



Link Group

Sustainability Report

2014-15

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To view some more technical information not included in this main Report, as well as our reporting methodology and the GRI-G4 Content Index, please see the Supplementary Information document. Go to the Link Group website at www.linkgroup.com/about-us, go to Sustainability then click on the link to Supplementary Information.

About Link Group

Link Group administers financial ownership data and drives user engagement through technology. Underpinned by our investment in technology, people and processes, we deliver comprehensive data and information solutions for companies, large asset owners and trustees across the globe.

As a market leading provider of technology-enabled administration solutions, we continually develop our offerings to expand with the needs of our clients, which include some of Australia's largest superannuation funds and the world's largest corporations.

Our core business divisions are:

- **Fund Administration** – Link Group is the largest provider of services in Australia's superannuation fund administration industry, servicing an underlying stakeholder base of over 10 million superannuation account holders.
- **Corporate Markets** – a global share registry and investor relations business supporting over 2,000 listed companies, including a number of Australia's largest companies, and globally managing in excess of 20 million shareholders.
- **Information, Digital & Data Services** which provides specialist technology and software solutions, including market-leading data analytics solutions through subsidiary Empirics.

Over the last decade, Link Group has significantly grown its domestic and global operations and now has some 4,300 employees across 11 countries.

Our core values – Professionalism, Teamwork, Integrity, Respect and Commitment - underpin the way we work and the type of company we want to be, and each employee is expected to reflect them in their daily work.

Managing Director's message

● **John McMurtrie**
Managing Director,
Link Group



Originally a share registry business within an accounting firm, our business has been growing, adapting and innovating to build a sustainable and successful business. Today Link Group has evolved into a provider of technology-enabled administration solutions with some 4,300 employees working across 11 countries, and our clients include some of Australia's largest superannuation funds and the world's largest corporations.

To ensure our continued success we must harness the opportunities (and mitigate the risks) that globalisation, rapid technological advancements and an ever-changing business environment present us with.

Whilst we have always been proud of our corporate social responsibility initiatives, particularly in the areas of employee well-being and contributing to the community, we decided in FY15 to enhance our approach to Sustainability and formalise our reporting across the key pillars of People, Environment and Community.

The result has been this inaugural Link Group Sustainability Report using the Global Reporting Initiative's 4th Generation (G4) guidelines.

In future, we plan to widen the scope of the report, engage further with our stakeholders, set clear sustainability goals and promote our activities both internally and externally.

Putting these strategic pieces in place will help Link Group evolve, grow and respond to the forces of change and identify the areas where we can make a real difference as a global business.

Whether you are a client, investor, super fund member, employee or a casual reader, I hope you share our commitment to a sustainable future and find this report informative and of value to you.

A handwritten signature in black ink, reading "John McMurtrie". The signature is stylized, with a large, sweeping "J" and "M".

John McMurtrie

Managing Director, Link Group

About this report

Our approach to this Sustainability Report – a first for our business – has been pragmatic and focussed on three areas:



Our People – what we do to attract, retain and develop our employees given that their knowledge, skills and customer dedication is vital to our Group's success.



Our Environment – what energy and materials we use, even though as a technology-based services business, we recognise that this is limited compared to a manufacturing business.



Our Community – what activities we conduct to support the wider communities in which we operate.

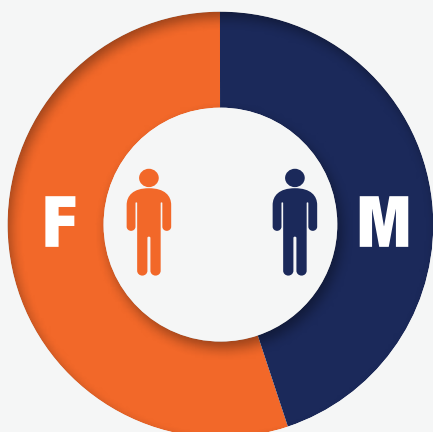
Whilst we have prepared this report in accordance with the Global Reporting Initiative's 4th Generation (G4) guidelines, we have limited the number and range of disclosures, having chosen to put most of our efforts into establishing the processes to measure and benchmark our current performance. Our disclosures are made as at 30 June 2015, and the report covers the period 1 July 2014 to 30 June 2015 (FY15).

We provide information on our Governance and Management approach at the end of this report, but we have chosen this year not to address our supply chain. When we have a better understanding of our own Sustainability issues and practices, we will explore our suppliers' practices and processes.

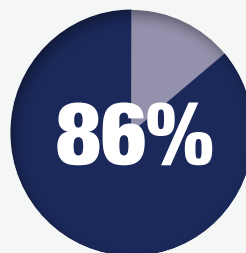
The report covers only Link Group's operations in Australia, UK, Germany and Hong Kong, which generated around 97% of consolidated Group revenue in FY15. It does not cover the activities of Superpartners, an acquisition completed in December 2014, which nearly doubled our revenue and employee numbers. We will include their activities in next year's report, along with those of our Link Market Services New Zealand joint venture, which was fully acquired on 30 June 2015.

We look forward to increasing the scope and range of our activities and reporting over time, as our Sustainability focus becomes broader and deeper and we identify our priority areas for improvement.

Performance at a glance



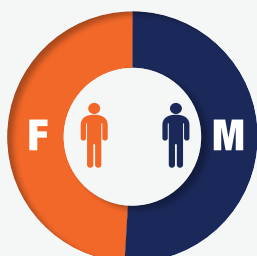
Our workforce comprises 47% males and 53% females



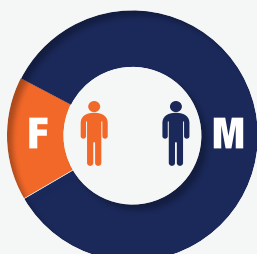
86% of employees who take parental leave return to work



On average, we invest more than 18 hours of training per person per year



Women hold 47% of senior manager and manager positions



Women hold 16% of executive/CEO positions



Link recycled 124.2 tonnes of paper received at our offices.



Compliance with all laws and regulations



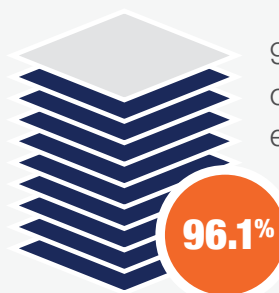
Emissions of CO₂ from energy used in our offices 2015: 3,709 tonnes



17 community organisations supported & \$104,583 donated to charitable organisations



72% of employees in Australia covered by collective or enterprise bargaining agreements



96.1% of the paper consumed was environmentally certified

Our People

Having a great team of people with high levels of engagement, real expertise and a genuine commitment to innovation and quality is fundamental to our success in the demanding and competitive markets in which we operate. We strive to attract and keep talented people, providing the training and development they need to operate at the highest levels, keep innovating and to pass on their knowledge and skills to fellow team members.

Whilst we now have more than 4,000 employees (following the acquisition of Superpartners in December 2014), this report covers the operations for Link Group during FY15 in four countries (Australia, Hong Kong, UK and Germany).

These businesses, which employ a total of 2,136 full-time equivalent (FTE) positions across 13 offices, represent 96.9% of the total Group revenue.

Committed to diversity and equal opportunity

Link Group encourages diversity of gender, race, nationality and sexual orientation, and we have strict policies to ensure that people in all our offices are hired and promoted on merit-based criteria such as experience, ability and the contribution they can make to the Group. We also make every effort to fill roles internally, before jobs are advertised publicly.

Link Group actively encourages a diverse workforce and a gender breakdown of our employees against employee type provides a starting point for our efforts to encourage greater female participation at all levels of the Group. The two areas where there is a noticeable imbalance between the numbers of males and females are:

- IT roles, many filled by independent contractors, mostly male; this gender imbalance appears to be an industry-wide phenomenon in Australia, where most of our IT experts are based; and
- Executive/Board positions, with more males than females filling roles at this level in all four countries covered by this report.

Workforce Overview

(*More detailed information is available in our Supplementary Report)

Of the total 2,136 FTE employees in the four countries:

- Male employees make up 47% and females 53% of all employees.
- In terms of age, 23% of employees are under 30, 47% are aged 30-45 and 30% are aged 45 and over.
- At this stage, Link Group keeps no formal data on the ethnic background of employees, so we are not reporting on minority group participation.

The breakdown of employees by position type and gender is as follows:

- 80.1% are permanent employees; five other categories (fixed term; parental leave; casual; contractor and temporary employees) make up 10.3%, and contractors of managed services comprise 9.6% of the total.
- Women make up 58% of employees on fixed term, 40% of casuals, 64% of temporary employees and 39% of contractors of managed services.
- Women hold 16% of executive/CEO positions and 47% of senior manager and manager positions.
- Women hold 29% of Board positions, with 2 female and 5 male Directors.

Link Group believes strongly that managers and staff should be hired from the community in which each business operates. The few exceptions have arisen either when new offices have been set up or when new skills, not previously available in the business, have been required. There are also instances where we use third party suppliers, particularly in IT, to complement in-house teams where additional skills or resources are required.

Our People continued

All Link Group employees, including senior managers, have been hired from within the local community, except for the CEO of our Hong Kong business who was brought in from Orient Capital in Sydney to start up a new office, implement our proprietary system and processes, and introduce our offering to the market.

Rates of employee hire and staff turnover

In calculating the rates of turnover and new hires, we have excluded casuals, temporary and contractor roles and used, as a base figure, an average of the number of FTE permanent and fixed term employees as at 30 June 2014 and 30 June 2015. This average figure is 1,815. For people leaving us during the year, we have only counted those who left voluntarily, ie whose decision to leave may have been due to factors within our control which we may be able to improve.

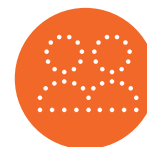
- There were 351 voluntary departures in FY15 (Australia only), giving a rolling turnover rate of permanent and fixed term employees in FY15 of 19.3%.
- There were 420 new hires during the year, giving a rolling hire rate of employees (Australia only) of 23.1%.

Equal pay

Equal pay for equal work is rightly an important issue for society. Link is committed to paying equal pay for people doing the same work, and we do this as a matter of course.

Across the four countries covered by this report, the ratio of basic salary and remuneration of women to men by employee category and by significant locations of operation is shown in the chart below. In some of the smaller offices there are not enough employees to have males and females in every job role so direct comparison is impossible, however the chart does show that women in senior positions are earning somewhat less than men. (A dash means either that there are no employees in this category or there are not enough employees to make a direct comparison.)

Country of Origin	Exec/CEO	Senior Manager/Manager	Professional	Clerical/Administrative	Other	ALL
Australia	0.92	0.93	0.86	1.02	0.68	0.82
UK	-	1.17	0.71	1.34	-	1.13
Hong Kong	-	-	0.63	-	-	0.40
Germany	-	1.05	1.01	-	-	N/A



Parental leave – participation and return to work

We encourage employees to take parental leave, and when their leave is completed, we do everything we can to facilitate their return to work, aiming to strike the best balance between the needs of both the employee and the business. GRI defines parental leave as leave granted to men and women workers on the grounds of the birth of a child.

In 2014-25:

- Number of employees eligible for parental leave: 1,309.
- Number who took parental leave: 86 (84 female, 2 male).
- Number who returned to work after taking parental leave: 74 (73 female, 1 male).
- Return to work rate of employees taking parental leave: 86% (87% for females, 50% for males).

- Externally-delivered training courses, such as Excel or Manager training
 - Compliance or security training, carried out by every employee annually
2. Using six-monthly performance reviews to assess how each individual is progressing. Reviews are an opportunity for managers to identify each person's strengths and to help them identify opportunities for further development that will improve their performance.

Training hours per person by gender/employment category

Accurate details of all training undertaken across the Group are not available as training hours vary across different businesses and in different jurisdictions. We have estimated average hours of formal training across the Group at 18.17 hours per employee over the year. As this is a Group-wide estimate we cannot break it down further by gender or employee category.

Providing a rewarding workplace

Career development (training and performance reviews)

We strongly encourage our people to develop their skills, improve their work practices and build their careers, and we support them in two crucial ways:

1. Upgrading skills by providing training suited to individual needs, including:
 - Induction training
 - Formal new starter on-the-job training (varies significantly depending on the role and employee's level of knowledge and experience)
 - Ongoing training and coaching to build and reinforce skills and working methods
 - Customer First program including specialised superannuation knowledge developed with ASFA
 - Responsible Officer training

Rates of performance review by gender/category

Employees who received performance reviews (Australia only):

Employee category	Received performance review 2014-15
Fixed Term	19.7%
Maternity	25.0%
Permanent	83.2%
Reasons why some employees may have been excluded:	
<ul style="list-style-type: none">• Those with less than 6 months service are deemed not to be able to be meaningfully assessed;• Employees on extended leave.	

Our People *continued*

Benefits available to full-time employees

In general Link Group provides benefits to its employees on the basis of whether they are permanent or not, regardless of whether they are full-time or part time. These include:

Australia

- Company sponsored education assistance
- Internal career opportunities
- Talent Referral Scheme
- Ability to salary sacrifice additional superannuation contributions
- Discretionary bonuses
- Novated leased motor vehicles
- Salary continuance insurance (subject to eligibility criteria)
- Discounted health insurance

Germany

- Pension (after probationary period)
- Employee Consultancy Service
- Accident insurance
- Medical check-up
- Job ticket (a kind of (public) transport allowance, some employees only)
- Canteen

Hong Kong

- Contributions to Mandatory Provident Fund (superannuation)
- Medical Insurance

UK

Benefits only available to full-time employees (after probationary period completed) include:

- Healthcare
- Life Assurance
- Income Protection insurance (depends on salary level)
- Employer pension contribution (up to a maximum amount), depending on salary level)

Employee health and fitness

In Australia we also conduct a number of initiatives designed to promote employee health, fitness and well-being including:

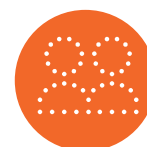
- Corporate health insurance discounts
- Annual flu vaccinations
- Free or discounted gym memberships (where possible)
- RU OK mental health initiative – encouraging staff to regularly and meaningfully ask their colleagues “are you ok?”
- Individual counselling through our Employee Assistance Program
- Employer support for entry into Australian Super Corporate Triathlon (Sydney/Gold Coast), Around the Bay cycling event (Melbourne) and Sydney touch football competition and evening cross-fit training
- Massage therapy onsite during business peaks
- It is our intention in future years to provide more services and report the amount contributed by the company for all health and fitness initiatives.

Our workforce

Types of employment (incl contract type, employment type, seasonal variation)

Link Group endeavours to provide permanent, full-time work to employees where we can, however we know that some staff prefer to work reduced hours for a range of personal reasons. We try to offer flexible work options where possible, either by reducing the hours worked or by job-sharing. Though our preference is to utilise our own employees, some more specialised work is performed by contractors.

It is the nature of our business that certain times of the year, such as the end of the financial year, are much busier than others. Although Link's preference is to employ staff in permanent positions, in order to manage these seasonal peaks and for some one-off projects we bring in some casual or contract staff. At the end of the period of need we may offer permanent positions, where vacancies exist, to those with the right skills, cultural fit and greatest potential.



The 3% difference between peak and 'normal' employee numbers is almost entirely due to short-term and peak season requirements (Australia only):

Employment period	Number of FTEs
Lowest employment [July 2014]	1,969
Highest employment [Oct 2014]	2,030

Labour practices, benefits and relations

We support the right of employees to join trade unions and bargain collectively. We are happy to engage with unions to maintain productive relations with them. We also bargain directly with our people in a collective environment. We generally pay above award rates in order to attract talented and experienced people. We also try to avoid forced redundancies where we can, preferring to re-deploy staff whose positions are not ongoing, though situations arise periodically where this is not possible.

Whilst it is always preferable for workplace grievances to be settled between the parties concerned, we know that this is not always achievable, so Link operates a rigorous and open process to ensure that all complaints are taken seriously, properly investigated through a process that is clearly set out, and fairly and fully resolved.

Collective bargaining

Approximately 72% of employees in Australia are covered by collective or enterprise agreements.

Workplace grievances

There were 8 workplace grievances filed with Human Resources in the four countries, all of which were investigated and resolved during FY15.



Case study 1: Customer First program evolves with Link Group

Link Group employees receive an average of 18 hours training per year and much of it is delivered through the industry-leading Customer First program.

First developed in 2010, this is designed to drive a strong customer service culture across the Group, equipping employees with the skills, knowledge and attitude needed to succeed.

One of the secrets to the success of the program, according to Chief HR Officer Ferzana Yale, is that the program is tailored each time Link Group makes an acquisition so it drives cultural alignment as well as business integration.

Given that 75% of Link Group employees now work in the Fund Administration division, there is a strong focus on building knowledge and skills for the rapidly-evolving superannuation industry.

Link partnered with the Association of Superannuation Funds of Australia (ASFA) and leading consultancy Peak Performance to develop and deliver a number of program training modules covering product knowledge, customer service and the member experience.

The training is externally recognised and to date some 1800 employees have graduated with a Certificate III in Financial Services and 125 with a Certificate IV in Insurance.

Our Environment

Environmental impacts are managed carefully, although for companies like ours, with products and services that are intangible and require limited use of natural resources, they are less significant than for many other companies. We operate entirely from offices we lease that are owned and managed by private landlords, based in major city centres, and most work is computer-based, with little processing of physical resources other than paper. Our major known impacts are energy use in our offices, emissions from transport, mainly air travel, and paper use. We are reporting on these aspects this year and are reviewing all other possible environmental impacts of our Group, setting up processes to measure our progress, analyse the data and report on our performance.

This year, in accordance with the GRI guidelines, we are reviewing what targets we can set for future years, so we can measure how our performance improves each year. Targets must be challenging but also meaningful, set because achieving them will make a significant difference to our business and the environment.

Energy use

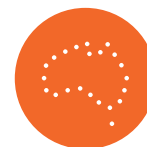
The major forms of energy we consume are used to provide energy in our offices, and come almost entirely from grid electricity, with a small amount of gas used to heat water and our buildings. We are pleased that our new Melbourne headquarters, Collins Square, currently under construction, will have a tri-generation system to reduce the building's carbon footprint, a 5-star NABERS energy rating and ecological water practices. We are scheduled to move into Collins Square towards the end of 2016, and over time as our space needs change we intend to take space in more sustainable buildings, as well as continuing to further reduce our environmental footprint through our own initiatives.

The key types of energy we consumed in our offices were electricity and gas, and for this report we have not separated out the energy used for heating or cooling. We do not sell any energy. The total energy consumed in our leased offices in FY15 was approximately 3.96m kW-hours. Our total emissions from energy consumed in our offices in FY15 were approximately 3,709 tonnes. To the best of our knowledge we did not consume any steam or coal in any of the four countries.

We have estimated the energy used in our UK and German offices. registrar services GmbH, previously owned by Deutsche Bank, is still based in Deutsche Bank offices in Frankfurt and has not been able, thus far, to provide accurately separated out energy usage figures. Our expanding UK business spent most of FY15 in serviced offices with all-inclusive rent, and has been unable to obtain precise energy usage figures solely for their office.

Travel and transport impacts

Air travel: Our major impact from air travel is emissions resulting from flights taken by employees on commercial airlines. Other impacts from transport, such as energy use, waste and noise, have little impact and are outside our control. Air freight volumes are low and their environmental impacts are not believed to be significant. We have not generally purchased emissions offsets on flights up to now.



Our total emissions for FY15 for all flights taken by the four countries covered by this report are specified based on the distance travelled per flight. Australian and Hong Kong emissions were calculated using a conversion formula from Climate Friendly, a Sydney-based energy efficiency and emissions reduction consultancy.

The total distance flown on flights undertaken by our people from the four offices covered by this report was **6.249 million km**, leading to emissions of **1,749 tonnes** of CO₂. No significant offsets were purchased, so net emissions of CO₂ from air travel were **1,749 tonnes**.

Ground transport: We are not reporting emissions from ground travel by staff. We will, this year, analyse all forms of ground transport to determine if any has a significant emissions impact compared with that from air travel. With very low volumes of freight sent by land or sea, emissions from freight haulage are so small as to be insignificant.

Other transport: This includes taxis, freight and other ground transport used by employees during working hours. We have not reported on these emissions as we believe that they are insignificant compared with those resulting from air travel. It is unlikely that transport effluent, waste, spills or noise, other than arising from air travel as above, had a measurable impact on our business or the environment during FY15.

Total emissions

On the basis that we believe the number of employees may be a good indicator of our business activity, we are considering reporting in future years on carbon emissions intensity per employee, particularly with regard to energy use in our offices. We will, this year, investigate whether this will provide a more representative measure, over time, of our effectiveness at reducing our office emissions, and offer more valuable targets, than simply reporting total tonnes of CO₂ emitted.

In FY15, our total emissions from office energy usage and air travel out of Australia, UK, Hong Kong and Germany were 5,458 tonnes.

Materials

Paper: Link Group, through both our Corporate Markets and Fund Administration businesses, uses significant amounts of paper for mailing statements, letters, offer documents, notices of meeting, forms and annual reports to fund members and investors, as well as the envelopes and plastic wrap they are sent in. Our policy over many years has been to encourage investors and fund members to move to electronic communications, chiefly email and the internet, both to save trees and reduce print and mail costs, which are significant both for our clients and ourselves. We also recycle paper wherever possible, saving more natural resources.

Our intention is to continue to drive fund members and investors from paper to electronic media and drive down paper consumption year on year. We are also seeking to increase our use of wholly or partly recycled paper for client mailings, and reduce the amount of paper we use in our own offices. For this first year of reporting we have established some baseline measures against which to track our progress in future years, but further work is needed to determine the best way forward for our businesses.

Our Environment *continued*

This year we are only reporting on paper, cardboard and plastics consumption in Australia. If a printer or paper supplier does not specify that their paper fulfils any of the below requirements, we have assumed it does not.

Paper consumed (external): Total paper used in communications with super fund members and security holders, all sourced and printed by external suppliers, was **435.8 tonnes** (Australia only)

Paper consumed (internal): We used **43.8 tonnes** of paper in our Australian offices.

Total paper used for mailing and our own office use was therefore **479.6 tonnes**.

Of this total, according to our suppliers (NB these totals are not mutually exclusive, so they add up to more than 479.6 tonnes):

- **460.7 tonnes** were either FSC-, AFS- or PEFC-certified;
- **134.7 tonnes** were carbon neutral;
- **455.1 tonnes** were plantation sourced (this includes all paper identified as FSC- or PEFC-certified);
- **308.9 tonnes** utilised Elemental Chlorine Free (ECF) or Totally Chlorine Free (TCF) bleaching;
- **1.07 tonnes** of paper were recycled stock.

(It is likely that some of these totals may be higher than this, though they are not lower. We are seeking more consistent information from our printers and paper suppliers about the precise amounts of recycled material utilised in their

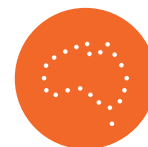
papers, the amounts that were chlorine-free and how much was carbon neutral, so we can report these figures accurately.)

Paper recycling: In addition to the above, we recycled **124.2 tonnes** of paper and cardboard, almost all of it from items such as forms, letters and mail marked Return to Sender, received in our mailrooms from investors and super fund members. All were scanned then sent for recycling.

Cardboard: Total board consumed in Australia was **1.19 tonnes**, of which **0.9 tonnes** was recycled stock.

Plastic: Three types of plastic were used in our Australian businesses, all from non-renewable sources:

- 3.2 tonnes of polymer film (used for shrink-wrapping larger mailed documents and packs) were used;
- 0.3 tonnes of Biaxially-Oriented Polypropylene, or BOPP (used for window envelopes) were used; and
- 2.5 tonnes of rigid PVC were used for producing super fund membership ID cards. Note that this figure excludes off-cuts, however we do not believe these will add a significant amount to the total.



Plastics: Apart from as a component of our day-to-day office supplies, we use modest amounts of plastic, all of it derived from non-renewable sources, in three key ways:

- Plastic film is used by our printers and mail houses to wrap multi-document mailings and pallets. All of it comes from non-renewable sources and we are reviewing what other options are available to reduce our use of fossil fuel derivatives.
- Biaxially-Oriented Polypropylene (BOPP) is used to make the clear window in window envelopes. There is no real alternative, however we expect volumes to reduce as we move towards electronic formats.
- Rigid PVC member cards are provided by super funds to all members. Over time, the funds are expected to move towards providing digital versions, eliminating the need for plastic.

In future years we plan to report on our disposal of end-of-life IT hardware and non-paper waste generated in all our offices.

In all major offices we also provide facilities for employees to separate personal waste into recycled waste, organic waste and landfill.

Case study 2: Link Group is on its way to paperless operations – a major win for the environment as well as our customers.

On behalf of its clients, Link administers some 10 million superannuation accounts and 20 million shareholder accounts, requiring the production of millions of annual statements, notices of meeting and many other printed communications.

In recent years, technology and the desire to improve the customer experience have seen digital communications replace paper mail-outs, saving both trees and postage costs for the business and its clients.

In addition, Australia's 800,000 employers, who make superannuation contributions on behalf of their staff, are now increasingly transacting online via electronic methods.



Our Community

Link Group conducts a range of initiatives to help the community, from cash support of specific charities (including disaster relief) to giving employees paid leave to volunteer at the charity of their choice. As a company we strongly support these programs, since our employees participate in projects that resonate with them and make a difference, the community benefits and the company benefits from the engagement and commitment of invigorated employees.

Initiatives directly involving employees (Australia only)

- Employee giving through payroll, to a number of different charities
- Days spent volunteering for charity of interest to each participating employee
- Breast Cancer Research, Mother's Day Classic walk/run
- Cancer Council, Australia's Biggest Morning Tea
- Daystar Foundation Literacy Buddy Program, letter-writing to help build disadvantaged kids' literacy
- In Memory – support for family of deceased contractor
- Ronald McDonald House – volunteering and participating at Trivia Night fund-raiser
- Salvation Army – Christmas Appeal, donations of gifts and food

Given by employees (\$9,479 cash donations – Link-promoted events, Australia only)

Direct Group donations

Children

- Ardoch Youth Foundation, Literacy Buddy Program
- Ronald McDonald House – cash donation
- Immune Deficiency Foundation of Australia – tickets for sick children to Razzamatazz show

Cancer research

- Cancer Council NSW – dollar matching of employees' donations
- Breast Cancer Research Mother's Day Classic – national event sponsorship and donation

Overseas aid

- Oxfam Australia, Vanuatu Relief Appeal
- Oxfam Australia, Kathmandu Earthquake Appeal

Disadvantage

- Salvation Army Springwood Corps
- Wayside Chapel

Other

- Volunteering days, wages paid by Link
- Bicycle Network – entry fees for charity bike rides

Group donations – \$95,104

Group sponsorships

Children

- Live for Kids, Golf Day sponsorship
- Sydney Children Hospital Foundation, Diamond Event
- Life Education Australia, Adopt a Class support

Cancer research

- Hunter Melanoma Foundation
- Mission Australia, charity sponsorship

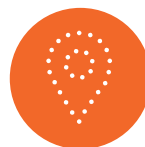
Skills training

- Novaskill (NFP Training organisation)

Other

- Special Olympics Australia, Charity TMA Sports Lunch
- Bradman Foundation, Charity function

Group sponsorships – \$34,180



Case study 3: Link Group has been a major supporter of the annual Mother'sDay Classic event, which raises money for, and awareness of, breast cancer research.

The business has had an association with the event for nine years and in 2014 was a Silver Sponsor, with more than 170 employees, family members and friends turning out for the walk/run events held around Australia.

The 2014 event resulted in a \$3.1 million donation to the National Breast Cancer Foundation, taking the total of funds raised by the annual event since 1998 to \$27.4 million.

As well as hosting a marquee at key event locations, Link Group staff raise money through 'Pink Days' and other workplace fundraising initiatives.



Governance and management

Governance bodies

The Link Group Board of Directors is responsible for the overall governance of the company. It monitors the operational and financial position and performance of the company, and oversees its business strategy, including approving its strategic goals, annual business plan and budget.

In addition, the Board seeks to ensure that the company is properly managed to protect and enhance the interests of shareholders, as well as all other stakeholders. This includes ensuring that the company and its directors, officers and personnel operate in an appropriate environment of corporate governance, with relevant internal controls, risk management processes, policies and practices in place to promote the responsible management and conduct of the Group.

The Board also has responsibility for reviewing and agreeing the company's Sustainability Strategy, which is currently being updated.

Risk management

Given that Link Group is a technology-based services business, the risk that our products might be harmful to people or the environment is negligible. We take out appropriate insurance to cover us and any third parties affected for the small residual risk.

Essentially we are a B2B (business-to-business) provider, and as such the marketing of our services presents a low risk of not complying with regulations (eg ASIC and APRA rules), the Corporations Act, or voluntary codes.

Business Continuity and Disaster Recovery

Link Group is highly dependent on our technology systems and databases, and the nature of our business demands that we provide uninterrupted service to our clients and end users. To ensure that our people, processes and systems are protected from significant disruption we have comprehensive

Business Continuity Plan (BCP) and Disaster Recovery Plan (DRP) processes which are reviewed and tested annually. This enables us to:

- ensure that critical parts of the business are not exposed to an unacceptable level of risk;
- provide an interim operating environment offsite to ensure we can deliver an acceptable level of service until full services can be restored;
- deliver a greater likelihood of returning to normal operations through documented procedures; and
- provide a process that supports and justifies business continuity risk decisions.

The BCP is documented, defines critical systems, activities, processes and employees and outlines alternative work locations and contact information. We anticipate that we should be able to resume operations from alternative locations within the same business day, depending on the nature of the systems or infrastructure affected.

Privacy and security

The preservation of end user privacy and security is a critical aspect of our business which we make stringent efforts to control. With regard to security, we have extremely strict policies and processes in place to keep member and shareholder data safe. Only employees directly involved in a transaction or process have access to this data and rigorous protocols are in place regarding what information staff can disclose and to whom. All staff receive regular training to ensure there is complete understanding. Breaches of member and shareholder security by staff can lead to disciplinary action including warnings or even dismissal.

Our privacy policies are equally strict, and all staff receive regular training on their obligations under the Privacy Act and corporations law, with policies and processes in place to ensure these are observed. In Australia in FY15, we substantiated 25 privacy-related complaints in Australia, out of the millions of transactions carried out on behalf of our 30 million security holders and super fund members. There were zero complaints substantiated in UK, Germany or Hong Kong.

Information management security

The business has just received ISO 27001 accreditation - the highest global standard - for its information security management systems. The certification recognises Link Group's best practice approach to managing and protecting sensitive information, which includes some 30 million data records administered on behalf of its superannuation and corporate clients.

Our Information Technology controls include:

- Restricting access to systems and data
- Authorising and processing transactions
- Safeguarding assets
- Maintaining and developing systems hardware and software
- Recovering from processing interruptions
- Monitoring compliance
- Monitoring subservice (supplier) organisations.

Policies and procedures

In addition to ensuring our processes and systems are robust, we also have strict rules and policies in place to ensure that all employees, at every level of the business, do the right thing by our clients and their investors or members, as well as fellow employees, regulators, suppliers and everyone they interact with whilst at work.

Potential employees are subject to police checks and screening appropriate to their role and once hired, all employees are required to understand and comply with a range of policies and procedures, which include:

- Privacy and data security policies, requiring everyone to take steps to protect our clients' data through the Clean Desk Policy, locking computers when away from desks and a relentless focus on keeping sensitive information safe at all times;
- Equality and Diversity policies, applicable to everyone, such as equal opportunity, anti-bullying, non-discrimination, anti-harassment and dealing with grievances;

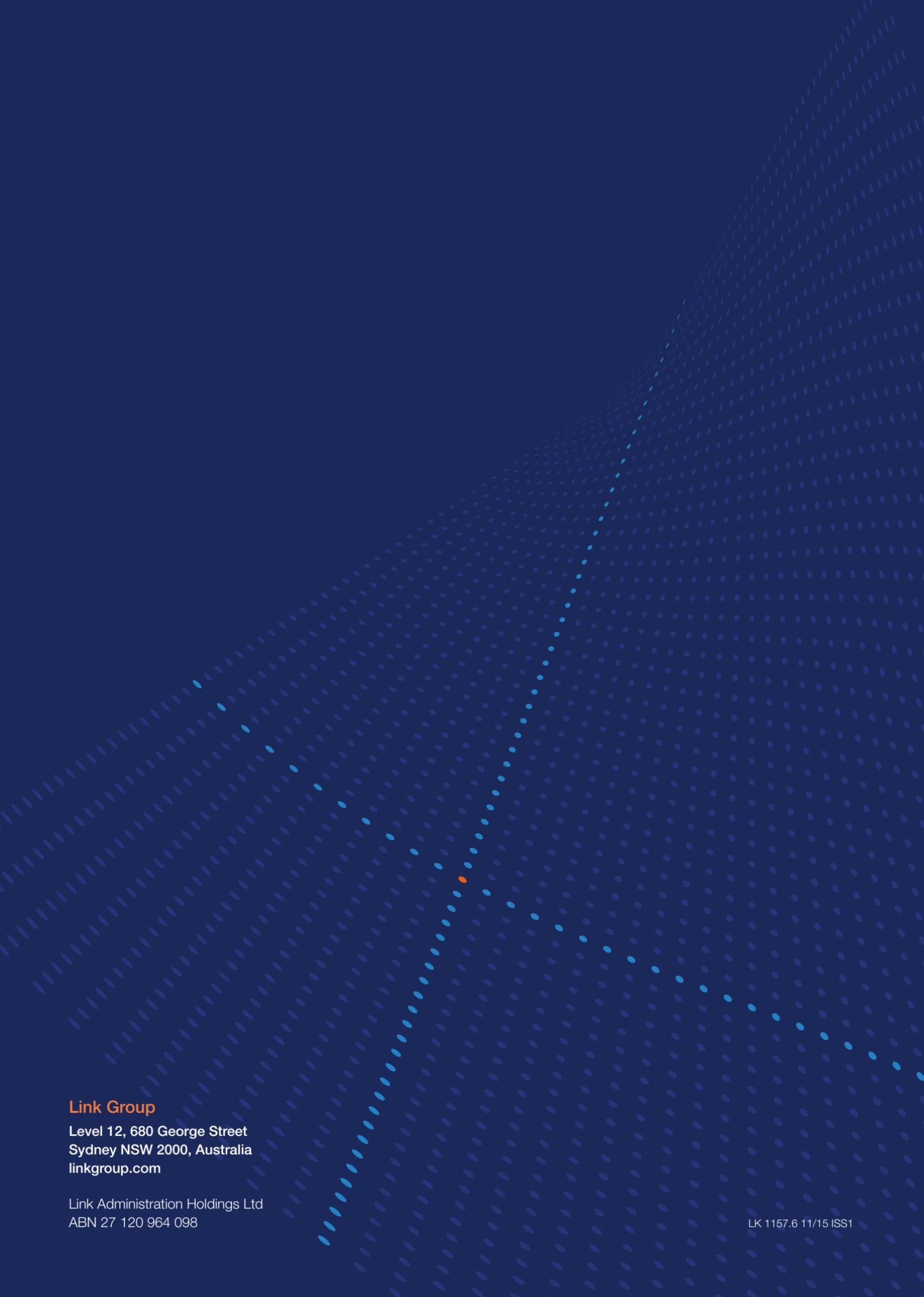
- Code of Conduct - general behavioural requirements which apply to everyone, covering issues such as acceptance of gifts, media conduct, internet usage, conflicts of interest and personal share trading as well as more personal behaviours related to work attire and behaviour at corporate events;
- Managers' policies, setting out how issues and specific situations should be managed;
- Legislative responsibilities, such as Health and Safety, Anti Money Laundering and Counter Terrorism Financing, Privacy, Fraud awareness and Financial Services regulations.

From entry-level employee to Board director, every member of staff is required to undertake regular compliance training, via an automated online training system, at the level of knowledge of our policies and procedures appropriate to their role. Most employees complete around 6-8 different modules, with managers required to complete additional modules. For each module, minimum scores must be achieved by each person in order for them to pass. New employees must undergo the same training when they start. No one is exempt.

Ethics

For the four jurisdictions on which we are reporting this year, ethical issues such as bribery, corruption and fraud are of limited risk to Link Group, given the policies, training and event resolution processes we have in place and the regulatory regime in each country. In FY15, no Link Group businesses faced any fines or sanctions for non-compliance with any relevant laws or regulations.

Similarly, in the four countries that are the subject of this report, we identified no significant corruption risks, and there were no confirmed incidents of corruption of any sort.



Link Group

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