
Company: ASX Limited
Title: 2022 Annual General Meeting
Date: 28 September 2022
Time: 10:00AM AEDT

Start of Transcript

Damian Roche: Good morning, everyone. I am Damian Roche, Chair of ASX. I welcome you to the 2022 Annual General Meeting of ASX Limited. I begin by acknowledging the traditional owners on the land which this AGM is being held, the Gadigal people of the Eora Nation and I pay my respects to their Elders past and present. I extend that respect to all Aboriginal and Torres Strait Islander people here today.

We're delighted to offer our shareholders the choice of participating in today's meeting in person or via our online webcast. The AGM is an opportunity for shareholders to hear from and put questions to the Board, the Managing Director and the CEO and the external auditor. I encourage shareholders to use the various platforms available, to participate in this meeting.

If you experience any difficulties during the meeting please contact the helpline number on the screen behind me, 1800 990 363. If I'm advised of any significant technical issues during the meeting, I may declare a short recess to allow us to resolve the issue. I will provide some instructions a little later on how to use the different platforms available today. There is a quorum present, and I now open the meeting.

Let me commence our business with some introductions. Next to me is our Managing Director and CEO, Helen Lofthouse. All of your Non-Executive Directors are present today, Yasmin Allen, Melinda Conrad, David Curran, Dr Ken Henry, Peter Marriott, Peter Nash, Heather Ridout, Dr Heather Smith and Rob Woods. Also attending today's meeting is General Counsel and Company Secretary, Daniel Moran and Voula Papageorgiou from PricewaterhouseCoopers, our external auditor. Voula is available to answer any questions you have about the conduct of the audit, of ASX's financial statement and the auditor's opinion.

Before moving to the addresses, I will outline the agenda for the meeting and how to ask questions and vote during the meeting. The details of the formal business are set out in the notice of meeting which was released to the market on 25 August 2022. The Chair and CEO's speeches we will be delivering shortly, were released to the market prior to the start of the meeting and have been published on the ASX website. Following completion of the meeting those here in person are invited to join the Board and the management team outside the auditorium for refreshments.

I will now explain the questions and voting procedures for today's AGM. Shareholders and proxy holders will have an opportunity to ask questions on each formal item of business. There will also be an opportunity for shareholders and proxy holders to ask general questions relating to the management of ASX, when we consider ASX's financial report for the 2022 financial year.

There are two ways to ask questions. By using a microphone in the auditorium, or by typing and submitting a question on the online platform, I will outline each of these options. We did not receive any requests to submit questions by phone. Shareholders and proxy holders present in the auditorium will be holding a yellow or blue card. If you need assistance, please ask one of the registry staff in the auditorium or the foyer.

We have four microphones in the auditorium. We have two fixed microphones with reserve seating in the middle of the stairs on each aisle. To ask a question, please make your way to the reserved seats. There are also two members of staff standing at the back of each aisle holding roaming microphones. If you cannot move to a fixed microphone, please raise your hand and an attendant will bring one to you.

Turning to online participants. The information I am about to provide is contained in the online meeting guide available in the download section on your screen. You will see at the bottom of your screen three boxes, ask a question, get a voting card and downloads. To ask a question, click ask a question button. A box will appear with two sections, as shown on the screen. Select from the dropdown menu the item of business to which your question relates, then type your question in the space provided.

Please note that an online question must be more than 24 characters and less than 513 characters. Online questions will be read aloud by an ASX staff member during the relevant item of business. To ensure you have enough time to type and submit your question, I encourage you to start typing now, instead of waiting till later in the meeting. Thank you to those shareholders who have submitted questions prior to the meeting. We will endeavour to address as many of them as frequently raised relevant topics as possible, during the course of the meeting.

The order in which we will address questions for each item of business will be, first, questions from shareholders present in the auditorium, then questions received via the online platform and finally, questions received prior to the AGM. As mentioned, if we receive multiple questions on the same topic, we will amalgamate questions in the interests of time and clarity.

Turning now to voting procedures. All items of business will be voted on by poll. A representative of ASX's share registry, Link Market Services, is returning officer for this meeting. I now declare the polls open. If you are eligible to vote there are two ways you can cast your vote, in person or via the online platform. If you are present in the auditorium, you will have a yellow voting card which you will be asked to complete and hand to the registry staff at the appropriate time. I will advise you when it is time to complete your voting card. If you need assistance, please ask one of the registry staff in the auditorium or the foyer.

If you have a yellow voting card and need to leave early, you may, if you wish, hand your completed voting card to the staff at the registration desk, as you leave. To cast your vote using the online platform, please click, get a voting card button and follow the prompts. You may cast your live vote at any time during the meeting. I will give you a five-minute warning before the close of the online voting platform. You will see a red bar appear along the top of the online platform with a countdown timer of how long you have remaining to cast your vote.

Where undirected proxies have been given to me as Chair of the meeting, I confirm that as set out in notice of the meeting, I will vote the undirected proxies in favour of all resolutions. This includes Resolutions 4 to 6, which are remuneration related resolutions. I will vote all directed proxies given to me as Chair of the meeting, in accordance with the directions provided. We will display on the screen the number of direct and proxy votes received prior to the meeting on each resolution and the final results of voting will be released to the market as soon as they are available.

Now, to the Chair and CEO addresses. Fellow shareholders, it is a pleasure to present my second AGM address as your Chair. It is also a pleasure to be back in front of a live audience after a couple of years disrupted by COVID. Welcome to you all from wherever you are joining us. The 2022 financial year continued to be a year of change and challenge for the ASX, and for Australia's financial markets generally. It was also a year of significant achievement. Throughout the period, our goal remained to build long-term sustainable value and position ASX as an exchange for the future. Overall, I am proud of what we have accomplished and what we are building.

On the financial front, ASX achieved growth in all four of our main businesses and our diversified business model enabled the company to again deliver earnings across variable market conditions. As the slide depicts, ASX's operating revenue was up 7.5% to over \$1 billion and statutory profit was up almost 6% to more than \$508 million on last year. Both are records.

This enabled ASX to pay total dividends to shareholders of more than \$2.36 per share, fully franked. This is up almost 6% on last year and maintains our payout ratio of 90% of underlying profit. The final dividend of \$1.20 per share, is paid today.

The solid results reflect strong performance by new listings, capital raising and equity-related activities. This was offset partly by lower futures volumes due to the interest rate environment prevailing for much of the period.

Our total expenses also rose, reflecting ongoing investments in people, initiatives and continuous improvement. These include expanding our teams in technology, cyber security and project management; successfully launching CHESSE electronic statements, the Agribusiness Index and our DLT as a service platform Synfini; rolling out growth programs for equity options, debt market data, commodities derivatives, and ensuring our risk, governance and regulatory arrangements continue to meet the highest standard. It was, as I said earlier, a year of achievement.

A financially robust ASX is not only good for our company and shareholders. It is also vital for the health of Australia's financial markets, enabling ASX to continue to invest in the infrastructure critical to financial system stability, robustness and innovation.

ASX has a proud history as an early and successful adopter of new technology, and we continue to embrace innovative solutions to benefit customers, help companies grow, create value for shareholders, and advance the economies of Australia and New Zealand. Our capital expenditure in this area during the past year was \$105 million. We plan to make further investments of \$115 million to \$125 million in the coming year.

The highest profile component of this program, but by no means the only one, is our CHESSE replacement project. The Board of ASX shares the disappointment of management and our stakeholders about the delays experienced by the project. We apologise.

In August, we commissioned Accenture to provide an independent review of aspects of the project, mainly to do with the software application to ensure it meets scalability and resilience requirements. We must let this process complete before updating the market further. We will make the review's findings public.

The CHESSE replacement project is highly complex. While ASX is very conscious of the time and cost pressures on our customers, it is imperative we deliver the new CHESSE system safely and with the confidence of all stakeholders. Importantly, we continue to invest in the existing CHESSE system, strengthening its capacity, speed and resilience to cater for the increased trading activity of recent years. It remains secure and stable and continues to perform well. But it is ageing and does need to be replaced.

Our Managing Director and CEO, Helen Lofthouse, will say more about ASX's overall performance and strategy in her address shortly. Further detail is available in our full-year results materials, including the 2022 Annual Report released last month.

As I wrote in my Chair's Letter in the Annual Report, 2022 represents a new beginning for ASX. Beginnings are times for optimism and excitement. In August, we welcomed Helen as the new CEO following the retirement of Dominic Stevens. Her credentials are outlined in the Annual Report.

Helen has impressed already, her preparedness to apply new rigour to existing challenges, her commitment to lifting ASX's engagement with customers and continuing our technology refresh program, and her prioritisation of ASX's people and culture, is critical to achieving our ambitions as a healthy, trusted and sustainable organisation. Your Board is delighted with her appointment.

Welcoming Helen meant farewelling Dominic. Under Dom, ASX became a financially stronger and more competitive company. He did much to contemporise our technology and position ASX to capitalise on new growth opportunities. He also oversaw ASX's successful management of the challenges posed by the global pandemic, both for our customers and our people.

While issues with the CHESSE replacement project were disappointing and resulted in a 40% reduction in his short-term variable reward payment in FY22, Dom's overall performance during his tenure as CEO delivered significant value for

ASX and our shareholders. I thank Dom for his service to ASX during his six years as CEO and three years before that as a Non-Executive Director.

There are new beginnings at Board level too. Later in the meeting, shareholders will hear from two new appointees to our Board, Dave Curran, formerly Westpac Group's Chief Information Officer, and Dr Heather Smith, formerly Secretary of the Department of Industry, Innovation and Science. Their considerable CVs are in the AGM's Notice of Meeting and in our Annual Report. Their appointment aligns with our determination to strengthen the technology, project management and public policy expertise around the Board table.

We trust shareholders will support Dave and Heather's election and the re-election of Melinda Conrad and Peter Nash, who have served ASX's shareholders with distinction.

Retiring from the Board today is Dr Ken Henry, after more than nine years as a director. Ken brought formidable intellect and insight to the governance and oversight of ASX. I am indebted to Ken for his wise counsel and congratulate him on his contribution and wish him the very best.

Indeed, I thank all my fellow directors for their care and dedication across the year. I also want to give particular thanks to ASX's staff, whose passion, expertise and resilience are inspiring. What ASX does is important and therefore our performance attracts a high degree of scrutiny. That's very appropriate, that's also the privilege of what we do. I am confident that the company's reputation is in good hands.

We come to the end of the 2022 financial year and begin a new phase for ASX, with the right building blocks in place. This includes new expertise among our senior executive and director ranks to help lift our skills and culture; rejuvenated engagement with our regulators, with whom we work closely and constructively to promote market quality; enhanced relations with our customers to better understand and meet their needs; ongoing investment in our systems, platforms and technology to match the highest safety, resiliency and functionality standards; and improved wellbeing and reward arrangements for our people to ensure they feel healthy, valued and resourced.

Work remains to be done, and is being done, and there are significant challenges ahead. We aspire always to be better. But the foundations are sound, the commitment is strong, and the vision is exciting. I am very grateful to you, our shareholders, for valuing what we do and sharing our confidence in ASX's future. Thank you. I now invite Helen Lofthouse to address the AGM.

Helen Lofthouse: Thank you, Damian. It's a great pleasure to be here with you today, at my first AGM as CEO. I've appreciated the support of the Board, the team here at ASX and our shareholders, in my first few months in the role. I am so pleased to see so many of you here in person and to have the opportunity to meet many of you today. Since I took up the role, I have been listening to what is top of mind for our customers, our shareholders, our people and our regulators. This process has been invaluable, and it reiterates the importance of ASX's role at the heart of Australia and New Zealand's financial system.

At our FY22 results I outlined the key themes which I see as being focus areas for ASX, that will position us for the future. Firstly, our focus on customers. We have a diverse customer base who depend on us to provide critical infrastructure. We need to be listening to them and communicating with them well. Having spent the last seven years in our markets business, I understand the need to remain highly tuned in to the evolving needs of our customers. This also drives innovation and creates potential new revenue opportunities for our business.

Risk management is one of the key pillars of ASX and it's embedded in our culture. What we do matters, and how we do it matters too. ASX is a highly regulated business, which is entirely appropriate given the significance of our role in the economy. We understand and value the importance of our constructive relationship with our regulators. We are committed to continuous improvement and to achieve that we welcome input from a range of internal and external reviews and stakeholders.

Technology is another pillar of ASX, and it underpins all of our operations. We will continue to invest in contemporising our technology to ensure that we have flexible and resilient systems to manage volumes reliably and to minimise incidents, as well as to support evolving customer needs and growth opportunities. The CHES replacement project continues to be challenging, as are many projects of this size and complexity and we understand our stakeholders' need for clarity about the project's timetable. We are working hard to provide it, but we are not in a position today to give guidance on what the new go-live date will be.

The findings of the independent Accenture review of the application software will be an input into our replanning process. We must let this review complete, which includes our own assessments, before providing an update with confidence. We have committed to share the review's findings with the market. Importantly, the existing CHES platform continues to be reliable and robust.

People and culture have always been key priorities for me. We are responding to the priority areas called out in our most recent staff engagement survey, by investing in our people in key areas such as technology and risk and our executive renewal continues. So last month I was pleased to announce the appointment of Blair Beaton as the Group Executive of Listings and also to welcome Andrew Tobin as our Chief Financial Officer. Both are highly experienced executives and already making a great impact in their roles.

Like every business in Australia and globally, we must make sustainability a key focus. As a market operator, ASX has an important role in supporting the decarbonisation of the Australian economy. We aim to lead by example there and are targeting net zero Scope 1 and 2 emissions by FY25. We are also continuing to develop our sustainability-focused product offering. We have had some significant success with our electricity futures and we're now exploring carbon futures.

Sustainability disclosures and reporting are also a focus for the ASX Corporate Governance Council, particularly following the proposal of a global baseline of sustainability disclosure by international standards bodies. These five priorities form the basis of our strategy and I look forward to sharing more detail in due course. I will now provide an update based on the first two months of FY23.

So, as you'd expect in this environment, total capital raised is down compared to the prior year, which was particularly strong. However, we have seen a recovery in futures volumes, particularly at the short end, which is expected to continue in this rising interest rate environment. We remain on track with the guidance provided at our FY22 results announcement. That is, expenses growth of between 10% and 12% and capital expenditure of between \$115 million and \$125 million for FY23.

Our expense growth is being driven by an investment in people in our key areas of technology and risk. We are also investing in risk management initiatives which reflect the importance of our role as a market operator. As you will have seen with many other businesses, we are being in fact impacted by inflationary pressure on salaries and some other costs. Our capital expenditure growth guidance is driven by our ongoing investment in technology, which is important in driving the long-term sustainability of ASX.

As I mentioned earlier, our people, our technology and risk management practices are the most important investments that we can make on your behalf. We are doing so in order to support our strong and diversified portfolio of core businesses and to explore growth opportunities. Finally, I would like to thank all of the ASX staff for their hard work during a challenging year. I am really proud to be leading such a dedicated, purpose-driven team. I will now hand back to Damian. Thank you.

Damian Roche: Thanks, Helen. We'll now move to the items of business. The first item of business is to receive the ASX financial report for the 2022 financial year. Helen and I have already discussed ASX's financial performance and comprehensive material was released on 18 August, as part of our full year results. Voula Papageorgiou, our external auditor from PwC, is available to take questions about the conduct of the audit and the preparation and content of the independent audit report.

There is a separate agenda item dealing with the remuneration report. I will address questions about remuneration matters when we consider that item of business. I ask that you save any questions about remuneration matters till then, please. There will be no vote on this first agenda item, it is for discussion only. I now invite questions from shareholders present in the room. I ask that you please state your name and then ask your question.

Peter Gregory: (Australian Shareholders' Association, Shareholder) Thank you for the presentations and also thank you for the results that you've achieved in this year. Let me introduce myself, I'm Peter Gregory from the Australian Shareholders' Association. Today I'm holding proxies for 206 shareholders, representing a total of over 261,000 shares. I'd like to ask some comments about the future and the business development activities that you're engaged in. ASX has a very strong core business and I think that's reflected in the results that we've seen today.

But the annual report refers to a number of what I would refer to as new business, or business development opportunities. These are attracting foreign listings to Australia, adding value to existing customer base through providing data, expanding into adjacent trading markets, especially climate related. Utilising technical capability to provide bespoke solutions in semi-related fields with Synfini and using competitive advantage to enter and compete in the very established property conveyancing market through the Sympli joint venture.

I'd also note that the Chi-X or Cboe, as it is now known, is claiming to have grown over a period of about 10 years, to a market share that they claim as being over 20%. I'd like to hear your comments on the means to realise the opportunities that those areas that I listed cover and also to ask about, given that these things I think reflect a different business model to the one that ASX has as its core. How ASX is responding to these opportunities and whether it has the people skilled in competitive business development, to capture these new opportunities and protect against competitive forces?

Damian Roche: Thanks, Peter. I'll address some of those questions and Helen will answer some as well. First of all, I'd like to thank ASA for their active engagement with ASX. We welcome your input and we'll be following up with you after the meeting on some of the topics we have previously discussed. I think you asked a question, do we have the people in place and I'm very confident we have the people in place to take advantage of the investments that we've been making. I think as Helen outlined; she talked about there is a significant investment in people to take advantage of new opportunities.

If I think about the last several years, ASX has been benefiting from a growing and diversified business model and I think that reflects investments that were made several years ago, that we harvest today. We're focused on making investments today in some of these new opportunities, to take advantages of opportunities that will appear over the coming years.

So, I think if we think about our results this year and we acknowledge that market volumes are a driver, but I think as a Board we're very pleased when we look underneath and we see that we have new businesses and initiatives prior, that are driving this growth. Be that in electricity futures or in the data, or the continued success of the ALC. So, I'm confident that we have the people and are hiring and building to take advantage of these opportunities.

Helen Lofthouse: Thank you. I think the one thing I would add, Peter, is that it's very important that we really listen to our customers and what they want from us. In many cases a number of the business opportunities you've referred to are things that are very much customer led. So, they are people asking us to expand the services we offer into other things that we have some good capabilities to deliver.

So, for example, harnessing some of the data, the very rich data that we have, into data products to address some of those needs, is a great example of that. I think really listening to our customers and continuing to respond to the kind of things that they're asking us for, where they're appropriate to our core business, is exactly the sort of thing that we'll continue to do.

Peter Gregory: (Australian Shareholders' Association, Shareholder) My second question is about technology. Firstly, about responsibility for technology and I note that the Chief Information Officer also has executive responsibility for the technology and data business and that the Group Executive Securities and Payments has overall responsibility for the CHES replacement program.

Given the importance of technology for ASX, why isn't there an executive whose sole focus and accountability is on ASX technology management? Also, related question, we're very pleased to see the creation of the Board's technology committee, but can I check the reference to the Chief Technology Officer being a member. Who is the CTO and how does this person fit in the organisation?

Damian Roche: Sure, thanks for that question, Peter. So, David Campbell is ASX's Chief Technology Officer and he's a member of Board's technology sub-committee. He sits under Dan Chesterman, who is the Group Executive of Technology and Data and the Chief Information Officer as well. So, Dan Chesterman has a large portfolio of responsibilities that he looks after and he's thinking about our data centre and connectivity businesses, our market analytics businesses, our distributed ledger technology and solutions. He's also the accountable executive for our core technology infrastructure, engineering and testing. So that's the role of Dan Chesterman.

As we've previously disclosed, Tim Hogben runs securities and payment and is responsible for the CHES delivery program, but he works very closely with Dan Chesterman and all his colleagues on the management team, to ensure the delivery of CHES and all the other projects that are part of Tim's world.

Have a question?

Philip Galvin: (Shareholder) My name is Philip Galvin and I'd like to actually just cover a slightly more generic background question. The annual report basically has a description in it of a relatively benign external environment, that sort of allows the self-sustaining business model, diversified business model you've got to really run, you might say, un-shepherded but it's got some momentum of its own. I'd like to just throw in a couple of colourful elements to that and get your response.

Last two years we've had COVID lockdowns, which basically mangled supply chains globally. Western governments tipped about US\$20 trillion into it, mostly financed through central banks quantitative easing. We then had Russian sanctions which has potentially mangled energy supply globally and also affected fertiliser, if you like, production and distribution around the world. You've then now got severe drought in the northern hemisphere, which has affected both energy, electricity, gas production and food production.

So that's all led us to 1970 style inflation in every western country. We've had every central bank in the western world basically try and follow the Fed's interest rate increases, which has collapsed their currency. You might know the Australian dollar is sort of banging around 64 cents at the moment. Same thing has happened to the euro, sterling, you name it and they're now caught between a rock and a hard place between using interest rates to quell inflation, support the currency, but they're so indebted they don't really have that availability.

So, to me that doesn't describe a benign environment and I was just wondering what your three-year plans are, with regards to running the business in the context of there might be some very significant disruptions actually happening not only right now, but over the next three to five years.

Damian Roche: Thanks, Phil, and thanks for travelling from Adelaide to be with us today. I think you touched on a lot of really important topics that we spend a lot of time thinking about at Board level. One of the focuses of the Board is to think about long term sustainable value and a key part of that is building a resilient ASX. ASX's held, rightly, to increasingly the highest regulatory standards, to deliver efficient, reliable, scalable systems. So, our focus is to be investing in technology, investing in people, to make sure we meet those needs.

At the same time, we want to be investing in businesses to grow our diversified portfolio of businesses. I think over the last three years we've had increasing revenues and profits and dividends, but that is part of that broader investment of opportunities within our core and adjacent businesses. So, I think our focus needs to be thinking forward of investments we can make, but also focusing on our role as critical financial market infrastructure and making sure we are investing in the resilience and higher standards.

Philip Galvin: (Shareholder) So my understanding from what you're saying, is that the current economic and financial turmoil that all western countries are going through, don't seem to be impacting your thinking. You can actually invest and do some internal stuff that will quarantine you from any of the consequences of what's going on at the moment.

Damian Roche: I think all companies are subject to externalities and we are no different. But what we need to focus on is thinking about those externalities and managing the risk and making sure we're making the right investments, both for those risks and thinking into the future.

Philip Galvin: (Shareholder) Have you got any particular examples, as to how you sort of, given you've actually had quite in depth and breadth conversations around the Board about what's going on currently? Have you got any, one or two things that specifically are orientating you towards addressing any of those externalities?

Damian Roche: Well, I think I'll talk to a couple and perhaps Helen will as well. But I think investing in the resilience of our infrastructure is a critical focus. Investing in our people, to make sure that we have the skills available to respond to the challenges ahead. I think they're the two most important. But also having a conversation to think about these risks and as a Board challenge management to make sure management is thinking about these risks, that we have the right responses. Those responses are resourced and appropriately managed and governed. Helen, I'm not sure if you'd like to?

Helen Lofthouse. Yes. I guess the one comment I'd add and certainly there's considerable uncertainty in the environment for sure and I guess I would emphasise the crucial importance of financial markets and really robust financial market infrastructure in that environment, because actually what we do matters and the services that we offer, matter to people. In this kind of environment, they're absolutely crucial to help people manage their risks as well. So, I think making sure that we are there and robust and working well and effectively, so that we can service our customers through this kind of period, is crucial for us.

Philip Galvin: (Shareholder) That's the internal side, what I was also thinking about was, from a customer perspective, I think you'd expect significant financial stress to start going through your customer base. I'm just wondering how tolerant they're going to be of providing you with additional revenue over the next three years, as their own internal investments collapse and they start actually trying to cut costs in their own businesses. Which we have seen before, by the way.

Damian Roche: No, and I think we obviously put a lot of focus on our clearing risk, thinking about our customers and participants, thinking about procyclicality. So as a Board and working with our Chief Risk Officer, Hamish Treleaven, that is a key area of focus. As Helen said, thinking about our customers is a priority, not just for Helen but for myself and the Board and that's thinking about products that we can deliver to them to provide solutions. But making sure that we're being flexible and listening to their needs as well. That's an important - and Hamish will be here afterwards, if you'd like to follow up in more detail on that one. Thanks, Phil. If there are no more questions. Phil?

Philip Galvin: (Shareholder) I've got a couple, but I was going to sit down just in case somebody wanted to pop up.

Damian Roche: No problems.

Philip Galvin: (Shareholder) Futures contracts, three and 10 years. I've noticed that they've come back a little bit, predominantly though they seem to be a bit unmanaged. You've got the coupon on these two that are still at 6%, which is where I put them back in 2001. Coupon rates are actually quite important when they actually come to the amount of

volume through those individual futures contracts. The details of two of the most important that you've actually got running through the old FSE framework, doesn't seem to have actually been terribly well managed.

I think your five and 20-year contracts, I don't think they're going to succeed. They don't have liquidity; they don't have open interest and I think they've cannibalised your threes and 10s. So, my personal view would be, I'd kill them and drop your coupon rate on your threes and 10s and try and generate a bit more business through your futures market. Thank you.

Damian Roche: Thanks Phil, we appreciate the feedback. I believe our futures business is very well managed and very well governed and as I've said, we spend a lot of time thinking about that. But we're happy to talk to the detail around those coupon rates. Actually, Helen.

Helen Lofthouse. Yes. No, look, I really appreciate your comments and Philip you obviously bring lots of expertise and background on this. I guess I would say just to comment on one of the ways that we go about managing that market is obviously talking to a range of customers and making sure we get their input on the priorities and what they're wanting to do. So specifically on the coupon point, overall, the balance of view from our customers has been that that's not a priority for them at the moment.

There are some who absolutely raise it, but others for whom that changing the coupon hasn't been a priority, so that's been the balance of customer feedback. But we're absolutely continuing to engage with the customer base and make sure that we get their feedback, both on the newer contracts and on where coupons are and all of the other parameters around the futures contracts as well and we'll continue to do that.

Philip Galvin: (Shareholder) Just bearing in mind that with the lower coupon, they've actually got to use more futures to hedge a particular nominal exposure. So, I'm not surprised that half of them don't want to change, because it actually means they have reduced volume they've got to transact. You drop the coupon; you increase your revenue.

Helen Lofthouse: Thank you.

Damian Roche: Thanks, Phil.

Philip Galvin: (Shareholder) Can I just ask about the level of turnover referred to in the annual report? It shows 19% voluntary turnover during FY22, which is about one in five people choosing to leave the ASX. Given that turnover is often an indicator of some underlying problems, can you please talk to us about why it was so high during the last year?

Damian Roche: Sure. I think with many sorts of technology related organisations, we do face tight labour market conditions and post a period of extremely significant stability across the whole company, we did experience some increased turnover last year. But we're very focused on making sure that we are attracting the best people, Helen's talked about the investments we are making in people, ensuring that we've got the right culture, the right opportunity and the right people to take advantage of the challenges ahead. I'm very confident we do.

Philip Galvin: (Shareholder) Okay. I've got another one. Exchange traded bonds. A while ago the ASX became the only platform that you could actually, from a retail perspective, buy an Australian government bond. Okay. The AFMA website will direct you to the ASX. Now, because of what I raised earlier; we're probably going to have \$1 trillion worth of Australian Government stock on issue. It's all nicely listed on the ASX, it's just the liquidity just seems to be dreadful. Your market makers are only \$1 million either side and the spreads are anywhere from 50 points to 80 points.

It's a market that doesn't seem to be doing very well, but it's the only game in town if you're a retail investor in government bonds. I'm wondering what you're doing to actually try and increase and create some value out of what is a very, very large and deep market, on behalf of retail holders.

Damian Roche: Thanks, Phil. I'll ask Helen to address that for you.

Helen Loffhouse: Sure. Look, we are really pleased to be able to offer the Australian Government bond, trading on the ASX market. We actually believe that fixed income assets are a really important asset that's sometimes underrepresented in Australian's investment portfolio. So couldn't agree more that it's a focus area and I think it's an opportunity for both ASX and Australian investors to expand that.

We do continue to engage with the government on this topic as well, because we would like to see the recommendations from the last parliamentary enquiry into the retail bond market be implemented. I think that that will really help to improve access to the fixed income market for retail investors and to give them a broader range of investment opportunities across fixed income.

The government bonds are traded on the exchange, we do provide market making support there. Not directly, there market makers providing support for that and look, we work with them to try and agree the right parameters. I would note that liquidity in the wholesale bond market has been quite challenged recently and those parameters are adjusted to reflect some of those challenges in the wholesale bond market, which is kind of the market makers source of that liquidity. We do actively work on that and get customer feedback to try and make sure that we're getting that in the right place, but certainly, fixed income, broadly, continues to be an area of focus for us, and I think an area where we'd certainly like to see some expansion of the opportunities for investors and the role that we can play in that, as well.

Damian Roche: Have you got another question, Phil? Please.

Philip Galvin: Just on expenses, I notice they still continue to go up. I had this conversation with Dominic, back in 2018, where he said that the increase in expenses was a one-off. I said, in business, there's always a one-off, and they continue have gone up.

Just for shareholders, I don't know whether you've noticed, but since 2018 the expense base has gone up \$100 million, and I'm wondering, and I don't see too much other than the generic discussion about technology investment as to what you're doing to drive productivity to actually bring those expenses under control. Because you've even actually recognised that you've actually now got some underlying cost pressures, but I don't see too many initiatives that are actually going to bring them under control. If they were going to be 10% increases, why they wouldn't be brought down to, say, somewhere less than 5%. Thank you.

Damian Roche: Thanks, Phil. I think both Helen and I talked about expenses. I think there's a few things there. As you mentioned, there are inflationary pressures in the market and ASX is not immune from those, particularly as we think about technology, risk and compliance resources, which are a critical part. We've also seen expenses increasing from a move from capitalised expenses forming part of OpEx, with relation to some of our software.

I think an important point that we need to consider is, ASX has been investing in its business for growth over the last several years, and many of those initiatives are helping drive revenue and build a diversified revenue stream to help navigate various variable market conditions.

I'd also note that ASX, as we've talked about many times, plays a really important role in Australia's financial markets. As Helen says, what we do, matters, and we are held to the highest standard. On behalf of shareholders, us continuing to invest, to meet that higher standard, we believe is critical, very important, and adds value. I think it's investments in new opportunities, which Helen's outlined, and investments in our licences and maintaining that high standard. That's something that we believe is very valuable, and important from shareholders.

We do consider costs when we sit at the Board table. Expense management is important, but we also want to think about expense management, long-term sustainability, revenue growth, and investing in maintaining standards.

Are there any more questions in the room? Thank you. Oh, sorry, Phil?

Philip Galvin: Last one. Just regarding CHESSE. This is a bit provocative. If I said to you that you could have a CHESSE replacement within two years, for \$50 million, would you stop what you're currently doing?

Damian Roche: I think that's a hypothetical question, Phil. We've talked about continuing to ensure that we're investing in the current CHESSE system. We need to continue the investment to deliver resilient and reliable current CHESSE, but as you well know, CHESSE is ageing, and we do need to replace it. We've been exploring paths to deliver contemporary technology, to think, over the long term, just like we did when – you would have been there – thinking about replacing the old CHESSE, and moving from leather satchels to technology, we need to think about long-term solutions to deliver value for Australia's financial market.

This is a critical piece of technology, but it's really important that we deliver this with certainty, with resilience, and that all stakeholders have confidence. That's what we've been doing, and that's why we engaged Accenture, so that we can have a clear path forward, to provide confidence to everyone.

Is that okay, Phil? Have we answered everything?

Philip Galvin: Oh. These are really just questions. I mean, I don't expect the Board to pivot, or management to pivot on any one or two questions. I think it's more just to set the scene for 2023, when we all get together.

Damian Roche: No worries and we look forward to talking with you more, afterwards. If there's no more questions in the room, we'll turn to questions online.

Matthew: Mr Chairman, the first question asks, did any of the five main proxy advisers recommend a vote against any of today's resolutions? Has there been a material proxy protest vote against any of today's resolutions? Why didn't you disclose the proxy position on your own platform, with the formal addresses, as several other companies now do? Will you disclose the proxy votes before the debate on today's resolutions, so shareholders can ask questions about the reasons, if there has been any protest votes?

Damian Roche: I think it's worth noting that proxy advice is for the benefit of shareholders and fund managers who pay for that advice. It is not something we control. So that would not be our job – or appropriate – for us to release proxy advice. I mentioned earlier, before the debate on each item, we will be disclosing the results of proxy advice, or shareholder votes, actually, before each item, so, we will be providing transparency with regards to each item, moving forward.

Matthew: The next question asks, what is the latest situation with the ISX litigation? Is it correct we've spent \$9 million on legal fees so far? What are our prospects of recovering these costs, and have we ever been sued before by an issuer objecting to being suspended? What lessons have we learned from the ISX saga? Should we have been stronger on prevention earlier? Were we ever tempted to fold, and let trading in the stock resume? What about the 10,000 retail shareholders who have lost everything? Have we been fair to them?

Damian Roche: That question, specifically with that company, is before the Court, so I'll actually hand to Daniel Moran to answer the specifics, but I think the one general comment is I think the market operator and a Board, the integrity of the market and the rules are something that's paramount, and we stand behind the rules, as the market operator, and that's something that we hold ourselves as very important.

The specifics of the matter before the Court, I'll ask Daniel if there's anything he can comment on.

Daniel Moran: Thanks, Damien. I won't comment in particular detail on current litigation. What I will say in response to the question is, it's not common for us to be involved in litigation with companies around our rule decisions. It does happen from time to time, and when it happens, as you'd expect, we take sensible steps to defend the decisions that we make.

In relation to the costs of litigation, as shareholders would expect, we're prudently insured in relation to those sorts of exposures. I think that's all I'd add to your comments, Damian.

Damian Roche: Thanks, Dan.

Matthew: The next question asks, last week you got some advice from the Toronto Stock Exchange. It suggested that distributed ledger technology would always be too slow for use in a stock exchange environment. Could you respond to this, please?

Damian Roche: I don't think it would be appropriate at this forum for me to comment on the business of the Toronto Stock Exchange. What I would say is, we continue to invest in the current CHES system, but as both Helen and I have said, it is ageing, it does need to be replaced. We believe that in multiparty work flows, distributed ledger technology offers innovative solutions.

I'd note that many other financial exchanges around the world are also exploring the application of distributed ledger technology in their stacks.

Matthew: The next question asks, given the unprecedented cost of living pressure in Australia, is it appropriate for ASX to charge higher fees for traders of electricity futures than for traditional cash futures? How do we justify having higher fees for different asset classes? Shouldn't all traders of futures pay the same price? Exactly how much revenue are we making from electricity futures trading?

Damian Roche: Thanks for the question. I might pass that one to you, Helen, around the specifics of the differentiation?

Helen Lofthouse: Yes, I'm happy to take that. We do apply different fees for different things, and often that reflects, when we set something up, we'll be talking to customers about what they actually need, what's the value provided, and we'll be pricing according to the value provided, the costs in setting up the service, and obviously, that's specific to different services that we set up. So, we wouldn't necessarily see pricing as one standard price across every single thing we do, as being the appropriate way to price our services.

Matthew: The next question asks, when will the dividend reinvestment plan be enabled? A lot of shareholders would like this to occur.

Damian Roche: Thank you for that question, Matt, and we note that there is a lot of interest from shareholders around our dividend. The Board reviews our dividend policy annually, and we appreciate that many shareholders would like us to re-institute the dividend reinvestment plan, but currently, it's not part of our plans. What we've done this year is maintained the same policy, and that's the consistent policy of paying out 90% of underlying earnings, fully franked, but we do review our policy regularly, and we will continue to do so.

Matthew: The next question asks, is ASX concerned about the increasing number of companies being taken over and delisting?

Damian Roche: Sure. I think we note that through business cycles we see periods where we have activity and a lot of activity with new companies coming to the market, and at other times, in a period we're experiencing now, there is not as much activity, but through time, and if we look at last year in particular, was an increase in the number of listed companies coming to the exchange. Also, over the last several years, we've seen the market cap increase from \$1.8 trillion to \$2.5 trillion listed on our exchange. So, through time, we'll see that move around.

The ASX also takes an active role in ensuring that the right companies list on our exchange, and from time to time, we do turn companies away, but we're passionate believers in the role of public markets, and as the ASX market operator, we have a really important role to help companies attract capital and provide transparency. We're doing that for Australian companies and we're also doing it for international companies.

Matthew: That concludes the online questions for the time being.

Damian Roche: Thank you. Matthew, I believe there was a question for our auditor received prior to the meeting, and if you could read that out now?

Matthew: The question asks of the auditor, with a good result, why didn't ASX write off part of the CHES project, given it has been delayed a number of times, and will have cost overruns? The new CEO now has to carry the burden of this project into her stewardship. Can the auditors confirm this project is not impaired and that the costs so far are a valid asset?

Voula Papageorgiou: Good morning, everyone. Thank you for the question. The Company performed an impairment assessment of the capitalised software balance as at 30 June, which includes the \$216 million related to CHES. We evaluated and assessed management's position in the context of the accounting standard requirements and determined that the carrying value of the capitalised software was appropriate, and that no impairment was identified, as at 30 June.

Damian Roche: Thanks, Voula.

Matthew: There's another follow-up question for the auditor, please. What has been the auditor's involvement in the CHES project, in the timing of various announcements about cost and time overruns? How much of the \$216 million spent so far has been capitalised, and how much has been expensed? If the ASX Board decided to walk away from the whole project, what sort of write-down would shareholders be facing?

Voula Papageorgiou: Thank you. There are elements of that question that I can answer, and then other elements that are perhaps more appropriate for the Company to answer. The \$216 million that's been disclosed in the accounts is the amount that's been capitalised in relation to the CHES costs to date.

We have not had a significant involvement in the CHES project to date. There have been a number of independent reviews that the Company has undertaken in relation to CHES, and from an independent's perspective, that's entirely appropriate that the external auditor hasn't been involved in those reviews to date.

Chairman, I might hand over to you, for the remaining.

Damian Roche: With regards to the other questions, the Board regularly reviews the governance investment with regards to CHES, and we are comfortable with where we're sitting now. I think we've talked at length about the programs of oversight and governance, moving forward, but I'd leave it at that, for the moment.

Matthew: There are no further questions at this stage, Mr Chair.

Damian Roche: Thank you, Matt.

Philip Galvin: Basically, a follow-up question to what you just answered. Presumably, the existing CHES system, all the developments are being written off, not being capitalised – first point. Secondly, if that's the case, then at, even \$200 million, when CHES goes live, depreciation will go up \$20 million a year. Okay, and that's going to go straight to shareholders. Any thoughts?

Damian Roche: Well, I think, Phil, when the system go live, yes, there will be depreciation of these capitalised expenses, and obviously, we'll be disclosing those and fully transparent with the market. We continue to invest in the current CHES system and to ensure its reliability, resilience and safety.

Philip Galvin: I say \$20 million in depreciation, is that's just – you've got seven years. I think that's the, if you like, depreciable life of every software asset, so, the moment that hits, whatever you're going to spend – it could be \$250

million, \$300 million, you're going to have a substantial reduction in your P&L associated with CHESSE going live, as it's currently set.

Damian Roche: Thank you. As we have no further questions on this item, we will now receive the financial report and auditor's report for the National Guarantee Fund for the 2022 financial year. The Securities Exchange Guarantee Corporation, or SEGC, is the body responsible for administering the National Guarantee Fund. The Corporations Act requires the SEGC to have a copy of the audited financial statements of the Fund laid before the AGM of each member of the SEGC. ASX is one of the two current members of the SEGC. The statements have been published on our website and are also available through the online platform. There is no vote on this matter.

I will now take questions on the financial statements and auditor's report on the National Guarantee Fund. Are there any questions in the room on this matter? No?

Matthew, are there any questions online?

Matthew: No.

Damian Roche: So, I believe, no further questions on this matter, so I'll now move to the re-election and election of directors. ASX works hard to ensure it has the right mix of skills and experience around the Boardroom table. As I've expressed before, Board renewal and strengthening our technology, project management and public policy expertise are areas of priority. I wish to thank my Board colleagues for their contribution to ASX's solid performance in 2022. I believe they have served shareholders well.

I encourage you to support all four of our directors standing for re-election, or election today. Each has the unanimous support of their fellow directors.

The next item of business is the re-election of Melinda Conrad. Melinda Conrad retires by rotation at this meeting, and offers herself for re-election. The direct and proxy votes for this item, submitted prior to the meeting are shown on the screen behind me. As set out in the notice of meeting, I intend to vote all open proxies in favour of this item.

Melinda was appointed a director of ASX in August 2016. She's a member of the nomination committee, the remuneration committee, and the technology committee. Melinda has over 20 years' experience in business strategy and marketing, and brings skills and insights as an executive and director from a range of industries, including retail, financial services and healthcare. Further information about Melinda's skills and experience can be found in the notice of meeting, and the annual report.

The directors, with Melinda abstaining, unanimously support Melinda's re-election. I now invite Melinda to say a few words.

Melinda Conrad: Thank you, Chair, and good morning, ladies and gentlemen, fellow shareholders. Thank you for the opportunity to address our annual meeting. It's a privilege to serve as one of your directors, and to seek your approval today to continue as your representative.

I have been a non-executive director of ASX since August 2016, and currently serve as a member of the nomination and remuneration committees. My background and expertise, as set out in the notice of meeting and the annual report, focused on strategy, the customer experience, innovation and stakeholder engagement.

I am guided, as a director of our Company, by ASX's strategic pillars of being a resilient, trusted, innovative and customer-focused market operator. I'm immensely proud of the progress we have made in delivering this strategy, and I hope to have the opportunity to continue to see this strategy through. There is more work ahead, but a clear path and great determination, too.

As a director of our Company, the most important thing I can do is to help ensure we have the right leaders in the business at the right time. I am delighted with our appointment of Helen as the ASX CEO, and very confident that she will draw on her characteristic level head, high integrity and fierce intellect to successfully lead the ASX team in the next chapter of our Company. In fact, she is doing so impressively already.

I would also like to take this opportunity to thank all of our executives for their hard work and dedication. It is the daily commitment of all of our people to the importance of what we do that makes the ASX operate to high standards. I'm very optimistic about the future of our Company, and I have the time and capacity to continue to serve on your Board.

I currently serve on the listed Boards of the Stockland Group and Ampol Limited, and I am also a non-executive director of Penten, which is an Australian cybersecurity specialist, for the Defence industry. Collectively, these various involvements provide me with wide-ranging perspective of the many issues for a business today, and they enhance my ability to serve your Company.

I am dedicated to acting independently, understanding stakeholder priorities, and serving with the utmost transparency and integrity, and, like you, I am a shareholder of the ASX, and I'm well aware of the importance of delivering sustainable shareholder returns.

It would be an honour to serve, to continue to serve a director of ASX, and to uphold the integrity and stability which is important to this institution. I humbly ask for your support for another three years. Thank you.

Damian Roche: Thank you, Melinda. I will now take questions on this item of business. Are there any questions in the room?

Peter Gregory: (Australian Shareholders Association, Shareholder) Thank you for that address, Melinda. I'd like to make the observation that shareholders today are being asked to vote on four non-executive directors. That's – excluding the Chair – that's 50% of the non-executive directors.

When we review the information in the skills matrix and description in the notice of meeting, it doesn't give us a good understanding of which of the Board competencies and experiences each person who's standing for re-election can contribute to the Company. So, can I please ask you to describe which particular skills that you have are most relevant for the future of the Company, and how these will impact on you making a difference in the future? This will enable shareholders to make a more knowledgeable decision on your election to the Board.

Also, secondly, as a member of the technology committee, that committee requires that each member must have experience with information technology, or implementation of information technology systems. Could you please share with us, highlighting your exposure to cybersecurity, and also evolving blockchain technology, how you fit that requirement?

Melinda Conrad: Thank you, Peter. They're all important questions to be asking. I think, when Helen first set out her intention and priorities of running the business, she highlighted the importance of customer, culture, technology, risk and sustainability. In my view, with my experience, I can help provide a perspective that I see across the entire Australian economy, and with my other organisations, and ask certain questions that are relevant to the ASX on those five points.

From a technical perspective, while I'm not a subject matter expert, in my capacity as a director of other organisations, I've seen several company-wide tech implementations, and in addition to my role as a director of Penten, I'm exposed to the many complex and fast-moving challenges related to the cybersecurity industry. Thank you.

Damian Roche: Thank you. If there are no more questions in the room, Matthew, are there any questions in the room – on the online platform?

Matthew: There is this question for Melinda, and also for the CEO and the Chair, perhaps, too. In 2021/'22, ASX paid \$120,000 each to be a platinum member of the business forums and the networks for the Federal, Liberal and Labor parties. This disclosed and explained in the annual report, but is inappropriate, particularly given the incoming national anticorruption commission. Powerful corporates should not be making six-figure annual payments to political parties, buying access and influence. What does Melinda Conrad, and the new CEO think about the appropriateness of this?

Damian Roche: Do you want to answer first, Helen?

Helen Lofthouse: Sure. ASX has been a member of the business networks for both of the major parties for several years – well, for many years – and as you say, in financial year '22, we paid \$120,000 in membership fees to each. So, they're membership fees, rather than donations, and we do review those annually, and obviously take a bipartisan approach.

I think, overall, it's important to remember that the position that we, at ASX play in the Australian economy is a really important one. It's very important for us to engage with political and policy decisionmakers, to make sure that they are fully informed about the challenges and the opportunities that are specific to the areas that we operate in. We continue, at this stage, to think that that's an appropriate mechanism that helps us to do that effectively. Those payments have to be approved by the Board, the CEO and the Group General Counsel, and the Board does review our position each year.

Damian, Melinda, do you want to...?

Damian Roche: Melinda, is there anything you'd like to add?

Melinda Conrad: I would just say that stakeholder engagement is essential, especially the role we play in the Australian economy, and engaging with government and all parties is important, and the Board consider it every year, and we provide bipartisan support.

Damian Roche: I think I would concur. I think we've addressed the question.

Matthew: There are no further questions at this stage.

Damian Roche: Thank you. The next item of business is the re-election of Peter Nash. Peter Nash retires by rotation at this meeting, and offers himself for re-election.

The direct and proxy votes for this item, submitted prior to the meeting are now shown on the screen behind me. As set out in the notice of meeting, I intend to vote all open proxies in favour of this item.

Peter was appointed a director of ASX in June 2019. He's been Chair of the audit and risk committee since August 2021, having served on the committee since June 2020. He's also a member of the technology committee. Peter was formerly a senior partner with KPMG, until September 2017. He was admitted to the partnership in 1993. Further information about Peter's skills and experience can be found in the notice of meeting and the annual report.

The directors, with Peter abstaining, unanimously support Peter's re-election. I will now invite Peter to say a few words.

Peter Nash: Thank you, Chairman, and good morning fellow shareholders. ASX is a critically important component of Australia's financial markets infrastructure. It has been both a privilege and a significant responsibility to serve the Company as a director over the last three years.

Certainly, these three years have had their challenges. The advent of COVID resulted in disruptions to our staff, to aspects of our business, and, amongst other things, it's led to much higher economic and political volatility, all of which persist, in varying degrees, today. Throughout this period, ASX has performed well, with its operational performance remaining robust and resilient, whilst delivering solid financial outcomes for shareholders.

We also continued to modernise our core technology platforms. Whilst this has been mostly successful, there have been issues, and there remains significant work to do. Your Board has been focused on navigating ASX through this challenging landscape, and I believe I've been able to make a sound contribution to its deliberations.

During the last 12 months, as well as serving on the Board, I've taken on the role as Chair of the audit and risk committee. The particular skills I bring to the Board and to that committee include financial management and reporting, internal controls and risk management, regulatory compliance and regulator interaction and business management and strategy.

Whilst I'm not a technology expert, similar to Melinda, I've been involved over the years with many large-scale technology implementations, both in businesses that I've run and in businesses that have been clients. I've also encountered a lot of the new thinking around cyber-related issues, through my involvement in both ASX, but particularly in the banking sector, as well.

These skills have been developed a period of almost 40 years in a professional career that commenced with being an audit partner at KPMG, specialising in the financial services sector, as Chairman of KPMG in Australia and a member of its global Board, guiding business strategy investment, and as a director of Westpac and Chair of its audit committee, as well as director of other publicly listed companies.

Whilst my various roles do keep me busy, I have demonstrated, and remain confident that I have sufficient time, energy and interest to devote to ASX, and I firmly believe, in fact, that my other responsibilities contribute to my ability to be an effective director of ASX.

No doubt, the next three years ahead will provide further challenges and opportunities for ASX. The Company is positioned at the heart of Australia's financial markets, and we must be focused on strategies to both maintain and grow our pivotal role. I would like to continue to make my contribution in your interests.

Ladies and gentlemen, thank you for the opportunity to address you today. I will continue to be a committed and dedicated director, and it would be an honour to have your support for another term.

Damian Roche: Thank you, Peter. I will now take questions on this item of business.

Peter Gregory: (Australian Shareholders Association, Shareholder) Peter, thank you for that, and your comprehensive list of skills and contributions. From that, could you highlight to us the one or two things that are your major areas of contribution to ASX, in your role as a director? Also, in terms of your technical experience, can you share with us any specific details about your exposure with cyber and also with distributed ledger technology?

Peter Nash: Sure. I think, in terms of those skills, probably the most relevant ones are those that enable me to effectively discharge my responsibility of Chair of the audit and risk committee. Throughout my professional career, at the heart of that was financial management and financial reporting, considerable engagement in risk and risk management, as well as including the technology aspects of that, as well. They would probably be the core skills, whilst there's others that go to the heart of that role, as Chair of the risk committee.

On the technology front, on the broader side of technology, through engaging with many large financial institutions in my professional career, that often involved examination and understanding of where large-scale projects were at, how they were being treated, for financial reporting purposes, considerations of impairments and effectiveness of the systems, as well. That contributes to my capacity on the technology committee as well.

Blockchain itself is a relatively recent technology, so my principal engagement has been since becoming a director on the ASX, and seeking to inform myself and come to a better understanding of blockchain technology.

On the cyber front, that is a key issue across all of the companies I'm engaged in, and in particular those in the financial services sector, where it remains a significant risk, so there is significant engagement at the Board with various experts, from within and without – and from outside of those businesses, that have, I think, enhanced the knowledge of the Boards I've been operating on, including myself, and through that engagement over quite a number of years now, I feel well equipped to understand and assess where the ASX has progressed to, in terms of its cybersecurity.

Damian Roche: Thanks, Peter. If there are no more questions in the room, I'll turn to online.

Matthew: This question asks, when disclosing the outcome of voting on all resolutions today, including this re-election of Peter Nash, could you please advise the ASX, the market, how many shareholders voted for and against each item? Similar to what happens with a scheme of arrangement. This will provide a better gauge of retail shareholder sentiment on all resolutions, and was a disclosure initiative adopted by the likes of Metcash, Altium and Dexus, after their 2021 AGMs. Will Peter Nash support such a disclosure initiative?

Peter Nash: I would have thought so. I think that voting is there for everyone to see, and I don't have any issues or problems with being fully transparent about that.

Damian Roche: I think ASX welcomes feedback. We've talked about, in many instances, we're an organisation that's continually aiming to improve. We operate to the highest standards. We conduct reviews, we conduct independent assurance programs, and we welcome feedback. I think at last year's AGM we received some feedback on disclosing proxy – voting intentions before discussion, and we've implemented that. That particular piece of – that particular advice we'll take on board, and consider for next year.

Matthew: The next question on this item asks, why was there a 9.3% protest vote against Peter today? Was it CHES- or remuneration-related, and which of the proxy advisers delivered the against recommendation?

Peter Nash: We don't disclose shareholder voting intentions in these forums.

Matthew: There are no further questions.

Damian Roche: Thank you. The next item of business is the election of Dave Curran. Dave Curran was appointed a director of ASX by the Board in March 2022 and offers himself for election today.

The direct and proxy votes for this item submitted prior to the meeting are now shown on the screen. As set out in the notice of meeting, I intend to vote all open proxies in favour of this item.

Dave is Chair of the technology committee. He has over 30 years' corporate technology experience, leading digital transformation and implementing large projects across the Australian banking and financial services landscape. He was formerly Westpac Group's chief information officer and has previously held executive technology roles at the Commonwealth Bank of Australia. Further information about Dave's skills and experience can be found in the notice of meeting and annual report.

The directors, with Dave abstaining, unanimously support Dave's election. I now invite Dave to say a few words.

David Curran: Thank you, Chairman, and good morning, ladies and gentlemen. I'm grateful for the opportunity to address you this morning and to seek your support for election to the Board of ASX. By way of introduction, I retired from my executive career in 2019, after over 30 years in financial services, focused on mission-critical technology and transformation. Throughout my career I've always been drawn to challenges that are both critical and demanding. Strategic progress, in my opinion, is often defined by successfully navigating the challenges and opportunities that others might delay or avoid.

ASX plays a crucial role in the Australian economy and provides critical infrastructure upon which much of our financial markets depend. This infrastructure and the associated services that ASX provides have served our community well, and continue to deliver against today's market needs.

Like other developed economies, Australia faces increasing challenges and demands associated with globalisation, integration, technological advances and the democratisation of data. The advent of mobile and cloud-based technologies is transforming much of the world, and markets are required to adopt and lead in relation to these changes. This is very relevant for Australia, and for ASX too, as we continue to step up to ensure we serve our customers and the economy we underpin.

It would be a privilege to join the Board and represent you, our shareholders, as we face these challenges over the next three years.

As set out in the notice of meeting, my career has focused on the difficult but necessary initiatives that provide greater service and solutions to customers, staff and shareholders. If elected, I would bring skills to your Board developed in the following areas. The delivery of large scale and complex transformations, the delivery and stability of mission-critical operations, strategic thinking and insights related to the current digital revolution, the ever-increasing challenges of a cyber-threatened environment, the regulatory and risk management demands of financial services, and the leadership of large and dynamic teams.

I believe these skills are of value to ASX and its Board as we address the needs and opportunities of tomorrow, by delivering on the services of today. Ladies and gentlemen, I am committed to acting with transparency and integrity, and will bring energy and experience to the role. It would be an honour to have your support as a director of this vital institution. Thank you.

Damian Roche: Thank you, David. I will now take questions on this item of business.

Peter Gregory: (Australian Shareholders Association, Shareholder) Thank you, David. A similar question to the ones I've asked of other directors. Can you please just really encapsulate the critical skills and competencies that you bring to the Board, and to the future of ASX?

Secondly, given the critical role that you have in the organisation of Chair of the technology committee and the evolving nature of cyber risk and evolving nature of the new technology of blockchain, can you give a little bit more specific colour to your experiences in those areas, and how you will contribute?

David Curran: Certainly. Thank you. I think in relation to the first question, I've been involved in numerous large-scale programs in Australia, but probably the one that's probably best known is I led the core banking modernisation program at CBA, which, at the time, and I think still largely is one of the largest financial services technologically based transformation programs, so I have a lot of experience in that, over recent years.

To your questions on cyber and blockchain, cyber, as mentioned, I was the CIO at Westpac, but before that I was the CIO of CBA's retail division. At the smaller end, I've been CIO of smaller institutions, like AMP Bank, which puts you at the forefront of what's happening in cyber, including when the APT, advanced persistent threat, came into play, in the last 10 years, so, a lot of experience in the cyber environment around that. I'm currently on the Board of Quintessence Labs, which is one of Australia's leading companies developing solutions in the cyber world, and particularly in relation to quantum computing, so a fair bit of experience in those areas there.

In relation to blockchain, have been working with blockchain initiatives now for about six or seven years. They're obviously within the domain of banks that I can't talk about, because that's their business to talk about, but have been working in and around those and working with other Silicon Valley and Israeli-based companies in the blockchain area now for about six or seven years.

Damian Roche: If there no more questions in the auditorium, Matthew, are there any questions online?

Matthew: Yes, a question for David and for the Chair. Could David Curran please comment on why ASX insists on having its AGM so early in the cycle, making it one of the only companies that releases its full year results after the deadline for Board nominations close? It's standard governance that investors be informed about the performance of an entity before closing off Board nominations. The full year results were released on 18 August, but the deadline for Board nominations was 2 August. Will David agree to either a later AGM date or earlier release of results next year?

Damian Roche: I might take that question on David's behalf. As we've disclosed, we welcome feedback on improvements to our AGM process on how we can engage with shareholders in a more timely and a more beneficial manner. So, any way that we can think about making that easier or better, we'll look into, and we'll come back to you.

Thank you, Matt.

Matthew: There are no further questions.

Damian Roche: Thank you. The next item of business is the election of Dr Heather Smith. Heather was appointed a director of ASX by the Board in June 2022, and offers herself for election today.

The direct and proxy votes for this item submitted prior to the meeting are now shown on the screen. As set out in the notice of meeting, I intend to vote all open proxies in favour of this item.

Heather has extensive experience in public policy, innovation, national security and economic reform, and a deep knowledge of government and the public sector. Heather's two decades working at senior levels in the Australian public service culminated in being Secretary of the Department of Industry, Innovation and Science between 2017 and 2020, and before that, Secretary of the Department of Communications and Arts, from 2016 to 2017. Further information about Heather's skills and experience can be found in the notice of meeting, and our annual report.

The directors, with Heather abstaining, unanimously support Heather's election. I now invite Heather to say a few words.

Heather Smith: Thank you, Chairman. Good morning, ladies and gentlemen and fellow ASX shareholders. Thank you for the opportunity to speak with you today, regarding my nomination for election as a non-executive director to the Board of ASX.

As has been highlighted today, ASX is an institution of national significance, a critical part of the infrastructure that underpins the stability and functionality of Australia's financial ecosystem. As such, it is essential that it is well led, well governed and operates in ways that align with community expectations.

Clearly, ASX is in the midst of strategic transformation and renewal, technologically, culturally, and among its people. None of this is easy, in the best of times, but it is also occurring against a backdrop of global volatility, uncertainty and complexity. With complexity should come humility, transparency and the willingness to learn from setbacks and the courage and leadership to keep moving forward with purpose.

In the short time I have been on the Board, I have observed a team that is dedicated and committed to upholding the trust in, and high standards of ASX, and which has a clear-eyed focus on long term sustainability. I've also observed a team committed to an organisational culture that is diverse and open and respectful, and acts with integrity.

My background and experience are outlined in the annual report and notice of meeting. I have 20 years' – over 20 years' experience in government, including leading two departments of state, covering industry, innovation, science and communications. Before that, I served as Deputy Head of the Prime Minister in Cabinet, as Deputy Foreign Affairs and Trade, and also what is now the Office of National Intelligence. My early career was in the Reserve Bank and in the Australian Treasury.

I bring strategic foresight, extensive international experience, and knowledge of public policy in economic, foreign, strategic and national security to the ASX Board. I have deep experience as a member of public sector Boards. While the sector may differ, the challenges confronting public sector Boards are not dissimilar to those confronting private ones. Identifying risks and opportunities, moving adroitly to respond, better using technology to achieve goals, while always remaining cognisant of the need to retain regulatory and community licence.

I also bring a deep appreciation and experience of the transformative impact that technology can have in creating value, building resilience, and delivering efficiencies.

From my perspective, it would be a privilege to be a part of a Company that has innovation at its core, its core mindset, as well. I've been excited by what I've seen so far. I have the time and the capacity to fully commit to your Board, and I believe in the highest standards of governance, which are essential to retaining the trust and goodwill of customers, regulators and other stakeholders. I'm dedicated to acting independently, and to delivering sustainable value to you, our shareholders. It would be an honour to serve your interests for the next three years. Thank you.

Damian Roche: Thank you, Heather. I will now take questions on this item of business.

Peter Gregory: (Australian Shareholders' Association, Shareholder) Heather, thank you for that introduction. Could you just give shareholders just a very high statement of the skills and competency that you think will have the greatest contribution to driving the success of ASX in the future?

Heather Smith: Thank you, Peter. I think, I'd say two things. I think probably my track record in strategic foresight, in how technological change and economic disruption and that increasing regulatory focus really interact, is something that – that interdependence is something that I have seen and lived, and I think that's relevant to the success of ASX, going forward.

I think, secondly, as a former CEO of two departments, I've had that lived experience of how technology should be seen as a means to an end, and how it must have, as its endpoint, better outcomes for customers, but also for citizens, more generally, as the core objective. I've experienced this in my roles, through the rollout of the NBN, of having to really focus on more the pivot from not so much the technology, but to the customer experience.

I've seen it in advising governments on how the disruptive impact of technology, of digital platforms has led to much more focus on the social licence of technology. I've lived it as an accountable CEO of having a number of agencies, in particular science agencies that have required significant uplift in how they think about cyber awareness, and their capability.

I've also spent quite a lot of time advising government on emerging technologies, critical technologies, artificial intelligence, and quantum. I led the Prime Minister Turnbull's national innovation and science agenda statement of a few years ago, which was really about focusing on the importance of quantum in emerging technology.

All of that, I guess, is my way of saying that I understand the importance of balancing the enabling role of technology in delivering outcomes with the importance of social licence, with that importance also of the security aspect. I think, again, it's that interdependence of seeing that ecosystem that I think I can bring value to the Board, but also to the success of ASX, going forward.

Damian Roche: If there are no more questions in the room, we'll move to online.

Matthew: A couple of questions on this agenda item, Mr Chair, both for Heather and yourself. First of all, could Heather please comment on which of the existing ASX directors she knew, either personally or professionally, before she was invited to join the Board? What was the recruitment process? Was there an external head hunter involved? How many

candidates did the Chair meet? How many did the full Board interview? What did Heather think of the recruitment process?

Then the second question, again, for Heather, regulatory risk is ever present with ASX, given its privileged position. Could Heather please comment on her connections in Canberra and anything that she thinks might be useful in terms of discouraging the new government from undermining ASX's success?

Damian Roche: Heather, I'll take those questions, I think. With regard to the recruitment process, ASX engages in a robust recruitment process. I've talked to the importance of Board renewal. We talked to tenure and ensuring that we have got the right process in place to engage renewal, but then also to be thinking about the skills we need today, and the skills that we're going to need in the future.

We do engage with people to help us in this process, and we're very fortunate to attract really high quality individuals, and I think shareholders should feel confident today, having heard the depth of experience of not just Heather, but the other directors standing for election today, and the immense skills and experience, judgement and wisdom that they bring to the organisation.

I feel very confident in our processes, and as I've said to you, I remain committed to continuing that process of a renewal and thinking about the skills today, and the skills to the future. I don't think it would be appropriate, at the ASX forum, for Heather to be commenting on government activities in Canberra.

Matthew: There are no further questions.

Damian Roche: Thank you, Matt. The next item of business is to consider the remuneration report, which commences on page 46 of the 2022 annual report. The direct and proxy votes for this item submitted prior to the meeting are now shown on the screen.

As set out in the notice of meeting, I intend to vote all open proxies in favour of this item.

The remuneration report sets out the Board's assessment of management's 2022 performance against the objectives established at the start of the year. The resolutions on this item are advisory, however, we take shareholder feedback into consideration when formulating ASX's future remuneration policies.

A voting exclusion applies to this resolution, as set out in the notice of meeting.

As outlined in my earlier address, while the 2022 financial year contained its challenges for ASX, it was also a year of significant achievement, especially the Company's financial performance, which saw record revenue and statutory profit levels, driven in part by growth in new business initiatives. Overall, I am proud of what we have accomplished. Nevertheless, we acknowledge that some concern has been expressed about the reward received by our former managing director and CEO, in light of the delays to the CHES replacement project.

The CHES project is highly complex, and remains challenging. There is no question that the performance of this project did not meet our customers' expectations in 2022. We share the frustrations of our stakeholders. Hence, ASX is commissioning of an independent expert to review into aspects of the project.

Reflecting this, and as disclosed in the annual report, the Board used its discretion to materially reduce the former CEO's variable reward by 40%. Other senior executives accountable for the project had their rewards reduced by 10% and 20%. The Board believes this outcome appropriately balances the disappointing progress of the CHES project with ASX's strong performance in other key areas.

As the votes show, on the screen behind me, we believe a strike will be recorded against this item. That is, a vote against the remuneration report of at least 25%.

ASX has engaged extensively with shareholders and proxy advisers, leading up to the AGM. We appreciate the frankness of our conversations and acknowledge the concerns about the progress of CHES replacement project. While disappointed, we accept the outcome of today's vote, on the remuneration report. We understand why we have received this strike, what it means and what we must do. We commit to engaging closely with our shareholders on our remuneration structure. We will seek your feedback, take on board your input and regain your trust. I will now take questions on this item of business.

Peter Gregory: (Australian Shareholders Association, Shareholder) Thank you, Damian. Can I just preface my comments and questions with a statement that Australian Shareholders' Association members are long-term investors with the average length of holding of investments being about 11 years. Not with ASX but with just generally. Our members are very loyal to the companies such as ASX that they choose to support. Today, regretfully, we are voting our undirected proxies against the remuneration plan as it just does not meet the guidelines that we apply to all companies that we're involved in monitoring.

Firstly, if I can make a comment about the short-term incentive. From our perspective, it lacks the financial gateway. Many of the measures are not based on quantifiable performance metrics and there is no information provided on the weighting assigned to each measure. It appears that the implementation is largely discretionary. Following the conversation that we've had with you and Heather previously, are you able to share any future plans to provide greater accountability and transparency of the STI?

Damian Roche: Thanks, Peter and we do appreciate the ASA's role in conversations around remuneration and we appreciate an engaged conversation we have with you each year on this topic. We've discussed - we believe it is important that the Board does retain a degree of discretion over remuneration. I believe this year, the Board did use judgment to significantly reduce the STVR to the former CEO and we are very transparent with that process. We outline that in our remuneration report but - and as I said at the preface of this item, we are going to be engaging with shareholders on our remuneration structures going forward and listening and taking feedback.

Peter Gregory: (Australian Shareholders Association, Shareholder) Thank you. With the LTI. Long-term incentive, there are two measures, one of which is earnings per share. Given the long-term nature of our members as shareholders, earnings per share is critically important because it's what drives share price growth and it's also what funds dividend increases.

50% of the LTI has not been awarded, I understand, for over five years. With a minimum hurdle of 5.1% compound growth for earnings per share over four years, can you please comment on whether this non-award is because the hurdle is not appropriate or because the performance of the Company has not met Board expectations?

Damian Roche: Thanks, Peter. I think as I discussed with you in our meeting, we are going to review our LTI structure over the coming year and we'll be engaging with you and other shareholders and advisors on what is the right structure to balance the performance objectives to the Company and rewarding our staff appropriately. Phil?

Philip Galvin: (Shareholder) [Shareholders] I'd like to start just by putting a bit of context. The ASX has significant barriers to entry when it comes to competitors. You've got a long storied history. You provide an essential financial service to both the financial and the business community that's irreplaceable. You've got a profoundly strong network effect that makes it almost impossible for anyone to break in and you've got a regulatory environment that's very difficult and very expensive to replicate.

So in terms of anyone coming in and knocking on the door, you've got a very robust moat around the business. You can actually go back to Porter's Five Forces models from about 40 years ago. It explains it rather nicely. Now, within that context, I actually think your remuneration targets are too easy. When you actually have those sort of barriers to entry, the performance hurdles against the rest of the market should be quite high because you're not really competing against a standard commercial organisation, you actually enjoy a very privileged position.

So I've got a couple of things on that. First of all, what goes into your EPS calculations should be a function of management performance which means the interest that you earn on participants' balance that you actually collect as margin, should not be included in your calculation. It has absolutely nothing to do with the Company. Point number one.

Now, consistent with, if you like, your barriers to entry, I would suggest that your 100% performance criteria for your total shareholder returns rises from 76% to 95%. That would be a market setting benchmarks so you're not puddling around just above the middle, you are the standard and you actually have a business that's very, very hard to assail. Which means that all the performance is essentially internal, which means you should actually have an elevated rate that you've got to meet.

Regarding the 5.1, even though it hasn't been triggered, I would suggest that if it ever was triggered, it only gives you 25. These barriers to entry are so profound that you should be able to out-perform and certainly what we've heard today with the amount of our money you're spending, if you can't out-perform with the level of investment that you're proposing and what you're proposing to invest it in, then we have a problem.

The other thing I would say is that I think the short-term and long-term should be applicable not only to the CEO but to your Executive Group which means that these performance benchmarks, they become more transparent as to who your key Executives - as to why your key Executives are getting the remuneration associated with performance. So I think you need to expand that group. I don't know how many are in it at the moment but there's the CEO. I'd expand it out to the way in which you've described your key Executives, probably five or six.

Damian Roche: Thank you for your feedback. As I said, we are going to review the LTI structure and some of the things that you've mentioned there, we have already started discussing and we'll take - I've taken note of your feedback and as we engage with shareholders, that can form part of our discussion and thinking around designing the new structure. So thank you.

Philip Galvin: (Shareholder) Okay, so I'll move on to point number two, which is you've just mentioned you've actually clawed back some of the performance-based compensation. This is going to get a little bit personal. I was writing to Dominic back in 2019, advising that he actually had a profound problem with both the timeframe and the cost of CHES.

So even from an external perspective, this problem has been a long time coming. I would recommend that you actually undertake clawback reviews of all the people who have received CHES component remuneration back to 2019. I don't consider that there's been any element of CHES that has performed either remotely consistent with anyone getting any performance bonuses. So I would recommend a clawback review back to 2019 of all the appropriate people, whether they're here or not. So yes, that's my brick bat. Thank you.

Damian Roche: Look, Phil, we appreciate your feedback and we appreciate you sharing your concerns and thoughts. We do conduct robust remuneration committees and we do consider these various factors in all our conversations so thank you for your feedback. Matthew? If we can move to online questions?

Matthew: Yes, this question asks what triggered the 30% protest vote and the first strike? Was it only the former CEO's bonuses after the challenges with CHES? Is this the first time ASX has suffered a strike and what changes will you make as a result of this? Which proxy advisors, not shareholders, recommended against? The ASA is public with its against recommendations and other proxy advisors don't mind their positions being made public at AGMs.

Damian Roche: It is not our position to release publicly the results of particular decisions made by individual shareholders. We won't be doing that. Nor is it our responsibility to release proxy advice that's actually provided for shareholders. Yes, that is the first time we have received a strike. Are there any more questions, Matthew?

Matthew: There are no further questions.

Damian Roche: Thank you. The next item relates to the proposed grant of performance rights to Helen Lofthouse, ASX's Managing Director and CEO. Details regarding the proposed grant are set out in the notice of meeting. The direct and proxy votes for this item submitted prior to the meeting are now shown on the screen. As set out in the notice of meeting, I intend to vote all open proxies in favour of this item.

While there is no listing rule requirement to obtain shareholder approval of the proposed grant to Helen, we believe it is good practice to do so. The performance conditions that apply to the proposed grant are the same as last year. The performance criteria are demanding. They require that ASX must achieve at least 5.1% annual compound earnings growth per share or a total shareholder return at the 51st percentile of its peer group before any shares are allocated.

A voting exclusion applies to this resolution as set out in the notice of meeting. I will now take questions on this item of business. If there are no questions in the auditorium, Matthew, do we have any questions online?

Matthew: More a comment, Mr Chair, from a shareholder who has asked a number of the earlier questions. The shareholder says, given the interesting discussions today, including on this LTI grant, could the Chair undertake to repeat his excellent initiative after last year's AGM by publishing a full transcript of today's discussion on the ASX website along with a full archive of the well-produced webcast?

Thanks also for asking all submitted online questions today. This is best practice and something not all companies do. I was also impressed with Helen's performance at her first earnings call and support this LTI grant.

Damian Roche: Thank you for those comments and likewise, we're delighted that we have Helen in the seat. With regard to the transcript, we will be releasing that after the results of this AGM and we do release the archive of this recording is on our website.

Matthew: There are no further questions.

Damian Roche: Thanks, Matt. The next item of business relates to a proposal to increase the cap on aggregate Non-Executive Director remuneration. The direct and proxy votes for this item submitted prior to the meeting are now shown on the screen behind me. As set out in the notice of meeting, I intend to vote all open proxies in favour of this item.

Under the ASX listing rules, the total aggregate remuneration that may be paid to Non-Executive Directors must not be increased without the approval of the shareholders of ASX. The current limit for total aggregate remuneration for Non-Executive Directors was approved by shareholders at ASX's 2017 AGM. Today's proposal is the first request to increase the fee cap in five years.

The ASX Board is asking shareholders for approval to increase the total aggregate remuneration that may be paid to Non-Executive Directors by \$500,000 from \$3 million to \$3.5 million but please let me emphasise the ASX Board will not be increasing individual Non-Executive Director fees in FY23.

The key reason for requesting the proposed increase is to give ASX flexibility if necessary to increase the number of Directors to achieve the right mix of skills and experience on the Board and to maintain sufficient fee buffer for succession planning.

A voting exclusion applies to this resolution as set out in the notice of meeting. I will now take questions on this item. If there are no questions in the room, I will take questions from online?

Matthew: Question asks, what is the actual plan in terms of increases in Board fees if this resolution is approved and when was the last increase? Given that the CEO's STI - the former CEO's STI was cut by 30% - 40% in fact, due to CHES issues, why is the Board asking for a pay increase at this time? Shouldn't the Directors most deeply involved in the CHES process also have their pay clipped? Who on the Board has been held accountable for CHES?

Damian Roche: So I think as I said in my introduction to this item, I want to be very clear. We are not increasing any individual director fees and don't have any plans to do that at present. This is to allow us to make sure that we have the right buffer to allow orderly succession planning and make sure we're thinking about the right mix of skills and experience on the Board.

Matthew: There are no further questions.

Damian Roche: Thank you, Matt. That concludes the formal items of business of this meeting. Before I open up to final questions, a reminder to shareholders and proxy holders in the room to complete the voting instructions on the back of the yellow voting card. Yellow voting cards will be collected shortly by representatives of the share registry.

Shareholders and proxy holders attending online will now have five minutes to submit their votes via the online platform. The polls will then close. A countdown timer will appear at the top of the screen in the online platform. Please complete your voting and remember to press submit before you disconnect from the meeting. Following general questions, I will declare the polls closed.

Is there any other business to be brought before the meeting or questions to be asked of Directors?

Matthew: There are some final online questions, Mr Chair.

Matthew: First of all, a question for Ken Henry as he departs the Board. Could Ken please comment on his personal reflections about the CHES project? We've spent \$216 million and still have some uncertainty about when it will be available and its scalability and suitability. As a long serving Director, what has been the Board's journey in terms of overseeing the project and being accountable for the time and for the cost? Who on the Board has been accountable and the Chair may also wish to comment.

Damian Roche: I'll let Ken comment but I think – once again – I'd like to thank Ken for his distinguished service, not just to ASX but Australia more broadly. I think I also want to acknowledge that all Directors of ASX share the disappointment of our stakeholders and shareholders with the delay in CHES.

The Board conducts robust governance of the CHES program. We have an independent assurance program of the governance of CHES conducted by EY and we also engage a multitude of global and international experts into various programs to ensure that we're getting the right insight and governance of this program.

As I've said many times, this is a highly complex project and we've engaged Accenture to help frame how we think about a safe and effective delivery of this technology moving forward. Ken?

Ken Henry: Well, my personal reflections are very similar to yours, Mr Chairman. I have nothing further to add.

Matthew: The next online question relates to climate and ESG sustainability matters. This is an amalgam of questions from a number of shareholders. Climate change is a major risk for all investors. What action is ASX taking to protect Australia from its impacts? Will ASX investigate companies not complying with international agreements on climate or ban fossil fuel companies from listing?

Damian Roche: Thank you and that's an important question. I actually think Helen outlined that quite articulately in her address and I might just cover off at a high level. As a market operator, we believe we have a really important role in helping companies manage climate and sustainability risks, but as Helen said, we want to lead by example, and we've committed to use renewable energy for 100% of our needs by the end of FY23. We've committed to net zero of Scope 1 and 2 emissions by the end of FY25.

We also play an important role working with Corporate Governance Council to help raise awareness of this issue and help companies think about disclosures. As a market operator, we make sure that listed companies are complying with their listing requirements and disclosure requirements.

But I also think we need to think of the opportunities that the decarbonisation challenges present for ASX. We talked about opportunities in electricity futures. We are working with the clean energy regulator on carbon futures. So I believe that we have an important role to help assist but there are also opportunities for us to grow.

Matthew: Another question on climate-related matters. Given the forecasts of blackouts next year, does ASX have a backup supply?

Damian Roche: Yes, that's an important question and understanding the critical role that we play, we absolutely do. So at our data centre in the Australian Liquidity Centre, we have three DRUPS or diesel rotatory uninterrupted power supplies and they're fed by dedicated high voltage mains lines.

In the event that there is a disruption to power, we have two 50,000 litre diesel fuel tanks on site. They will let us operate for up to seven days uninterrupted and should we need to refill those, we have arrangement in place to receive new diesel supplies in 24-hours. As a further step, as our critical role in the Banking and Finance Sector Group, we form part of the Government's Trusted Information Sharing Network that allows us to get priority access to diesel fuel. So we do have robust resilience plans in place for that particular issue.

Matthew: The next question relates to investor education. What does ASX do to ensure people of all ages and circumstances have the opportunity to get into the share market?

Damian Roche: Thank you. We are actively promoting the role of ASX in Australia's financial market and we believe that one of the important things we can do is democratise the ability for people to invest. So we have a lot of online educational tools. We provide many seminars. We conduct Company roadshows and support research into our listed companies. We believe that's a really important role and as technology evolves, we'll look at how we can expand that education program.

Matthew: The final question, Mr Chairman, could ASX rotate the holding of its AGM around the capital cities?

Damian Roche: We don't actually have any current plans to rotate our AGM. We actually think it's really beneficial to welcome you to our head office where we have this great auditorium and not only that, we can have all of our senior executives here to meet with you afterwards and answer questions. But it's a question we'll consider in the future, so thank you.

Matthew: There are no further questions.

Damian Roche: Thank you, Matt. Ladies and gentlemen, we are nearing the close of the AGM. For those joining online, please ensure that you have clicked the submit button on each of the resolutions. For shareholders and proxy holders who are in attendance in person, representatives for the share registry will now come to collect your yellow voting card.

If shareholders have additional questions that have not been addressed in today's meeting, please submit them to the email address shown on the screen behind me. Company.secretariat@asx.com.au. For questions relating to your shareholding, please contact the registry. The registry's contact details are also shown on the screen.

As mentioned earlier, the results of the AGM will be announced to the ASX as soon as the votes have been counted and verified. With that, I now formally declare the polls closed and the 2022 AGM of ASX Limited completed. Once again, thank you for participating in today's meeting and for your support of ASX. Thank you.

End of Transcript