

15<sup>th</sup> January 2021

Attention: Kevin Lewis  
ASX Limited  
20 Bridge Street  
Sydney NSW 2000

**Computershare Investor Services Pty Limited**

ABN 48 078 279 277  
Level Three 60 Carrington Street  
Sydney NSW 2000 Australia  
GPO Box 7045  
Sydney NSW 2001 Australia  
Telephone 61 2 8234 5000  
Facsimile 61 2 8235 8150  
[www.computershare.com](http://www.computershare.com)

By email: [kevin.lewis@asx.com.au](mailto:kevin.lewis@asx.com.au)

Dear Kevin

### **Proposed Listing Rules changes: online forms, notification of security issues and corporate action timetables**

Computershare appreciates the opportunity to provide feedback on the consultation paper: 'Proposed Listing Rules changes: online forms, notification of security issues and corporate action timetables'. Computershare (ASX: CPU) is a global market leader in transfer agency and share registration, employee equity plans, mortgage servicing, proxy solicitation and stakeholder communications. We also specialise in corporate trust, bankruptcy, class action and a range of other diversified financial and governance services.

Founded in 1978, Computershare is represented in all major financial markets and is renowned for its expertise in high integrity data management, high volume transaction processing and reconciliations, payments and stakeholder engagement. Many of the world's leading organisations use us to streamline and maximise the value of relationships with their investors, employees, creditors and customers. For more information, visit [www.computershare.com](http://www.computershare.com).

Thank you for the opportunity to speak directly with both yourself and Karen Webb during the consultation period. We found it a useful opportunity to ask appropriate questions and share a preliminary view on the key items under consideration. We welcome further discussion on these and other items in the consultation. Our comments below relate to our role as Share Registry to approximately 800 listed issuers in Australia and the leading administrator of employee share schemes in this market.

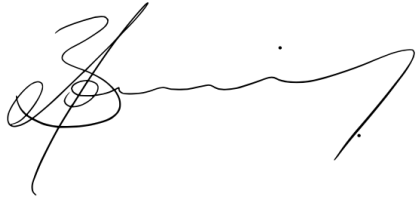
#### **Timeframe for consultation**

As mentioned during our discussion, we found that the timeframe offered to stakeholders to respond to this consultation to be unusually brief, especially given the time of year and difficult conditions that we have all faced over the course of 2020. Looking back over the past 5 years, on average ASX has provided 6 weeks to respond to consultations and those that have crossed holiday periods have been given an extended response timeframe. We understand that there were delays in early regulatory reviews of the paper and this combined with an ASX-internal system implementation deadline of March 2021, compressed the time available for public consultation.

With ongoing high levels of corporate activity and the resourcing impacts of a well-deserved holiday season, ASX may find that the capacity for issuers and other market stakeholders to respond to this consultation paper has been limited.

We appreciate your acceptance of our response after the official close of the consultation and given the above, have focussed our attention on a few key areas, as listed in the attached table.

Yours sincerely,



**Ann Bowering**

CEO Issuer Services, Australia & New Zealand

The focus of this review has been on the proposed listing rule changes set out in section 3 of the consultation paper.

Consultation reference	Description	Computershare Comments
Notings in Listing rules 3.10.3 – 3.10.3E	Notings to the grant, exercise and cancellation of securities under and Employee Incentive Scheme	<p>Computershare supports changes that provide transparency and greater confidence in the market.</p> <p>The clarifying notes reference employee incentive schemes where the terms of the scheme will deliver units which have been purchased on-market. They confirm that activities including the grant, exercise and cancellation of options and rights in this context require the issuer to make an announcement to the ASX within 5 business days of the transaction, even if the final units are to be purchased on-market. We understand that the intention is to provide greater transparency to the market of the allocation of these future benefits to employees.</p> <p>Employee incentives in the form of options and rights are usually used for the Key Management Personnel (KMP) group of an organisation and are sometimes also used for very broad general employee populations which are geographically dispersed around the world, often on multiple payrolls.</p> <p>Could ASX please confirm whether it intends to highlight the KMP group or all incentive schemes, regardless of how large the employee incentive population is?</p> <p>If all schemes are intended, which would then include any broad-based schemes, we are concerned about the overhead and risk of a listing rules breach that such a requirement may impose on the issuer when managing their employee incentive plans, particularly around the termination of entitlements which occur with the termination of employment. For this case, we <b>recommend</b> that ASX simplify the requirement to streamline the process for issuers.</p> <p>If ASX’s intention is to only highlight the KMP group, we <b>recommend</b> that wording to that effect be used to ensure that the requirement is clear and does not impose undue or unexpected burdens for issuers.</p>
Listing Rules 3.21 and 3.22, new Listing Rule 12.13	Deferral and cancellation of dividends	<p>While the hectic events and payment cancellations of Q2 2020 and beyond were managed within our operational and risk management frameworks, Computershare supports the additional confidence that this change provides the broader market and appreciates the operational certainty that this change provides.</p> <p>We note that the social and economic environment of March/April/May 2020, which led to the introduction of this rule, was extreme and that issuers do not make such decisions lightly. Ongoing, there should always be the ability for issuers to protect their organisation under unforeseen and extreme circumstances.</p>

Consultation reference	Description	Computershare Comments
<p>Noting to 3.10.3B Listing Rule 19.12, use of Appendix 3H</p>	<p>Amendments to the definition of “employee incentive plan”</p>	<p>Computershare supports changes that provide transparency and greater confidence in the market.</p> <p>The modified definition and supporting note extends the requirement to make announcements to the ASX for employee incentive schemes, even where the employee/director/non-executive director is required to purchase the units on-market to satisfy the conditions of their engagement.</p> <p>While such transactions would be typically limited to directors and non-executive directors, we note that additional administration required by issuers to satisfy this requirement. We <b>recommend</b> that ASX ensure that the process and requirement does not place undue burdens or risk on impacted Issuers.</p>
<p>Various changes to timetables in Appendix 6A and Appendix 7A</p>	<p>Standard pro rata issues (non-renounceable)</p> <p>Standard pro rata issues (renounceable)</p> <p>Accelerated non-renounceable entitlement offers</p> <p>Accelerated renounceable entitlement offers and simultaneous accelerated renounceable entitlement offers</p> <p>Accelerated renounceable entitlement offers with retail rights trading</p> <p>Security Purchase Plans:</p>	<p>We have reviewed the proposed timetable changes and from a registry operational perspective we have no issue with the updates. We note that these changes were initiated after timetable concerns were raised by other registry providers during the peak transactional activity and operating conditions triggered by the COVID-19 pandemic however, we do not share those concerns.</p> <p>Our ability to successfully deliver our client transactions both in a normal operating environment and throughout the significant capital raising activity during 2020, was enabled by our commitment to operational innovation and technological developments both within Computershare and with market participants over a long period, preceding the current climate.</p> <p>Broadly, the proposed changes extend the announcement of results to 5 business days after the close of an offer, which now coincides with the timeframe for the issue of securities. It is our <b>interpretation</b> that an Issuer may choose to continue to announce the results of a corporate action earlier within the prescribed window and therefore <u>separate</u> the announcement from the issuance, as long as both fall within the prescribed period. Please confirm that this is the case.</p> <p>We <b>recommend</b> that ASX include a note within the relevant timetables to ensure this point is clear for all stakeholders.</p> <p><b>Share Purchase Plans</b></p> <p>With reference to the reduction in time provided for the issuance of securities relating to Share Purchase Plans from 7 days to 5, we note that while the majority of offers do not require the current 7 day window, complex or large offers have been known to require the additional time and therefore flexibility may be required for some transactions</p>

-- END --