

# 2019 Environmental, Social and Governance Report





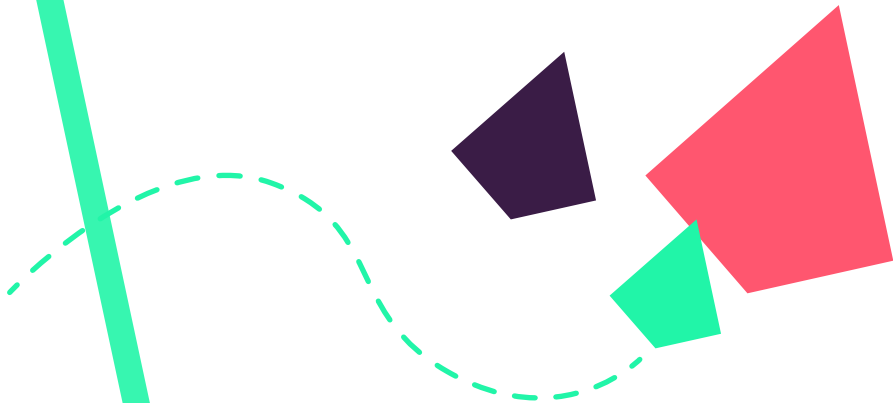
# About this report

This report provides a review of Iress’ material topics for the period 1 January 2019 to 31 December 2019, and is Iress’ second Environmental, Social and Governance (ESG) report. Aligned with the Global Reporting Initiative (GRI) Standards, the report has been prepared in accordance with the GRI Standards: Core Option. External assurance has not been undertaken specifically for this report.

**GRI reporting principles for defining report content (Stakeholder Inclusiveness, Sustainability Context, Materiality, Completeness)**

A materiality assessment was undertaken with leadership across Iress and representatives of the Iress Foundation in 2018 using the Materiality Assessment Tool (MAT). Iress has not refreshed its materiality assessment in 2019, but will do so for the 2020 reporting year, in conjunction with its corporate strategy planning. Material topics included in this report reflect the 2018 materiality assessment results. Stakeholder inclusiveness can be demonstrated through the 2018 materiality assessment, and by the considered inclusion of key stakeholder outcomes for the 2019 reporting year.

This report covers sustainability topics that are included within the GRI Standards and in the broader context of ESG topics that may be relevant in the information technology sector. The report takes into account the material ESG impacts caused and/or contributed to by Iress and does not omit relevant information where that information exists. In time, and with development in the understanding of ESG impacts, Iress may introduce other material topics.



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## Message from the CEO

# Iress is committed to continuing to do better.

Across more than two decades, Iress has operated fairly, ethically and responsibly and with a focus on diversity, tolerance and the interests of the broader community. With more formal reporting such as this report, our focus is broadening further.



### Community

Iress has always played a part in the community and in 2019 this increased, with the Iress Foundation and Iress people supporting more than 25 registered charitable organisations globally. In 2019, more than \$A200,000 was donated to charity partners by the Iress Foundation, including where the Foundation matched funds raised by Iress people.

Iress has worked with Talent Beyond Boundaries (TBB), an organisation that links skilled refugees to international job opportunities. With millions of displaced people around the world, there is an enormous number of refugees unable to work due to their precarious situation while, at the same time, many companies are experiencing skills shortages. In 2019, we welcomed three TBB candidates into Iress - all are skilled software engineers. We are taking a strong public position on the benefits of skilled refugee employment.

### The environment

Interest in the environment and what each of us are doing to mitigate - and hopefully improve - the planet's condition has been the focus of global media attention in recent months. The climate strikes of 2019 and recent Australian bushfires have brought a greater sense of urgency to the environmental crisis facing our planet. We continue to be mindful of the impact of what we do through activity such as travel and electricity consumption. We are pleased with progress - and continue to focus on what we can do more of to make a meaningful impact.

Thank you for your interest in this report - we look forward to keeping you updated on our progress.

**Andrew Walsh**

Managing Director &  
Chief Executive Officer

### Material topics

- 1 Purpose and strategy
- 2 Ethics and integrity
- 3 Reputation and market perception
- 4 Anti-corruption
- 5 Transparent business
- 6 Stakeholder engagement
- 7 Compliance
- 8 Anti-competitive behaviour
- 9 Customer service
- 10 Culture
- 11 Staff wellbeing
- 12 Governance
- 13 Product quality and performance
- 14 Economic performance
- 15 Partnerships

### Additional material topics\*

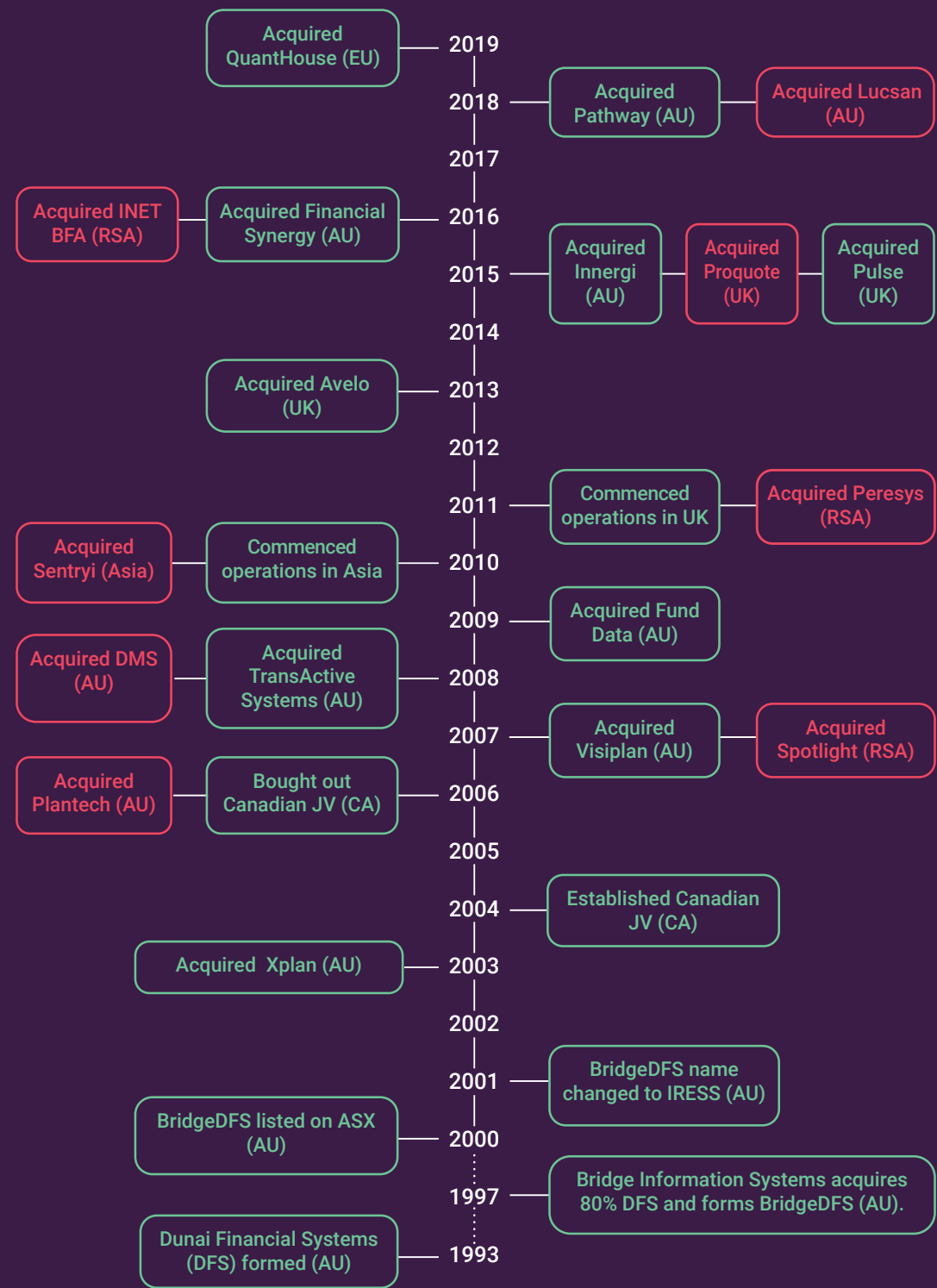
- Environment
- Information security
- Community
- Supply chain

\* These additional topics were not identified as material in Iress' 2019 assessment, but deemed sufficiently important to warrant further examination as material topics.

About Iress

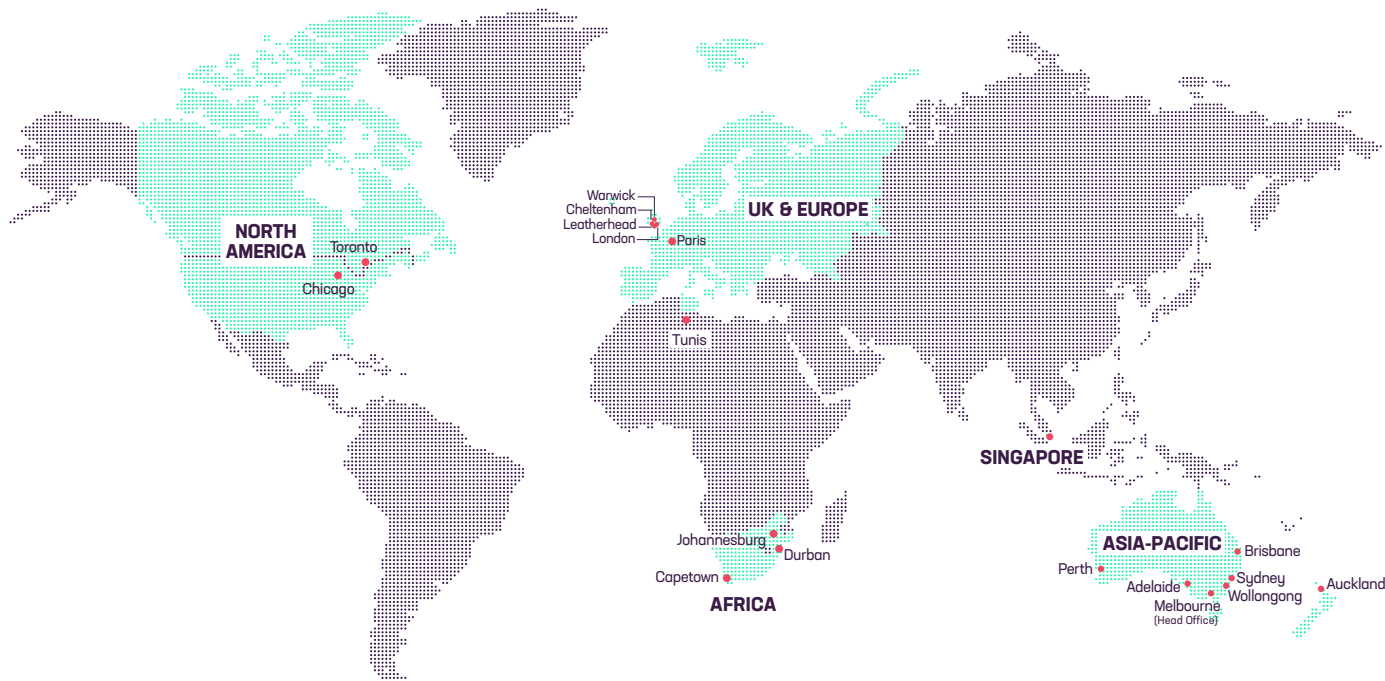
Iress is a technology company providing software to the financial services industry including stockbrokers, financial advisers, banks, investment managers, mortgage lenders and brokers and superannuation funds. Iress' markets include Asia-Pacific, the UK & Europe, Africa and North America. Iress is a publicly listed company on the Australian Securities Exchange (IRE.ASX).

Our history



AU - Australia; CA - Canada; EU - Europe; RSA - Republic of South Africa; UK - United Kingdom

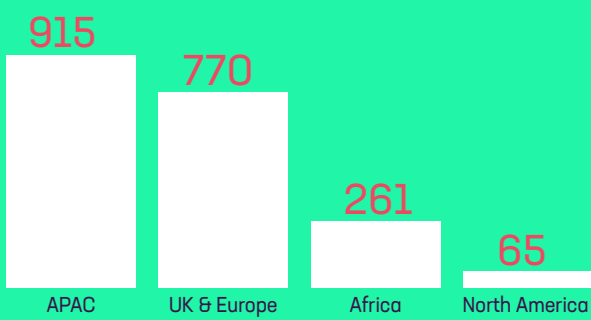
Our locations



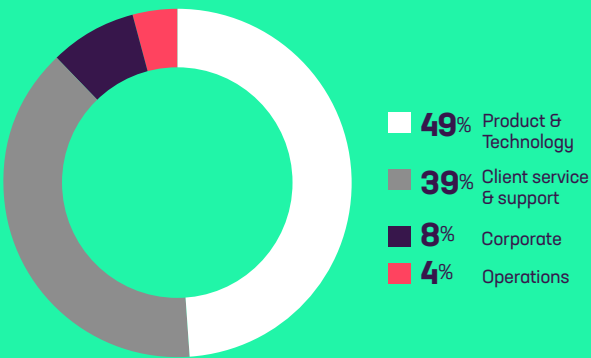
2019 in numbers

2,011 people  
\$508.9m revenue  
9,000+ clients  
500,000+ users  
500+ integrations

People across the globe



People across the business



Our purpose and strategy

A solid reputation as a trusted partner, with reliability and well-entrenched software, are strong foundations that Iress has built over more than 25 years.

The quality, competitiveness and relevance of our software are drivers of long-term growth and delivery to clients. The pursuit of desirability is our mission.

Iress’ scale and presence across market segments and geographies has grown incrementally over time. We have evolved from providing software primarily to financial markets into wealth, financial advice, investment management, superannuation, life and pensions, and mortgages. We expanded into Europe and the United States, with the acquisition of trading and market data provider QuantHouse.

The market forces that are influencing the direction of client technology needs have had a strong emphasis in 2019 on the democratisation of technology; financial services regulation; digital data regulation, changing client business models, and the propensity of clients to invest in technology.

The rapid advances in new consumer technologies and user experiences has driven increasing expectations of how financial technology should be made available, to whom, and the user experience.

Key attributes and drivers of our business

- Open and modular software that is central to our clients’ businesses.
- Subscription-based software license model.
- Market-leading software functionality and focus on user experience.
- Targeted investment to constantly enrich solutions.
- Track record of building business areas with scale.
- Increasing regulatory and business complexity drives demand.



Key drivers of growth				
Increasing regulatory requirements	Market consolidation that increases business complexity	Demand for broader integrated software to enable client business strategies	Demand for software that increases efficiency and reduces the cost to do business	Increasing demand for advice
Our strategic priorities				
To service clients exceptionally	To be essential to our clients’ success through continued product investment	To identify and deliver scale benefits	To attract and retain great talent through culture, environment and reward	To deliver a competing solution and user experience

Our values

Our values are based on a strong foundation – one team across multiple geographies, working for the benefit of Iress, and our clients and users.

Iress values			
We make things happen	We do things the right way	There’s got to be a better way	Clients, clients, clients
<ul style="list-style-type: none"><li>• Open and direct communication</li><li>• Teamwork</li><li>• Leadership</li><li>• Non-complacent</li></ul>	<ul style="list-style-type: none"><li>• Integrity, honesty and fairness</li><li>• Results focused</li><li>• Specialist knowledge and skills</li><li>• Humility, not arrogance</li></ul>	<ul style="list-style-type: none"><li>• Creativity</li><li>• Working proactively</li><li>• Scale, not size</li><li>• Take ownership</li></ul>	<ul style="list-style-type: none"><li>• Business awareness</li><li>• Commercial</li><li>• Client driven</li><li>• Responsive and flexible</li></ul>



Our purpose and strategy

ESG at Iress

We are committed to incorporating environmental, social and governance (ESG) considerations into our business practices. We understand that ESG related issues are becoming increasingly critical and want to contribute to creating lasting, positive change.

Our short-term goal is to understand the sustainability risk factors of our day-to-day activities and translate these into a meaningful company-wide ESG strategy, which we will implement over a three-year period.

We are at the beginning of our ESG journey. Key activities to date are the disclosure of our material exposures to economic, environmental and social sustainability risks for the first time in our 2017 Corporate Governance Statement - in line with the ASX Corporate Governance Principles and Recommendations (3rd edition), and the publication of our first ESG Report for the 2018 reporting year.

We have developed an internal ESG roadmap to guide us through our journey over the three-year period to 2021. Our initial steps were to embark on a series of activities in order to understand the current level of ESG knowledge amongst our leadership team, and to identify the ESG topics that our people consider to be most material to Iress.

The outcomes of these activities will shape our ESG strategy as we progress from an interim (2019) to intermediate strategy (2020), and evolve to a best practice ESG strategy over time.

In addition to publishing our inaugural ESG report, in 2019 we mapped our current activities to the United Nations' Sustainable Development Goals and furthered work in preparation for mandatory reporting required in Australia regarding the new Modern Slavery Act 2018 (Cth).

In 2020, we will:

- Conduct our second materiality assessment.
- Develop and deliver an internal ESG/sustainability training program for the Board.
- Develop a Board sustainability skills matrix.
- Develop a formal ESG policy.
- Set short, medium and longer term non-financial goals and targets around material ESG topics.
- Introduce a first round of formal initiatives to reduce ESG impacts and manage ESG risk.

Sustainable Development Goals

While formal ESG reporting is relatively new to Iress, we are progressively working towards incorporating globally relevant sustainability frameworks in our business. We believe that the United Nations' Sustainable Development Goals (SDGs) are an accessible tool for Iress to frame its current and future activities.

As a first step, we have mapped out the material topics identified in our 2018 ESG Report to the specific goals to which we believe we can make a difference.

SUSTAINABLE DEVELOPMENT GOAL					
8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	17 PARTNERSHIPS FOR THE GOALS
MATERIAL TOPICS					
<ul style="list-style-type: none"><li>• Culture</li><li>• Employee wellbeing</li></ul>	<ul style="list-style-type: none"><li>• Product quality and performance</li></ul>	<ul style="list-style-type: none"><li>• Supply chain</li></ul>	<ul style="list-style-type: none"><li>• Environment</li></ul>	<ul style="list-style-type: none"><li>• Purpose and strategy</li><li>• Ethics and integrity</li><li>• Reputation and market perception</li><li>• Anti-corruption</li><li>• Transparent business</li><li>• Compliance</li><li>• Anti-competitive behaviour</li><li>• Customer service</li><li>• Governance</li><li>• Economic performance</li><li>• Information security</li></ul>	<ul style="list-style-type: none"><li>• Stakeholder engagement</li><li>• Partnerships</li><li>• Community</li></ul>



## Our approach to governance

# Our ultimate role is to maintain and ensure everything we do is done fairly and in the best interests of our clients, people and shareholders.

Beyond financial metrics, expansion into new segments and new locations brings complexity and risk to governance.

We report against a set of stringent corporate governance principles that reinforce the responsibilities of all Iress directors in accordance with the requirements of the Corporations Act 2001 (Cth) (the Corporations Act) and the Australian Securities Exchange (ASX).

During 2019, we complied with each of the ASX Corporate Governance Principles and Recommendations (3rd Edition). From 1 January 2020, Iress will be subject to the 4th Edition of ASX Corporate Governance Principles and Recommendations (CGPR) and certain changes have been made in governance practices in anticipation of this update. Further governance-related initiatives in 2019 have arisen from the outcomes of the Hayne Royal Commission in Australia, and through the usual course of business. In response to this activity during the reporting year, the Board undertook a comprehensive review of all governance practices.

In transitioning to the 4th edition of the CGPR, we will include our Board approved Statement of Values, and amend our Corporate Governance Statement with relation to Corporate Reporting, Director Minimum Shareholder Requirement and Diversity. We will update our Diversity Policy, Code of Ethics and Conduct Policy, and Risk Management Framework accordingly. The updated Risk Management Framework will be amended to include non-financial risks, including sustainability and climate change.

In addition, our Board Charter will include a new 'Purpose and Culture' section, clarifying Board responsibility for oversight of Iress' corporate values and reinforcing a culture across the organisation of acting lawfully, ethically and responsibly.

In August 2019, amendments were made to Iress' Whistleblowing, Conflict of Interest and Anti-bribery and Corruption policies to ensure that they are compliant with the requirements under the 2019 Australian whistleblower reform.

Our key governance mechanisms are the Iress Constitution, the Board Charter, and Corporate Governance Statement. Iress' policies and corporate governance practices are reviewed periodically and will continue to be developed and refined to meet the needs of Iress.

We are committed to upholding high legal, moral and ethical standards throughout all corporate activities. Our Code of Ethics and Conduct Policy aims to strengthen our ethical climate and provide basic guidelines for situations in which ethical issues arise. Iress' Board is responsible for monitoring and promoting sound business and corporate values, including the values embodied in the Code. The Board does this through reviewing various reporting mechanisms, including the Employment Management Report, results reports from people surveys, and external feedback and commentary and related statistics.

Our Anti-bribery and Corruption Policy sets out expectations for all internal people and associated third parties to conduct business honestly, lawfully, ethically and with integrity. Other related policies include our Anti-fraud and Fraud Awareness Policy, and Conflict of Interest Policy. In 2019, no incidents of corruption occurred, nor risks associated with corruption identified through our risk assessment.

Examination of anti-competitive behaviour is included as part of our risk assessment. Two acquisitions were made in 2019, with no merger control or anti-trust issues raised in those transactions. Iress was not otherwise involved in any legal actions, anti-competitive behaviour, anti-trust or monopoly legislation in which Iress has been identified as a target.

The Iress Board receives management reports on material operational and strategic risks, periodic updates on material compliance issues, and reports on reviews and updates to relevant policies - including Anti-bribery and Corruption, Anti-fraud and Fraud Awareness, Code of Ethics and Conduct. In addition, external independent auditors run periodic reviews of internal controls and procedures.

All governance documents are available at: [www.iress.com/trust/corporate-governance/](http://www.iress.com/trust/corporate-governance/)

### External and internal regulatory and compliance obligations

Iress is subject to limited direct regulation, principally relating to the Australian superannuation administration AFSL (Australian Financial Services Licence), but is subject to increasing levels of indirect regulatory pressure as clients incorporate their direct regulatory obligations on to Iress through client contracts.

Management of regulatory and compliance obligations is facilitated across a number of teams, principally finance, information security and legal. These teams work together to ensure Iress is meeting existing direct and indirect obligations, as well as capturing, considering and responding to new obligations.

The compliance burden is growing, which has been evident throughout 2019, however the nature and pace of this growth is incremental rather than acute and we are looking at scalable ways to respond. We expect incremental pressure to continue to grow and will respond accordingly, adding capacity where required or responding with scalable corporate positions where possible.

An example of our response is the publication by APRA (Australian Prudential Regulatory Authority) of the Prudential Standard CPS 234 'Information Security'.

We received several requests from clients seeking information on how Iress intended to respond. Anticipating further requests, we published a paper titled "Iress' response to APRA Prudential Standard CPS 234 'Information Security'", which is now issued as a standard position paper for CPS 234 and has been well received by our clients.

There are a range of internal regulatory obligations to which Iress is subject, relating to employees and to ethical standards (including work health and safety), anti-money laundering, modern slavery, bribery and corruption, whistleblowing and internal delegated authority, whether legal or commercial. These obligations are managed on a distributed basis at Iress with conscious decisioning around which part of the business is responsible for monitoring and reporting compliance, providing training, and reviewing and updating policies.

Ethics-based compliance standards and obligations are managed through the legal compliance team, with policy reviews undertaken periodically, in addition to policy training. Basic introductory training is undertaken for all new starters through an induction program run by the People team. More advanced training is run for responsible managers and team members within the superannuation administration, Iress Information and AFSL teams. Specialised governance related training occurring in 2019 included General Data Protection Regulation (GDPR) and Anti-bribery and Corruption awareness training globally.

GDPR training was completed by 75% of our people, and anti-bribery and corruption training was completed by 73% of our people. The training programs were communicated to all employees, but not conducted with the Iress Board.

We have not incurred any significant fines or non-monetary sanctions for non-compliance with laws and/or regulations in the social and economic area.



Our approach to stakeholder engagement

Technology has few boundaries.

Through our global technology reach, we connect and are connected to the world around us and it is essential that we listen to and respond to the issues that matter most to our diverse range of stakeholders. We identify our key stakeholders as those that impact and are impacted by business need, employee expectation, and legislative requirements.



\* Engagement with suppliers is discussed in the Procurement section of this report.

Our Clients and users

Clients’ expectations have changed, moving from software buyers to buyers of functional capability and solutions that they expect to integrate and operate seamlessly in their business. They expect these outcomes from Iress’ software and services and also from third parties.

Client business models have continued to evolve, with a trend to greater breadth and diversity of business model and proposition, which in turn has brought an increase in technical complexity and criticality of software design and third-party integration.

Client projects bringing sophistication are now happening simultaneously throughout all of our regions. These strategically and financially important projects for leading financial institutions are breaking new ground in our markets, allowing clients to have a clear view of their client relationships and bringing portfolios, advice, orders, compliance and risk management together.

Addressing these issues has become a high priority in supporting efficiency, scalability and client centricity along with the delivery of financial outcomes.

To support this, in September 2019, Iress implemented a new Client Solutions global team which will lead critical aspects of client projects and is responsible for designing and documenting Iress solutions to address client outcomes.

The principle aim of the team is to support the accelerated and confident onboarding of new clients and solutions or supporting existing clients looking to solve problems or opportunities. These may involve multiple Iress products and/or significant client business change. The team will support the most critical business priorities - for new and existing clients. Client Solutions Leads are in place regionally.

Client support

Client support is regionally located with global centres of excellence closest to where the software is developed. Regional client support teams were organised under a single leadership structure in 2019, to deliver cross-functional product technology outcomes for clients interacting with support teams everywhere. The objective for client support is to positively impact the customer support experience globally by consistently applying proven initiatives.

Client surveys

In 2019, we continued Net Promoter Score (NPS) surveys. The outcomes for the year showed improvements in key business areas. Despite these improvements, client advocacy scores did not consistently increase in all areas of our business. This is because clients’ expectations of what technology can and should deliver to their organisations is constantly rising. In addition, while we have significantly invested in our software, the benefits have not yet flowed through, and we expect evidence of improvements in 2020.

On a like-for-like basis, the number of clients scoring us 9 or 10 (out of 10) when asked if we are easy to do business with increased to 66%. We recognise this needs to improve further as ease of doing business is a key driver of advocacy. One in three clients (34%) are currently rating us 9 out of 10 (the most frequent score is 7 followed by 8) and our goal is for this to be 40% by the end of 2020 and 50% by the end of 2021.

Other key outcomes of the NPS on a like-for-like basis were:

- the number of clients who gave a score of 9 or 10 rating for how likely they were to continue using Iress increased by 10%.
- the number of clients who are rating us at 9 or 10 for reliability has increased by 37%.
- the number of clients who are rating us 9 or 10 for respect has increased by 17%.

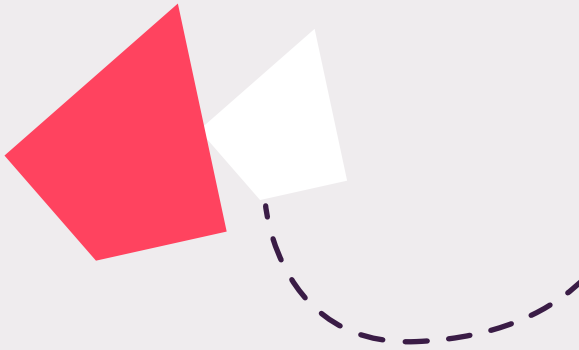


A number of areas have been identified for continued improvement, which have informed our Winning Steps for 2020. Globally, some of the areas that clients are seeking improvement in are:

- Consistency of delivery to expectations and delivery against promises.
- Further improvements in ease.
- Software and services to better meet users’ needs.
- Innovation.
- Value for money.

Other client and user engagement

- We hosted a successful first series of client webinars in South Africa with 685 attendees.
- We hosted events for 60 Australian clients.
- Our global Iress Community membership has grown by 40% and has improved our ability to provide help and support at scale and speed.





Our community

Real change comes when people get behind common causes, understand why they matter and how they can get involved to make a difference. We actively support our people in helping others who are less fortunate. Not just content with making a difference for our clients; our people also want to make a difference to the communities in which they live and work.

We support our communities in various ways, including the provision of software licences to our charity partners, such as Xplan CRM licences provided to Whitelion, a not-for-profit group in Australia supporting young people at risk.



Iress Opportunity Initiatives

A safe family, a home, good health, access to healthy food and an education are foundations for making the most of the opportunities that we hope life will bring. Take any one of these away and a person's ability to find and make the most of those opportunities is limited.

The focus of Iress Opportunity Initiatives is to establish longer-term relationships, in each region, with registered charitable organisations that focus on those whose health, education and/or welfare is at risk. By providing support in one or more of those areas, the objective is to enable beneficiaries to make the best of their opportunities in life.

The scope of the Iress Opportunity Initiatives is quite broad and the types of initiatives vary depending on the socio-political conditions in the different countries in which Iress operates. Where possible, there is a link with the Iress Foundation's focus on technology, either with the charity (i.e. its core objective), or with one of their specific programs. The selection process is largely left up to each region, and support is provided by the Iress Foundation Secretariat as required.

Iress Matching Initiatives

We know there is enthusiasm for community engagement beyond the local Iress Opportunity Initiatives, and the Iress Foundation also supports engagement by our people in other fundraising efforts.

The Iress Foundation takes a broad view in respect of which charitable organisation or social cause our people wish to support.

The Iress Foundation matches fundraising, up to an individual matching limit per calendar year and subject to the company wide upper limit for Matching Initiatives.

Each Iress employee is allocated a budget of AUD\$1,000 (or equivalent in local currency) for Matching Initiatives. Matching applies when the person raises funds for Iress supported charities through friends, family or colleagues (including funds that they contributed themselves) for one or more events up to an aggregate maximum of AUD\$1,000 each year and, subject to the overall Iress aggregate cap of AUD\$100,000.

Iress Foundation Leave

All full-time, part-time and fixed term contractors are entitled to three days of Iress Foundation leave per calendar year to assist in any capacity with Iress Opportunity Initiatives, Iress Matching Initiatives or Iress Foundation supported organisations.

In 2020, we will aim to:

- Create greater awareness for Iress Foundation initiatives and increase global participant levels.
- Measure greater global awareness via internal technical channels.
- Encourage Iress people to contribute more time and effort in Iress Foundation Volunteer Opportunity Initiatives.
- Increase year on year giving through the Iress Foundation Giving Platform.
- Establish at least one Iress Opportunity Initiative for each regional office.

Iress Foundation management

The formalisation of a Global Head of Corporate Social Responsibility (CSR) role in February 2019, based in Australia, centralised the administration of Iress' community support programs worldwide. The primary focus in 2019 for our new global head was the scoping and implementation of the new Iress Foundation Giving Platform in Australia, Canada, United Kingdom (UK) and South Africa. The program launched in November 2019.

The Giving Platform consolidates all of our different giving opportunities/activities into a single software platform that will help the Iress Foundation drive greater people engagement and have a greater impact in our communities.

The Foundation is managed jointly by our Global Head of CSR and Company Secretary, who together consult with local foundation representatives in each region.

As part of the implementation process, our internal Foundation guidelines have been updated to include payroll giving for Australia and the UK. Iress Foundation materials that are presented to new joiners as part of the induction process will be updated in early 2020.

In 2020, we will work closely with our offices in Asia, France, Tunisia and the USA to establish an Iress Opportunity Initiative and engage in Volunteer Initiatives and Matching Initiatives.

A formal evaluation of the Iress Foundation is likely to take place by the end of 2020. This will mark a full year of the Iress Foundation Giving Platform being in place along with access to comprehensive analytics and reporting functionality. Undertaking this activity will provide us with a deeper understanding of how our people become involved and which causes matter to them most.

In 2019:

26

registered charitable organisations supported

274

workdays volunteered (equivalent to approximately \$102,000)

428

Iress people used our new Giving Platform (November/December)

\$139,731 AUD

gifted to charity partners through Opportunity Initiatives

\$80,739 AUD

of funds raised by our people matched



Our approach to stakeholder engagement

### Helping Hands Community Project (United Kingdom)

The Iress Warwick office has been supporting Helping Hands for a number of years, and in 2019, has been involved with a new volunteer opportunity, running the Soup Kitchen on dates throughout the year.

### Daily Bread Food Bank (Canada)

Our annual visit to volunteer at Toronto's Daily Bread Food Bank has become a holiday tradition. The organisation is one of Canada's largest food bank programs and supplies food to over 200 programs across Toronto.

### Plate 4 Plate (Australia)

Plate 4 Plate is a campaign that, with Rise Against Hunger, an international relief agency, hosts meal packing events in locations across Australia. As part of their three days of Iress Foundation leave, 25 Iressians volunteered at the Sydney meal packing event.

### The Pebbles Project (South Africa)

Since 2017 we've been supporting The Pebbles Project and raised enough funds to sponsor four children in the Western Cape. We have continued to support these young learners enabling them to successfully progress through school and also been able to extend our sponsorship to include more children.



### Talent Beyond Boundaries (global)

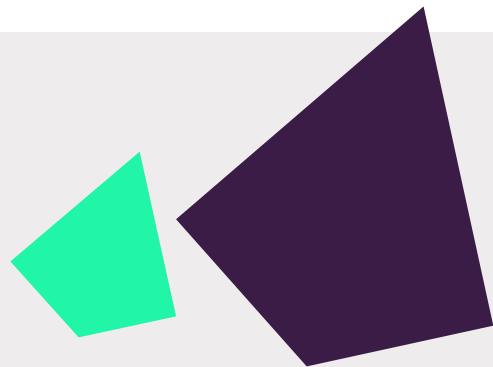
Talent Beyond Boundaries (TBB) is an organisation that links skilled refugees to International job opportunities, opening up labour mobility as a complementary solution to traditional refugee resettlement. With millions of displaced people around the world, there is an enormous number of refugees that are unable to work due to their precarious situation while at the same time, many companies are experiencing skills shortages.

In 2019, we welcomed three TBB candidates, Khalaf to our Cheltenham office in the United Kingdom, Derar to our Sydney office, and Tarek to our Melbourne office. All three are skilled software engineers. Through TBB, they were connected to Iress and underwent a number of technical tests and interviews before receiving their offers of employment from Iress.

Iress raised more than \$60,000 AUD through the 3 Peaks Challenge to support TBB's work in Lebanon and Jordan with refugee candidates and their families. Since receiving the funding, TBB has been able to provide support to 200 new refugee candidates in Jordan and Lebanon with job search services; adding an additional 5,500 new refugee registrants to their database; facilitate job offers for ten new refugee candidates, and support the migration of 12 refugees to new lives in Australia, Canada and the UK since June 2019.

We are taking a strong position on refugee employment, meeting with the Australian government to discuss the development of a global talent programme to fast-track skilled migrants into permanent residency. We also pledged to the United Nations Global Refugee Forum that we will champion the global refugee talent pool within the technology industry.

In 2020, we will be taking an even stronger position in advocating for the role that displaced people can play in helping technology companies solve the skills shortage.



Our people

In 2019 internal engagement with our people focused on the client and user experience. In addition to regular internal communications activity, such as CEO updates and sessions with clients, we ran a global series of events, 'Aim Up', focusing employee attention on the importance of the client and user experience. This included hearing from clients about their views and hearing from other companies on best practice client and user experience. Following the events, teams held sessions to identify what practical activities they could undertake to improve client and user experience. This also included identifying and removing outdated processes, or processes that were unfriendly to clients and users.

The events were held in Singapore, Melbourne, Sydney, Toronto, London, Warwick, Cheltenham, Johannesburg, Durban and Cape Town. Attendees totalled 1660 (87% of Iress people. Overall, 92% of attendees rated the Aim Up series positively (7 out of 10 or higher), and an average of 47%, rated the series at 9 or 10 out of 10.

We also piloted internal 'Pop-Up' events in Sydney, Melbourne and Johannesburg to improve internal understanding and advocacy by showcasing our software and services across our people and teams.

- Other key engagement activities included:
- Establishment of a LinkedIn Alumni group to attract talent.
  - Hosted HackerX and Code Camp events in Australia and the United Kingdom to support recruitment.
  - GDPR (General Data Protection Regulation), Anti-bribery & Corruption awareness training rolled out globally.
  - Diversity and Inclusion Pulse Survey.

Our investors

We undertook substantial ongoing investor relations activity, holding over 90 meetings and/or investor sessions, in addition to our 2018 full-year results roadshows. We attended and presented at a number of conferences, meeting with many existing and potential shareholders.

Our industry partners

Memberships of industry groups have long been important for Iress, whether contributing to technical groups or supporting the growth of client industries. This includes partnerships with institutions such as universities under which we provide access to our software for students completing relevant degrees.

Our memberships

Global
<ul style="list-style-type: none"><li>• FIX Trading Community</li><li>• FISD (Financial Information Services Association of SIIA)</li><li>• SIIA - The Software &amp; Information Industry Association</li></ul>
Australia
<ul style="list-style-type: none"><li>• Financial Planning Association (FPA)</li><li>• Association of Financial Advisers (AFA)</li><li>• The Association of Superannuation Funds of Australia (ASFA)</li><li>• Australian Business Software Industry Association (ABSIA)</li><li>• ATO Super Administration Stakeholder Group (SASG)</li><li>• ATO Technical Services Working Group (TSWG)</li><li>• APRA Fund Communications Reference Group</li><li>• ATO SuperStream Implementation Working Group</li><li>• ATO SMSF Rollovers Design Group</li><li>• ATO Digital Identity Working Group</li><li>• Women in Super (WiS)</li><li>• Financial Executive Women (FEW)</li><li>• Stockbrokers and Financial Advisers Association (SAFA)</li><li>• RegTech Association</li><li>• Financial Executives Institute (FEI)</li><li>• The Association for Payroll Specialists (TAPS)</li></ul>

Canada
<ul style="list-style-type: none"><li>• Portfolio Management Association of Canada (PMAC)</li><li>• Canadian Security Traders Association (CSTA)</li><li>• Investment Industry Regulatory Organisation of Canada (working group)</li></ul>
New Zealand
<ul style="list-style-type: none"><li>• Financial Advice New Zealand</li><li>• FinTechNZ</li></ul>
South Africa
<ul style="list-style-type: none"><li>• SA Securities Lending Association (SASLA)</li></ul>
United Kingdom
<ul style="list-style-type: none"><li>• The Personal Investment Management and Financial Advice Association (PIMFA)</li><li>• Industry Standard Body for Life and Pensions - UK (ORIGO)</li><li>• Association of Mortgage Intermediaries (AMI)</li><li>• Intermediary Mortgage Lender Association (IMLA)</li></ul>



The power of data

Fundamental to any financial decision is good data that can be trusted.

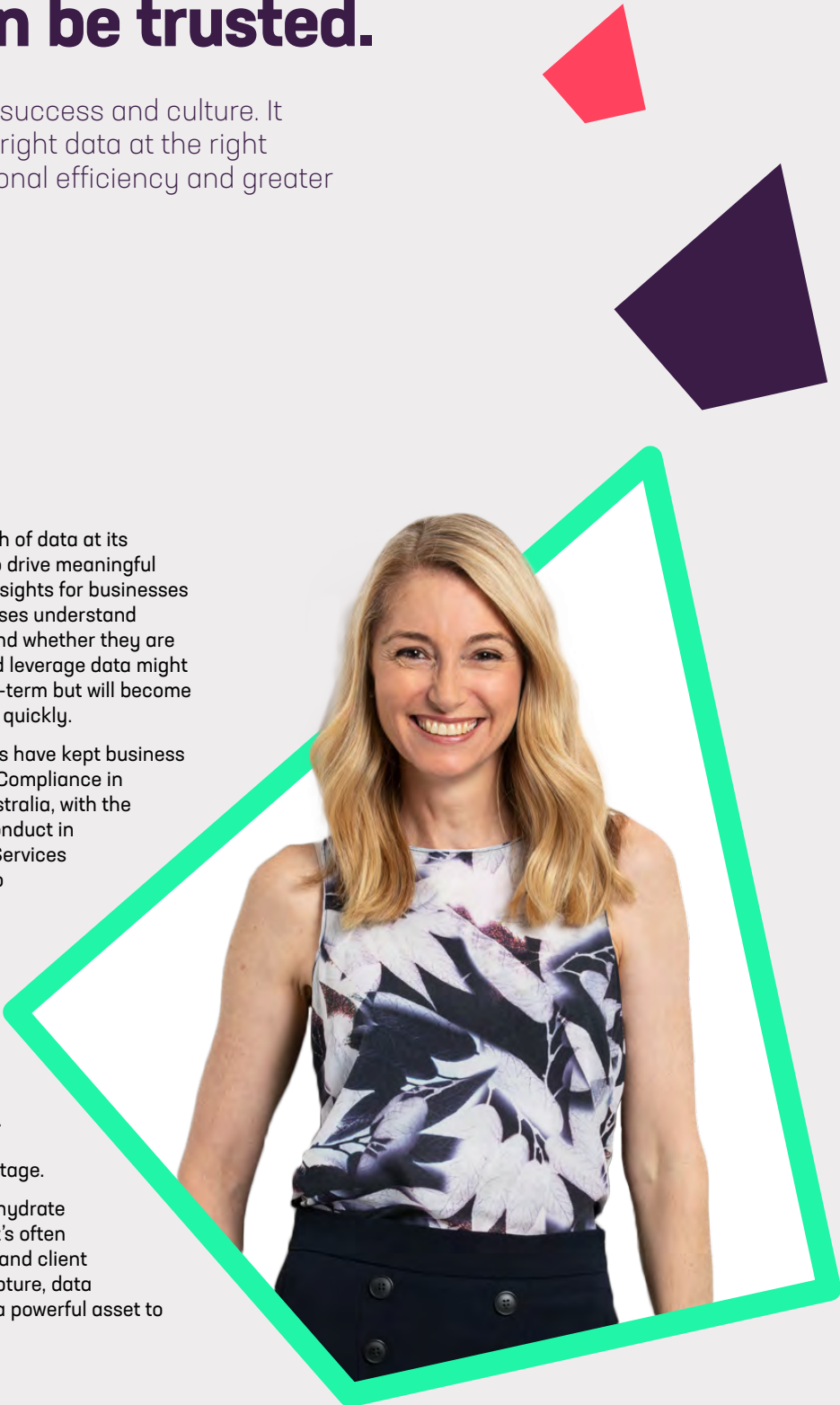
Data is a key element of Iress' success and culture. It empowers our clients with the right data at the right time, providing insight, operational efficiency and greater profitability.

The financial services industry has a wealth of data at its fingertips - the challenge is how to use it to drive meaningful change. Data holds the key to important insights for businesses and their clients. Data should help businesses understand how clients are investing and behaving - and whether they are getting value. Those unable to manage and leverage data might continue to operate effectively in the short-term but will become increasingly uncompetitive, and outpaced, quickly.

Increasing regulation and reputational risks have kept business focus on data protection and compliance. Compliance in particular has been brought to focus in Australia, with the wide-ranging Royal Commission into Misconduct in the Banking, Superannuation & Financial Services Industries shining a powerful spotlight onto Australia's financial services industry, the outcomes of which are resonating and influencing how the financial technology (fintech) sector is responding through product development.

System mismatches, poor quality data, or lack of data are creating challenges for financial services businesses that can seem insurmountable. This leaves little time to consider data for business efficiency and competitive advantage.

Consistent and accurate data is the carbohydrate of a healthy and robust financial system. It's often the missing link in the compliance, growth and client experience equation - whether it's data capture, data storage, data safety or data analytics. It's a powerful asset to engage clients and build businesses.



Our software

Iress software provides clients and users with essential functionality.

New software is introduced as either functional extensions to strategic software platforms (for example Pro and Xplan) or as wholly integrated software (for example Lumen) to meet the emerging needs of existing and future clients.

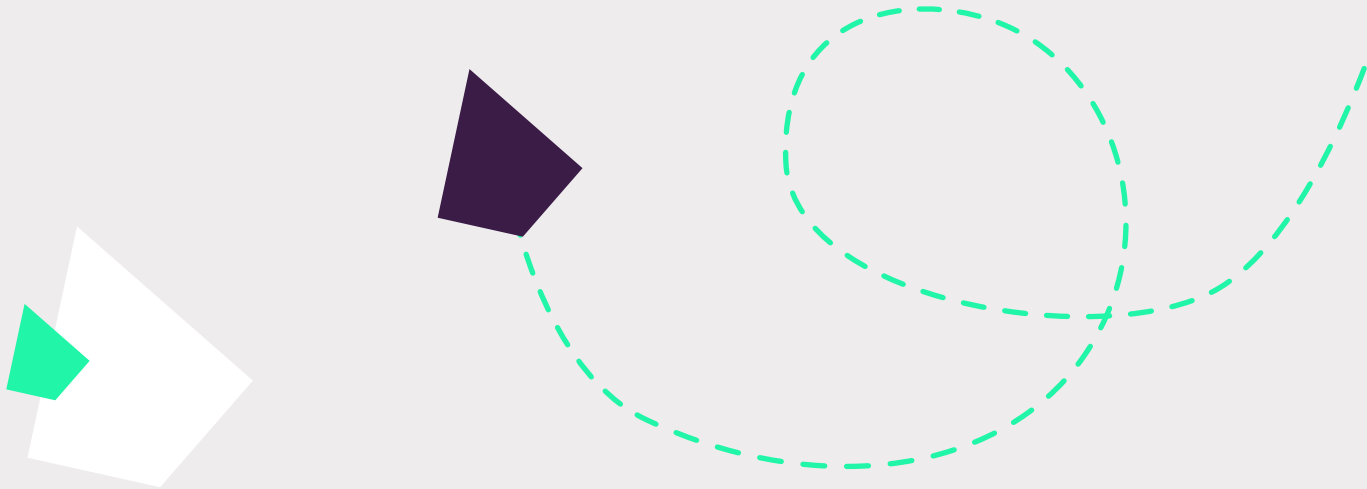
This platform flexibility and mix of mature and new provides Iress with the opportunity to remain a leading and relevant technology partner of choice for clients. In Iress' context, a technology 'platform' represents the management and deployment of Iress software so that they combine to create a consistent, cohesive and integrated solution for clients and users, and componentised so that updates can occur without large impact.

Our software

**We have set the following benchmarks for our software:**

- **Product excellence:** Our software is world-class leaders in our chosen markets. They are reliable, scalable, fit-for-purpose and of high-quality.
- **Desirability:** Our software is easy to adopt, use and apply to the way our users do their work. The way we support our clients adds value and we are responsive.
- **Integrations & connectivity:** Our software is highly integrable and allow our clients the flexibility to establish and maintain a broader technology ecosystem. Our solutions add value and industry efficiency by connecting participants meaningfully.

- **Content:** Our content provides the foundation upon which financial professionals make important decisions and through which automation is possible. Our content is rich, accurate and reliable.
- **Data & analytics:** We generate, manage and distribute data with professionalism and responsibility.



Our software

Our clients range from small retail to large institutional businesses across the financial services industry.

Our technology sits at the centre of our clients' businesses, supporting their core operations, providing essential functionality and helping them connect through their back, middle and front offices and to their clients and customers.

Trading and market data

Software/services	Functionality	Clients
<ul style="list-style-type: none"><li>• Order Sytem (IOS)</li><li>• Pro</li><li>• SmartHub</li><li>• ViewPoint</li></ul>	<p>Global market data and trading software including:</p> <ul style="list-style-type: none"><li>• market data,</li><li>• trading interfaces,</li><li>• order and execution management,</li><li>• smart order routing,</li><li>• FIX services,</li><li>• portfolio management,</li><li>• securities lending,</li><li>• analytical tools, and</li><li>• connectivity.</li></ul>	<ul style="list-style-type: none"><li>• institutional sell-side brokers,</li><li>• retail brokers, and</li><li>• online brokers.</li></ul>

Investment management

Software/services	Functionality	Clients
<ul style="list-style-type: none"><li>• Portfolio System</li><li>• Private Wealth</li><li>• Pro</li><li>• SmartHub</li></ul>	<p>Global investment management and trading software including:</p> <ul style="list-style-type: none"><li>• portfolio management,</li><li>• order and execution management,</li><li>• FIX services,</li><li>• analytical tools, and</li><li>• connectivity.</li></ul> <p>Integrated software solution offering:</p> <ul style="list-style-type: none"><li>• market data,</li><li>• order management,</li><li>• portfolio management,</li><li>• client relationship management,and</li><li>• wealth management.</li></ul>	<ul style="list-style-type: none"><li>• investment managers,</li><li>• investment platforms,</li><li>• discretionary retail fund managers,</li><li>• private client advisers, and</li><li>• wealth managers.</li></ul>

Financial advice

Software/services	Functionality	Clients
<ul style="list-style-type: none"><li>• Client Portal</li><li>• CommPay</li><li>• Lumen</li><li>• Private Wealth</li><li>• Xplan</li><li>• Xplan Model Office</li></ul>	<p>Integrated financial advice software offering:</p> <ul style="list-style-type: none"><li>• client management,</li><li>• business automation,</li><li>• portfolio data,</li><li>• research,</li><li>• financial planning tools,</li><li>• scaled advice journeys,</li><li>• digital client solutions, and</li><li>• data-driven compliance and analytics.</li></ul>	<ul style="list-style-type: none"><li>• institutional advisory, and</li><li>• independent advisory.</li></ul>

Superannuation

Software/services	Functionality	Clients
<ul style="list-style-type: none"><li>• Automated Personal Advice</li><li>• Acurity Online</li><li>• Acurity Registry</li><li>• Automated Super Admin</li></ul>	<p>Superannuation administration software offering:</p> <ul style="list-style-type: none"><li>• fund registry,</li><li>• digital member portal,</li><li>• digital advice solutions, and</li><li>• fund administration services.</li></ul>	<ul style="list-style-type: none"><li>• superannuation funds.</li></ul>

Mortgages

Software/services	Functionality	Clients
<ul style="list-style-type: none"><li>• Lender Connect</li><li>• Mortgage Sales &amp; Originations (MSO)</li><li>• Trigold</li><li>• Xplan Mortgage</li></ul>	<p>Multi-channel mortgage sales and origination software including:</p> <ul style="list-style-type: none"><li>• automated workflow,</li><li>• application processing, and</li><li>• connectivity.</li></ul> <p>Mortgage intermediary software, including:</p> <ul style="list-style-type: none"><li>• mortgage comparison,</li><li>• mortgage advice, and</li><li>• lender connectivity.</li></ul>	<ul style="list-style-type: none"><li>• mortgage lenders, and</li><li>• mortgage intermediaries</li></ul>

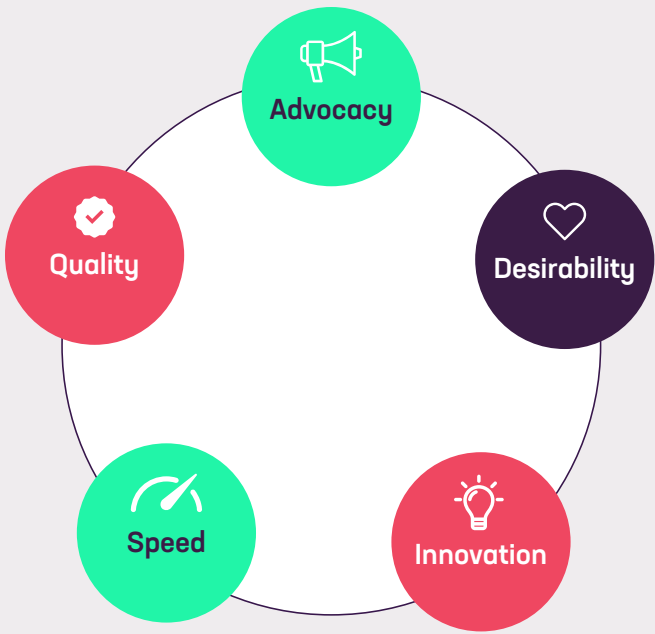
Life & pensions

Software/services	Functionality	Clients
<ul style="list-style-type: none"><li>• The Exchange</li></ul>	<p>Insurance and pension sourcing software including:</p> <ul style="list-style-type: none"><li>• quoting,</li><li>• comparison, and</li><li>• application processing.</li></ul>	<ul style="list-style-type: none"><li>• institutional advisory,</li><li>• independent advisory, and</li><li>• mortgage intermediaries.</li></ul>



# Our software

## Our Service Model



## Our technology

Technology is changing rapidly, driven by topics such as consumerisation, digital strategies, data and cloud capabilities. We have been focused in 2019 on technology health, continuous delivery and Iress Cloud. Iress' technology strategy has three key objectives: (i) increase the speed of delivery (ii) leverage scale and (iii) increase the quality of outputs so that we can successfully support existing clients and deliver new opportunities globally.

Within the year, technology teams were aligned to create a global technology function that covers the relevant capabilities and desired outcomes for Iress. The move from a broadly regional structure focused on individual products, to a global structure focused on capability and outcomes, has provided increased clarity of purpose for the technology group, an ability to focus our people investment globally on the best outcomes for Iress clients and users, and importantly, to better facilitate our technology strategy. The resulting groups are Product Engineering, Engineering Capability, Platform Engineering, Workplace Technology and Project Support.

Our focus for 2020 turns to building and enhancing our capability through education, training and broad opportunities for professional development, aligned to our broader People initiatives.

## Technology health

To effectively and efficiently support growth, Iress must have strong fundamentals in relation to technology health. Initiatives underpinning or improving technology health are often seen as optional (or less urgent) as there is limited direct linking of the visibility or benefit to client or commercial outcomes. However, if not managed effectively with appropriate investment and effort, a lack of technology hygiene can strongly and negatively impact the business and clients. Iress is broadly in a good position in relation to hygiene.

## Continuous delivery

Continuous delivery has been and will continue to be important to our technology teams and our delivery to clients. The essence of continuous delivery is automation, quality and changes to how the engineering and deployment processes work - all fundamental to the future success of Iress. Doing this relatively consistently, and globally, is important and requires the acquisition, education, implementation and operation of tooling to support our people. Much of the hard work was completed in 2019, and teams globally are leveraging common tooling, experiencing the benefits, and ultimately enabling change for our clients.

## Iress Cloud

In order to take significant technical steps forward, Iress has chosen to strategically leverage cloud infrastructure and services. Our focus in the last 12 months has been on training, technical design and client and operational readiness for Iress Cloud. The use of cloud globally at Iress provides a number of strategic outcomes, including an effective mandate of automation and out-of-the-box provision to our global infrastructure platform.

By utilising cloud for the majority of our infrastructure environment, we are able to more effectively operate the specialised infrastructure required for high performance. Since the launch of our cloud strategy, there has been strong engagement by our engineering community. The strategy has enabled cross-team collaboration and has provided a point of focus for new engineers to work with our long-tenured, more traditional engineers with strong outcomes and technology change and improvement a result.

In 2020, numerous technology teams will be focusing on the migration of software to Iress Cloud as well as continuing to enhance the software to further leverage the platform. This will see our software such as Xplan, Iress Portfolio System, CommPay, Xplan Prime and others operate in both the Iress hosted platform and the Iress Cloud platform globally. Key outcomes will be an increase in speed, quality and scale in the delivery and operation of software for clients.



## Our delivery approach

The Iress Delivery Framework aims to enhance the speed, scale and quality of work delivered by Iress people, improving the effectiveness and efficiency which Iress can deliver quality, engaging software and services to our clients and users. The framework has been designed, tested and developed to provide a core supporting mechanism for how work should be undertaken at Iress. Its scope is broader than technology, and aims to guide our people on how work flows throughout Iress, from the inception of demand at the client through to delivery, deployment and operation of our software in production. Education and training is provided by a dedicated team of people globally to ensure consistency of message, understanding and application of the framework.

To support the framework, it's important to ensure appropriate measures are in place that allow us to ensure changes, enhancements and outcomes are yielding a positive result. Our Winning Steps measures put in place in 2019 provided us with a mechanism for monitoring and measuring outcomes as a result of other areas of the technology strategy, such as quality initiatives or the implementation of tooling improvement.

In 2020, there will be a continued focus on enabling teams through education, support and coaching in the use of the framework.

## Quality and resilience

Quality refers not only to the number of defects in software, but also other factors such as usability, design, performance, and technical support. We have a number of initiatives underway that are aimed at providing direct improvement in our quality and resilience.

The requirement for enhanced information and data security over the past decade has increased and will continue to do so. The constant changes in technology and software require changes and enhancements in technology security capability, from software engineering and data protection practices through to effective protection, prevention and remediation at runtime for clients. Over the next two to three years, focus will turn to improvement of the product engineering components of technology.

## CASE STUDY

### Birling Wealth Management – streamlining financial advice with technology.

When Birling Wealth Management opened its doors 18 months ago, the team knew that choosing the right technology was critical. The Australian financial advice business was on a mission to create a world-leading client experience, and chose our advice software Xplan to support them with this journey.

### Finding the right technology

As a smaller financial advice practice, finding the right tools was crucial for Birling. It wanted more control over client experience to meet its mission of being the best at what it does by leading with technology. The right software would negate the need for excessive administration, and provide a seamless end-to-end service for their clients.

### Making the choice

Lisa Leckey, head of operations at Birling, shared that Xplan was chosen for the unrivalled breadth and depth of functionality that it offers. Xplan now provides Birling with everything from a CRM system, to the delivery of communications, right through to the more complex projections, tools and advice documents that they need for clients. Lisa has found that the comprehensive nature of Xplan has made a huge impact to her role and the time that she has as an adviser.

### Transitioning to Xplan

Although moving data around and training people in new systems can be difficult, Birling found that transferring its data to Xplan was easy. Mark Malone, principal partner, shared his happiness that “the conversion happened seamlessly - everything that was promised was delivered, behind the scenes with limited involvement from us”. Having embraced Xplan they have seen firsthand how it can actually change and improve systems, processes and the end delivery to the client.

### Delivering a leading client experience

The right technology will make a difference to the way that financial advice practices perform, and free up time to focus on more important things. With Xplan, Birling has saved 10-15 hours in onboarding clients. Everything it needs to engage and deliver to clients, Birling has within Xplan, providing them as a business with one source of truth. Xplan is now heavily integrated in Birling's business, and is helping the firm on its path towards a world-leading client experience.

Testing automation

Historically, the role of quality analyst or tester was key and fundamental to building software. This role would ensure the software created by engineers had limited bugs and did what it was supposed to do, often through manual inspection at the end of the process. We believe that quality needs to be designed and engineered into the software early in its lifecycle.

Testing (validation) must be engineered to deliver feedback to teams at speed and scale. Broader non-functional requirements must be designed and implemented up-front and then validated consistently and in a timelier manner than was previously acceptable.

Strong progress has been made across many Iress teams on the approach to test automation with consideration to the different types of test requirements (for example, unit testing, functional testing, integration testing, performance testing, security testing, load testing and API [Application Programming Interface] testing).

In 2020, there will be an increased focus on automation and quality in all aspects of technology.

While there has been a significant improvement in 2019, there is an opportunity for further automation and a continuous increase in quality. Automation will be applied and enhanced in relation to our continuous delivery initiative, and enable more software to be provided to clients more consistently more often. Quality improvements will apply to many aspects such as automated testing, enhanced security testing, performance testing, as well as quality of work processes and practices.

**Iress Labs**

Iress Labs allows users to input directly into Iress' software design and development process, by testing prototypes and sharing their feedback on different aspects of software functionality and user experience. The result is the release of co-designed functionality that does exactly what our users need it to do.

- The three stages of Iress Labs are:
- Design 'discoveries' - where users are actively involved in designing functionality and interfaces by providing insights on what's most important to them and has the greatest impact on their business.
  - Development 'experiments' - where the themes, functionality, requirements and common user journeys defined in the design stage are taken into development; the same users test and give feedback on prototypes to ensure the software works the way they need it to.
  - Delivery of 'co-designed functionality' - the new co-designed interfaces and features are released into the latest version of the software, where all users can 'toggle' between the new functionality and the earlier version.

While each Lab experiment differs, typically users go through interviews and workshops, rigorously test and give their raw feedback on every aspect of our software design. Only the interfaces and features that meet their high standards make it through as co-designed functionality.

In 2019, we moved from 10% of core products operating within the Labs framework to 77% of core products.

Iress Open

Iress Open is our approach to standard and custom integrations to our software, over a standard and consistent API. It is 'open' in the sense that any fintech or client can access these APIs to integrate, without the need for Iress to undergo a development project in order for the integration to be completed. Our clients enable the integrations from within Iress software. By the end of 2019 there were 15 integrations live and available for clients. We have seen a substantial improvement in pace and ease of effort in undertaking new integrations and continue to maintain an ambitious pipeline of projects.

CASE STUDY

Global Hackathon 2019

Our annual Global Hackathon is a highly anticipated, special event that generates excitement as well as a healthy dose of competition. Its aim is to generate creative solutions that solve real problems for clients, or for our people, over a 24 hour period with many of the ideas from previous years now live and making a difference. Everyone at Iress is encouraged to take part either by submitting an idea or by joining a team. In 2019, our people submitted 285 ideas across all of our global locations.

285 ideas became 130 hackathon projects. 130 hackathon projects with over 550 hackers became 22 global finalists. And from our 22 global finalists.

Announcing the winners doesn't mark the end of the hackathon. Logging all ideas allows us to effectively review every one of the 285 submitted and track the progress of those that we feel will make a difference for our clients and users, and Iress.



CASE STUDY

Technology improvements through Project Ignite

We are committed to improving the speed with which we deliver and respond to client needs. We intend to better work at scale by taking advantage of our global teams, and improve the quality of the end-to-end experience we deliver to clients and users.

To achieve these goals, we have introduced a number of key innovations to Iress over the past two years. Most notable of these has been the definition and execution of a cloud strategy (known as Project Ignite), which has become the catalyst for overhauling and streamlining almost every aspect of the way we design, build and deploy our software.

Project Ignite has not been simply a 'lift and shift' exercise geared around reducing the cost of hardware - but rather an enabler of a much bolder vision of increasing automation, improving quality and speeding up our delivery of software to clients.

This initiative has been underpinned by the introduction of a globally consistent work methodology across Iress, where teams have been provided with training, education and expert support based on flow, agile and system thinking principles, to radically overhaul their structures, work methods and continuous improvement behaviours.

As a result of acquisitions globally over a number of years, teams had been regionally focused and to some extent operating independently despite alignment. With over 500 people in our technology team, and more than 60 different software applications being offered to our clients in seven countries, leading the transition and mindset shift of teams to a globally consistent, agile, scalable operating model has been an extensive and complex program of work.

A little over one year into a two-year agenda, and the results have been impressive; 150 technologists have attended classroom training to improve their confidence and knowledge of emerging cloud technologies, we've seen a 200% increase in the number of processes automated along and there's been a 4 x improvement in delivery timeframes for teams leveraging the platform.

Weekly releases are now the norm for many clients. This has resulted in a significant reduction in errors, issues and calls to support teams as well as a significant increase in client and user satisfaction with Iress' software globally.



# The world of work is changing.

This, along with changing demographics and competition, is impacting the availability of suitable people, and the need to attract and recruit the best talent is critical.

Iress' specific skills landscape is evolving in line with the market and changing client business models. Increasingly, clients have sophisticated needs and seek competitive advantage through technology.

Iress' core strategy for people is our ability to attract, retain and develop the best people to meet our business goals. While this has not changed, the initiatives to address the operational, experiential and external priorities have evolved. Our focus has been on creating a great place to work, with an infectious and pervasive onelress culture that is consistent internally and visible externally.

While there have been many positive outcomes in developing our Onelress culture, we continue to focus on reducing the number of 'regretted leavers' and the management of underperforming employees.

We have prioritised our Growing@Iress initiative, with a focus on making career pathways clearer, both vertically and experientially, and ensuring that people performance is appropriately and proactively managed through our Career and Strategy framework. Growing@Iress is a key winning step to support our continued focus on career and talent progression. By focusing on simplifying titles, building career paths and future capability we aim to build a culture where growth is seen as part of every day, and people have the tools to shape and achieve the career they want to pursue.

A pilot program targeted at all people and leaders to enhance coaching capability and drive a culture of growth and accountability commenced in 2019. An additional pilot will be rolled out in the first quarter of 2020, with further roll out throughout the business from the second quarter.

We are confident that the Onelress culture is positively differentiating Iress and is improving key people metrics, including attrition, attraction and cultural indicators as well as qualitative impact internally and externally.

Our focus during the reporting year has been on alignment to achieve and support consistent ways of working. Successful alignment and integration of people is vital as our business evolves. In 2019, two Johannesburg offices were consolidated into one, and we welcomed 97 people from France, Tunisia, Singapore, United States and the United Kingdom, with our acquisition of QuantHouse. London and Singapore staff from QuantHouse have been combined into current Iress offices. Integration has focused on system, processes and cultural alignment, with positive impact.

Our globally established graduate, apprenticeship and learnership programs have been recognised through industry awards, demonstrated by recognition of Iress as a finalist in the 'Top Employer - IT & Technology' category of the 2019 UK School Leaver Awards. These programs have provided return, succession for future hiring requirements and have positively impacted culture through diversity with new and younger perspectives.

We have continued to roll out graduate programs in the Asia Pacific region and South Africa, along with apprenticeship programs in the United Kingdom and a learnership program in South Africa. These programmes provide an entry route into Iress and provide us with a talent pipeline for the future. Our APAC Graduate Programme is one of the top 75 graduate programmes in Australia and our apprenticeship programme was a finalist in the 2019 School Leaver Awards.

In 2020, our focus is on implementing initiatives that build on this and drive higher performance. Iress' organisational design will continue to evolve to respond to business requirements and ensure we are structured appropriately, with the required skills to deliver client outcomes and achieve strategic business goals.

We are confident that our focus on talent and ways of working will drive a step change in 2020, delivering improved business outcomes through higher collective and individual performance.

## Performance Excellence

Our Performance Excellence framework aims to support people to perform at their best in their current role while, at the same time, growing capabilities for the future. This provides clarity on expectations of how individuals contribute to Iress' success, through what they do and how they operate. While leaders should hold individuals accountable and address any underperformance, more needs to be done to embed this consistently across the business.

Throughout 2019, the framework focus was heavily biased to driving a high-performance culture and identifying individuals who have the greatest impact. Three key activities were focused on process, messaging and skills. In 2020, this will be expanded to use the framework to support improved performance through an approach of coaching and continual conversations.

We have prioritised the following for the coming year:

- Ensure Iress is able to attract the best talent from the market.
- Ensure people are motivated and inspired to be their best.
- Continued creation of a great and flexible place to work.

Significant progress has been made in these areas, most notably in talent attraction and workplace strategy. Key recruitment metrics point to improvements in our ability to attract and onboard talent in a reduced timeframe, resulting in confidence in our ability to resource the business with high quality talent in a timely manner in order to deliver Iress' business objectives. Iress' significant investment in workplace environment, systems and tools has driven flexibility, improved ways of working, and increased productivity through greater teamwork and collaboration, and supporting better individual and business performance.

## Ways of working: flexibility

Our investment in the workplace and focus on flexibility as a strategic tool to support improved individual and business performance, will continue over the coming 12 months. We believe that teams, culture and business outcomes are maximised when teams work together to the greatest extent possible.

Significant investment in our workplace, systems, and tools has continued in order to support and drive flexibility, ways of working and increased productivity. Continued investment in the global property portfolio has created mobile and flexible work environments that promote greater teamwork and collaboration.



Our approach to flexibility is to be creative and open-minded about how people work, based on trust, and supported by people management systems and processes focussing on outcomes. Leaders remain responsible to ensure Iress continues to achieve its objectives and lead by example.

We believe that flexibility across locations and time zones is a business requirement and an advantage that broadens our capability, and also allows and supports greater diversity.

In 2019 we developed a Flexibility Policy coupled with toolkits and people leader training to improve consistency of flexibility across the company.

Diversity and employee wellbeing

Strong progress has been made in 2019 in our diversity strategy, including the introduction of market leading parental leave and clear positioning on topics such as domestic violence. We have a domestic violence policy and provide 10 days paid domestic violence leave. We have piloted an approach in our recruitment strategy which involves removing or masking gender indicators in curricula vitae to eliminate unconscious bias in our new recruit selection process.

Demonstrating our commitment to gender diversity with our workplace, Iress was once again recognised as WGEA (Workplace Gender Equality Agency) Employer of Choice for Gender Equality in Australia.

We’re also proud to have been named as a ‘Top 50 Companies to work for - UK’ by Glassdoor, one of the world’s largest recruitment sites, with an ‘Employees’ Choice Award’. We have also become a signatory to the United Kingdom’s Women in Finance Charter, committing to implement the principles and standards set forth in the charter. Furthering our commitment to narrowing the gap between female and male salaries, the Annual UK Gender Gap analysis (which measures the difference between the average earnings of women and men at Iress) shows that we have reduced that gap from 15.1% in 2018 to 14.34% in 2019.

We encourage our people to stand up for what they believe in, and to this end, Iress celebrated ‘Wear it Purple Day’- an international movement dedicated to raising awareness about sexuality, gender identity and challenging harmful social cultures. A few hundred Iress people, also participated in the September global climate strike in Australia.

In line with our Onelress culture, we provide a range of benefits to ensure the wellbeing of our people. We provide six months paid parental leave (17 weeks at full pay and 9 weeks at half pay). In 2019 we decreased continuous service eligibility from 24 months to 12 months. A significant change to our Australian people, was the introduction of an additional 8.5 days of leave at full pay for parents whose children are starting school for the first time.

Employee benefits

Location	Benefits
Global	Referral payments, subsidised health insurance pension/superannuation, equity, profit share, parental leave, phased return to work, starting school leave, employee assistance program
Australia	Annual skin checks, flu vaccinations, sport event funding, novated leases, life insurance/income protection insurance
New Zealand	Flu vaccinations, sport event funding
Singapore	Flu vaccinations, sport event funding, life insurance/income protection insurance
Canada	Discounted gym memberships, life insurance/income protection insurance
United Kingdom	Childcare vouchers, cycle to work
France	Health Care (Life Insurance, Private Medical Insurance, Income Protection)
Tunisia	Health Care
United States	Medical, Dental, Vision, Life and Disability Insurance, Commuter benefit, Flex spending (for dependent day care), 401k (tax qualified, defined contribution pension account)

MEET THE TEAM

Q&A with Emily Chen

Emily Chen was a finalist in the 2019 Women in Financial Services Awards - Innovator of the Year category. The awards celebrate financial services professionals who have delivered excellent performance in their respective fields and contributed to the advancement of women in both their organisations and the industry.

What is your role at Iress?

I am the Product Executive, responsible for the overall product direction, user experience and delivery of our Wealth Management software as well as the Iress Labs initiative. I lead a team of product managers, product owners and specialists, as well as user experience consultants based in both Australia and the UK.

What is life at Iress like?

We know how to have fun but also how to get the job done. It can be a balancing act to manage time to engage with teams and clients globally. And we are constantly learning from our clients. When gathering all the insights, it can sometimes be quite mind blowing.

Luckily, we have some great initiatives that help keep us grounded. Our Iress Foundation allows us to volunteer for charities such as the Red Cross blood bank, or to help out at the Two Good Kitchen in Sydney. And

social activities like games night and lunchtime bootcamp gives us the chance to let off steam and have fun with our colleagues.

What is the best thing about working at Iress?

People - Iress respects and supports diversity so there are a group of really interesting people you get to work with - locally and globally. You as an individual have the license to change anything, which makes this a creative and innovative culture. We can all tap into that. I genuinely think this is the best thing about working at Iress.

What do you tell your mates about Iress?

It is fast paced, it is constantly evolving. We create software that helps people remove their financial worries. It is a place that constantly challenges you, and empowers you to challenge the status quo.





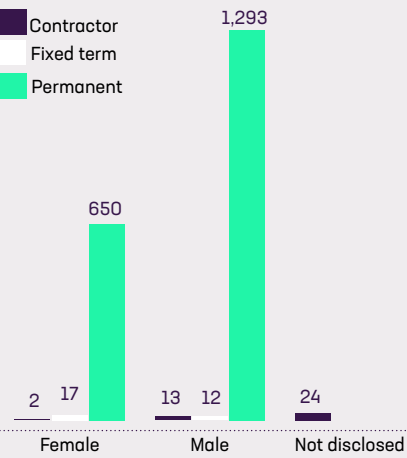
New people hires by region, gender & age

Age	< 30		30 - 50		> 50		
	Rate	No.	Rate	No.	Rate	No.	Total
South Africa	50.00%	34	45.59%	31	4.41%	3	68
Female	40.91%	9	54.55%	12	4.55%	1	22
Male	54.35%	25	41.30%	19	4.35%	2	46
APAC	36.94%	58	59.87%	94	3.18%	5	157
Female	34.38%	22	62.50%	40	3.13%	2	64
Male	38.71%	36	58.06%	54	3.23%	3	93
North America	22.22%	4	55.56%	10	22.22%	4	18
Female	0.00%	0	33.33%	1	66.67%	2	3
Male	26.67%	4	60.00%	9	13.33%	2	15
UK & Europe	26.18%	50	61.26%	117	12.57%	24	191
Female	33.96%	18	54.72%	29	11.32%	6	53
Male	23.19%	32	63.77%	88	13.04%	18	138
Grand Total	33.64%	146	58.06%	252	8.29%	36	434

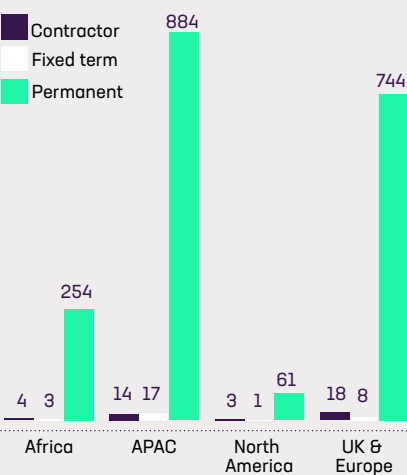
People turnover by region, gender & age

Age	< 30		30 - 50		> 50		
	Rate	No.	Rate	No.	Rate	No.	Total
South Africa	31.43%	12	16.84%	32	6.25%	2	46
Female	70.00%	5	17.50%	14	5.88%	1	20
Male	48.00%	7	16.36%	18	6.67%	1	26
APAC	23.81%	35	10.21%	69	8.97%	7	111
Female	23.40%	11	10.82%	25	14.81%	4	40
Male	24.00%	24	9.89%	44	5.88%	3	71
North America	20.00%	2	17.50%	7	16.67%	2	11
Female	0.00%	0	12.50%	1	0.00%	0	1
Male	28.57%	2	18.75%	6	28.57%	2	10
UK & Europe	13.49%	17	10.27%	50	16.55%	23	90
Female	23.26%	10	10.14%	15	18.75%	9	34
Male	8.43%	7	10.32%	35	15.38%	14	56
		66		158		34	258

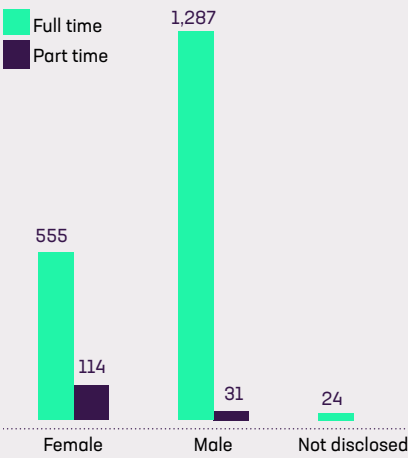
People by contract and gender



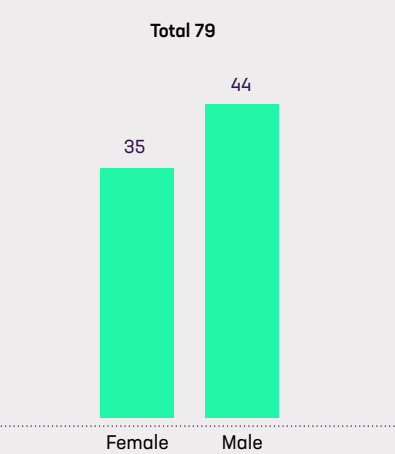
People by contract and region



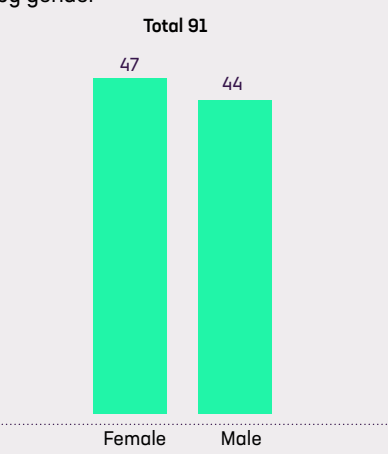
People by employment type and gender



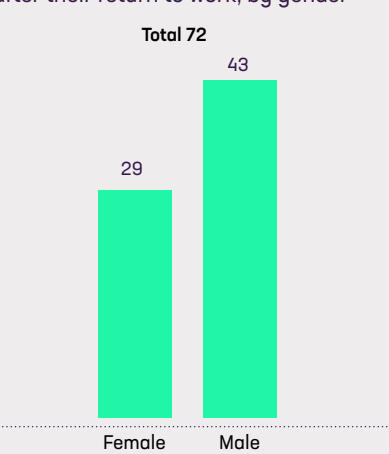
Parental leave taken (started) in 2019 by gender



Total number of employees that returned to work in the reporting year after parental leave ended, by gender



Total number of employees that returned to work, after parental leave ended, that were still employed 12 months after their return to work, by gender



1,653

Total number of people that were entitled to parental leave.

98%

Return to work rate.

97%

Retention rate.





## Our environment

# Business is intrinsically linked with climate change and environmental impact.

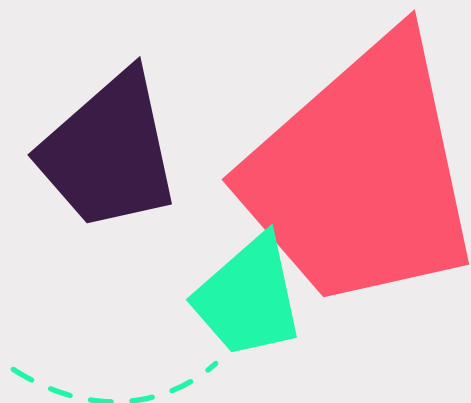
These issues aren't a distraction from doing business - they are part of doing business. Reducing our impact on the environment is something that's important to us.

In 2019, we established energy-efficient offices and limited paper-hungry printers. We have also increased our reliance on cloud infrastructure to reduce electricity from always-on servers. While aiming to reduce the number of flights for the year, in some locations, flight numbers increased, due to the acquisition of QuantHouse with offices in Singapore and the United Kingdom.

As office and equipment lease arrangements come to an end, we are constantly looking to change to more environmentally efficient alternatives. In 2020, upcoming office moves in Singapore and the United Kingdom will allow us to move to water and energy efficient offices, and prompt the retirement and consolidation of older office equipment.

We currently collate global data on energy use and air travel for our traditional locations of business, and will expand this to include our QuantHouse offices in Paris and Tunis. Recognising that e-waste is a significant global environmental problem, we will begin to collect data for reporting in 2020.

We have not yet formalised an approach to reducing our overall environmental impact, however, as our ESG strategy matures in 2020, we will begin to evaluate how best to reduce this impact.

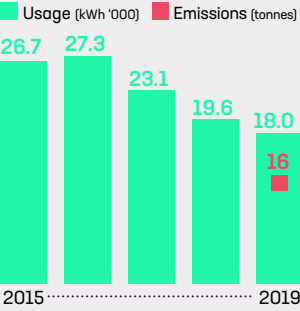




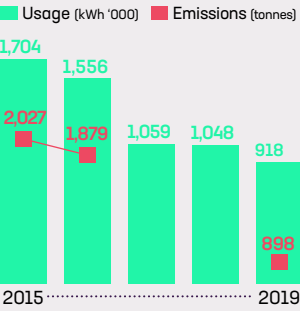
Our environment

Energy use\*

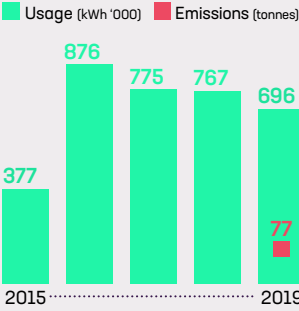
Asia



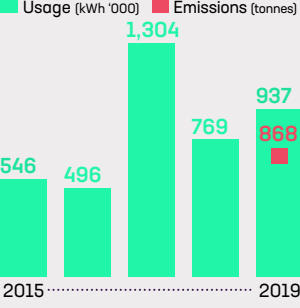
Australia



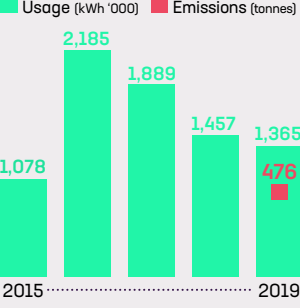
Canada



South Africa



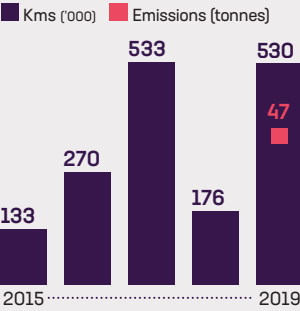
United Kingdom



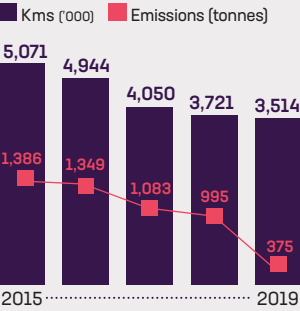
\*Data is not available for all years

Air travel\*

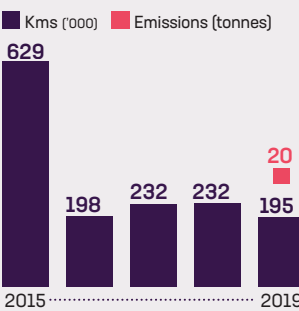
Asia



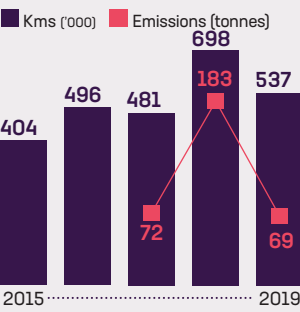
Australia



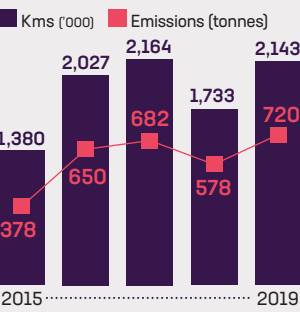
Canada



South Africa



United Kingdom



\*Data is not available for all years

Procurement

Our central procurement function has brought greater discipline, mitigated commercial and legal risk, and leveraged Iress' scale as a purchaser.

Our procurement engagements range from leasing arrangements for office premises, service arrangements for corporate solutions such as people, finance and registry systems and internal technology requirements such as office productivity suites and technology service arrangements with Amazon Web Services.

The sourcing of all of these material asset or service solutions is managed by the relevant business unit in conjunction with Iress procurement. The procurement process is often managed through an RFP process. The process typically includes vetting potential suppliers for compliance against Iress' Supplier Code of Conduct, Iress' Code of Ethics and Conduct Policy, and various aspects of due diligence. Our Supplier Code of Conduct includes provisions for employment conditions, including human rights, modern slavery, safety, diversity, anti-bribery and corruption, and the environment. Iress' legal due diligence for new suppliers asks suppliers to state whether they have a Modern Slavery Act Statement, if they are required by law to provide one.

In South Africa, Iress, under the government sponsored Broad-Based Black Economic Empowerment programme (BEE) supports qualifying BEE suppliers by procuring essential services from such suppliers. This contributes to the promotion of black-owned businesses in South Africa and is an important part of Iress' overall BEE commitment.

While we have not yet formalised an approach to screening suppliers against environmental and social criteria, we do ask suppliers to provide documentary evidence to support compliance with the above provisions. We do not yet track the percentage of new suppliers screened for environmental and social criteria. As our own ESG strategy evolves through 2020 and beyond, we will progressively introduce further ESG related indicators into our procurement processes.

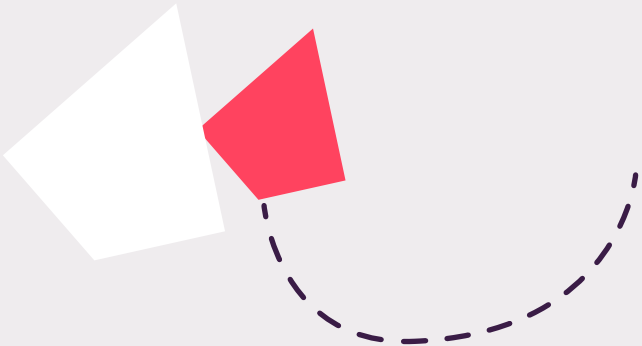
Modern Slavery Statement

Iress is required to report in accordance with the Modern Slavery Act 2015 (UK) (the UK Modern Slavery Act ) and the Modern Slavery Act 2018 (Cth) (the Australian Modern Slavery Act). Iress first provided a public Modern Slavery Statement in 2016.

The Australian Modern Slavery Act came into force on 1 January 2019, and requires annual statements to be submitted to Australia's Department of Home Affairs and our first statement is due in July 2020. In the meantime, we have updated our Modern Slavery Act Statement to address the following mandatory requirements under the Australian Modern Slavery Act:

- a) Iress' structure, operations and supply chains,
- b) the potential modern slavery risks in Iress' operations and supply chains,
- c) actions undertaken to assess and address those risks, including due diligence and remediation,
- d) processes; and,
- e) how Iress assesses the effectiveness of those actions.

Our Modern Slavery Statement is available at: [www.iress.com/trust/corporate-governance/governance-documents/modern-slavery-act-statement/](http://www.iress.com/trust/corporate-governance/governance-documents/modern-slavery-act-statement/)





# The financial services industry is subject to significant public focus, media attention and government review.

The use of technology in financial services businesses, particularly its role in processing and storing sensitive personal information, can expose both the financial services provider and providers of technology to reputational risk where there is a failure in a critical system or process or the release, by error or mischief, of personal data.

Mitigation of technology risk lies at the heart of Iress' Information Security team and software development practices. The latter includes rigour in architecture, code development and testing. Iress does not outsource development of core technology, maintaining direct oversight and control.

Iress has increased its investment in information security in recent years in response to several factors including the increased sophistication of cyber terrorists, our clients' increased reliance on our software, and increased regulatory pressure from government agencies. We have a dedicated information security team across jurisdictions, Board oversight through the Audit & Risk Committee, and executive oversight through the Executive Risk Committee and Chief Information Security Officer.

Iress' controls, audit and governance provide a framework for actively identifying gaps, new exposures and the development of appropriate treatment plans and include:

- Network and malware scanning and mandatory information security awareness training across the business.
- Comprehensive disaster recovery procedures.
- Focus on redundancy for internal and critical systems.

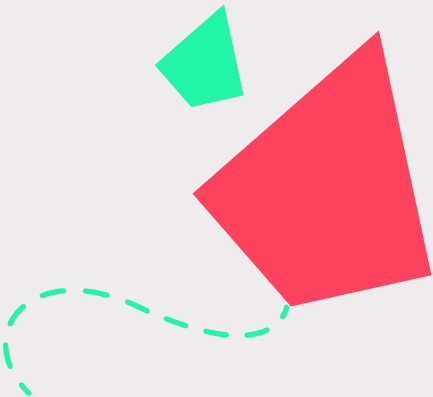
Iress' Global Information Security Management System is certified by an independent audit to meet the global ISO 27001:2013 standard and we successfully maintained this certification following a two week audit in 2019. Our 2019 audit was over a greater scope than in previous years, with our Cape Town and Durban (South Africa) offices and additional software and services (Superannuation and Client Solutions, Acurity and eBMS) included for the first time.

Iress also conducts supplier information security assurance reviews, and completed 74 reviews with existing suppliers in 2019, primarily in the United Kingdom, Canada and South Africa. Some suppliers in the Asia Pacific region were included in the reviews, however, the due diligence process needs to be further embedded in the region.

In 2019, we implemented a new operating model to enable a greater and more consistent focus globally around security engineering, security operations, and risk and assurance. We also developed and socialised a cloud security controls framework within our platform division and are building tooling to drive automation and management of those controls.

In 2020, we aim to:

- Continue to foster organisational security culture
- Expand security operations capability
- Design and implement new cyber security services for clients
- Invest in tools to automate and enable security controls in our software



The Management Approach for each material topic contains the following information as required by the Global Reporting Initiative (GRI) Standards:

- 103-1: Explanation of the material topic and its Boundary
- 103-2: The management approach and its components
- 103-3: Evaluation of the management approach

GRI Standard	Disclosure	Internal/ External Boundary (I/E)	Page/Reference/ More information
GRI 101: Foundation 2016			
GENERAL DISCLOSURES			
Organisational Profile			
102-1:	Name of the organisation	N/A	Cover page
102-2:	Activities, brands, products and services	N/A	pp. 6, 22, 23
102-3:	Location of headquarters	N/A	p. 7
102-4:	Location of operations	N/A	p. 7
102-5:	Ownership and legal form	N/A	p. 6
102-6:	Markets served	N/A	p. 6
102-7:	Scale of the organisation	N/A	p. 7
102-8:	Information on employees and other workers	N/A	p. 33 Work activities are primarily performed by employees, not contractors. All People related data (raw data) is held centrally in Workday and analysed in Google Sheets.
102-9:	Supply Chain	N/A	p. 37
102-10:	Significant changes to the organisation and its supply chain	N/A	pp. 6, 8
102-11:	Precautionary Principle or approach	N/A	p. 35
102-12:	External initiatives	N/A	pp. 10, 18
102-13:	Membership of associations	N/A	p. 19
Strategy			
102-14:	Statement from senior decision-maker	N/A	p. 5
Ethics and Integrity			
102-16:	Values, principles, standards and norms of behaviour	N/A	pp. 9, 12, 13
Governance			
102-18:	Governance structure	N/A	pp. 12, 13
Stakeholder Engagement			
102-40:	List of stakeholder groups	N/A	p. 14
102-41:	Collective bargaining agreements	N/A	Not applicable to Iress
102-42:	Identifying and selecting stakeholders	N/A	p. 14
102-43:	Approach to stakeholder engagement	N/A	pp. 14-19, 26, 27

GRI Standard	Disclosure	Internal/ External Boundary (I/E)	Page/Reference/ More information
102-44:	Key topics and concerns raised	N/A	pp. 14, 15, 19, 29
<b>Reporting Practice</b>			
102-45:	Entities included in the consolidated financial statements	N/A	2019 Annual Report <a href="https://www.iress.com/media/documents/2019_Annual_Report_200220.pdf">https://www.iress.com/media/documents/2019_Annual_Report_200220.pdf</a>
102-46:	Defining report content and topic boundaries	N/A	pp. 3, 39-41
102-47:	List of material topics	N/A	p. 4
102-48:	Restatements of information	N/A	No restatements of information have been necessary
102-49:	Changes in reporting	N/A	Iress' energy and air travel scope has been broadened to include QuantHouse offices. We have elected not to report on paper use this year, as it is not a material environmental measure.
102-50:	Reporting period	N/A	p. 3
102-51:	Date of most recent report	N/A	2018, published in April 2019
102-52:	Reporting cycle	N/A	Annual
102-53:	Contact point for questions regarding the report	N/A	Peter Ferguson, Group General Counsel and Company Secretary: +612 8273 7000 <a href="mailto:corporate@iress.com">corporate@iress.com</a>
102-54:	Claims of reporting in accordance with the GRI Standards	N/A	p. 3
102-55:	GRI Content Index	N/A	pp. 39-41
102-56:	External assurance	N/A	p. 3
<b>SPECIFIC DISCLOSURES:</b>			
<b>GRI 200: Economic</b>			
<b>GRI 201: Economic Performance 2016</b>			
GRI 103:	Management Approach 2016: 103-1; 103-2; 103-3		2019 Annual Report <a href="https://www.iress.com/media/documents/2019_Annual_Report_200220.pdf">https://www.iress.com/media/documents/2019_Annual_Report_200220.pdf</a>
201-1:	Direct economic value generated and distributed	I/E	pp. 7, 17 and 2019 Annual Report <a href="https://www.iress.com/media/documents/2019_Annual_Report_200220.pdf">https://www.iress.com/media/documents/2019_Annual_Report_200220.pdf</a>
<b>GRI 205: Anti-corruption 2016</b>			
GRI 103:	Management Approach 2016: 103-1; 103-2; 103-3		pp. 12, 13
205-2:	Communication and training about anti-corruption measures	I	p. 13
205-3:	Confirmed incidents of corruption and actions taken	I	p. 12

GRI Standard	Disclosure	Internal/ External Boundary (I/E)	Page/Reference/ More information
<b>GRI 206: Anti-competitive Behaviour</b>			
GRI 103:	Management Approach 2016: 103-1; 103-2; 103-3		pp. 12, 13
206-1:	Legal actions for anti-competitive behaviour, anti-trust and monopoly practices	I	p. 12
<b>GRI 300: Environmental</b>			
<b>GRI 308: Supplier Environmental Assessment 2016</b>			
GRI 103:	Management Approach 2016: 103-1; 103-2; 103-3		p. 37
308-1:	New suppliers that were screened using environmental criteria	I/E	p. 37
<b>GRI 400: Social</b>			
<b>GRI 401: Employment 2016</b>			
GRI 103:	Management Approach 2016: 103-1; 103-2; 103-3		pp. 28-30
401-1:	New employee hires and employee turnover	I	p. 32
401-2:	Benefits provided to full-time employees that are not provided to temporary or part-time employees	I	p. 30
401-3:	Parental leave	I	p. 33
<b>GRI 414: Supplier Social Assessment 2016</b>			
GRI 103:	Management Approach 2016: 103-1; 103-2; 103-3		p. 37
414-1:	New suppliers that were screened using social criteria	I/E	p. 37
<b>GRI 419: Socioeconomic Compliance 2016</b>			
GRI 103:	Management Approach 2016: 103-1; 103-2; 103-3		p. 13
419-1:	Non-compliance with laws and regulations in the social and economic area	I	p. 13
<b>Additional Material Topics (Identified by stakeholders in materiality assessment)</b>			
Purpose and Strategy	GRI 103: Management Approach 2016: 103-1; 103-2; 103-3	I	pp. 8-10
Ethics and Integrity	GRI 103: Management Approach 2016: 103-1; 103-2; 103-3	I	pp. 12, 13
Reputation and Market Perception	GRI 103: Management Approach 2016: 103-1; 103-2; 103-3	I	pp. 8, 9, 12, 13
Transparent Business	GRI 103: Management Approach 2016: 103-1; 103-2; 103-3	I	pp. 12, 13
Stakeholder Engagement	GRI 103: Management Approach 2016: 103-1; 103-2; 103-3	I	pp. 14-19
Customer Service	GRI 103: Management Approach 2016: 103-1; 103-2; 103-3	I	pp. 14, 15
Culture	GRI 103: Management Approach 2016: 103-1; 103-2; 103-3	I	pp. 28-30
Governance	GRI 103: Management Approach 2016: 103-1; 103-2; 103-3	I	pp. 12, 13
Partnerships	GRI 103: Management Approach 2016: 103-1; 103-2; 103-3		pp. 16-19
<b>Additional Material Topics (not Identified by stakeholders in materiality assessment but deemed material in supplementary assessment)</b>			
Environment	GRI 103: Management Approach 2016: 103-1; 103-2; 103-3		p. 35
Information Security	GRI 103: Management Approach 2016: 103-1; 103-2; 103-3		p. 38
Community	GRI 103: Management Approach 2016: 103-1; 103-2; 103-3		pp. 16-19
Supply Chain	GRI 103: Management Approach 2016: 103-1; 103-2; 103-3		p. 37