition of subsidiaries	17	309.2	-	(0.2)	-	-	-	308.9
Dividends declared and paid	6	-	-	-	-	-	(42.6)	(42.6)
Shares issued under DRP	17	1.0	-	-	-	-	-	1.0
Transaction costs, net of tax	17	(0.2)	-	-	-	-	-	(0.2)
Vesting of share rights		-	28.4	-	-	(20.7)	(7.7)	-
Equity settled share-based payment	19	-	-	-	-	48.5	-	48.5
Equity settled remuneration to Non-Executive Directors	19	0.4	-	-	-	(0.4)	(0.1)	(0.1)
Tax benefit from equity settled share-based payment		-	-	-	-	4.0	-	4.0
Revaluation of subsidiary due to hyperinflationary economy		-	-	-	-	-	1.8	1.8
Total contributions and distributions		348.4	(9.6)	(0.2)	-	31.5	(48.7)	321.3
Balance as at 30 June 2023		1,254.7	(118.8)	(17.7)	(13.2)	101.6	673.4	1,894.6

These Consolidated financial statements should be read in conjunction with the accompanying notes.



Consolidated statement of cash flows

for the year ended 30 June 2023

	Notes	2023 \$M	2022 \$M
Operating activities			
Receipts from customers		858.6	650.4
Payments to suppliers and employees ¹		(425.3)	(310.9)
Income tax paid		(52.9)	(32.9)
Net cash flows from operating activities	22	380.5	306.7
Investing activities			
Acquisition of businesses, net of cash acquired	18	(740.1)	(3.4)
Payments for intangible assets	7	(114.7)	(75.4)
Purchase of property, plant and equipment, net of disposal proceeds		(27.2)	(26.8)
Interest received		7.8	1.4
Net cash flows used in investing activities		(874.2)	(104.3)
Financing activities			
Proceeds from borrowings		225.0	–
Proceeds from issue of shares		38.0	70.8
Transaction costs on issue of shares		(0.3)	(0.1)
Treasury shares acquired		(38.1)	(70.8)
Repayments of lease liabilities		(9.7)	(7.8)
Interest paid		(4.7)	(3.9)
Dividends paid		(41.6)	(26.5)
Net cash flows from/(used in) financing activities		168.6	(38.2)
Net (decrease)/increase in cash and cash equivalents			
Cash and cash equivalents at 1 July	9	483.4	315.0
Effect of exchange differences on cash balances		(15.3)	4.2
Net cash and cash equivalents at 30 June	9	143.0	483.4

1 For the year ended 30 June 2023, \$1.5m of payments related to restructuring activities (FY22: \$1.2m) and \$24.7m of M&A activities (FY22: \$1.5m) are included in payments to suppliers and employees.

These Consolidated financial statements should be read in conjunction with the accompanying notes.

Notes to the financial statements

for the year ended 30 June 2023

1. Corporate information

WiseTech Global Limited (Company) is a company domiciled in Australia. These Consolidated financial statements comprise the Company and its controlled entities (Group) for the year ended 30 June 2023. 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.

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*;
- Contingent consideration which is measured at fair value in accordance with AASB 13 *Fair Value Measurement*; and
- Value of assets and liabilities acquired which is measured at fair value in accordance with AASB 3 *Business Combinations*.

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 23 August 2023.

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 2022.

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.

Going concern

The accompanying Consolidated financial statements have been prepared assuming the Group will continue as a going concern. The Group's financial position is strong with robust cash generation, and significant liquidity to support its strategic and operational initiatives. The Group has net current liabilities of \$216.1m (FY22: net current assets of \$401.8m), which includes a \$225m term loan maturing in March 2024 which the Group can repay and redraw against existing undrawn long-term facilities of \$250m at any time. The net current liability position does not impact the Group's ability to continue as a going concern or pay its debts as and when they become due and payable.

The Group 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 Group's customer base is significant and comprises large, medium and small operators. The Group is not subject to concentration of credit risk. As at 30 June 2023, the Group has sufficient cash to meet all committed liabilities and future expected liabilities.



Notes to the financial statements

for the year ended 30 June 2023

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	112
Trade receivables expected credit losses	10	116
Lease terms	16	121
Valuation of contingent consideration	24	135

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 Company'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. 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 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 2023

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.

	2023 \$M	2022 \$M
Revenue		
Recurring On-Demand License revenue	683.0	491.6
Recurring OTL maintenance revenue	101.5	74.2
OTL and support services	32.4	66.5
Total revenue	816.8	632.2

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 2023

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 2023

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:

	2023 \$M	2022 \$M
Current tax	65.1	39.5
Deferred tax	23.8	30.0
Adjustment for prior years – current tax	(1.0)	(12.0)
Adjustment for prior years – deferred tax	0.9	0.3
Income tax expense	88.8	57.7

The prima facie tax on profit before income tax is reconciled to the income tax expense as follows:

	2023 \$M	2022 \$M
Accounting profit before income tax	301.0	252.4
At Australia's statutory income tax rate of 30% (2022: 30%)	90.3	75.7
Adjusted for:		
Other assessable income	1.5	1.2
Non-deductible expenses	1.2	0.4
Non-deductible acquisition expense	7.5	0.6
(Over)/under provision for income tax in prior years	(0.1)	2.9
	100.4	80.8
Adjusted for:		
Tax effect of:		
Tax deduction for acquisitions	(2.4)	(12.8)
Fair value gain on contingent consideration	(0.1)	-
Different tax rates in overseas jurisdictions	(2.8)	(4.8)
Research and development	(6.1)	(5.3)
Non-taxable income	(0.2)	(0.2)
Income tax expense	88.8	57.7

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 2023

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

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

Notes to the financial statements

for the year ended 30 June 2023

4. Income tax (continued)

2023	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	76.7	26.0	–	0.2	–	102.9
Customer relationships and brands	3.0	(1.0)	13.8	0.1	–	15.9
Intellectual property	0.4	(2.3)	17.7	0.2	–	16.0
Goodwill	3.0	2.5	–	0.1	–	5.6
Property, plant and equipment	3.1	2.3	–	–	–	5.5
Future income tax benefits attributable to tax losses and offsets	(12.6)	(5.1)	–	(0.6)	(1.4)	(19.6)
Provisions	(14.5)	2.0	(9.0)	(1.1)	–	(22.5)
Revenue timing	–	(0.5)	(1.0)	–	–	(1.5)
Cash flow hedge	(2.8)	(0.9)	–	–	(1.9)	(5.6)
Transaction costs	(0.5)	0.5	–	–	(0.1)	(0.1)
Employee equity compensation	17.4	(3.2)	–	–	(2.4)	11.9
Unrealized foreign exchange	(1.0)	3.6	–	–	–	2.6
Other	(0.7)	0.7	0.9	–	–	0.9
Net tax liabilities	71.5	24.7	22.3	(1.0)	(5.8)	111.9

Key accounting estimates and judgments – Income tax

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 \$24.7m (FY22: \$2.7m) have not been recognized.



Notes to the financial statements

for the year ended 30 June 2023

5. Earnings per share

The following reflects the income and share data used in the basic and diluted earnings per share (EPS) computations:

	2023	2022
Net profit after income tax (\$M)	212.2	194.6
Weighted average number of ordinary shares (in millions)		
Basic weighted average number of ordinary shares	327.5	326.0
Shares issuable in relation to equity-based compensation schemes	1.0	0.1
Diluted weighted average number of ordinary shares	328.5	326.0
Basic EPS (cents)	64.8	59.7
Diluted EPS (cents)	64.6	59.7

Significant accounting policies

Basic EPS is calculated by dividing net profit after income tax by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing net profit after income tax 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:

	2023 \$M	2022 \$M
Dividends on ordinary shares declared and paid:		
Final dividend in respect of previous reporting period (FY22: 6.40 cents per share, FY21: 3.85 cents per share)		
- Paid in cash	20.2	11.8
- Paid via DRP	0.7	0.7
Interim dividend for the current reporting period (FY23: 6.60 cents per share, FY22: 4.75 cents per share)		
- Paid in cash	21.4	14.7
- Paid via DRP	0.3	0.8
	42.6	28.0
Franking credit balance		
Franking amount balance as at the end of the financial year	72.7	48.6
Final dividend on ordinary shares		
Final dividend for FY23: 8.40 cents per share (FY22: 6.40 cents per share)	27.9	20.9

After the reporting date, a dividend of 8.40 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 2023

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 intangibles \$M	Total \$M
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									
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
At 1 July 2022									
At 1 July 2022	258.9	24.5	2.8	646.2	8.6	10.1	9.0	1.1	961.2
Additions	–	133.2 ¹	1.6	–	2.2	–	–	0.1	137.2
Transfers/reclassifications	103.4	(103.4)	–	–	–	–	–	–	–
Acquisition via business combination	–	–	–	867.4	118.5	91.0	30.2	–	1,107.2
Amortization	(42.6)	–	(1.7)	–	(7.9)	(3.9)	(2.4)	(0.1)	(58.7)
Exchange differences	1.8	–	(0.1)	37.5	2.5	2.2	1.4	–	45.2
Net book value at 30 June 2023	321.5	54.3	2.6	1,551.0	123.8	99.5	38.2	1.1	2,192.1
At 30 June 2023									
Cost	477.2	54.3	9.8	1,551.1	166.1	117.5	46.8	1.6	2,424.3
Accumulated amortization and impairment	(155.8)	–	(7.2)	(0.1)	(42.2)	(18.0)	(8.6)	(0.4)	(232.3)
Net book value	321.5	54.3	2.6	1,551.0	123.8	99.5	38.2	1.1	2,192.1

¹ FY23 includes \$4.5m (FY22: nil) of accrued expenses, \$2.2m (FY22: \$1.9m) of depreciation charges on right-of-use (ROU) assets and \$0.3m (FY22: \$0.3m) of interest costs.



Notes to the financial statements

for the year ended 30 June 2023

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 projects/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 2023

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.

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 which is consistent with the Group being assessed and managed as a single operating segment. At 30 June 2023, 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.

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 2023

A value-in-use discounted cash flow model has been used at 30 June 2023 to value the Group's CGUs incorporating financial plans approved by the Board for year ending 30 June 2024 and management projections for years ending 30 June 2025 to 30 June 2028. These include projected revenues, gross margins and expenses and have been determined with reference to historical Group experience, industry data and management's expectation for the future.

The following inputs and assumptions have been adopted:

	2023	2022
Post-tax discount rate per annum	9.8%	9.6%
Pre-tax discount rate per annum	11.7%	11.5%
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 2023

8. Property, plant and equipment

	Plant and equipment \$M	Leasehold improvements \$M	Right-of-use assets \$M	Total \$M
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				
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	–	–	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
At 1 July 2022				
At 1 July 2022	41.9	3.6	30.3	75.8
Additions	26.5	0.7	5.2	32.4
Acquisition via business combination	2.1	0.8	4.7	7.7
Remeasurement	–	–	0.2	0.2
Transfers	0.1	(0.1)	–	–
Depreciation	(16.6)	(1.3)	(11.3)	(29.2)
Exchange differences	1.2	0.1	0.8	2.2
Disposals	(0.1)	–	–	(0.1)
Net book value at 30 June 2023	55.1	3.9	29.9	88.9
At 30 June 2023				
Cost	123.0	11.7	62.8	197.6
Accumulated depreciation	(67.9)	(7.9)	(32.9)	(108.7)
Net book value	55.1	3.9	29.9	88.9

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 2023

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	Annual depreciation rate
Plant and equipment	5%–50%;
Leasehold improvements	10%–30%; and
Right-of-use assets	Term of lease ¹

¹ Lease terms range between 1–10 years.

9. Cash and cash equivalents

	2023 \$M	2022 \$M
Cash at bank and on hand	143.0	483.4

The effective interest rate on cash and cash equivalents was 1.97% per annum (FY22: 0.35% per annum).

In addition, the Group holds \$53.8m of funds collected on behalf of customers at the reporting date, to pay on pre-set dates or on demand. This cash is restricted and not available for use in the Group's ordinary business operations, and is included in other current assets (refer to note 11), with an off-setting liability included in other liabilities (refer to note 14).

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

	2023 \$M	2022 \$M
Trade receivables	126.6	91.3
Provision for impairment of trade receivables	(5.6)	(3.3)
	121.0	88.0

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:

	2023 \$M	2022 \$M
Opening balance	3.3	3.6
Acquisition via business combination	1.3	–
Impairment loss recognized	1.9	3.5
Amount written off	(1.0)	(3.8)
Closing balance	5.6	3.3



Notes to the financial statements

for the year ended 30 June 2023

10. Trade receivables (continued)

Trade receivables that were considered recoverable as at 30 June were as follows:

	2023 \$M	2022 \$M
Not past due	105.9	81.4
Past due 0–30 days	6.6	5.4
Past due 31–60 days	2.7	0.8
Past due more than 60 days	5.8	0.4
	121.0	88.0

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.

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).

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 2023

11. Other assets

	2023 \$M	2022 \$M
Current		
Funds collected on behalf of customers ¹	53.8	–
Prepayments	25.1	16.7
Withholding taxes	4.7	–
Unbilled receivables	3.1	4.0
Deposits	1.6	0.9
Indirect tax receivables	2.9	1.0
Contract assets	0.3	0.7
Other	1.9	1.0
	93.3	24.3
Non-current		
Prepayments	5.5	1.8
Withholding taxes	–	2.9
Contract assets	0.6	0.9
Deposits	1.4	0.9
Other	0.5	0.9
	8.0	7.4

¹ Funds collected on behalf of customers represents funds to pay on pre-set dates or on demand.

Movements in unbilled receivables:

	2023 \$M	2022 \$M
Opening balance	4.0	2.8
Acquisition via business combination	0.9	–
Accrued revenue recognized	5.3	5.1
Subsequently invoiced and transferred to trade receivables	(7.3)	(4.0)
Exchange differences	0.2	0.1
	3.1	4.0

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 2023

12. Trade and other payables

	2023 \$M	2022 \$M
Trade payables	48.3	44.8
Other payables and accrued expenses	37.0	30.7
	85.3	75.5

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

	2023 \$M	2022 \$M
Deferred revenue	30.9	12.5
	30.9	12.5

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:

	2023 \$M	2022 \$M
Opening balance	12.5	25.8
Acquisition via business combination	15.2	0.5
Revenue recognized in current year	(32.3)	(42.5)
Advanced payments received	34.9	28.7
Exchange differences	0.6	–
	30.9	12.5

The Group does not disclose further 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 2023

14. Other liabilities

	2023 \$M	2022 \$M
Current		
Liabilities related to funds collected on behalf of customers ¹	53.8	–
Customer deposits ²	49.6	39.0
Contingent consideration ³	15.0	9.5
Deferred consideration ⁴	–	1.8
Indirect taxes payable ⁵	9.2	12.6
Customer payables	1.0	0.8
Other current liabilities	23.1	3.0
	151.6	66.7
Non-current		
Contingent consideration ³	17.4	21.7
Other non-current liabilities	12.9	1.3
	30.3	23.0
	181.9	89.6

1 Liabilities related to funds collected on behalf of customers represents amounts payable on pre-set dates or on demand.

2 Customer deposits represents amounts paid in advance by customers to prepay for services in exchange for price discounts.

3 See note 24 for accounting policy and measurement of contingent consideration.

4 Deferred consideration represents the amount payable on acquisition which is time-based and not contingent on any performance conditions.

5 Indirect taxes payable balance represents indirect tax liabilities in overseas jurisdictions, which are likely to be finalized and settled in future periods.

15. Borrowings

Bank debt facilities

In July 2021, the Group executed unsecured bilateral revolving bank debt facilities with a total commitment of \$225m maturing in July 2025. These existing debt facilities remained undrawn as at 30 June 2023.

In February 2023, the Group added a three-year revolving facility of \$25m maturing in April 2026 which remained undrawn as at 30 June 2023 and a 12-month term loan facility of \$225m maturing in March 2024 which was fully utilized in March 2023 to facilitate the acquisition of Blume Global. The covenant package, group guarantees and other common terms and conditions in respect of these new debt facilities are governed under the Common Terms Deed Poll executed in July 2021.

As at 30 June 2023, \$0.5m of the facilities executed in July 2021 was utilized for bank guarantees.



Notes to the financial statements

for the year ended 30 June 2023

16. Lease liabilities

	2023 \$M	2022 \$M
Current		
Lease liabilities	10.9	9.5
	10.9	9.5
Non-current		
Lease liabilities	20.5	24.0
	20.5	24.0
	31.4	33.6

(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 (refer to note 8).

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 2023

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	2023 \$M	2022 \$M
Opening balance	33.6	35.0
Additions ¹	5.1	8.1
Additions through business combinations	3.7	0.3
Payments	(12.9)	(11.0)
Unwinding interest on lease liabilities	1.2	1.3
Exchange differences	0.8	(0.1)
Closing balance	31.4	33.6

¹ Additions to lease liabilities also includes remeasurement and modification of existing leases.



Notes to the financial statements

for the year ended 30 June 2023

17. Share capital and reserves

Ordinary shares issued and fully paid	Shares (thousands)	\$M
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 under DRP	29	1.5
Shares issued to Non-Executive Directors for fee sacrifice	5	0.2
Transaction costs, net of tax	–	(0.1)
At 30 June 2022	326,346	906.3
At 1 July 2022	326,346	906.3
Shares issued for acquisition of subsidiaries	4,857	309.2
Shares issued to employee share trust	630	38.0
Shares issued under DRP	16	1.0
Shares issued to Non-Executive Directors for fee sacrifice	8	0.4
Transaction costs, net of tax	–	(0.2)
At 30 June 2023	331,857	1,254.7

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 2023, the Trust held 2,628,350 shares of the Company (2022: 2,689,073 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.

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.

Notes to the financial statements

for the year ended 30 June 2023

17. Share capital and reserves (continued)

During the year, the Group issued \$309.2m in shares to pay for obligations under acquisition agreements. In addition, at 30 June 2023 the Group had debt facilities of \$475m, out of which \$225m was drawn (FY22: \$nil). The total equity of the Group at 30 June 2023 was \$1,894.6m (FY22: \$1,315.2m) and total cash and cash equivalents at 30 June 2023 were \$143.0m (FY22: \$483.4m).

The Group is not subject to any externally imposed capital requirements.

18. Business combinations

Acquisitions in 2023

During the year ended 30 June 2023, the Group completed the following acquisitions:

Business acquired	Date of acquisition	Description of acquisition
Bolero.net Limited	1 July 2022	Leading provider of electronic bills of lading and digital document capabilities to facilitate global trade
Shipamax Inc	1 November 2022	Leading provider of document ingestion software
Envase Holdings, Inc	1 February 2023	Leading provider of transport management systems software for intermodal trucking and landside logistics in North America
Blume Global, Inc	1 April 2023	Leading provider of intermodal solutions to railroads, ocean carriers, freight forwarders and beneficial cargo owners in North America

Please refer to note 25 for details of subsidiaries acquired.

Envase and Blume are considered individually significant acquisitions completed during the year. Accordingly, key information on these two acquisitions has been presented separately and the remaining two acquisitions on an aggregated basis in the 'Others' column as set out below.

Details of the fair value of the identifiable assets acquired, liabilities assumed, and goodwill determined are set out in the following tables. With the exception of Bolero.net Limited, 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.

	Envase \$M	Blume \$M	Others \$M	Total \$M
Cash and cash equivalents	9.6	21.4	1.8	32.8
Trade receivables	5.4	6.2	1.5	13.1
Current tax receivables	–	–	1.4	1.4
Unbilled receivables	–	0.3	0.2	0.5
Other current assets	2.2	57.7	1.0	60.9
Intangible assets	90.6	144.8	4.4	239.8
Property, plant and equipment	0.7	6.8	0.1	7.6
Deferred tax assets	3.4	–	–	3.4
Trade and other payables	(8.7)	(28.7)	(4.1)	(41.7)
Lease liabilities	(0.2)	(3.4)	(0.1)	(3.7)
Deferred revenue	(3.3)	(7.9)	(4.1)	(15.2)
Employee benefits	–	(3.0)	(0.5)	(3.5)
Current tax liabilities	(0.1)	–	–	(0.1)
Other current liabilities	(9.1)	(67.9)	(0.1)	(76.9)
Deferred tax liabilities	–	(25.5)	(0.4)	(25.9)
Other non-current liabilities	(2.9)	(2.0)	–	(4.9)
Fair value of net identifiable assets acquired	87.6	98.8	1.2	187.6
Total consideration paid and payable	338.9	621.4	94.7	1,055.0
Less: Fair value of net identifiable assets acquired	(87.6)	(98.8)	(1.2)	(187.6)
Goodwill	251.3	522.6	93.5	867.4



Notes to the financial statements

for the year ended 30 June 2023

18. Business combinations (continued)

Envase Holdings

Envase provides cloud-based transportation management systems (TMS) and mobile applications to the supply chain, with a core focus on the drayage trucking market. The software merges order entry, truck dispatch, container tracking, electronic data interchange document imaging, invoicing, and billing settlements, among other functions, into a single, streamlined system providing efficiencies and visibility across the supply chain.

On 1 February 2023, the Group acquired 100% of the shares and voting interests in Envase. Total upfront consideration was \$338.9m comprising of cash paid of \$231.8m and new equity shares issued to the vendors of \$107.1m. The fair value of the ordinary shares issued was based on the listed share price of the Company at 1 February 2023 of \$59.50 where 1,799,551 shares were issued. The acquisition included \$9.6m of cash and cash equivalents acquired.

A provisional valuation was undertaken in relation to acquired intangible assets with respect to customer relationships, trade name and intellectual property totaling \$90.6m.

The methodology used to derive the value of customer relationships was the multi-period excess earnings method (MEEM). The MEEM considers the present value of cash flows expected to be generated by the customer relationships, excluding any cash flows related to contributory assets.

The relief from royalty method was used to value the trade name whereby it considers the discounted estimated royalty payments that are expected to be avoided as a result of the trademarks being owned.

The cost approach was adopted to value intellectual property which estimates the costs necessary to develop a similar asset of equivalent functionality at costs applicable at the time.

The trade receivables balance represented the gross contractual amounts due of \$6.3m, of which \$0.9m was expected to be uncollectible at the date of acquisition.

Goodwill is attributable mainly to the key management, specialized know-how of the workforce, employee relationships, competitive position and service offerings that did not meet the recognition criteria as an intangible asset at the date of acquisition. As the valuation of the business is currently provisional, the amount of goodwill that is deductible for tax purposes is yet to be determined.

Envase contributed \$16.1m to Group revenue and a reduction to net profit of \$3.2m from the date of acquisition. If it had been acquired from 1 July 2022, the contribution to Group revenue would have been \$38.7m and a reduction to net profit of \$7.7m.

Blume Global

Blume Global is a leading provider of intermodal solutions to railroads, ocean carriers, freight forwarders and beneficial cargo owners in North America. It is a supply chain orchestration platform that unites end-to-end visibility, supplier management and multimodal logistics planning and execution. As the single source for manufacturing and logistics data, Blume provides visibility throughout the value chain, from sourcing to delivery, allowing customers to use Blume solutions to navigate disruptions and create and execute agile plans amid supply chain uncertainty. Blume has the most extensive network of carriers and locations among logistics technology providers.

On 1 April 2023, the Group acquired 100% of the shares and voting interests in Blume. Total upfront consideration was \$621.4m comprising of cash paid of \$425.0m and new equity shares issued to the vendors of \$196.4m. The fair value of the ordinary shares issued was based on the listed share price of the Company at 3 April 2023 of \$66.66 where 2,945,949 shares were issued. The acquisition included \$21.4m of cash and cash equivalents acquired.

A provisional valuation was undertaken in relation to acquired intangible assets with respect to customer relationships, trade name and intellectual property totaling \$144.8m.

The methodology used to derive the value of customer relationships was MEEM. The MEEM considers the present value of cash flows expected to be generated by the customer relationships, excluding any cash flows related to contributory assets.

The relief from royalty method was used to value trade name and intellectual property whereby it considers the discounted estimated royalty payments that are expected to be avoided as a result of the trade marks being owned.

The trade receivables balance represented the gross contractual amounts due of \$6.4m, of which \$0.2m was expected to be uncollectible at the date of acquisition.

A contingent liability of \$13.8m was recorded on acquisition date in relation to possible claims against the acquisition with respect to an event that occurred prior to acquisition. The outcome is uncertain and the amount recorded is included within other current liabilities and is based on management's best estimate.

Goodwill is attributable mainly to the key management, specialized know-how of the workforce, employee relationships, competitive position and service offerings that did not meet the recognition criteria as an intangible asset at the date of acquisition. Goodwill is not expected to be deductible for tax purposes.

Blume contributed \$15.4m to Group revenue and a reduction to net profit of \$6.3m from the date of acquisition. If it had been acquired from 1 July 2022, the contribution to Group revenue would have been \$61.8m and a reduction to net profit of \$25.0m.

Notes to the financial statements

for the year ended 30 June 2023

18. Business combinations (continued)

Other acquisitions

Goodwill

The total goodwill arising on other acquisitions is \$93.5m 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. Goodwill is not expected to be deductible for tax purposes.

Consideration

The upfront consideration was \$87.5m, with further contingent consideration payable of \$7.6m. 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 was \$7.2m. The acquisitions included \$1.8m of cash and cash equivalents acquired.

Contribution of acquisitions to revenue and profits

These acquisitions contributed \$10.9m to Group revenue and net profit of \$0.2m from their respective dates of acquisition. If they had been acquired from 1 July 2022, the contribution to the Group revenue would have been \$11.5m and a reduction to net profit of \$0.4m.

M&A related expenses

The Group incurs M&A related expenses for activities undertaken during the current period and/or prior periods. The Group incurred \$26.4m (2022: \$2.3m) of expenses for the year ended 30 June 2023 which are recorded within General and administration expenses.

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 2023

18. Business combinations (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.

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 2023

19. Employee benefits

	2023 \$M	2022 \$M
Wages and salaries	318.4	236.3
Share-based payment expense	48.2	30.9
Defined contribution superannuation expense	26.4	19.0
Total employee benefit expense (gross before capitalization)	393.0	286.2

	2023 \$M	2022 \$M
Current		
Annual leave	24.7	18.8
Long service leave	5.1	4.4
Other employee benefits	6.1	–
	36.0	23.3
Non-current		
Long service leave	6.6	4.9
Other employee benefits	4.8	–
	11.4	4.9
Total annual leave and long service leave	47.3	28.2

Significant accounting policies

Current employee benefits

Current employee benefits that are expected to be settled wholly within 12 months after the end of the reporting period includes annual leave, long service leave, bonus and other incentives and retention entitlements. Current employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

Employee benefits are presented as current when the Group does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period.

Non-current employee benefits

Non-current employee benefits includes long service leave, bonus and other incentives, and retention entitlements that are not expected to be settled wholly within 12 months after the end of the reporting period. Non-current employee benefits are measured at the present value of the expected future payments to be made to employees.

Expected future long service leave 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 are recognized in profit or loss in the periods in which the changes occur.

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 2023

19. Employee benefits (continued)

Share-based payment transactions

The Company has a number of share-based payment arrangements that were granted to employees during FY23. 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 FY23, 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, and in certain circumstances meeting predetermined performance criteria. The fair value of the grant is recognized in Consolidated statement of profit or loss to match to each employee's service period until vesting. Generally, upon cessation of employment unvested rights are forfeited. The expense 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 payment expense was \$48.2m for employees and \$0.3m for Non-Executive Directors (2022: \$30.9m for employees and \$0.3 for Non-Executive Directors), which was also recognized in the Consolidated statement of profit or loss. Subsequently, \$17.9m (2022: \$8.5m) 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:

	2023 \$000	2022 \$000
Short-term employee benefits	3,870	3,621
Post-employment benefits	218	198
Other long-term benefits	178	248
Share-based payments	2,251	1,810
Total KMP compensation	6,517	5,877

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. One of these companies transacted with the Group during the year. The terms and conditions of this transaction 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 (Founder and CEO) and entity over which he has control or significant influence were as follows:

Director	Transactions	Transaction values for year ended 30 June		Balance outstanding as at 30 June	
		2023 \$000	2022 \$000	2023 \$000	2022 \$000
R White	Office leases ¹	920	847	–	–

¹ The Group leases an office owned by R White, in Chicago, USA which has a five year term ending September 2024 with an annual rent of US Dollars 0.6m.

The above agreement was made at normal market rates and was approved by the Related Party Committee. The committee was disbanded in June 2022 and its responsibilities transferred to the Audit & Risk Committee.

Notes to the financial statements

for the year ended 30 June 2023

21. Auditor's remuneration

	2023 \$000	2022 \$000
Audit and assurance related services		
<i>KPMG Australia</i>		
Audit and review of the financial reports	1,212.6	984.0
	1,212.6	984.0
Audit and assurance related services		
<i>KPMG overseas and non-KPMG firms</i>		
Audit of statutory financial reports KPMG overseas	869.5	672.1
Audit of statutory financial reports by non-KPMG firms	289.2	114.8
Total audit and assurance related services KPMG overseas and non-KPMG firms	1,158.7	786.8
Total audit and assurance related services	2,371.3	1,770.8
Other services		
<i>KPMG overseas and Non-KPMG firms</i>		
Other assurance, advisory and taxation services KPMG overseas	21.1	23.8
Other assurance, advisory and taxation services non-KPMG firms	11.9	12.0
Total other services KPMG overseas and non-KPMG firms	33.0	35.8
Total other services	33.0	35.8
Total auditor's remuneration	2,404.3	1,806.6



Notes to the financial statements

for the year ended 30 June 2023

22. Reconciliation of net cash flows from operating activities

	2023 \$M	2022 \$M
Cash flow reconciliation		
Reconciliation of net profit after tax to net cash flows from operating activities:		
Profit after tax from continuing operations	212.2	194.6
Net profit after tax	212.2	194.6
Adjustments to reconcile profit before tax to net cash flows from operating activities:		
Share-based payment expense	48.5	31.2
Depreciation	29.2	22.9
Net gain on asset disposals	(0.1)	–
Capitalization of share-based payment expense and depreciation	(20.2)	(10.5)
Amortization	58.7	43.0
Doubtful debt expense	1.9	3.5
Net finance costs	(0.8)	2.6
Exchange differences	0.3	0.1
Change in assets and liabilities:		
Increase in trade receivables	(19.1)	(17.4)
Decrease/(increase) in other current and non-current assets	12.4	(14.9)
Increase in trade and other payables	8.9	8.9
Decrease in net current tax liabilities	16.5	(6.8)
Increase in net deferred tax liabilities	26.3	28.7
Increase in derivatives and other liabilities	(1.8)	28.9
Increase/(decrease) in deferred revenue	2.6	(13.6)
Increase in provisions	4.9	5.4
Net cash flows from operating activities	380.5	306.7

Notes to the financial statements

for the year ended 30 June 2023

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:

	2023 \$M	2022 \$M
Continuing operations		
Recurring On-Demand License revenue	683.0	491.6
Recurring OTL maintenance revenue	101.5	74.2
OTL and support services	32.4	66.5
Total revenue	816.8	632.2
Segment EBITDA ¹	385.7	319.0
Depreciation and amortization	(85.6)	(64.0)
Net finance income/(costs)	0.8	(2.6)
Profit before income tax	301.0	252.4
Income tax expense	(88.8)	(57.7)
Net profit after income tax	212.2	194.6

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.

No single customer contributed more than 10% of revenue during the current and comparative period.

Geographic information

Revenue generated by customer invoicing location:

	2023 \$M	2022 \$M
Americas	257.2	175.6
Asia Pacific	241.0	199.9
Europe, Middle East and Africa (EMEA)	318.6	256.7
Total revenue	816.8	632.2

Non-current assets by geographic location:

	2023 \$M	2022 \$M
Americas	1,305.2	264.7
Asia Pacific	647.5	519.1
EMEA	341.4	270.6
Total non-current assets	2,294.1	1,054.4



Notes to the financial statements

for the year ended 30 June 2023

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 2023

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 or 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

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 2023

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 – 2023	Level 1 \$M	Level 2 \$M	Level 3 \$M	Total \$M
Assets				
Forward foreign exchange contracts	–	–	–	–
Foreign exchange collars	–	–	–	–
Total assets	–	–	–	–
Liabilities				
Forward foreign exchange contracts	–	10.0	–	10.0
Foreign exchange collars	–	10.5	–	10.5
Deferred consideration	–	–	–	–
Contingent consideration	–	–	32.4	32.4
Total liabilities	–	20.5	32.4	52.9

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

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'.

	2023 \$M	2022 \$M
Opening balance (pre-tax)	(13.7)	(3.0)
New contracts entered during the year	(8.3)	(10.7)
Contracts settled or closed during the year	6.2	2.1
Revaluation	(4.7)	(2.1)
Closing balance (pre-tax)	(20.5)	(13.7)

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. Deferred consideration was paid during FY23.

Notes to the financial statements

for the year ended 30 June 2023

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.

	2023 \$M	2022 \$M
Opening balance 1 July	31.2	36.5
Change in fair value estimate ¹	(0.2)	(0.1)
Equity payments	(5.7)	(5.7)
Cash payments	(2.6)	(0.1)
Additions	7.2	0.7
Unwinding interest ¹	0.9	(0.1)
Foreign exchange differences ¹	1.6	–
Closing balance	32.4	31.2

¹ The effect on profit or loss is due to change in fair value estimate, unwinding of earnout interest on acquisitions 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 2023

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 \$143.0m at 30 June 2023 (2022: \$483.4m).

Notes to the financial statements

for the year ended 30 June 2023

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.

2023	Carrying amount \$M	Total \$M	Contractual cash flow	
			Less than 1 year \$M	1–5 years \$M
Financial liabilities				
Bank loans	225.0	(227.2)	(227.2)	–
Contingent consideration ¹	11.8	(12.7)	(3.4)	(9.3)
Lease liabilities	31.4	(33.8)	(11.8)	(22.0)
Trade payables	48.3	(48.3)	(48.3)	–
Other payables and accrued expenses	37.0	(37.0)	(37.0)	–
Other liabilities	151.7	(152.6)	(138.8)	(13.8)
Total	505.2	(511.6)	(466.5)	(45.1)

¹ The total carrying value of contingent consideration is \$32.4m, which includes \$20.6m to be settled for an equivalent value of shares once milestones are achieved and become payable and \$11.8m in the table above, which will be cash settled.

2022	Carrying amount \$M	Total \$M	Contractual cash flow	
			Less than 1 year \$M	1–5 years \$M
Financial liabilities				
Contingent consideration ²	6.7	(7.5)	(1.2)	(6.3)
Lease liabilities	33.6	(36.7)	(10.6)	(26.1)
Deferred consideration	1.8	(1.8)	(1.8)	–
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)

² 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.



Notes to the financial statements

for the year ended 30 June 2023

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:

	2023 \$M	2022 \$M
Unwinding interest on contingent consideration	1.0	1.0
Re-assessment of interest unwind on contingent consideration	–	(1.0)
Unwinding interest on lease liabilities	1.2	1.3
Lease liability interest capitalized to intangible assets	(0.3)	(0.3)
Interest expense and facility fees	4.4	1.5
Loss on net monetary position due to hyperinflationary economy	1.4	0.8
Other	(0.7)	0.7
Total finance costs	7.1	4.1

(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 and Euros.

The Group has exposures surrounding foreign currencies due to non-functional currency transactions within operations in overseas jurisdictions.

As at 30 June 2023, the Group has hedged approximately 40% for the next 12 months of its estimated foreign currency exposure in respect of forecasted sales. 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 2023

24. Financial instruments (continued)

Financial risk management objectives and policies (continued)

Details of total outstanding cash flow hedges are as below:

30 June 2023

Forward foreign exchange contracts	Average exchange rates	Contract value LC ¹ (Millions)	Asset AUD (Millions)	Liability AUD (Millions)
EUR				
Up to 1 year	0.6438	15.8	–	(1.4)
1–5 years	0.6347	11.6	–	(1.0)
Total		27.4	–	(2.4)
USD				
Up to 1 year	0.6937	82.9	–	(5.0)
1–5 years	0.6803	96.0	–	(2.6)
Total		178.9	–	(7.6)

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	0.5860	0.6350	11.1	–	(0.1)
1–5 years	0.5860	0.6350	1.3	–	(0.1)
Total			12.4	–	(0.2)
USD					
Up to 1 year	0.6925	0.7310	124.0	–	(9.6)
1–5 years	0.6823	0.7250	11.2	–	(0.7)
Total			135.2	–	(10.3)

30 June 2022

Forward foreign exchange contracts	Average call 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)

¹ LC – Local currency.



Notes to the financial statements

for the year ended 30 June 2023

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	0.5853	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)

1 LC – Local currency.

Variance analysis – FY23

A reasonably possible strengthening (weakening) of the USD or EUR weighted average exchange rate against AUD at 30 June 2023 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 2023 remain unchanged and that all designations are effective.

Forward foreign exchange contracts	Average exchange rate	Effect on equity (pre-tax)		Profit (pre-tax)			
		+10%	-10%	Change (+10%) AUD (Millions)	Change (-10%) AUD (Millions)	Change (+10%) AUD (Millions)	Change (-10%) AUD (Millions)
AUD/EUR	0.6399	0.7039	0.5760	(0.2)	0.3	–	–
AUD/USD	0.6864	0.7551	0.6178	0.7	(0.8)	–	–

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.

Forward foreign exchange contracts	Average exchange rate	Effect on equity (pre-tax)		Profit (pre-tax)			
		+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)	–	–

Notes to the financial statements

for the year ended 30 June 2023

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 2023 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.

	30 June 2023 LC (Millions)	Profit or loss (pre-tax)		Equity	
		Change (+10%) LC (Millions)	Change (-10%) LC (Millions)	Change (+10%) LC (Millions)	Change (-10%) LC (Millions)
USD					
Net trade receivables/(payables) exposure	27.4	(2.5)	3.0	-	-
EUR					
Net trade receivables/(payables) exposure	4.0	(0.4)	0.4	-	-

	30 June 2022 LC (Millions)	Profit or loss (pre-tax)		Equity	
		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	-	-

1 LC - Local currency.

Interest rate risk and cash flow sensitivity

At 30 June 2023, the Group held interest bearing financial liabilities (i.e., bank loans) of \$225.0m (2022: nil) and held interest bearing financial assets (i.e. cash and short-term deposits) of \$143.0m (2022: \$483.4m).

A reasonably possible increase of 100 basis points in interest rates at the reporting date would have decreased the net profit after tax by \$0.6m (FY22: increase by \$3.4m). A reasonably possible decrease of 100 basis points in interest rates at the reporting date would have increased the net profit after tax by \$0.6m (FY22: decrease by \$3.4m). This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.



Notes to the financial statements

for the year ended 30 June 2023

25. Group information

Parent entity	Country of incorporation	% Equity interest	
Subsidiaries	Country of incorporation	2023	2022
WiseTech Global Limited	Australia		
Candent Australia Pty Ltd	Australia	100.0	100.0
CMS Transport Systems 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
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
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
Infosite Technologies Inc. ⁴	Canada	100.0	–
Tailwind Software Holdings Ltd ⁴	Canada	100.0	–
WiseTech Global (CA) Ltd	Canada	100.0	100.0
Softcargo Chile SpA	Chile	100.0	100.0
Bolero Shanghai Ltd ¹²	China	–	–
WiseTech Global (China) Information Technology Ltd	China	100.0	100.0
Blume France Sarl ⁵	France	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
Blume Global Hong Kong Limited ⁵	Hong Kong	100.0	–
Bolero.Net Ltd ²	Hong Kong	100.0	–

1 Entity de-registered, merged or amalgamated in FY23.

2 Entity for which control has been gained through Bolero acquisition in FY23.

3 Entity for which control has been gained through Shipamax acquisition in FY23.

4 Entity for which control has been gained through Envase acquisition in FY23.

5 Entity for which control has been gained through Blume acquisition in FY23.

Notes to the financial statements

for the year ended 30 June 2023

25. Group information (continued)

Subsidiaries	Country of incorporation	% Equity interest	
		2023	2022
Containerchain Hong Kong Ltd ¹	Hong Kong	–	100.0
WiseTech Global (HK) Ltd	Hong Kong	100.0	100.0
Blume Global India Private Limited ⁵	India	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
WiseTech Global (NZ) Ltd	New Zealand	100.0	100.0
Systema AS	Norway	100.0	100.0
Softship Inc.	Philippines	100.0	100.0
Bolero.net Singapore Pte. Ltd. ²	Singapore	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
Wisetechnology (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	100.0
X Ware Aktiebolag	Sweden	100.0	100.0
Blume Switzerland Ltd ⁵	Switzerland	100.0	–

1 Entity de-registered, merged or amalgamated in FY23.

2 Entity for which control has been gained through Bolero acquisition in FY23.

3 Entity for which control has been gained through Shipamax acquisition in FY23.

4 Entity for which control has been gained through Envase acquisition in FY23.

5 Entity for which control has been gained through Blume acquisition in FY23.



Notes to the financial statements

for the year ended 30 June 2023

25. Group information (continued)

Subsidiaries	Country of incorporation	% Equity interest	
		2023	2022
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
Blume Services UK Limited ⁵	UK	100.0	–
Bolero International Limited ²	UK	100.0	–
Bolero.net Limited ²	UK	100.0	–
LSI – Sigma Software Limited ¹	UK	–	100.0
Pierbridge Limited	UK	100.0	100.0
Shipamax Ltd ³	UK	100.0	–
WiseTech Global (International) Ltd	UK	100.0	100.0
WiseTech Global (UK) Ltd	UK	100.0	100.0
Bolero.net Inc. ²	USA	100.0	–
Blume Global, Inc. ⁵	USA	100.0	–
Dray Master Holdings, LLC ⁴	USA	100.0	–
Envase Holdings, LLC ⁴	USA	100.0	–
Compcare Services Holdings, LLC ¹⁴	USA	–	–
Compcare Services, LLC ⁴	USA	100.0	–
GTG Technology Group, LLC ⁴	USA	100.0	–
GTG Technology Group Holdings, LLC ¹⁴	USA	–	–
Profit Tools, LLC ⁴	USA	100.0	–
SecurSpace Holdings, LLC ⁴	USA	100.0	–
Shipamax Inc ³	USA	100.0	–
Transport Software Solutions, LLC ⁴	USA	100.0	–
WB 335, Inc. ¹	USA	–	–
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 FY23.

2 Entity for which control has been gained through Bolero acquisition in FY23.

3 Entity for which control has been gained through Shipamax acquisition in FY23.

4 Entity for which control has been gained through Envase acquisition in FY23.

5 Entity for which control has been gained through Blume acquisition in FY23.

Notes to the financial statements

for the year ended 30 June 2023

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	12 Oct 2022
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	
	2023 \$M	2022 \$M
Profit from continuing operations before income tax	287.6	195.3
Income tax expense	(85.2)	(36.7)
Profit after tax from continuing operations	202.4	158.6
Retained earnings at the beginning of the period	418.8	301.1
Retained earnings of entities exited from the group	1.3	–
Net profit for the period	202.4	158.6
Dividends declared and paid	(42.6)	(28.0)
Vesting of share rights	(7.9)	(3.5)
Tax benefit from equity remuneration ¹	–	(9.4)
Retained earnings at the end of the period	572.0	418.8

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 2023

26. Deed of Cross Guarantee (continued)

	Closed Group	
	2023 \$M	2022 \$M
Assets		
Current assets		
Cash and cash equivalents	11.3	292.0
Current tax receivables	–	6.8
Trade and other receivables	64.9	50.7
Other current assets	20.4	15.5
Intercompany receivables	5.0	6.3
Derivative financial instruments	–	1.6
Total current assets	101.6	372.8
Non-current assets		
Investments in subsidiaries	1,858.9	912.6
Intangible assets	379.0	277.8
Property, plant and equipment	33.6	31.6
Other non-current assets	6.8	6.2
Derivative financial instruments	–	0.6
Total non-current assets	2,278.3	1,228.9
Total assets	2,379.9	1,601.6
Liabilities		
Current liabilities		
Trade and other payables	37.9	34.7
Borrowings	225.0	–
Derivative financial instruments	16.2	7.7
Deferred revenue	10.6	7.5
Lease liabilities	3.7	3.5
Employee benefits	21.5	15.9
Intercompany payables	24.0	62.1
Other current liabilities	58.5	48.1
Current tax liabilities	5.4	–
Total current liabilities	402.8	179.6
Non-current liabilities		
Employee benefits	5.7	3.9
Deferred tax liabilities	99.9	75.7
Derivative financial instruments	4.2	8.1
Lease liabilities	9.8	13.4
Other non-current liabilities	20.1	10.0
Total non-current liabilities	139.8	111.3
Total liabilities	542.6	290.8
Net assets	1,837.3	1,310.8
Equity		
Share capital	1,254.7	906.3
Reserves	10.6	(14.3)
Retained earnings	572.0	418.8
Total equity	1,837.3	1,310.8

Notes to the financial statements

for the year ended 30 June 2023

27. Parent entity information

As at, and throughout the financial year ended, 30 June 2023, the parent entity of the Group was WiseTech Global Limited.

	2023 \$M	2022 \$M
Result of parent entity		
Net profit after income tax	121.7	189.7
Total comprehensive income, net of tax	121.7	189.7
Financial position of parent entity at year end		
Current assets	1,366.6	943.0
Total assets	2,142.7	1,347.2
Current liabilities	421.0	38.3
Total liabilities	447.5	64.1
Net assets	1,695.2	1,283.1
Total equity of parent entity comprising:		
Share capital	1,254.7	906.3
Reserves	(96.5)	(88.9)
Retained earnings	537.0	465.7
Total equity	1,695.2	1,283.1

FY22 has been updated versus amounts reported in the prior year, to reflect final tax positions.

(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 2023 (FY22: nil).

(b) Parent entity capital commitments for acquisition of property, plant and equipment

The parent entity has capital commitments of \$1.4m as at 30 June 2023 (FY22: \$nil).

(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. The parent entity has not provided any material bank guarantees as at 30 June 2023 (FY22: \$nil).



Notes to the financial statements

for the year ended 30 June 2023

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 2023

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 2023 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:

- Disclosure of accounting policies and definition of accounting estimates (AASB 2021-2 and AASB 2021-6);
- Deferred tax related to assets and liabilities arising from a single transaction (AASB 2021-5);
- Insurance contracts (AASB 17, AASB 2020-5, AASB 2022-1, AASB 2022-8, AASB 2022-9)

(e) Commitments and contingencies

Capital commitments

The Group has \$3.1m of capital commitments as at 30 June 2023 (FY22: nil).

Guarantees

The Group has not provided for any material guarantees at 30 June 2023 (FY22: nil).

Contingent assets and contingent liabilities

There were no contingent assets or liabilities that have been recognized by the Group as at 30 June 2023 (FY22: nil).

(f) Events after reporting period

Dividend

Since the period end, the Directors have declared a fully franked final dividend of 8.40 cents per share, payable on 6 October 2023. The dividend will be recognized in subsequent financial statements.



Directors' declaration

for the year ended 30 June 2023

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 149 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 2023 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 2023.
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
23 August 2023



Richard White
Executive Director, Founder and CEO
23 August 2023

Independent Auditor's Report

for the year ended 30 June 2023



This is the original version of the audit report over the financial statements signed by the directors on 23 August 2023. Page references in relation to the Remuneration Report should be read as referring to pages 72 to 90 as opposed to 7 to 24, 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 2023 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 2023
- 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 these requirements .

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Independent Auditor's Report

for the year ended 30 June 2023



Key Audit Matters

The **Key Audit Matters** we identified are:

- Recognition of revenue;
- Capitalisation of software development costs;
- Business combinations

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 (\$816.8m)

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
<p>The recognition of revenue is considered to be a key audit matter due to:</p> <ul style="list-style-type: none"> • 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. <p>We involved IT and Data specialists to supplement our senior audit team members in assessing this key audit matter.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> • Stratified the revenue population into homogenous revenue streams for the purposes of performing our testing; • We tested the IT general controls over the CargoWise One system; • 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: <ul style="list-style-type: none"> - 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.

Independent Auditor’s Report

for the year ended 30 June 2023



	<ul style="list-style-type: none"> • We tested the Group’s key manual revenue recognition controls including; <ul style="list-style-type: none"> - approval of new customer contracts; and - approval that the pricing in the customers 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; <ul style="list-style-type: none"> - 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.
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Capitalisation of software development costs (additions: \$133.2m)

Refer to Note 7 ‘Intangible assets’ of the financial report

The key audit matter	How the matter was addressed in our audit
<p>Capitalisation of software costs is considered to be a key audit matter due to:</p> <ul style="list-style-type: none"> • 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; 	<p>Our procedures included:</p> <ul style="list-style-type: none"> • We inspected the Group’s documentation of their assessment of capitalised development against AASB 138: <i>Intangible Assets</i> 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;



Independent Auditor's Report

for the year ended 30 June 2023



<ul style="list-style-type: none"> • The Group develops its software products using an iterative development methodology. This approach requires more judgement in assessing the Group's application of the requirements of the accounting standards to capitalise the development costs. These assessments include: <ul style="list-style-type: none"> - 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. <p>We involved IT and Data specialists to supplement our senior audit team members in assessing this key audit matter.</p>	<ul style="list-style-type: none"> • We tested the IT general controls over the PAVE system; • We developed an expectation of development costs capitalised in the year within PAVE. We compared this to the amount recorded by the Group. This procedure was performed with the assistance of our IT and Data Specialists. The formation of our expectation involved: <ul style="list-style-type: none"> - understanding the Group's software development processes and how software developers use PAVE to record activities; - inspecting the information recorded in PAVE and assessed the Group's identification of development activities; - assessing for a sample of PAVE recorded time capitalised, the hours recorded for coding relates to an employee with a developer related role; and the activities related to a project in development or an enhancement to an existing software product as opposed to research or maintenance; - evaluating for a sample of hours recorded, task descriptions logged against the Group's accounting policy and the criteria in the accounting standards; and - assessing the task nature meets the requirements for capitalisation through inquiry with the developers. • For non-PAVE development costs, we tested a sample of recorded developer time capitalised, and evaluated the activities related to a project in development or enhancement to an existing software product, as opposed to, research or maintenance; • 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; • We evaluated the adequacy of the disclosures included in the financial report against the requirements of the accounting standards.
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Independent Auditor’s Report

for the year ended 30 June 2023



Business Combinations (Envase goodwill and other intangibles: \$341.9m, Blume goodwill and other intangibles: \$667.4m)

Refer to Note 18 to the financial report

The key audit matter

During FY23, the Group has acquired 100% of Envase Holdings, Inc. (Envase) and Blume Global, Inc. (Blume).

The accounting for these acquisitions is a key audit matter due to the:

- Size of the acquisitions having a significant impact on the Group’s financial statements;
- Significant judgement for these acquisitions that is required in determining the fair values of assets and liabilities acquired. The Group engaged external valuation experts to assess the:
 - Identification of acquired intangible assets, such as customer relationships, intellectual property, and trade name;
 - Assumptions and estimates used when performing intangible asset valuations, including estimated future cash flows, growth rates and discount rates; and
 - Fair value adjustments to assets acquired and liabilities assumed.
- Complexity associated with the acquisition accounting including the recording of provisional adjustments to the fair value of assets and liabilities acquired at reporting date.

We involved Valuation specialists to supplement our senior audit team members in assessing this key audit matter.

How the matter was addressed in our audit

Our procedures included:

- We read the purchase agreements and other selected key documents associated with the transaction and evaluated the Group’s provisional acquisition accounting against the requirements of the accounting standards;
- We assessed the accuracy of the calculation and measurement of consideration paid to acquire Envase and Blume based on the underlying transaction agreements and the Group’s bank statements;
- We assessed the scope, objectivity and competence of independent valuation specialists engaged by the Group;
- Working with our valuation specialists, we assessed the Group’s provisional valuation of acquired identifiable intangible assets recognised by:
 - Evaluating the Group’s preliminary assessment of identified intangible assets, using the due diligence information and information from other acquisitions;
 - Benchmarking the input assumptions including discount rates and customer retention rates to external data; and
 - Evaluated the valuation methodology used to determine the provisional fair value of assets and liabilities acquired, considering accounting standard requirements and observed industry practices.
- We evaluated the Group’s provisional fair value accounting adjustments to the assets acquired and liabilities assumed by checking these to due diligence information, supporting documents and subsequent transactions;
- We tested the mathematical accuracy of the underlying calculations;



Independent Auditor's Report

for the year ended 30 June 2023



	<ul style="list-style-type: none"> • We recalculated the provisional goodwill balance recognised as a result of the transaction and compared it to the provisional goodwill amount recorded by the Group; • We assessed the adequacy of disclosures in the financial report using our understanding obtained from our testing and against the requirements of the accounting standard.
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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 About Us, 2023 Highlights, Financial Highlights, Chair and CEO Report, Our Business, Sustainability Report, Corporate Governance Statement, 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 2023



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 2023, 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 24 of the Directors' report for the year ended 30 June 2023.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with *Australian Auditing Standards*.

KPMG

Caoimhe Toouli

Partner

Sydney

23 August 2023



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 6 September 2023.

Distribution of shareholdings

Number of shares held	Number of holders	Number of shares	% of issued capital
100,001 and over	48	317,300,303	95.61
10,001 to 100,000	174	4,618,674	1.39
5,001 to 10,000	211	1,457,084	0.44
1,001 to 5,000	2,176	4,636,637	1.40
1 to 1,000	16,368	3,851,273	1.16
Total	18,977	331,863,971	100.00

There were 1,642 investors holding less than a marketable parcel of 8 shares (based on a share price of \$69.73).

Largest 20 shareholders

	Name	Number of shares	% of issued capital
1	RealWise Holdings Pty Limited	131,806,570	39.72
2	HSBC Custody Nominees (Australia) Limited	71,953,240	21.68
3	J P Morgan Nominees Australia Pty Limited	30,846,131	9.29
4	Citicorp Nominees Pty Limited	18,376,147	5.54
5	Fabemu No 2 Pty Ltd ABN 67 003 954 070	17,127,197	5.16
6	MSG Holdings Pty Ltd	7,160,383	2.16
7	Mr Michael John Gregg & Mrs Suzanne Jane Gregg	5,096,707	1.54
8	National Nominees Limited	4,699,276	1.42
9	BNP Paribas Noms Pty Ltd	4,235,511	1.28
10	Merrill Lynch (Australia) Nominees Pty Limited	3,911,192	1.18
11	Citicorp Nominees Pty Limited	2,959,889	0.89
12	Drive Chassis Topco Parent L P	2,920,824	0.88
13	Solium Nominees (Aus) Pty Ltd	1,956,783	0.59
14	Echo SPV LLC	1,799,551	0.54
15	HSBC Custody Nominees (Australia) Limited – A/C 2	1,601,087	0.48
16	Mycroft Investments Pty Ltd	1,561,000	0.47
17	Solium Nominees (Australia) Pty Ltd	1,089,262	0.33
18	HSBC Custody Nominees (Australia) Limited	826,159	0.25
19	Mr William Leigh Porter	696,000	0.21
20	HSBC Custody Nominees (Australia) Limited	598,750	0.18
	Total	311,221,659	93.78

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	131,806,570	39.72	4 April 2023
Charles Gibbon, Fabemu No 2 Pty Ltd and Gibbon Family Holdings Pty Limited	17,349,014	5.47	6 May 2019
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
1,799,551	2 February 2024
69,417	20 February 2024
2,945,949	4 April 2024
3,334	29 August 2024

On-market buy-back

There is no current on-market buy-back of ordinary shares.

Unlisted securities

There were a total of 2,857,347 share rights on issue, held by 2,194 individual holders. Share rights have no voting rights.

Number of share rights held	Number of holders	Number of share rights	% of total share rights issued
100,001 and over	–	–	–
10,001 to 100,000	30	633,338	22.17
5,001 to 10,000	58	385,083	13.48
1,001 to 5,000	614	1,274,151	44.59
1 to 1,000	1,492	564,775	19.77
Total	2,194	2,857,347	100.00



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 15
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
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
Scope 1-3 emissions	As defined by the Greenhouse Gas Protocol Corporate Reporting Standard, Scope 1 emissions are 'direct' emissions caused by an organization operating the things that it owns or controls. Scope 2 emissions are 'indirect' emissions created by the production of the energy that an organization purchases. Scope 3 emissions are 'indirect' emissions other than Scope 2 emissions that are generated in the wider economy by an organization's suppliers and customers
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 excluding fair value adjustments from changes to acquisition contingent consideration, non-recurring tax on acquisition, acquired amortization net of tax, contingent and deferred consideration interest unwind net of tax and M&A costs

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

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www.wisetechnology.com/investors

Investor relations

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Registered office

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Company Secretary

Email: company.secretary@wisetechnology.com

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Auditor

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