



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

6 May 2021

**ELECTRONIC LODGEMENT**

Dear Sir or Madam

**RE: CHAIR AND CEO ADDRESSES – ANNUAL GENERAL MEETING**

Please find attached a copy of addresses to be given by the Chairman and the CEO at this morning's Annual General Meeting of Iress Limited.

Yours sincerely

Peter Ferguson  
Chief Legal Officer & Company Secretary



**Iress Annual General Meeting  
Thursday 6 May 2021  
Melbourne**

**CHAIR'S ADDRESS - TONY D'ALOISIO**

In a moment Andrew Walsh will deliver his yearly AGM address. In introducing Andrew, let me make some observations.

As you will know from announcements we have made, this will be my last AGM as Chair of Iress - as I am stepping down from the close of this AGM. It has been an honour and a privilege to have been a director and Chair over the past 8 years. Thank you to the Board and to you as shareholders for your support - and importantly to the management team led by Andrew.

While I - like you - would like our share price to be better, I do feel confident in the strength of the company from the quality of its software and the depth of its enduring client relationships as well as its geographic reach.

An example of the strength and resilience of Iress is its response in 2020 to the pandemic. The Board is pleased with Iress' progress against its strategic objectives during this period including attracting and retaining high quality people, operational efficiency, targeted investment in areas such as cloud and improved client and user experience. Acquisitions completed during 2020, including the acquisition of OneVue, are designed to further strengthen Iress, drive growth and increase shareholder value in the longer term.

**Financials**

2020 results were ahead of our guidance, aided by good momentum in the fourth quarter. 2020 pro forma Segment Profit was \$155.6m, 5% ahead of 2019. More than a year into the pandemic, these results highlight the strength of Iress' businesses and the improving returns on our growth investments and I am confident of the future of Iress.

**Dividends and balance sheet**

As communicated in February, the final dividend was 30 cents per share, franked to 40% - bringing the full year 2020 dividend to 46 cents. This is franked to 38%, on an average weighted basis. Iress continues to maintain a conservative balance sheet at a leverage ratio of 0.8 times Segment Profit. Including the successful capital raise in May, net debt fell by 36% during 2020.

**Board succession**

Iress is a firm believer in the importance of Board renewal to a company's continued success and at the AGM two years ago I outlined the Board's succession plans. There has been an orderly succession with two new directors coming on in that period (Michael Dwyer and Trudy

Vonhoff) and three directors rotating off the Board (Jenny Seabrook last year, John Hayes and Geoff Tomlinson today).

On behalf of my fellow directors, I thank John who has been a non executive director for 10 years and Geoff who has been non executive director for 6 years for their commitment as directors and for all they have done for Iress. And at a personal level I thank each of them for their support to me as Chair. I had the opportunity to thank Jenny Seabrook at last year's AGM.

This succession has also extended to the Chair role and following an internal and external search we are pleased that Roger Sharp has been selected by the Board as Chair-elect. Roger will speak to you later in the meeting.

I want to thank my fellow directors, Iress' management team led by Andrew Walsh, all the people at Iress and you, as shareholders, for the support you have given to me and the Board. I will miss you all (including your proxy advisers!) and I will look forward to seeing Iress' continued success.

I will now hand it to Andrew for his comments.

## **CEO ADDRESS - ANDREW WALSH**

Thank you Tony.

Thank you in particular for your support and guidance as Chair, which has been invaluable and much appreciated by me, my fellow directors and management.

I also thank John and Geoff for their long service and the expertise and experience they have brought to the Board. Again, this has been much appreciated and I wish you both all the very best for the future.

I also warmly welcome Roger to the board and as Chair-elect. The management team and I are looking forward to working with you, and the Board.

Today I will cover progress on our key focus areas and operational progress including more detail on financials and recent acquisitions.

### **Key focus areas**

Our goal at Iress is to be the essential partner for forward-thinking financial services businesses. On the strategic priorities that Tony mentioned, we are making sound progress.

Attracting and retaining the best people sits at the core of successful technology companies. Our current and former employees rate us highly versus technology competitors. Operational efficiency is critical to all aspects of our business, including financial outcomes, but also increasingly client and user experience. We are seeing this in our financial performance, and in client and user feedback, where investment in our technology platforms are driving consistent, high quality deployment at scale. Our progress in migrating clients to cloud is strong. In Australia, where the Cloud program started, two thirds of services under the program have now moved to Cloud. Global services migrated year-to-date increased 33% over FY2020.

Our focus as a management team for shareholders is to generate higher returns on our growth investments than the group as a whole, that will increase returns to shareholders as measured by return on invested capital and earnings per share. We are particularly focused on growth opportunities in Superannuation, in the United Kingdom and following the OneVue acquisition, and in scale benefits from Product and Technology. We are advanced on delivery of a new market offer in Australia following our successful acquisition and integration of OneVue. With OneVue, Iress will be able to offer clients an open, seamless and highly efficient investment infrastructure that does not currently exist in Australia. We look forward to sharing more news on this with shareholders as the year progresses.

Servicing clients exceptionally and delivering a compelling user experience is at the heart of Iress. The addition of two executives during 2020, Joydip Das as Chief Product Officer and Michael Blomfield as Chief Commercial Officer, will continue to drive a client and user-centred culture.

As Tony mentioned, Iress has proven itself to be resilient during the pandemic. We have also proven adaptive. I am proud of how the team of more than 2,000 Iress people has continued to

deliver to clients and users during this time. I am humbled by what many of our people have dealt with over the past year including the loss of loved ones to the pandemic and long periods of lockdown - often juggling young children and work responsibilities from home. We continue to emphasise wellbeing and mental health including sharing our experience and challenges.

## **Financials**

Adding to Tony's comments on our financial results for 2020. APAC was a stand out performer with revenue up 10%. Our strong Australian businesses continue to deliver growth with consistently high returns. We made good progress in executing our growth strategies including turning QuantHouse to monthly profitability and in providing Australian super funds with a highly efficient, outsourced administration solution. In the UK though, we were affected by restrictions relating to the pandemic in 2020. While our significant growth opportunity remains intact, project timing and new business development was delayed in 2020 with revenue growth deferred.

2021 has started well for Iress and we have a positive outlook. The guidance we provided in February for Segment Profit growth in constant currency of 7 to 10% is unchanged.

## **Thank you**

Thank you again to Tony and to the other departing directors, John and Geoff. Thank you to the leaders and everyone at Iress and thank you to you, our shareholders, for your continued support.