



ASX

## Introduction

# The ASX Board believes that good governance underpins strong business performance and is essential to retaining the trust and goodwill of ASX's stakeholders, including shareholders, employees, regulators, customers, market participants, and the broader market.

## ASX is committed to ensuring its governance arrangements are commensurate with the nature and scope of its operations.

The ASX Group, which includes ASX and its related entities, provides critical infrastructure to Australia's and New Zealand's financial markets. The ASX Group's operations include holding licenses to operate markets and clearing and settlement facilities, and administering benchmarks.

ASX holds market licences, clearing and settlement facility licences and a benchmark administrator licence to undertake its activities. ASX is subject to oversight by the Australian Securities and Investments Commission (ASIC) and the Reserve Bank of Australia (RBA), in addition to a number of overseas regulators.

ASX's clearing and settlement facilities (CS facilities) are operated by four wholly owned subsidiaries (CS facility licensees)<sup>1</sup> that are regulated by ASIC and the RBA. Together with two intermediary holding companies<sup>2</sup>, these are referred to as the CS subsidiaries and are governed by their respective boards (collectively, the CS Boards). The CS facility licensees are subject to a number of regulatory obligations, including obligations under Part 7.3 of the *Corporations Act 2001* (Cth) and obligations related to compliance with financial stability standards (FSS) determined by the RBA. The FSS include requirements relating to governance.

The ASX Board and its committees periodically review ASX's corporate governance arrangements and practices to ensure they continue to be aligned with regulatory requirements, developments in recommended corporate governance practices, stakeholder expectations, and ASX's strategic objectives.

ASX's corporate governance arrangements followed the fourth edition of the ASX Corporate Governance Council's corporate governance principles and recommendations (CGC Governance Principles) throughout the financial year ended 30 June 2024.

This report is current as at 16 August 2024 and has been approved by the ASX Board.

More information on ASX's corporate governance practices, including this Corporate Governance Statement, is available on ASX's website at [www.asx.com.au/about/corporate-governance](http://www.asx.com.au/about/corporate-governance)

At the core of ASX's approach to governance are the eight CGC Governance Principles:

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This report outlines ASX's principal arrangements and practices in support of the CGC Governance Principles.

1. ASX Clear Pty Limited (ASX Clear) – a central counterparty for the ASX market and other approved Australian equity markets; ASX Clear (Futures) Pty Limited (ASX Clear (Futures)) – a central counterparty for the ASX24 market and for AUD and NZD-denominated OTC interest rate derivatives; ASX Settlement Pty Limited (ASX Settlement) – a securities settlement facility for the ASX market and other approved Australian equity markets; Austraclear Limited (Austraclear) – a securities settlement facility for Australia's wholesale debt market.

2. ASX Clearing Corporation Limited is the intermediate holding company for ASX Clear and ASX Clear (Futures), which holds on trust the financial resources they may use in the event of a participant default. ASX Settlement Corporation Limited is the intermediate holding company for ASX Settlement and Austraclear Limited.

## FY24 key corporate governance activities

- › Continuation of Board renewal, including the appointment of Wayne Byres as a Non-Executive Director of ASX.
- › Published the first version of the CHESSE Governance Statement in October 2023 and updated it in May 2024. The CHESSE Governance Statement provides a guide to the governance framework that applies to CHESSE, including the delivery of CHESSE Replacement and the maintenance of CHESSE until CHESSE Replacement is implemented.
- › Released a consultation paper, and responded to stakeholder input, on ASX's proposed staged implementation approach for CHESSE Replacement and the proposed timing for implementation of Release 1 (Clearing Services).
- › Engaged Herbert Smith Freehills to assist with reviewing ASX's Board papers and agendas, and implemented changes to assist management to continuously improve the manner in which it identifies and reports key risks and issues to the Board.
- › Updated Continuous Disclosure Policy, Whistleblower Protection Policy, Modern Slavery Policy, Anti-Bribery and Corruption Policy and the Code of Conduct.
- › Established the Cash Equities Clearing and Settlement Advisory Group, a stakeholder forum for input to the Boards of ASX Clear and ASX Settlement on strategic matters related to cash equities clearing and settlement services and associated infrastructure, and appointed an independent Chair and members to the Advisory Group.
- › Appointment of an independent Chair to the ASX Business Committee.
- › Updated Board Technology Committee Charter to better reflect the Technology Committee's purpose and role in assisting the Board to discharge its oversight and governance responsibilities in relation to key technology projects and programs through a focused discussion forum, and clarify interactions with the Board and other Board Committees.
- › Updated the ASX Board Skills Matrix to enhance the description of technology and customer-related skills.
- › Increased the number of non-ASX directors on the CS Boards from three to four with the appointment of John Buckley as a new independent non-executive director.
- › Extended the requirement for a CS facility licensee's Board to comprise at least 50% non-ASX non-executive directors to all CS facility licensees, as this had previously applied only to ASX Clear and ASX Settlement.
- › Held ASX's annual Investor Forum on 13 June 2024.



# 1. Lay solid foundations for management and oversight

Clearly delineating the respective roles and responsibilities of a board of directors and management with accompanying accountability is essential to good governance. ASX has established a corporate governance framework within and by which authority is exercised and controlled within the ASX Group. The key elements of ASX’s governance framework are set out in the diagram below.

The Board governance layer focuses on the role and responsibilities of the ASX Group Boards and the Board Committees. The Management governance layer focuses on the role and responsibilities of the Managing Director and Chief Executive Officer (CEO) and Group Executives. The people governance layer focuses on the responsibility of our people for adhering to the ASX values, the standards of behaviour set out in the ASX Code of Conduct and ASX policies and procedures.

The ASX Board Charter, the CS Boards Charter and the charters for their standing committees set out their respective roles and responsibilities and those of management.

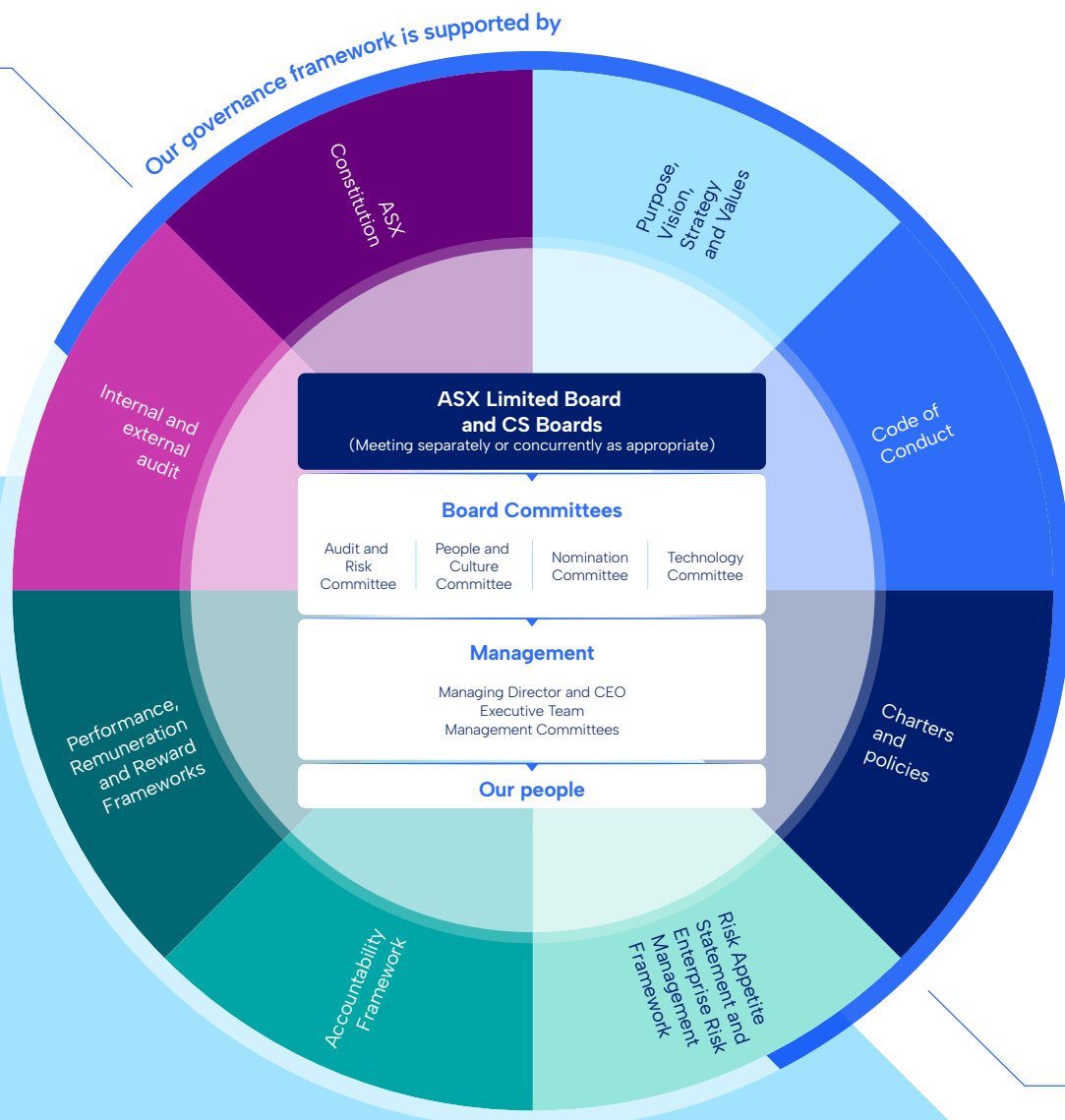
## The role of the ASX Board

The key responsibilities of the ASX Board are to:

- > appoint, replace and assess the performance of the CEO
- > define the ASX Group’s purpose and strategic objectives
- > approve the ASX Group’s statement of values, Code of Conduct, and policies and frameworks required to be approved by the Board
- > lead the behaviour and values expected at ASX to achieve its strategic objectives
- > monitor ASX’s financial performance and oversee the ASX Group’s achievement of ASX’s strategic objectives
- > set ASX’s risk strategy and risk appetite and oversee ASX’s overall risk management framework
- > oversee the integrity of the ASX Group’s accounting and corporate reporting systems

The ASX Board has a charter documenting its composition, operating procedures and the allocation of responsibilities between the ASX Board, CS Boards, Board Committees and the management team. The ASX Board is scheduled to review the Board Charter every two years to ensure that it remains up to date and consistent with the Board’s objectives.

The ASX Board Charter is available on ASX’s website at [www.asx.com.au/about/corporate-governance](http://www.asx.com.au/about/corporate-governance)



# 1. Lay solid foundations for management and oversight

## The role of the CS Boards

The role of the CS Boards is to provide leadership, guidance and oversight of the operations of the CS subsidiaries. The CS Boards have their own charter which provides further detail on the role and responsibilities of the CS Boards. The CS Boards are required to review the Charter at least every two years, and during the reporting period, updates to the Charter were made.

The CS Boards Charter is available on ASX's website at [www.asx.com.au/about/corporate-governance](http://www.asx.com.au/about/corporate-governance)

## The role of the CEO and the Executive Team

The ASX Board has delegated the day-to-day management of ASX to the CEO, including the execution of approved strategies. The CEO in turn delegates to the executive management team subject to the limits set by the Board. The CEO is accountable to the Board for the authority delegated to all levels of management.

Helen Lofthouse was ASX's CEO throughout the reporting period.

The CEO's key responsibilities include:

- > developing the ASX Group's strategic objectives and strategies for Board approval
- > executing the Board-approved strategy and achieving ASX's strategic objectives
- > implementing ASX's Code of Conduct
- > timely presentation of accurate and clear information to the Board to enable it to fulfil its responsibilities
- > day-to-day management and operation of ASX in accordance with the risk appetite set by the Board, the policies and procedures adopted by the ASX Board, and the implementation of processes, policies, systems and controls that are necessary or appropriate to manage the ASX Group
- > the appointment of senior executives who report directly to the CEO, in consultation with the ASX Board and People and Culture Committee and, in the case of the:
  - Chief Risk Officer (CRO), the Audit and Risk Committee and the CS Boards
  - CS Lead Executives, the CS Boards, and
  - Chief Compliance Officer, the Audit and Risk Committee.

The CEO has established an executive management team comprising the CEO and all Group Executives (Executive Team). The Executive Team meets regularly, and meetings are usually chaired by the CEO. ASX has also established a number of management committees comprised of senior executives that exercise certain delegated authorities from the CEO, including the Technology Management Committee, Management Risk Committee, Continuous Disclosure Committee, and Regulatory Committee. The Executive Team operates in parallel with the formal management committees and considers business division updates, strategy, new business initiatives, non-risk related frameworks, people matters, budgets, risk, and escalation issues.

The Group Executive, Securities and Payments has been appointed the 'CS Lead Executive' for three of the CS facility licensees – ASX Clear, ASX Settlement and Austraclear. The Group Executive, Markets, has been appointed the 'CS Lead Executive' for ASX Clear (Futures). Each CS Lead Executive is accountable to the CS Boards for the operation of the relevant CS facility and the achievement of strategies and objectives for the CS facility as approved by the CS Boards.

The CEO is responsible for ensuring that sufficient resources are made available for the operation of the CS facilities. Resources are generally made available between ASX Group companies under an intra-group support agreement. This includes financial, human and technological resources, and other resources required by members of the ASX Group.

ASX ensures that appropriate background checks are undertaken before appointing a senior executive and enters into written agreements with all senior executives setting out the terms of their appointment. Accountability statements have also been put in place for all Group Executives setting out the allocation of responsibilities across ASX's operations.

The biographies of ASX's Group Executives are available on ASX's website at [www.asx.com.au/about/our-board-and-management/our-executive-team](http://www.asx.com.au/about/our-board-and-management/our-executive-team)

# 1. Lay solid foundations for management and oversight

## Overview of Board Committees

The ASX Board has established four standing **Board Committees** to assist it in discharging its responsibilities:

- > Audit and Risk Committee
- > Nomination Committee
- > People and Culture Committee
- > Technology Committee

The four standing Board Committees also assist the CS Boards in discharging their responsibilities.

The role and responsibilities of each Board Committee are set out in a charter. In the main, the Board Committees have been established to assist, advise and make recommendations to the ASX and CS Boards on matters falling within their specific areas of responsibility.

### Audit and Risk Committee

The Audit and Risk Committee assists the ASX and CS Boards in fulfilling their oversight responsibilities in relation to the integrity of financial and corporate reporting, the external auditor, sound and effective risk management, internal audit, internal control, the insurance program, and compliance. The Audit and Risk Committee also provides input to the People and Culture Committee in respect of relevant matters that may be considered in assessing the performance and remuneration of executives (including the Chief Financial Officer (CFO), the CRO, the Chief Compliance Officer and the General Manager, Internal Audit).

### Nomination Committee

The Nomination Committee reviews and makes recommendations to the ASX and CS Boards on nomination and selection processes, necessary and desirable competencies and experience, diversity, succession planning (including CEO succession), performance evaluations, director independence assessments, director induction and development programs and related matters.

The Nomination Committee is also responsible for, at least annually, considering whether any changes are required to the Boards' skills matrices.

### People and Culture Committee

The People and Culture Committee reviews, reports and makes recommendations to the ASX and CS Boards on people and remuneration policies, frameworks and practices, including variable reward plans, performance processes, processes for setting accountabilities, organisational culture, recruitment and retention, training and development, senior executive succession planning, diversity objectives, senior executive minimum shareholding guidelines and people and remuneration related corporate reporting.

### Technology Committee

The Technology Committee has been established by, and assists, the ASX and CS Boards in fulfilling their oversight and governance responsibilities in relation to the ASX Group's technology and data strategies, operations, investments, projects and programs, and the management of technology and data risks, including cyber security risks.

The table below outlines the membership and composition requirements for the Board Committees:

	Audit and Risk Committee	People and Culture Committee	Nomination Committee	Technology Committee
<b>Members</b>	<ul style="list-style-type: none"> <li>&gt; Peter Nash, Chair</li> <li>&gt; Yasmin Allen</li> <li>&gt; David Curran</li> <li>&gt; Luke Randell</li> <li>&gt; Damian Roche</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Melinda Conrad, Chair</li> <li>&gt; Vicki Carter</li> <li>&gt; Damian Roche</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Damian Roche, Chair</li> <li>&gt; Vicki Carter</li> <li>&gt; Melinda Conrad</li> </ul>	<ul style="list-style-type: none"> <li>&gt; David Curran, Chair</li> <li>&gt; Yasmin Allen</li> <li>&gt; Vicki Carter</li> <li>&gt; Carolyn Colley</li> <li>&gt; Melinda Conrad</li> <li>&gt; Peter Nash</li> </ul>
<b>Composition</b>	<p>Chair must be an independent non-executive director who is not chair of the ASX Board.</p> <p>At least three members, all of whom are independent non-executive directors.</p> <p>There is a standing invite for a representative of the non-ASX directors of the CS Boards to attend meetings.</p>	<p>Chair must be an independent non-executive director who is not chair of the ASX Board.</p> <p>At least three members, all of whom are independent non-executive directors.</p> <p>There is a standing invite for a representative of the non-ASX directors of the CS Boards to attend meetings.</p>	<p>Chair of ASX will chair the Committee except when the Committee is addressing the appointment of a successor to the Chair of ASX.</p> <p>At least three members, including the Chair of the ASX Board, all of whom are independent non-executive directors.</p> <p>There is a standing invite for a representative of the non-ASX directors of the CS Boards to attend meetings.</p>	<p>Chair must be an independent non-executive director of ASX.</p> <p>At least five members, all of whom are independent non-executive directors of an ASX Group Board, and at least one of whom must be a non-ASX director of the CS Boards.</p>

The Board Committee Charters are available on ASX's website at [www.asx.com.au/about/corporate-governance](http://www.asx.com.au/about/corporate-governance)

## Company Secretary

The ASX Board Charter provides that the appointment and removal of a Company Secretary is subject to Board approval and the Company Secretary is accountable to the Board, through the Chair, on all matters to do with the proper functioning of the ASX Board. Details of ASX's Company Secretaries are provided on page 70 of the 2024 Annual Report.

## Meetings

The ASX Limited Board met 11 times during the reporting period. Details of Board and Committee meeting attendances are provided on page 51 of ASX's 2024 Annual Report.

Directors who are not members of a Board Committee are not required or expected to attend Committee meetings. However, agendas, papers and minutes of Board Committee meetings are made available to all ASX Group Directors (subject to any conflicts), and the Chair of each Board Committee reports to the ASX and CS Boards in relation to the business of each Committee meeting. This is to help ensure access to information regardless of Committee membership.

## 2. Structure the Board to be effective and add value

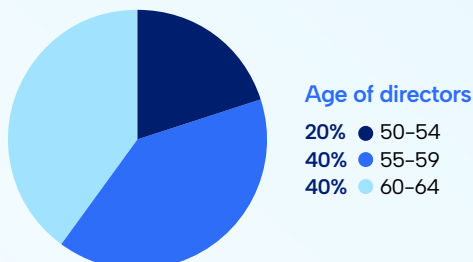
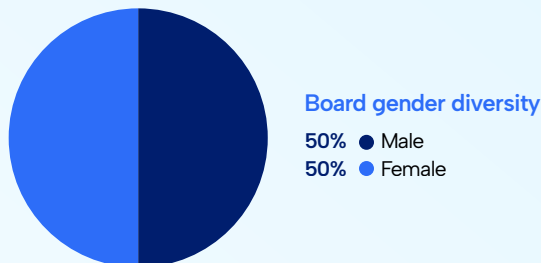
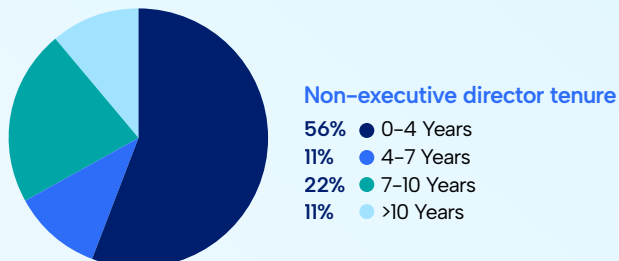
### Board composition

The ASX Board Charter provides that the ASX Board will comprise a majority of directors who are non-executive and have been assessed by the Board as independent. As of the date of this report, the current ASX Board, comprising nine independent non-executive directors and one executive director, being the CEO, meets the Charter requirements. The names, qualifications and tenure of each ASX Director are provided on pages 44 to 47 of the 2024 Annual Report and on the ASX website.

The CS Boards Charter provides that each of the CS Boards will comprise a majority of directors who are non-executive directors and have been assessed by the relevant CS Boards as independent. In addition, at least 50 per cent of the non-executive directors of the CS facility licensees must be non-executive directors who are not also directors of ASX. Under the CS Boards Charter, the CS facility licensees are to ensure that the non-ASX directors are able to constitute a quorum. In accordance with the CS Boards Charter, throughout the reporting period, each of the CS Boards were comprised of a majority of independent non-executive directors, and the CS facility licensee Boards were comprised of at least 50% non-ASX directors at all times as required by their Charter.

During the reporting period, John Buckley was appointed as a fourth non-ASX director of the CS Boards. As at the date of this report, the Boards of the CS facilities comprised four non-ASX directors (Stephen Knight (Chair), John Buckley, Carolyn Colley and Adrian Todd). There are three ASX directors (Helen Lofthouse, Luke Randell and Heather Smith) on the Board of ASX Clear and ASX Settlement. Those ASX directors are also on the Boards of ASX Clear (Futures) and Austraclear along with a fourth ASX director (Damian Roche).

The ASX Board Charter and CS Boards Charter are available on ASX's website at [www.asx.com.au/about/corporate-governance](http://www.asx.com.au/about/corporate-governance)



### Chair

The ASX Board Charter provides that the Chair is to be an independent, non-executive director and the CEO may not become the Chair. The Chair's primary responsibility is leading the ASX Board and overseeing the processes for the Board fulfilling its responsibilities under the Board Charter.

The ASX Board Chair's specific responsibilities, as set out in the Board Charter, include:

- > chairing Board meetings, facilitating the effective contribution of all directors and fostering open, respectful and constructive discussions between directors, and between the Board and management, at Board meetings
- > developing a constructive working relationship with the CEO, providing support and advice where appropriate
- > representing the views of the Board to the CEO and to shareholders, regulators and other stakeholders.

In accordance with the ASX Board Charter, the Chair of ASX, Damian Roche, is an independent, non-executive director. Mr Roche was appointed as a director in August 2014 and as Chair in April 2021.

The CS Boards Charter similarly provides that the Chair of each of the CS facility licensees is to be an independent non-executive director who is not also an ASX director. In accordance with the CS Boards Charter, the Chair of all of the CS facility licensees, Stephen Knight, is an independent, non-executive director who is not a member of the ASX Board.

The primary responsibility of a CS Board Chair is leading their CS Board and overseeing the process for that board fulfilling its responsibilities under the CS Boards Charter. A CS Board Chair's responsibilities also include developing a constructive working relationship with the CEO and the CS Lead Executives, and providing support and advice where appropriate. Further, their responsibilities include representing the views of the relevant CS Board to the CEO, CS Lead Executives and regulators on key matters affecting CS facility licensees, and other stakeholders as required.

### Director independence

It is the ASX Board's policy that the majority of its directors be independent. The ASX Board has assessed each non-executive director of ASX as independent.

ASX recognises that having a majority of independent directors helps ensure that the decisions of the Board reflect the best interests of ASX and its shareholders generally, and that those decisions are not biased towards the interest of management or any other group. ASX also considers that having a majority of independent directors supports the ability of the Board to challenge and hold management to account.

In determining whether a director is independent, the Board considers whether the director is free of any interest, position, affiliation and relationship that:

- > might materially influence or
- > could reasonably be perceived to materially influence

their capacity to:

- > bring independent judgement to bear on issues before the relevant Board
- > act in the best interests of the ASX Group company or companies that they are a director of as a whole, rather than in the interests of an individual security holder or other party.

The Board regularly assesses the independence of its directors, including by way of an annual formal assessment. The Board has adopted a policy and guideline regarding the assessment of director independence. This policy includes a materiality threshold to be applied when assessing whether customer, supplier, consultant or professional adviser relationships affect the independence of an ASX director.

The ASX Group Board Policy and Guideline to Relationships Affecting Independent Status, which was reviewed and updated during the reporting period, is available on ASX's website at [www.asx.com.au/about/corporate-governance](http://www.asx.com.au/about/corporate-governance)

## 2. Structure the Board to be effective and add value

### Diversity

ASX is committed to building a diverse, equitable and inclusive workplace where everyone can join, thrive and progress. We recognise and believe that diversity and a culture of inclusion make us a stronger business.

The ASX workforce is made up of many individuals with unique skill sets, values, backgrounds and experiences. ASX supports a workplace where everyone feels seen, supported and safe to be themselves, no matter their individual identity, which could include their gender identity, age, ethnicity, race, cultural background, religion, sexual orientation, disability, neurodiversity, socio-economic status, and caring responsibilities, amongst others.

ASX's Diversity, Equity and Inclusion Policy describes ASX's commitment to, and the accountability of all ASX employees for, ensuring the successful promotion of all aspects of diversity and inclusion. Furthermore, the Appropriate Workplace Behaviour Policy outlines how ASX creates a workplace that is safe, inclusive and respectful for all who work at ASX.

The ASX Board has committed to maintaining the gender diversity of its membership in line with the 40:40:20 gender balance model (40% females, 40% males, 20% of any gender inclusive of men, women and people who identify as non-binary or gender diverse). Currently, 50% of ASX Directors, including the CEO, are female.

The ASX Board has also approved measurable objectives for gender diversity at the executive, senior leadership, management and general workforce levels. Further information on ASX's commitment to diversity and inclusion, and ASX's progress towards achieving its measurable objectives for gender diversity, is set out on pages 32 to 33 of the 2024 Annual Report.

ASX's Diversity and Inclusion Policy is available on ASX's website at [www.asx.com.au/about/corporate-governance](http://www.asx.com.au/about/corporate-governance)

ASX's latest report to the Workplace Gender Equality Agency, including publicly available data, is available on ASX's website at [www.asx.com.au/about/sustainability/people](http://www.asx.com.au/about/sustainability/people)

### Tenure

The ASX Board and CS Boards have adopted guidelines on tenure which are set out in the ASX Group's Non-Executive Director Tenure Guidelines.

The guidelines on tenure for the ASX Board provide that non-executive directors may serve up until the date of the 9th Annual General Meeting (AGM) after the date they are first elected at an AGM, and until the 12th AGM in the case of the ASX Chair. The ASX Board has a discretion to extend the specified maximum term where the Board considers that an extension is in ASX's best interests.

The tenure of each ASX director is set out on pages 44 to 47 of the 2024 Annual Report, and the mix of ASX Directors' tenure is shown in the diagram in the previous section on Board composition.

### Selection and appointment of new directors

The ASX and CS Boards have formalised the appointment process for non-executive directors. Where an ASX Group Board decides to commence a new director selection process, the Nomination Committee is responsible for, amongst other matters, making recommendations in respect of the recruitment process, the description of the skills, experience, diversity, independence, and other attributes sought for in prospective candidates, identifying and evaluating candidates and recommending to the Board suitable nominees for appointment as a director.

The ASX and CS Boards are required to undertake comprehensive reference checks before appointing a new director to verify the director's skills and experience, fame and character including education, qualifications, employment, character, criminal history and bankruptcy checks.

A statutory 'fit and proper' assessment is required of every director proposed for appointment to an ASX Group Board due to their involvement with market licensees and/or CS facilities.

Any director (except the CEO) appointed to the ASX Board must stand for election at the next AGM following their appointment.

New directors receive a formal letter of appointment that sets out the key terms and conditions of their appointment including ASX's expectations about time commitments, compliance with ASX policies and regulatory requirements. The letter of appointment is between ASX (or the applicable CS subsidiary or subsidiaries) and the director personally.

New ASX Group directors participate in an induction program coordinated by ASX's Company Secretariat. The program is designed to give the director the information they need regarding the ASX Group's business, strategy, operations, regulatory framework and governance arrangements to perform their role effectively. As part of the induction program, new directors typically receive briefings from each ASX Group Executive. The briefings include guidance on the specific roles and responsibilities of the CS Boards.

### Board renewal

The ASX Board, in consultation with the Nomination Committee, regularly considers Board succession.

ASX provides shareholders with all material information in its possession that is relevant to a decision on whether to elect or re-elect a director.

Wayne Byres, who was appointed as a director by the ASX Board on 6 May 2024, will stand for election at the 2024 AGM. Details of his skills and experience are set out on page 45 of the 2024 Annual Report and will also be outlined in the 2024 Notice of Annual General Meeting.



## 2. Structure the Board to be effective and add value

### Director skills and professional development

The ASX Board is comprised of experienced business leaders with a variety of professional backgrounds. The ASX Board has developed a Board Skills Matrix to capture the current mix of skills, knowledge and experience on the Board. The skills, knowledge and experience on the Board have been identified using a self-assessment questionnaire in which Directors were asked to rate their level of proficiency in each skill area. The ASX Board considers that its current mix of skills, experience and expertise is appropriate for it to discharge its obligations effectively.

The ASX Board's current assessment of its skills coverage is set out on the following page. The CS Boards have similarly adopted their own skills matrix to consider the mix of skills, knowledge and experience of directors on the CS Boards.

The Nomination Committee is responsible for considering, at least annually, whether any changes are required to the ASX and CS Boards skills matrices and reporting to the Boards on any areas identified for further professional development or for consideration in identifying director candidates.

To support directors in maintaining the skills and knowledge they need to perform their role effectively, the Nomination Committee is also responsible for recommending to the ASX and CS Boards a non-executive director professional development program and for regularly reviewing the effectiveness of the program. The program includes the following:

- › The ASX and CS Boards keep up-to-date with market and industry developments through regular briefings at Board and Committee meetings, Board workshops, meetings with customers and regulators, and site visits. The Board also receives briefings at Board meetings on material developments in laws, regulations and accounting standards relevant to ASX.
- › To assist non-executive directors in maintaining their knowledge and understanding of ASX's operations, ASX's four business lines of Markets, Listings, Technology and Data, and Securities and Payments provide 'deep dive' presentations to the Board on a rotating schedule through the year.

### Board performance evaluation

In accordance with its Charter, the ASX Board assesses its performance, the performance of its Committees and the performance of individual directors annually. The reviews are conducted to help ensure the Boards continue to operate effectively and efficiently. The ASX Board takes the results of the performance review into consideration when recommending the re-election of a director to shareholders.

During the reporting period, the performance review process was undertaken by way of confidential online surveys completed by all directors. The results of those surveys were discussed in a private session, led by the ASX Board Chair and attended by all other ASX non-executive directors.

## 2. Structure the Board to be effective and add value

### Board Skills Matrix

High	Practised	Awareness
Recognised as an expert on the basis of high competency, knowledge and experience	Strong understanding of the concepts and issues built on repeated practical or direct experience	Good general awareness and understanding

Category	Description	Strength of skill
<b>Risk management</b>	Experience in identifying, and monitoring mitigation strategies for, existing and emerging financial and non-financial risks and in monitoring the effectiveness of risk management frameworks and practices.	7 3
<b>Technology and cyber</b>	Experience in overseeing the use and governance of critical information technology infrastructure, and setting and overseeing the implementation of complex technology strategies. Experience and ability to identify, assess and manage risks associated with technology, including cyber security, resiliency, data protection and technology related regulatory requirements.	2 6 2
<b>Financial markets and services</b>	Experience in the financial services industry (for example, derivative products, funds management, superannuation, investment banking), financial products and licensed financial markets including market infrastructure, pre-trade and post-trade services and maintaining market integrity.	5 4 1
<b>Strategy</b>	Experience in defining strategic objectives, constructively challenging business plans and implementing strategy.	10
<b>Stakeholder engagement</b>	Experience in building and maintaining trusted and collaborative relationships with key stakeholders including regulators, industry and community groups and governments.	5 4 1
<b>Customer</b>	Understanding of existing and evolving customer needs and trends including the provision of technology services and their impacts on customer experience and the commercialisation of data products. Experience in developing and delivering products and services focused on enhanced customer outcomes.	5 5
<b>People and culture</b>	Experience in overseeing and assessing senior management, remuneration and reward frameworks, strategic human resource management and promoting and overseeing a safe, respectful and inclusive workplace culture aligned with corporate values.	7 3
<b>Financial acumen</b>	Experience in accounting, financial reporting and corporate finance including the ability to assess the quality of internal accounting, financial controls and financial reporting.	5 4 1
<b>Corporate governance</b>	Knowledge, experience and commitment to the highest standards of governance and experience in overseeing effective governance frameworks.	6 4
<b>Regulatory and public policy</b>	Knowledge and experience in contributing to and shaping public policy decisions and outcomes, assessing the impact of legal, public and regulatory policy developments on financial markets and corporations, and managing such impacts.	3 6 1
<b>Executive leadership</b>	Successful career as a CEO or senior executive in a large, complex organisation.	9 1
<b>Environment and social</b>	Experience in identifying and monitoring environmental and social risks and opportunities, setting and monitoring progress towards sustainability aspirations, knowledge of sustainability reporting standards and ability to assess the quality of sustainability reporting.	1 5 4

## 2. Structure the Board to be effective and add value

### Executive performance evaluation

The CEO and members of the Executive Team who are accountable for managing critical business activities that uphold ASX's licenses to operate, financial control or risk functions are referred to as Executive KMPs. The performance evaluation process for the CEO and the Executive Team, including those who are Executive KMPs, consists of objective setting and performance evaluation.

**Objective setting:** The ASX Board sets financial and non-financial outcomes for the CEO at the start of the financial year, having regard to the strategic objectives set by the Board. The CEO is responsible for approving outcomes set by each member of the Executive Team, having regard to ASX's strategic objectives, the ASX Scorecard and the accountabilities of the executive's role. The CS Boards and board committees provide feedback and participate in approving outcomes for the Executive Team.

**Performance evaluation:** The performance evaluation process involves a self-assessment, manager assessment and Board assessment. The process incorporates feedback from the CS Boards and board committees where appropriate. The process comprises the following steps:

- The CEO and Executive Team members assess their performance against the outcomes set for the year.
- The CEO reviews this self-assessment and makes recommendations to the People and Culture Committee on the individual performance rating of each member of the Executive Team, including those who are Executive KMPs. In determining the performance rating, the CEO considers, among other things, the feedback from the CRO and, where applicable, feedback from CS Boards and board committees.
- The ASX Chair makes recommendations to the People and Culture Committee on the performance of the CEO, having regard to, among other things, the feedback from the CRO and the ASX and CS non-executive directors.
- The People and Culture Committee considers the recommendations of the ASX Chair and the CEO and makes recommendations to the ASX and CS Boards on the outcomes of the performance review processes.

Further information on ASX's performance evaluation processes, including details of the outcome of their application to Executive KMPs and impact on remuneration, is set out in ASX's remuneration report on pages 52 to 69 of the 2024 Annual Report.

A review of the performance of all Executive KMPs, as well as the broader Executive Team, was undertaken during the reporting period and was in accordance with the processes disclosed in the remuneration report.

### Managing conflicts of directors' interests

ASX and CS Directors are required to disclose all interests that may conflict with their duties as a Director. A register of directors' interests is included in the papers for each Board meeting and a register of Committee members' interests is provided for all standing Committee meetings.

If a director has a material personal interest in a matter being considered by a Board or Committee, they must not be present during the consideration of that matter or vote on the matter, unless approved by other directors who do not have a material personal interest in the matter.

### Aligning interests of the Board with shareholders

To underscore the alignment of the ASX Board with shareholders' interests, the ASX Board has adopted a non-executive director shareholding guideline. This requires that, within three years of appointment:

- ASX non-executive directors establish and maintain a level of ASX share ownership calculated by reference to the annual non-executive director fee at the time of their appointment, exclusive of superannuation
- the ASX Board Chair, in addition to the above, must also establish and maintain a level of share ownership based on the supplemental Chair fee at the date of their appointment as Chair, exclusive of superannuation.

All ASX Non-Executive Directors are currently compliant with the minimum shareholding guidelines.

The shareholding guideline prohibits CS Directors who are not also ASX Directors from acquiring ASX shares. All of the CS Directors who are not also ASX Directors currently hold no shares in ASX.

Details regarding director shareholdings are detailed in ASX's remuneration report on pages 52 to 69 of the 2024 Annual Report.

### Access to information and advice

ASX and CS Directors have unrestricted access to all staff and all relevant records of the ASX Group they consider necessary to fulfil their obligations (including access to members of the internal audit function and the external auditor, without management present). They also have the right to seek explanations and additional information from management and auditors.

ASX and CS Directors are also entitled, with the approval of the relevant Chair, to obtain independent professional advice on any matter they consider necessary to fulfil their responsibilities with expenses associated with such advice to be met by the ASX Group.

### 3. Instil a culture of acting lawfully, ethically and responsibility

#### ASX's Purpose and values

ASX is committed to conducting business in an open and accountable way.

**ASX's purpose is:** To power a stronger economic future by enabling a fair and dynamic marketplace for all.

ASX's values are behaviours that guide actions and decision-making and reflect ASX's brand and culture. The values are:



We put the market first



We stand up for what's right



We achieve more together



We drive positive change

Management is responsible for instilling the ASX values across the ASX Group.

The ASX values are interwoven with the way we work. Each year, ASX reviews our people's demonstration of the ASX values as part of their performance review process, and this is connected to their reward. ASX reinforces this through ongoing recognition programs and quarterly awards. ASX measures how employees live the values through regular surveys, the results of which are reviewed by the ASX Board.

ASX has policies that clearly set the standards of behaviour expected from all directors, executives and employees. These include ASX's Code of Conduct, Anti-Bribery and Corruption Policy, and Whistleblower Protection Policy.

During the reporting period, the ASX Board approved a new Appropriate Workplace Behaviour Policy to build on and replace the existing Equal Employment Opportunity Policy.

All employees are required to complete mandatory annual online learning modules on the ASX Group's core policies which include assessments to ensure understanding of content and intention.

ASX also monitors compliance with ASX Group policies via a range of processes and controls. These are subject to reviews from an internal audit function, and a whistleblower program is also in place. Material breaches of the Code of Conduct or Anti-Bribery and Corruption Policy, and material incidents reported under the Whistleblower Protection Policy, are required to be reported to the Audit and Risk Committee and/or ASX Board.

ASX did not identify any material breaches of its Code of Conduct or instances of bribery or corruption during the reporting period.

ASX's Code of Conduct, Whistleblower Protection Policy, and Anti-Bribery and Corruption Policy are published on ASX's website at [www.asx.com.au/about/corporate-governance](http://www.asx.com.au/about/corporate-governance)

ASX's values are published on ASX's website at [www.asx.com.au/about/sustainability/people](http://www.asx.com.au/about/sustainability/people)

#### Securities trading

ASX has adopted Dealing Rules that apply to ASX directors and employees, including contractors, consultants and secondees. The Dealing Rules restrict dealing in both ASX and non-ASX securities and are designed to help prevent directors and employees from contravening insider trading laws. The Dealing Rules document the procedures to be followed before dealing in securities quoted on an Australian financial market.

Additional dealing restrictions apply to employees working in specified functions (including Listings Compliance, the Market Announcements Office and Surveillance).

ASX's Dealing Rules are published on ASX's website at [www.asx.com.au/about/corporate-governance](http://www.asx.com.au/about/corporate-governance)

#### Payments to political parties

ASX has a responsibility to its shareholders and stakeholders to articulate the opportunities and challenges facing its business, communicate its position on relevant public policy issues and contribute to well-informed decision-making by government.

ASX actively engages with government and policy decision-makers about its role, the investments it is making to build world class infrastructure, and the dynamic and globally competitive market environment in which ASX operates.

ASX's continued membership of both the Federal Labor Business Forum and the Liberal Party Australian Business Network was considered by the Board in FY24 and ASX paid \$60,000 in membership fees to each. ASX's membership of these business networks provides an important opportunity for ASX to engage with a wide range of policy and decision-makers.

The ASX Board sets the ASX Group's policy regarding payments to political parties, including limits on the amounts paid. Payments within the limits set by the Board are to be approved by the CEO and the Group General Counsel and are disclosed by ASX in accordance with the *Commonwealth Electoral Act 1918* (Cth).

## 4. Safeguard the integrity of corporate reports

The ASX Board is responsible for overseeing the integrity of the ASX Group's accounting and corporate reporting systems. The Audit and Risk Committee and People and Culture Committee assist the ASX Board in discharging this responsibility.

The Audit and Risk Committee's responsibilities include reviewing half-yearly and yearly financial reports and statements with management and the external auditor, reviewing ASX's corporate reporting and disclosure processes and the outputs of those processes, reviewing the findings of the audit with the external auditor, and monitoring management's response to reviews and recommendations of the external auditor.

Additional information on the role and responsibilities of the Audit and Risk Committee is detailed in the Committee's Charter.

The People and Culture Committee is responsible for reviewing, reporting and making recommendations to the ASX Board on the annual remuneration report and any other remuneration or people related reports the ASX Group is required to prepare, including reports under workplace gender equality legislation.

The Audit and Risk Committee Charter and People and Culture Committee Charter are available on ASX's website at [www.asx.com.au/about/corporate-governance](http://www.asx.com.au/about/corporate-governance)

### Integrity of reporting

Before the ASX Board approves the ASX Group's financial reports for the half-year and full-year, the Board receives a declaration from the CEO and CFO. The declarations confirm that:

- > in the opinion of the CEO and CFO, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity
- > the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

The CEO and CFO also make declarations to the Board consistent with the requirements of the *Corporations Act 2001* (Cth) in respect of full year reports. These declarations are made after the CEO and CFO receive attestations from executives regarding their respective areas of responsibility.

In addition, the ASX Board also receives written confirmation from the CEO and CRO that the ASX Group's risk management and internal control systems relating to material business risks are operating effectively.

### External auditor

ASX has appointed PricewaterhouseCoopers (PwC) as its external auditor. The appointment was approved by shareholders at the 2008 AGM. The most recent change of lead audit partner took place in FY24. PwC's appointment is reviewed every year by the Audit and Risk Committee.

Among its key responsibilities, PwC audits ASX's full year financial report and reports to ASX shareholders its opinion on whether the full year financial report gives a true and fair view of the ASX Group's financial position and financial performance, and complies with Australian Accounting Standards and the *Corporations Regulations 2001* (Cth). PwC's report to shareholders includes confirmation that there have been no contraventions of the auditor independence requirements under the *Corporations Act 2001* (Cth) and the applicable code of professional conduct in relation to the audit. PwC's report on its audit of the ASX Group's FY24 financial report is on pages 121 to 127 of ASX's 2024 Annual Report.

PwC's responsibilities also include auditing the ASX Group's annual remuneration report and undertaking a review of the ASX Group's half year report and reporting its conclusions to ASX shareholders.

PwC representatives attend each Audit and Risk Committee meeting and meet with the Audit and Risk Committee without management present at least annually.

PwC's lead audit partner attends ASX's AGM each year to answer any shareholder questions related to the external audit.

### Verification of periodic corporate reports

The periodic corporate reports that are released by ASX to the market include the annual directors' report, annual and half-yearly financial statements, corporate governance statement, TCFD report, the annual tax transparency report (which provides information on ASX's approach to tax risk management and effective tax rate), and similar periodic reports prepared for the benefit of investors.

Any periodic corporate report prepared for release to the market by ASX is reviewed by a senior manager based on matters as known to them and with reference to source documents before being provided to the applicable approver for release to the market.

ASX engages PwC's ESG assurance team to perform an independent limited assurance report on selected subject matter within ASX's annual TCFD report.

ASX's Continuous Disclosure Policy is available on ASX's website at [www.asx.com.au/about/corporate-governance](http://www.asx.com.au/about/corporate-governance)

## 5. Make timely and balanced disclosures

### Continuous and periodic disclosure

ASX's commitment to providing shareholders and the market with full and timely information about its activities in compliance with its continuous disclosure obligations, and the processes adopted by ASX to meet this commitment, are set out in ASX's Continuous Disclosure Policy.

ASX has established a Continuous Disclosure Committee (CDC) currently comprising the CEO, Group General Counsel (Committee Chair), CFO, and Group Executive, Listings. ASX's Continuous Disclosure Policy sets out the role the CDC and the Board in reviewing and approving market announcements.

The CDC had adopted a charter that sets out its operating procedures.

A nominated approver set out in the Continuous Disclosure Policy (generally the Group General Counsel or CFO) is required to approve administrative announcements. This includes ASX's monthly activity report which provides, among other things, information regarding listings and capital raisings, trading volumes and values on ASX's equity and derivatives markets in the preceding month.

ASX will not disclose market sensitive information (or provide new and substantive investor or analyst presentations) to any analyst or investor unless it has first provided that information to the market and received an acknowledgment that the information has been released.

ASX provides copies of all material market announcements to directors promptly after they have been released on the market announcements platform.

ASX's Continuous Disclosure Policy is available on ASX's website at [www.asx.com.au/about/corporate-governance](http://www.asx.com.au/about/corporate-governance)

## 6. Respect the rights of Security Holders

### Shareholder engagement and provision of information

ASX provides information about itself and its governance practices on its website. The governance page of ASX's website includes this Corporate Governance Statement, ASX's Constitution, Board and Committee Charters and key governance policies, as well as the qualifications, skills and backgrounds of all ASX Directors and senior executives. ASX also makes available on its website copies of annual reports, market announcements, notices of meeting and copies of presentations delivered to investors or analysts.

All market announcements are published on ASX's website after they have been released on the market announcements platform. ASX also publishes media releases and other relevant information on its website.

ASX encourages shareholders to participate in shareholder meetings and makes options available for those who are unable to attend in person to view the meeting, submit questions, and vote on items that are to be decided at the meeting. ASX deals with shareholder enquiries fairly and respectfully.

Security holders are given the opportunity to join live webcasts of ASX's half-year and full-year results.

Further information about ASX's governance practices, including its Shareholder Communication Policy, is available on ASX's website at [www.asx.com.au/about/corporate-governance](http://www.asx.com.au/about/corporate-governance)

### Investor relations program

ASX has an investor relations program to facilitate effective two-way communication with the domestic and international investment community. The program involves engagement throughout the year via both scheduled and ad hoc interactions with shareholders and potential investors, analysts and proxy advisers. The program seeks to provide information that is timely, of a high quality and relevant to shareholders' investment in ASX.

Feedback from investor and analyst engagement and additional relevant information is regularly reviewed and reported to the ASX Board as appropriate.

ASX does not hold meetings with investors or analysts to discuss ASX's financial performance within a blackout period of six weeks in advance of the half-year and full-year results announcements.

### Annual General Meeting

Details about ASX's AGM are provided on ASX's website.

The AGM is an opportunity for shareholders to hear from, and put questions to, the ASX Board and external auditor.

Detailed information about how shareholders can participate in the AGM is set out in the Notice of Annual General Meeting, which is published on our website.

Shareholders are able to submit written questions to ASX in advance of an AGM. Details about how to do so are contained within the Notice of Annual General Meeting. These questions and comments are typically addressed at the meeting through the Chair or CEO speeches.

All resolutions put to an AGM that are set out in the Notice of Annual General Meeting are decided by way of a poll. This is to support the principle of 'one share, one vote'.

Information for shareholders about ASX's AGMs is available on ASX's website at: [www.asx.com.au/agm](http://www.asx.com.au/agm)

### Shareholder communications

ASX encourages shareholders to send and receive communications electronically. Electronic communication allows ASX to communicate with shareholders quickly and reduces paper usage. ASX generally emails shareholders when important information becomes available such as financial results, dividend statements, notice of meetings, voting forms and annual reports.

Shareholders who receive postal communications from ASX can log into the share registry's platform at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au) to provide their email address and elect to receive communications electronically.

## 7. Recognise and manage risk

The ASX Board recognises that effective risk management is critical to maintaining ASX's reputation and long-term sustainability.

### Risk management framework

Risk management at ASX aims to ensure that the critical market infrastructure, products and services provided are highly reliable and are of high quality. ASX has a multi-layered approach to the identification, assessment, monitoring, reporting and management of financial and non-financial risk. Responsibility is held across the ASX Group, including by the ASX Group Boards and Board Committees, management and specialist functions such as Enterprise Risk Management and Internal Audit.

ASX has an established enterprise risk management framework that aligns with ASX's approach to risk management, risk strategy and risk appetite statement, risk culture and behaviours, and supporting frameworks and processes governing risk identification, assessment, mitigation, monitoring and reporting.

ASX's enterprise risk management function has responsibility for designing and maintaining the enterprise risk management framework. The Audit and Risk Committee reviews the enterprise risk management framework annually. The enterprise risk management framework was reviewed by the Audit and Risk Committee during the reporting period, and the framework was approved by the ASX Board.

ASX's risk management strategy is founded on the Three Lines of Defence model, which provides a clear organisational structure and clarifies roles and responsibilities for managing risks and controls across the business:

- Line 1 is risk management within the business divisions and functions. The identification, assessment, monitoring, reporting and escalation of risks begins in Line 1. Line 1 is responsible for managing ASX's operations within the Board-approved risk appetite
- Line 2 is the independent risk management and compliance functions that develop risk and compliance frameworks and policies, and oversee and challenge risk management in Line 1
- Line 3 is the independent assurance function (including internal and external audit).

### The ASX Board

The ASX Board's responsibilities regarding risk management include:

- setting ASX's risk strategy and risk appetite
- overseeing ASX's overall risk management framework and its operation by management
- overseeing the processes for identifying significant risks facing the ASX Group
- overseeing systems of risk management and internal control and compliance
- satisfying itself that appropriate controls, monitoring and reporting mechanisms are in place

### CS Boards

The CS Board's responsibilities regarding risk management include:

- setting the operational risk tolerances for the CS facility licensees
- reviewing and approving the risk management framework
- overseeing the adequacy of internal controls, systems and processes for the management of clearing and settlement risks of the CS facilities
- managing the CS subsidiaries within the ASX risk appetite and the operational risk tolerances set by the CS Boards.

### Audit and Risk Committee

The ASX Board has established an Audit and Risk Committee to assist it to discharge certain responsibilities, including in relation to overseeing the process for identifying significant risks facing the ASX Group and arrangements for implementing appropriate controls, monitoring and reporting mechanisms.

The Audit and Risk Committee has also been appointed as the audit and risk committee of the CS Boards for certain matters, including to review and oversee systems of risk management, internal controls and compliance outside the areas reviewed by the CS Boards and Technology Committee.

The Audit and Risk Committee receives regular reports from the CFO on financial matters, the CRO on enterprise risks, the General Manager of ASX's Participants Compliance function and the Chief Compliance Officer on matters relating to the monitoring and enforcement of compliance with ASX's operating rules, as well as reports from ASX's Internal Audit and Enterprise Compliance function and from ASX's external auditor.

Oversight of technology risks is the responsibility of the Technology Committee, not the Audit and Risk Committee. However, the Audit and Risk Committee reviews and provides oversight of ASX Group's response to significant operational incidents, including those relating to technology performance.

Further information on the role and responsibilities of the Audit and Risk Committee is detailed in the Committee's Charter.

The Audit and Risk Committee Charter is available on ASX's website at [www.asx.com.au/about/corporate-governance](http://www.asx.com.au/about/corporate-governance)

### Technology Committee

The Technology Committee assists the ASX Group Boards to discharge their responsibilities, including oversight and governance of the ASX Group's technology and data related strategies, operations, investments, projects and programs, as well as the ASX Group's management of technology and data related risks, including cyber security risks. As part of managing those risks, the Technology Committee's responsibilities including overseeing:

- the implementation of the ASX Group's technology, data and cybersecurity strategies and the performance of the ASX Group's technology systems
- the ASX Group's arrangements for managing system risk associated with technology assets
- the ASX Group's technology project and programs, implementation and governance
- the adequacy of the strategy for identifying, mitigating and managing the ASX Group's cyber risks, and the effectiveness of the ASX Group's cyber resilience risk control systems
- ASX Group's strategies for mitigating and managing technology, delivery and data risks.

The Technology Committee also assists the ASX Group Boards to review and oversee the arrangements in place to achieve compliance with the statutory obligations that apply to the ASX Group's market licensees and CS licensees as licence holders, in relation to technological resources and human resources (with respect to technology) for operating the ASX Group's licensed markets and ASX CS facilities.

The Technology Committee receives regular reports from management on project, technology, cyber and data related risks including reports from management including the Chief Information Officer, the Chief Operating Officer and the Chief Information Security Officer.

Further information on the role and responsibilities of the Technology Committee is detailed in the Committee's Charter.

The Technology Committee Charter is available on ASX's website at [www.asx.com.au/about/corporate-governance](http://www.asx.com.au/about/corporate-governance)



## 7. Recognise and manage risk

### Management and management committees

Management executes the risk strategy approved by the ASX Board and manages the CS facilities within the risk appetite and associated risk tolerances approved by the ASX Board. ASX has established management committees comprised of senior executives that assist with the oversight and management of risks, which are:

- **Risk Committee**, chaired by the CRO. The Risk Committee ensures the adequacy and appropriateness of the risk management frameworks, policies, processes and activities of the ASX Group. Its key responsibilities are to:

  - oversee the implementation and adequacy of the ASX's enterprise risk management policy, framework and risk processes, to seek to ensure risks are being managed within Board approved risk appetite
  - monitor the effectiveness of ASX's internal control system
  - review and approve key risk management policies, standards and procedures. This includes clearing risk policies and procedures
  - review key findings from internal audit reviews and ensure key risk issues are addressed on a timely basis
  - seek to ensure that there is an adequate flow of information to the Audit and Risk Committee and CS Boards to allow them to fulfil their remits with respect to risk management.
- **Technology Management Committee**, chaired by the Chief Information Officer. It has oversight of technology operational and security performance matters, system change initiatives, and considers emerging technology and security risks. Its key responsibilities are to:

  - review and, as appropriate, make recommendations to the Board regarding enterprise-wide technology and cyber security strategies, and significant investments in support of ASX's business strategy
  - review and discuss technology and cyber security-related policies, outside the matters carried out by the ASX Group Boards and Board Committees
  - review major technology and cyber security risk exposures, including resources, incidents, information security and cyber security and the steps taken to monitor and control such exposures
  - monitor industry trends that may affect the technology and cyber security strategies
  - oversee processes in place to ensure ASX Group licensees can meet their relevant licence obligations
  - recommend matters for referral to the CEO or relevant ASX Group Board or Committee.
- **Regulatory Committee**, chaired by the Group General Counsel. The Regulatory Committee has oversight of the development of policy in relation to the operation and conduct of ASX's licensed activities (with the exception of clearing risk and settlement risk policy which is the responsibility of the Risk Committee), as well as oversight of ASX's response to public policy matters that significantly impact ASX's activities.
- **Continuous Disclosure Committee**, chaired by the Group General Counsel. Refer to commentary on page 13 for details of the Continuous Disclosure Committee's functions.

ASX also has a Monthly Business Review (MBR) process and Quarterly Business Review (QBR) process to oversee the execution of the ASX Group Strategy, Scorecards and Annual Business Plan (including project and non-project based initiatives) and the allocation and prioritisation of resources in accordance with the annual budget and financial plans approved by the ASX Board. This includes overseeing risks that may impact delivery of business objectives, ensuring the appropriate delivery and investment governance is applied and considering if changes to strategy are required. The MBR and QBR meetings include senior executives and are chaired by the CEO.

Information from management committees, the MBR and the QBR is reported up through the Board Committees, the ASX Board and CS Boards (as appropriate) on matters relevant to those bodies. The information may be provided by way of reports from the management committee or information contained in management reports.

Each of the major divisions in ASX (Markets, Securities & Payments, Tech & Data, Enterprise Customer & Operations, Technology) hold a monthly Portfolio Business Review (PBR). The PBR oversees delivery of business outcomes and initiatives within the division's portfolio in accordance with the approved Annual Business Plan, including project and non-project based initiatives. Each PBR monitors and reviews value created and outcomes delivered against divisional balanced scorecard measures of success. The PBR refers items to the MBR or QBR where required to support the achievement of the portfolio and ASX Group outcomes.

### Internal audit

Internal Audit is an independent and objective assurance and advisory function. Its role is to provide the ASX Board, CS Boards and management with assurance that ASX has effective, adequate and efficient internal controls in place to support the achievement of its objectives, including the management of risk. It also provides advice on ASX's internal controls and business processes.

Internal Audit has unrestricted access to all functions' records, property and personnel.

The Audit and Risk Committee reviews and concurs on the appointment, replacement, dismissal and remuneration of the General Manager, Internal Audit. The General Manager, Internal Audit reports to the Chair of the Audit and Risk Committee and for administrative purposes to the CFO and has a standing invitation to attend Audit and Risk Committee meetings.

Internal Audit has its own charter that sets out its objectives, role, responsibilities, authority and accountability.

The Internal Audit Charter is available on ASX's website at [www.asx.com.au/about/corporate-governance](http://www.asx.com.au/about/corporate-governance)

### Enterprise Compliance

The objective of Enterprise Compliance is to support ASX in effectively managing its compliance risks by:

- setting an appropriate compliance framework, policies and standards, and monitoring their implementation across ASX
- maintaining a systemic and disciplined approach to identifying and embedding regulatory compliance obligations
- advising business units in designing the best approach for complying with their obligations
- promoting awareness of compliance risks across ASX
- providing compliance oversight over the effectiveness of ASX's governance, systems, processes and controls for ensuring compliance
- monitoring and reporting of ASX's compliance management practices to the Board and management
- managing relationships with domestic and international regulatory agencies.

The General Manager, Enterprise Compliance has direct access to the Audit and Risk Committee Chair, reports to the non-ASX CS directors in relation to conflict sensitive matters, and may be required by the CS Boards to attend any CS Board meeting.

### Exposure to environmental and social risks

Information on ASX's material business risks and how these are managed is provided in the Operating and Financial Review found on pages 8 to 21 of ASX's 2024 Annual Report. Specific information on ASX's environmental and social sustainability risks, and how these are managed (including ASX's assessment of its exposure to climate change risks) is provided in ASX's Sustainability Report found on pages 22 to 41 of ASX's 2024 Annual Report and ASX's annual TCFD report.

## 8. Remunerate fairly and responsibly

ASX aims to attract and retain high quality directors and to attract, retain and motivate high quality executives.

The ASX Board oversees executive remuneration and non-executive director remuneration arrangements and is assisted by the People and Culture Committee in discharging these responsibilities. The role and responsibilities of the People and Culture Committee are set out in the Committee's Charter.

The People and Culture Committee's role is to assist the ASX Board and the CS Boards in ensuring that ASX Group's people and remuneration policies, frameworks and practices:

- > support the realisation of the ASX Group's vision and its strategy to create long-term, sustainable shareholder value
- > are fair, and attract and retain a diverse and appropriately skilled workforce to deliver the ASX Group's strategy
- > encourage behaviours that align with the ASX Group's values, policies, risk management framework and support our licence to operate

ASX's Dealing Rules prohibit entering into transactions (including derivative and hedging arrangements) that limit the economic risk of holding unvested ASX securities, or vested ASX securities subject to a holding lock.

Details of director and executive remuneration and ASX's remuneration policies and practices are disclosed in ASX's Remuneration Report on pages 52 to 69 of ASX's 2024 Annual Report.

Under its Charter, the People and Culture Committee has unrestricted access to all staff and relevant records of the ASX Group which the Committee considers necessary to fulfil its obligations. It also has the right to seek explanations and additional information from management and auditors. The Committee may, at ASX's expense, appoint external experts to assist the Committee in carrying out its responsibilities.

The People and Culture Committee Charter and ASX's Dealing Rules are available on ASX's website at [www.asx.com.au/about/corporate-governance](http://www.asx.com.au/about/corporate-governance)

