

2020 Annual General Meeting



Dear Shareholder,

On behalf of the Board, I am pleased to invite you to the Annual General Meeting of the Shareholders of Technology One Limited.

The Meeting will be held at the Brisbane Convention and Exhibition Centre, Merivale St, South Brisbane on Tuesday, 23 February 2021 at 10.30am (Queensland time).

The Directors look forward to welcoming Shareholders to the Annual General Meeting. Refreshments will be served at the conclusion of the meeting, giving you the opportunity to meet the Directors of the Company.

As highlighted over recent years, TechnologyOne has continued in its board renewal process with Peter Ball being appointed a Director on 02 March 2020 (and subsequently up for election at this AGM) following the appointment of Cliff Rosenberg, Sharon Doyle and Dr Jane Andrews at the previous three AGM's. Through this period of on-boarding new Directors, it is important to ensure the smooth transfer of intellectual property from the incumbent Board Members so we can continue the success of TechnologyOne.

It is for this reason that I recommend that the Shareholders vote in favour of the resolutions set out overleaf. Undirected proxies will also be voted in favour of the resolutions insofar as the Chairman is permitted to vote.

Yours faithfully,

Adrian Di Marco
Executive Chairman

Notice is given that the 2020 Annual General Meeting of Technology One Limited ACN 010 487 180 (Company) will be held at Brisbane Convention and Exhibition Centre, Merivale St, South Brisbane, 4101 on Tuesday 23 February 2021 at 10.30am (Queensland time)*.

*Please use the Merivale Street entrance to access M1 on the Mezzanine Level.

Agenda

Ordinary business

Financial statements and reports

To receive and consider the financial statements and reports of the Directors and the auditors for the year ended 30 September 2020.

Resolution 1 – Election of Director – Peter Ball

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

‘That Peter Ball, who having been appointed a Director on 02 March 2020 in accordance with rule 13.2 of the Company’s constitution, be elected as a Director of the Company in accordance with rule 13.2.’

The Directors (with Mr Ball abstaining) unanimously recommend that shareholders vote in favour of this resolution.

Resolution 2 – Re-Election of Director – John Mactaggart

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

‘That John Mactaggart, who retires by rotation in accordance with rule 16.1 of the Company’s Constitution, and being eligible, be re-elected in accordance with rule 16.2 of the Company’s Constitution.’

The Directors (with Mr Mactaggart abstaining) unanimously recommend that shareholders vote in favour of this resolution.

Resolution 3 – Adoption of Remuneration Report

To consider, and if thought fit, to pass the following non-binding resolution as an ordinary resolution:

‘That the Remuneration Report, as contained on page 75-97 of the 2020 Annual Report (in the Directors’ Report), be adopted.’

Dated: 18 January 2021

By Order of the Board



Mr Stephen Kennedy
Company Secretary

Notes

- a. A member who is entitled to attend and cast a vote at the meeting is entitled to appoint a proxy.
- b. The proxy need not be a member of the Company. A member who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.
- c. If you wish to appoint a proxy and are entitled to do so, complete and return the enclosed proxy form.
- d. A corporation may elect to appoint a representative in accordance with the *Corporations Act 2001*, in which case the Company will require written proof of the representative’s appointment which must be lodged with or presented to the Company before the meeting.
- e. If you have any queries about how to cast your votes, please call Mr Stephen Kennedy on 07 3167 7179 during business hours.

Shareholder information

Attending the meeting

If you are attending the meeting in person, registration will be open from 10am and you are encouraged to register early.

Voting for each resolution will be conducted by way of a poll and all attending Shareholders will be required to register before the commencement of the meeting should they wish to vote.

Corporate Shareholders who wish to appoint a person to act as their representative at the meeting can do so by providing the person with a letter authorising the person to act as the company representative at the meeting.

Online voting

Shareholders are encouraged to lodge their votes online through the Share Registry's website at: www.linkmarketservices.com.au. To access the online lodgement facility, Shareholders will need their "Holder Identifier", being either their Security holder Reference Number (SRN) or Holder Identification Number (HIN), as shown on the front of their Proxy Form.

Appointment of proxy

If you are a Shareholder and unable to attend and vote at the Annual General Meeting of Technology One Limited on 23 February 2021, you are entitled to appoint a person as your proxy to attend and vote in your place. Your proxy does not have to be another Shareholder.

If you are a Shareholder entitled to cast two or more votes, you may appoint up to two proxies, and may specify the proportion of voting rights or the number of shares each proxy is appointed to exercise.

You appoint a proxy by using the form enclosed. It must be lodged by 10:30am, 21 February 2021 at the Company's Share Registry:

Link Market Services Limited

Locked Bag A14

Sydney South NSW 1235

or faxed to the Share Registry on (02) 9287 0309.

Appointing a proxy does not preclude you from attending the meeting, but you will not be able to vote unless you revoke your proxy before the meeting starts.

Undirected proxies

The Chairman of the Meeting intends to vote undirected proxies in favour of all Resolutions 1, 2 and 3.

The Company encourages all Shareholders who submit proxies to either direct their proxy how to vote or authorise the Chairman to exercise the undirected proxy in relation to Resolution 3.

Power of attorney

Any Shareholder may, by duly executed power of attorney, appoint an attorney to act on their behalf at the meeting. However, before the attorney is entitled to act under the power of attorney, the power of attorney or proof of the power of attorney must be produced for inspection at the Registered Office or at the Share Registry. The attorney may be authorised to appoint a proxy for the Shareholder granting the power of attorney.

Determination of Shareholders right to vote

For the purposes of this meeting, those Shareholders holding shares in the Company at 7pm (AEDT) on 21 February 2021 will be voting members for the meeting.

Voting exclusion statements

Resolution 3: Adoption of Remuneration Report

The Corporations Act 2001 prohibits any votes being cast on Resolution 3 by or on behalf of a person who is disclosed in the Remuneration Report as a member of the KMP of the Company (including the Directors and Chairman), or a closely related party of that KMP. However, such a person may cast a vote on Resolution 3 as a proxy for a person who is permitted to vote and the appointment of the proxy specifies the way the proxy is to vote on the resolution.

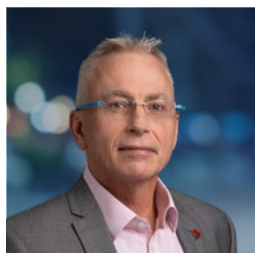
If you do not direct the Chairman how to vote but have otherwise authorised the Chairman to exercise the proxy even though this resolution is connected directly or indirectly with the remuneration of a KMP, you will be taken to have directed him to vote in accordance with his stated intention to vote in favour of this resolution. If you do not want your vote exercised in favour of this resolution you should direct the person chairing the meeting to vote 'against' or abstain from voting on this resolution.

Explanatory memorandum

This Explanatory Memorandum forms part of the Notice of Meeting and is intended to provide Shareholders of the Company with information to assess the merits of the proposed resolutions.

The Directors recommend that Shareholders read the Explanatory Memorandum in full before making any decision in relation to the resolutions.

Resolution 1



Election of Peter Ball, Non-Executive Director

In accordance with the requirements of the Constitution, Mr Peter Ball is seeking election as a Director of the Company.

Mr Ball was appointed to the Board on 02 March 2020 and in accordance with rule 13.2 of the Company's constitution,

Mr Ball is put forward to be elected as a Director of the Company in accordance with rule 13.2.

Listing Rule 14.5 also requires an election of directors to take place at every Annual General Meeting.

In accordance with Listing Rule 14.5 and rule 13.2 of the Company's Constitution, Mr Ball is eligible and seeks election as a Director of the Company.

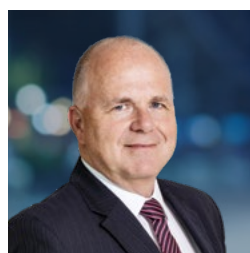
Mr Ball is a Chartered Accountant who has enjoyed a long career in the professional services sector spanning nearly 40 years, initially in audit both nationally and internationally, with the last 30 years in management consulting. Mr Ball has been a Partner with KPMG for some 25 years providing a range of professional services and advice to both public and private sector organisations. He has also held senior roles with KPMG including the national leader of KPMG's Strategic Planning and Economic Development service line and more recently as national partner responsible for the finance and operations for KPMG's Government Advisory Practice.

Most of Mr Ball's work involves providing strategic, economic, commercial and business improvement advice to enable organisations to make fully informed business decisions. During his management consulting career Mr Ball has worked across a number of industries including tourism and leisure, gaming and wagering, arts and sports, and state and local governments. He has been a lead adviser to government with respect to major projects and events including the Sydney 2000 and planned SEQ 2032 Olympics, Gold Coast Commonwealth Games, casino projects in all states and territories including Queensland's proposed Global Tourism Hubs. Mr Ball has also led international projects in the tourism and leisure sector. Mr Ball has an entrepreneurial spirit and has been involved with a number of start-ups across a range of sectors including property, education, gaming and the pharmaceutical sector. He is also actively involved in the community/not-for-profit sector having been a Director of Alzheimer's Queensland for the past 10 years.

Mr Ball is currently Chair of the Audit & Risk Committee.

The Directors (with Mr Ball abstaining) recommend that Shareholders vote in favour of this resolution.

Resolution 2



Re-Election of John Mactaggart, Non-Executive Director

In accordance with the requirements of the Constitution, Mr John Mactaggart retires by rotation as a Director and is seeking re-election.

Rule 16.1 of the Company's constitution requires that at each Annual General

Meeting, one third of the Directors (other than a Managing Director) must retire and can stand for re-election (or if their number is not a multiple of three, then the number to retire from office can be either rounded up or down to a whole number based on the discretion of the Chairman).

Listing Rule 14.5 also requires an election of directors to take place at every Annual General Meeting.

In accordance with Listing Rule 14.5 and rule 16.1 of the Company's Constitution, Mr Mactaggart retires by rotation and, being eligible, offers himself for re-election as a Director at this Annual General Meeting.

Mr Mactaggart has extensive experience across many industries such as agriculture, agri-tech, manufacturing and software.

Mr Mactaggart is a co-founder of Brisbane Angels, and an active investor and mentor in a large number of entrepreneurial ventures.

Mr Mactaggart played an integral role in the creation, funding and development of TechnologyOne and remains a major shareholder.

Mr Mactaggart has been a Fellow of the Australian Institute of Company Directors since 1991.

The Directors (with Mr Mactaggart abstaining) recommend that Shareholders vote in favour of this resolution.

Explanatory memorandum

Resolution 3

Adoption of Remuneration Report

In accordance with Section 250R(2) of the Corporations Act 2001, the Shareholders are to vote on the Remuneration Report which is set out on pages 75-97 of the Annual Report.

The Company's remuneration framework continues to drive performance for the Company and Shareholders. The framework has been updated during the 2020 financial year following further engagement with independent advisors and Shareholders to continue to bring it into alignment with best practice for an ASX 200 company and to further complement the Company's high-performance culture.

After further consultation with remuneration consultants and proxy advisors during the year, the Company's remuneration framework was amended to reflect the following:

- The EPS growth performance hurdle for share options issued from FY20 onwards has been changed from an annually tested metric to being tested at the end of the applicable three-year performance period.
- In prior years, the Group disclosed targets for performance hurdles for LTI grants retrospectively on vesting. To provide further transparency, we now disclose targets for performance hurdles for LTI grants once issued, as requested by proxy advisors.
- There was a change in the weighting of LTI performance metrics, which were introduced in 2019. There was a shift in weighting from 50% on EPS growth and 50% on relative TSR, to a weighting of 75% on EPS growth and 25% on relative TSR.

No other significant changes were made during the year to the Company's remuneration framework.

This remuneration report:

- Sets out the Board's policies in relation to the nature and level of remuneration paid to Directors and Executives
- Discusses the relationship between the Board's policies and performance
- Provides details of performance conditions for Executives
- Explains the various components of Executive remuneration
- Has been further streamlined to remove duplication of information so the report is easier to read.

The report provides the remuneration outcomes for FY20, which the Directors believe is commensurate with Company performance. In summary:

- Total Executive KMP remuneration for continuing executives employed across both periods, based on total remuneration packages offered, grew by 5%. This is below the Company's 8% growth in Net Profit Before Tax.

- Short Term Incentive (STI) outcomes across our Executive KMP came in below target. This is consistent with our growth in NPBT of 8%. STI outcomes are based on reported, rather than underlying NPBT.
- Our Long Term Incentive (LTI) plan resulted in 98% of 'at risk' LTI vesting for our Executive KMP. The Board set challenging LTI targets, which we believe assist in incentivising our KMP to drive superior performance and long-term shareholder wealth creation.
- It should be noted that the Board exercised discretion in the achievement of LTI awards, given exceptional performance during difficult circumstances, which is discussed in detail in section 3.2.

At a time when many businesses have struggled during the pandemic, TechnologyOne has continued to perform strongly. Given the exceptional results delivered during the COVID pandemic, with Underlying Profit up 13%, SaaS ARR growth of 32%, Consulting Profit growth of 38%, Underlying Profit Before Tax Margin growth to 29% and a breakeven result for the UK, the Board exercised discretion in the achievement of LTI targets to ensure our executives were appropriately rewarded and remained fully engaged with our business going forward, which is discussed in detail in our Remuneration Report.

There is clear alignment between the performance of the business and executive remuneration. FY20 total executive remuneration packages for continuing executives grew by 5%, after Board discretion, while the company's reported profit grew 8%, and underlying profit grew by 13%.

The Directors believe the remuneration policies adopted by the Company comply with best practice for an ASX company as:

- The total remuneration compares favourably with similar companies
- A significant portion of Executives' total target salaries being 'at risk' by way of a STI component
- Long Term Incentives are now performance based with vesting conditions attached to key performance targets (including TSR and EPS in line with proxy advisor recommendations)

The Remuneration Report (included in the Company's Annual Report) is also available on the Company's website (www.TechnologyOneCorp.com) under the Investor Relations section.

Note: Voting Exclusions apply to this resolution as specified later in this Notice of Annual General Meeting and in the Shareholder Voting Form.

The Directors recommend that Shareholders vote in favour of this resolution as the Company's remuneration framework continues to drive the performance of the Company in the best interest of the Shareholders.

Transforming Business, Making Life Simple

TechnologyOne (ASX: TNE) is Australia's largest enterprise software company and one of Australia's top 150 ASX-listed companies, with locations across six countries. We provide a global SaaS ERP solution that transforms business and makes life simple for our customers. Our deeply integrated enterprise SaaS solution is available on any device, anywhere and any time and is incredibly easy to use. Over 1,200 leading corporations, government agencies, local councils and universities are powered by our software. For more than 33 years, we have been providing our customers enterprise software that evolves and adapts to new and emerging technologies, allowing them to focus on their business and not technology.

For further information, please visit: [TechnologyOneCorp.com](https://www.technologyonecorp.com)

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