



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

25 August 2022

Dear Manager,

IRESS LIMITED – 2022 NOTICE OF EXTRAORDINARY GENERAL MEETING AND PROXY FORM

Please find attached a copy of:

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

Yours sincerely

Peter Ferguson
Chief Legal Officer & Company Secretary

2022

Notice of Extraordinary General Meeting

**Technology to
perform better
every day**



Invitation to shareholders from Iress' Chair

Dear Shareholder

Notice is hereby given that an Extraordinary General Meeting (**EGM**) of the members of Iress Limited (**Iress** or the **Company**) will be held as a hybrid event. Shareholders may either attend online or in person at the offices of King & Wood Mallesons, Level 61, Governor Phillip Tower, 1 Farrer Place, Sydney NSW 2000 on Thursday, 29 September 2022, at 11.30am (AEST).



The purpose of the EGM is to provide you with the opportunity to vote on the granting of Equity Rights, Performance Rights, and Options to the incoming Managing Director and CEO, Marcus Price.

Iress has a long history of leadership stability with both previous CEOs overseeing significant growth, expansion, and delivery of shareholder value.

Andrew Walsh has been an outstanding leader and steward of Iress. Since taking over as CEO in 2009, he has been instrumental in building Iress into an innovative market leader with an international footprint. The Board understands his decision to retire, is grateful to Andrew for his service, and wishes him well in his future endeavours. The appointment of Marcus Price followed a thorough succession planning, candidate search, and evaluation process.

The Board believes Marcus is ideally placed to steer Iress through the next phase of its journey. He brings decades of experience in financial services and technology, with a demonstrated track record in creating shareholder value.

Marcus was the founding CEO of PEXA Group Ltd, Australia's first digital property exchange. He is acknowledged as the driving force in the creation of PEXA, which he led for more than a decade. Marcus has also held senior positions with NAB and the Boston Consulting Group, and previously served in senior executive roles with both Equifax and Dun & Bradstreet.

The 2025 strategy announced last year aims to transform Iress into a more scalable company, delivering improved shareholder returns.

We are fortunate to have secured a leader of Marcus' reputation and experience to guide the Company through the execution of this strategy and to develop future growth horizons. Recognising the importance of the role, Iress is seeking your approval for Marcus to step into the current Managing Director and CEO equity package, which was approved by shareholders in May 2022.

Further reflecting Marcus' intention to align his interests with those of shareholders, he has agreed to a 30% reduction in his fixed remuneration (comprising Base Salary and Equity Rights) for the period 3 October 2022 through 31 December 2024, reducing his remuneration by \$1,372,470 over that period. In return, the Company has agreed to issue a one-off grant of Options with an equivalent value. Iress is also seeking your approval at the EGM for the grant of these Options.

Shareholders should note that the transition from Andrew to Marcus has been structured to minimise any impact to the Company's FY22 profitability, with Andrew forfeiting his 2022 Performance Rights and only a three-month Fixed Remuneration overlap during FY22.

On behalf of the Board, I encourage you to support the proposed remuneration framework which closely aligns Marcus' interests with those of the Company and its shareholders.

Attending the meeting

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

Further information on how to participate in the meeting is provided on page 3 of this Notice of Extraordinary Meeting.

If you choose to attend the meeting in person, it will be held at 11.30am (AEST) on Thursday 29 September, 2022 at the offices of King & Wood Mallesons, Level 61, Governor Phillip Tower, 1 Farrer Place, Sydney NSW 2000.

Enclosed information

We have included in this Notice of Extraordinary Meeting:

- items of business and Explanatory Notes (pages 5-14)
- information on how to exercise your proxy vote (page 4)
- your proxy form (separate document).

Voting by proxy

If you are unable to attend the meeting and wish to vote, please complete and return your proxy form no later than 11.30am (AEST) on Tuesday 27 September, 2022. Further details on how to submit your proxy form are set out in the Notice of Extraordinary Meeting on pages 3 and 4 and in the proxy form.

Attendance in person on the day

If you are able to attend in person, you will need to register on arrival. Registration will open from 11.00am (AEST).

Following the meeting you are welcome to join the Board and the Leadership team for light refreshments.

I look forward to seeing you on the day.

Yours sincerely,

Roger Sharp

Chair

Items of business

Iress Limited's EGM will be held as a hybrid event. Shareholders may either attend online or in person at the offices of King & Wood Mallesons, Level 61, Governor Phillip Tower, 1 Farrer Place, Sydney NSW 2000 on Thursday 29 September 2022, at 11.30am (AEST).

Resolutions

Grant of Equity Rights, Performance Rights and Options to the incoming Managing Director and CEO, Marcus Price.

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

1. "That, for the purpose of ASX Listing Rule 10.14 and all other purposes, the grant of 13,865 Equity Rights in relation to the 2022 executive remuneration framework to the incoming Managing Director and CEO, Marcus Price, and the provision of ordinary shares on exercise of those Equity Rights, under the Iress Equity Participation Plan be approved, as described in the Explanatory Notes."
2. "That, for the purpose of ASX Listing Rule 10.14 and all other purposes, the grant of 741,820 Performance Rights in relation to the 2022 executive remuneration framework to the incoming Managing Director and CEO, Marcus Price, and the provision of ordinary shares on exercise of those Performance Rights, under the Iress Equity Participation Plan be approved, as described in the Explanatory Notes."
3. "That, for the purpose of ASX Listing Rule 10.14 and all other purposes, the grant of Options to the value of \$1,372,470 to the incoming Managing Director and CEO, Marcus Price, and the provision of ordinary shares on exercise of those Options, under the Iress Equity Participation Plan be approved, as described in the Explanatory Notes."

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

Information for shareholders

Entitlement to attend and vote

All shareholders are entitled to attend and vote at the EGM. As with our AGM earlier in the year, we are offering shareholders a choice of how to attend the EGM—in person or online using their smartphone, tablet, or computer.

For the purposes of voting at the meeting, shareholders will be taken to be those persons recorded on the Company's register of members at 7.00pm (AEST) on Tuesday 27 September, 2022. With respect to joint shareholders, all holders may attend the EGM, but only one shareholder may vote at the meeting in respect of the relevant shares (including by proxy). If multiple joint shareholders are present and vote in respect of the relevant shares, only the vote of the joint shareholder whose name appears first in the register in respect of the relevant shares is counted.

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

Shareholders and proxyholders who wish to participate in the EGM online via the Computershare Meeting Platform may do so by entering this URL in their browser <https://meetnow.global/MYQPAG4> and then logging in using the following instructions.

To make the registration process quicker, shareholders should have their SRN/HIN and registered postcode or country code ready.

Proxyholders will need to contact Computershare on +61 3 9415 4024 one hour prior to the meeting to obtain their login details.

Online registration will open one hour before the meeting starts:

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

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

For more information regarding participation in the EGM online, including browser requirements, please see the Online User Guide available at www.computershare.com.au/virtualmeetingguide.

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

Appointment of proxies

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

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

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

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

Items of business

continued

In order for a proxy appointment to be valid, the Company must receive, at least 48 hours before the EGM (being no later than 11.30am (AEST) on Tuesday 27 September, 2022):

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

Voting by proxies

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

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

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

Default to Chair

If:

- a) a poll has been called on a particular resolution
- b) a shareholder has appointed a proxy other than the Chair
- c) the appointment of the proxy specifies the way in which the proxy is to vote on the resolution
- d) either of the following applies:
 - i. the proxy is not recorded as attending the EGM; or
 - ii. the proxy attends the EGM but does not vote on the resolution,

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

Proxy by post or facsimile

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

Iress Limited

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

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

Online proxy

Shareholders may submit their proxy online by visiting www.investorvote.com.au

For Intermediary Online subscribers (custodians) visit www.intermediaryonline.com

To use this option, shareholders will need the Company's control number 131253, their SRN or HIN and postcode. Shareholders will be taken to have signed the proxy form if it is lodged in accordance with the instructions on the website.

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

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

KMP voting restrictions

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

Voting method

The Chair of the meeting has determined that voting on the Resolutions will only be by way of poll to facilitate participation by all shareholders attending the meeting.

Technical difficulties

Technical difficulties may arise during the course of the EGM. The Chair has discretion as to whether and how the meeting should proceed in the event that a technical difficulty arises. In exercising this discretion, the Chair will have regard to the number of shareholders impacted and the extent to which participation in the business of the EGM is affected. Where the Chair considers it appropriate, the Chair may continue to hold the meeting and transact business, including conducting a poll and voting in accordance with valid proxy instructions. For this reason, shareholders are encouraged to lodge a proxy by 11.30am (AEST) on Tuesday 27 September, 2022 even if they plan to attend online.

By Order of the Board.



Peter Ferguson

Company Secretary

Explanatory notes

1. Background

1.1 CEO transition

On 25 July 2022 Iress announced it had appointed Marcus Price as its new Managing Director and CEO, effective 3 October 2022, and that the current Managing Director and CEO Andrew Walsh had notified the Board of his intention to retire: please see the ASX release [here](#).

The Company has negotiated a remuneration package with Marcus Price, detailed below, including equity components for which it now seeks shareholder approval.

Reflecting the continuation of Iress' strategy, and associated 2025 targets announced in July 2021, Iress is seeking shareholder approval for Marcus Price to step into the current Managing Director and CEO equity package (which was approved by shareholders in May 2022) under Iress' executive remuneration framework, with an additional one-off issue of Options with an equivalent value to the 30% reduction in his fixed remuneration comprising Base Salary and Equity Rights.

Iress' executive remuneration framework comprises three core components: Base Salary, Equity Rights, and Performance Rights. The Board believes that together, these components provide an appropriate remuneration framework for the business, and that this framework should also apply to Marcus Price as Managing Director and CEO.

Reflecting his intention to align his interests with shareholders and to invest in Iress, Marcus has agreed to a 30% reduction in his fixed remuneration comprising Base Salary and Equity Rights (compared to the fixed remuneration awarded to Andrew Walsh) for the period commencing 3 October 2022 through 31 December 2024, reducing his remuneration by \$1,372,470 over that period. In return, Marcus will, subject to shareholder approval, receive a one-off grant of Options with an equivalent value.

1.2 Overall value of incoming Managing Director and CEO remuneration

The value of each component of Marcus Price's remuneration package for the period 2022-2024 is shown in the table below.

The following points are noteworthy:

- Only Base Salary is available in the year it is awarded. Equity Rights, Performance Rights, and Options are subject to vesting conditions and/or restriction periods over several years as described in these Explanatory Notes.
- The ultimate value realised for each of the Equity Rights, Performance Rights, and Options grants is dependent on share price and subject to satisfaction of vesting conditions.

	Base Salary + Super ¹	Equity Rights (face value) ¹	Performance Rights (face value)	Options (grant value)
2022	\$175,743	\$175,743	\$8,124,032 ³	\$1,372,470
2023	\$712,736	\$712,736 ²	n/a	n/a
2024	\$712,736	\$712,736 ²	to be determined ⁴	n/a

(1) Collectively \$1,372,470 (30%) less than the value of Andrew Walsh's fixed remuneration package, with the equivalent value awarded in Options.

(2) Subject to shareholder approval to be sought in future years.

(3) Equal to the 2022 grant approved by shareholders for Andrew Walsh which will be forfeited in full by Andrew Walsh on his retirement. Under the 2022 framework, Performance Rights have a higher face value than 2021 awards in light of two grants being provided in 2022 (and none in 2023) and the more challenging 2025 vesting conditions.

(4) Any new grant of equity incentives to Marcus Price in 2024 will not vest on the basis of 2024 year performance and will be in the context of Iress' strategic goals set for 2026 and beyond and subject to shareholder approval.

While Marcus Price was appointed as a Non-Executive Director of Iress with effect from 26 July 2022, he will not be paid any fees for acting in that role.

1.3 Managing Director and CEO Fixed Remuneration - Base Salary & 2022 Equity Rights

Marcus Price's Base Salary will be \$712,736 per annum (inclusive of superannuation). Subject to shareholder approval, Marcus will also be awarded a grant of 13,865 Equity Rights in 2022 with a face value of \$175,743. The award value is a pro-rata amount reflecting the intention for Marcus to act as Managing Director and CEO for approximately three months of FY22, and also reflecting the 30% reduction in his fixed remuneration comprising Base Salary (inclusive of superannuation) and Equity Rights as referred to above.

The Board considers this an appropriate level of fixed remuneration given the size, scope, strategic objectives, and complexity of the Company, Marcus Price's skills and experience and overall remuneration package, and comparable remuneration levels for relevant domestic and international Information Technology peers.

The terms of these Equity Rights are summarised in these Explanatory Notes. The Company notes that the terms of the Equity Rights are unchanged from those awarded to Andrew Walsh at the Company's Annual General Meeting in May 2022.

Explanatory notes

continued

1.4 Managing Director and CEO Performance Rights

In July 2021 Iress launched a strategy to accelerate growth and improve returns by 2025. The structure and allocation of our incentives are now tied to driving the business towards its more focussed 2025 goals. As a result, vesting of Performance Rights, the value attributable to the Performance Rights, and importantly, the overall amount of Performance Rights at risk, is directly aligned with the achievement of Iress' 2025 strategic goals.

The terms of these Performance Rights are summarised in these Explanatory Notes. The Company also notes that the terms of the Performance Rights are unchanged from those awarded to Andrew Walsh at the Company's Annual General Meeting in May 2022, and, as noted above, Andrew Walsh has agreed to forfeit all of his FY22 Performance Rights despite the terms of grant allowing for pro-rata retention in the circumstances. Reflecting his continued role with the Company throughout 2022, Andrew Walsh will (in accordance with the terms of grant) retain his 2022 Equity Rights.

1.5 One-off grant of Options

As mentioned above, Marcus Price has agreed to a 30% reduction in his fixed remuneration comprising Base Salary and Equity Rights from his commencement date of 3 October 2022 through 31 December 2024, reducing his remuneration by \$1,372,470 over that period. In return, Marcus will, subject to shareholder approval, receive a one-off grant of Options with an equivalent value.

The terms of these Options are summarised in these Explanatory Notes.

Explanatory notes

continued

2. Proposed number/value of equity grants to Marcus Price

As noted above, the Company is now seeking shareholder approval for the grant of the number and value of Equity Rights, Performance Rights, and a one-off grant of Options to Marcus Price in 2022, as detailed in the tables below.

2.1 Proposed number/value of 2022 Performance Rights and 2022 Equity Rights grants

Instrument	Quantum	Award value	Estimated grant date*	Measurement period	Vesting conditions (summary)**
2022 Equity Rights	13,865***	Face value of \$175,743	3 October 2022	Two years (28 February 2022 – 28 February 2024) Shares provided on exercise of any vested Equity Rights are subject to a mandatory two-year holding lock (28 February 2024 – 28 February 2026).	Acceptable individual performance over the measurement period, subject to Board discretion and clawback.
Instrument	Quantum	Award value	Estimated grant date*	Measurement period	Vesting conditions (summary)**
2022 Performance Rights****	Grant 1: 370,910*****	Grant 1: Face value of \$4,062,016	3 October 2022	Grant 1: three years (18 February 2022 – estimated 21 February 2025)	Absolute Total Shareholder Return (ATSR) gateway condition of 10% compound annual growth for the relevant measurement period.
	Grant 2: 370,910*****	Grant 2: Face value of \$4,062,016		Grant 2: four years (18 February 2022 – estimated 20 February 2026) Shares provided on exercise of any vested Performance Rights are subject to a mandatory one year holding lock post vesting.	Performance Rights are then split into three equally weighted tranches, each subject to one additional vesting condition: – EPS growth, doubling required for full vesting – ROIC improvement, doubling required for full vesting – platform delivery, in each case subject to Board discretion and clawback.

* Expected to be as soon as practicable after Marcus Price commences as Managing Director and CEO.

** The Board can lapse unvested Equity Rights and Performance Rights if individual or Company performance is significantly below expectations and can lapse vested Equity Rights and Performance Rights, or forfeit shares allocated on exercise of vested Equity Rights that are subject to the mandatory holding lock, if a 'clawback event' occurs (see section 5.3 below).

*** The number of Equity Rights has been calculated by dividing the Award value for the 2022 Equity Rights (which is a pro-rata value reflecting Marcus Price's reduced Base Salary and the number of days he will have acted as Managing Director and CEO from his commencement date of 3 October 2022 up to and including 31 December 2022) by the volume weighted average price of the Company's shares in the 20 trading days up to and including 31 December 2021 which was \$12.6758. This is the same VWAP calculation as that used for the current CEO's 2022 Equity Rights grant made earlier this year.

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

***** The number of Performance Rights has been calculated by dividing the face value at grant by the volume weighted average price of the Company's shares in the 20 trading days from 18 February 2022, the day following the results being announced for the year ending 31 December 2021, up to and including 17 March 2022, which was \$10.9515. This is the same number of Performance Rights and same VWAP calculation as that used for the current Managing Director and CEO's 2022 Performance Rights grant made earlier this year.

Explanatory notes

continued

2.2 Proposed number/value of one-off grant of Options

Instrument	Quantum	Award value and exercise price	Estimated grant date*	Vesting period**	Exercise period
Options	The number of Options, to be granted in two equal tranches, will be determined using the following formulae. Grant 1: $\\$686,235$ (reflecting 50% of the award value) $\div$ the value of a Grant 1 Option (determined as at the grant date, by an independent accounting firm, using the VWAP of company shares over the 20 trading days up to and including the grant date).*** Grant 2: Same as Grant 1.	Grant value of $\\$1,372,470$**** Exercise price of $\\$13.00$ per Option*****	3 October 2022	Grant 1: the period from the date the Grant 1 Options are granted to estimated 20 February 2026. Grant 2: the period from the date the Grant 2 Options are granted to estimated 22 February 2027.	Grant 1: estimated 21 February 2026 - estimated 28 February 2028. Grant 2: estimated 23 February 2027 - estimated 28 February 2029. Once vested, Marcus Price can exercise Options any time during the exercise period apart from any 'blackout periods' that apply under the Company's Share Trading Policy.

* Expected to be as soon as practicable after Marcus Price commences as Managing Director and CEO.

** In each case, the exact dates will reflect the date the Options are actually granted and the dates the Company announces its annual financial results to ASX. The Board can lapse unvested Options if a 'clawback event' occurs during the vesting period (see section 5.3 below). There are otherwise no performance conditions that apply to vesting.

*** For example, using the 20-day VWAP to 18 August 2022 of $\$11.46$, the independent valuation of a Grant 1 Option would be $\$1.41$. If the valuation on the grant date was $\$1.41$, then 486,692 options would be awarded for Grant 1, being $\$686,235 \div \1.41 , rounded up to the nearest whole number. The price that would be payable by Marcus Price to exercise this number of options is $\$6,326,996$, being $486,692 \times \$13$. The actual number of Grant 1 Options issued to Marcus Price, if approved by shareholders, may be higher or lower than the number in this example, depending on the actual valuation of a Grant 1 Option as at the grant date. The number of Grant 2 Options will be determined using the same formula as for Grant 1 Options.

**** The value of the 30% reduction in Marcus Price's fixed remuneration compared to the fixed remuneration awarded to Andrew Walsh for the period commencing 3 October 2022 through 31 December 2024.

***** The exercise price of the Options was set to reflect a premium to the pricing of the Performance Rights package approved by shareholders at the Company's 2022 Annual General Meeting.

Explanatory notes

continued

3. Specific terms for the 2022 Equity Rights

Summary of key terms for the 2022 Equity Rights (in addition to the information in section 2.1):

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

where the CEO's employment ceases due to:

then:

resignation and termination for cause

- unvested Equity Rights will lapse on the date of cessation of employment; and
- vested Equity Rights, and shares allocated on exercise of Equity Rights and subject to the mandatory holding lock period, will be retained, but may be subject to clawback (see below)

any other reason

- unvested Equity Rights will remain eligible to vest in accordance with their normal terms (including clawback); and
- vested Equity Rights, and shares allocated on exercise of Equity Rights and subject to the mandatory holding lock period, will be retained, but may be subject to clawback (see below)

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

These are the same terms and conditions (including vesting conditions) as those that apply to Andrew Walsh's 2022 Equity Rights.

Explanatory notes

continued

4. Specific terms for the 2022 Performance Rights

4.1 Summary

Summary of key terms for 2022 Performance Rights (in addition to the information in section 2.1):

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

These are the same terms and conditions (including vesting conditions) as those that apply to Andrew Walsh's 2022 Performance Rights.

4.2 Performance conditions for 2022 Performance Rights

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

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

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

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

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

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

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

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

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

Explanatory notes

continued

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

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

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

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

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

Marcus Price will not be eligible to receive any dividends on Performance Rights until the rights vest and shares are provided. Performance Rights do not carry any right to any dividend equivalent amount on vesting. Performance Rights do not carry any voting rights.

Explanatory notes

continued

5. General terms applicable to Equity Rights & Performance Rights

5.1 Entitlement & vesting

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

Equity Rights also give Marcus Price a right to a dividend equivalent amount, subject to the satisfaction of the applicable vesting conditions and as further described in section 3 above. Performance Rights do not carry any right to any dividend equivalent amount on vesting.

5.2 Price payable on grant & exercise

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

5.3 Clawback

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

5.4 Voluntary holding lock

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

5.5 Change of control

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

5.6 Date of grant

If shareholder approval is obtained, the Equity Rights and Performance Rights are expected to be granted on or about 3 October 2022 (expected to be as soon as practicable after Marcus Price commences as Managing Director and CEO), and in any event within six months of the date of this meeting.

Explanatory notes

continued

6. Specific terms for Options

Summary of the key terms of the Options (in addition to the information in section 2.2):

Term	Description
Instrument	Each Option converts into a Company share on a 1:1 basis. A cash-equivalent value cannot be provided to Marcus Price on exercise.
Grant date	If shareholder approval is obtained, the Options are expected to be granted on or about 3 October 2022 (expected to be as soon as practicable after Marcus commences as Managing Director and CEO), and in any event within six months of the date of this meeting.
Exercise price	The Options will be granted at no cost to Marcus Price and the price payable on exercise is \$13 per Option, payable in cash.
Vesting conditions	There are no vesting conditions that apply to the Options, however the Options are subject to clawback during the relevant vesting periods. The clawback events include fraud, material misrepresentation, misstatement of financial results, material dishonesty, gross misconduct, poor risk practices, or reputational issues.
Restrictions on dealing	Other than meeting Marcus Price's ongoing obligation to satisfy the Company's minimum shareholding requirement, there will be no holding lock or other restrictions on dealing applying to Company shares provided on exercise of the Options.
Cessation of employment	Subject to applicable law, in the event of cessation of employment for any reason: i. after the end date of the vesting period for Grant 1, all Options will remain on issue and there will be no acceleration of any remaining vesting period nor change to any exercise period unless the Board determines otherwise; and ii. before the end date of the vesting period for Grant 1, a pro rata portion of all of the Options will lapse reflecting the portion of that vesting period Marcus Price has not served and there will be no acceleration of any vesting period nor change to any exercise period unless the Board determines otherwise. This position differs to the position for cessation of employment under the 2022 Equity Rights and 2022 Performance Rights (discussed above). This is because the grant of Options is to be provided in return for a 30% reduction in fixed remuneration comprising Base Salary and Equity Rights.
Voting rights & dividends	Options do not carry voting rights or any entitlement to a dividend equivalent payment.
Change of control	Upon certain Change of Control events occurring, any remaining unexercised Options will vest immediately and be automatically exercised. Again, this position differs to the position for a Change of Control under 2022 Equity Rights and 2022 Performance Rights (discussed above). This is because the grant of Options is intended to accommodate the 30% reduction in fixed remuneration comprising Base Salary and Equity Rights.
Capital actions	In the event of capital actions, any adjustments to the Options will be in a manner consistent with the ASX Listing Rules.

Explanatory notes

continued

7. Directors' Recommendation in relation to Resolutions 1, 2, and 3

The Non-Executive Directors are confident that Marcus Price's total remuneration package is reasonable, having regard to: the size, scope, complexity and strategic objectives of the Company; Marcus Price's unique skills and experience; comparable remuneration levels for relevant domestic and international Information Technology peers; and the fact that the Board does not intend to award any Performance Rights in 2023.

Further, the Non-Executive Directors view that the high portion of Marcus Price's remuneration delivered in equity including the proposed one-off grant of Options will strengthen the alignment between his and shareholders' interests.

The Board (other than Marcus Price and Andrew Walsh) recommends that shareholders vote in favour of Resolutions 1, 2, and 3.

8. Other required information – ASX Listing Rules

Marcus Price is currently the only Director who is eligible to receive grants of Equity Rights, Performance Rights, or Options under the Iress Equity Participation Plan. Andrew Walsh, as the outgoing Managing Director and CEO, is not eligible to receive any further grants of Iress equity. No securities have been granted under the Iress Equity Participation Plan previously to Marcus Price.

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

Details of any securities granted to Marcus Price under the Iress Equity Participation Plan will be published in the Company's annual report, along with a statement that approval for the grant was obtained under Listing Rule 10.14. No additional persons covered by Listing Rule 10.14 will participate in the Iress Equity Participation Plan without shareholder approval being first obtained.

9. Approvals sought

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

Resolutions 1, 2, and 3 seek the required shareholder approval to grant these Equity Rights, Performance Rights and Options under and for the purposes of Listing Rule 10.14 and, if shareholder approvals are obtained, the Company will proceed to grant Marcus Price the Equity Rights, Performance Rights and Options. If shareholder approvals are not obtained for the Equity Rights, Performance Rights, and Options, it is likely that Marcus Price would not take up the position as Managing Director and CEO, and the Company would proceed to recruit a replacement CEO during FY23, a process estimated to take an additional 6-12 months.

10. Voting exclusion

The Company will disregard any vote cast on Resolutions 1, 2, and 3:

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

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

- by a person as proxy or attorney for a person entitled to vote on Resolutions 1, 2, and 3 in accordance with a direction as to how to vote provided by that person; or
- as proxy or attorney for a person entitled to vote on Resolutions 1, 2, and 3 by the Chair of the meeting, and the Chair has received express authority to vote undirected proxies on that resolution as the Chair sees fit; or
- in favour of Resolutions 1, 2, and 3 by Marcus Price or any of his associates as a nominee, trustee or custodian (or other fiduciary) for a person entitled to vote on Resolutions 1, 2, and 3, in accordance with a direction as to how to vote provided by that person, provided that person provides written confirmation to Marcus Price or his relevant associate (as applicable) that they are not excluded from voting or are an associate of a person excluded from voting.

If you appoint the Chair of the meeting as your proxy, and you do not direct your proxy how to vote on Resolutions 1, 2, and 3 on the proxy form, you will be expressly authorising the Chair of the meeting to exercise your proxy on these resolutions. The Chair of the meeting intends to vote undirected proxies in favour of Resolutions 1, 2, and 3.



Iress Limited
ABN 47 060 313 359

IRE

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

Need assistance?



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



Online:
www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **11:30am (AEST) on Tuesday, 27 September 2022.**

Proxy Form

How to Vote on Items of Business

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

APPOINTMENT OF PROXY

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

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

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

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

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

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

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

PARTICIPATING IN THE MEETING

Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com/au and select "Printable Forms".

Lodge your Proxy Form:

XX

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number: 999999
SRN/HIN: I999999999
PIN: 99999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

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

By Fax:

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



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

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

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



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



I 9999999999

I ND

Proxy Form

Please mark ☒ to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

XX

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



the Chairman
of the Meeting

OR

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Extraordinary General Meeting of Iress Limited to be held at the offices of King & Wood Mallesons, Level 61, Governor Phillip Tower, 1 Farrer Place, Sydney NSW 2000 and as a virtual meeting on Thursday, 29 September 2022 at 11:30am (AEST) and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1, 2 and 3 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 1, 2 and 3 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1, 2 and 3 by marking the appropriate box in step 2.

Step 2 Items of Business

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

		For	Against	Abstain
Resolution 1	Grant of 13,865 Equity Rights in relation to the 2022 executive remuneration framework to the incoming Managing Director and CEO, Marcus Price	☐	☐	☐
Resolution 2	Grant of 741,820 Performance Rights in relation to the 2022 executive remuneration framework to the incoming Managing Director and CEO, Marcus Price	☐	☐	☐
Resolution 3	Grant of Options to the value of \$1,372,470 to the incoming Managing Director and CEO, Marcus Price	☐	☐	☐

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

Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /

Date

Update your communication details (Optional)

Mobile Number

Email Address

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

I R E

2 9 1 5 3 8 A



Computershare

