

**ASX Limited**

Notice of Annual General Meeting 2023

10:00am on Thursday, 19 October 2023



**ASX**

# Message from the Chair

Dear fellow shareholder,

I am pleased to invite you to the 2023 Annual General Meeting (AGM) of ASX Limited (ASX). The meeting will be held on Thursday, 19 October 2023 starting at 10:00am (Sydney time).

At the meeting, Helen Lofthouse (ASX's Managing Director and CEO) and I will provide an overview of ASX's performance during the 2023 financial year. Additional information regarding ASX's performance is contained in the 2023 Annual Report, which can be viewed on ASX's website.

The items of business to be considered at the AGM are set out on the following pages, together with explanatory notes and the voting recommendations of the ASX Board (Board).

The AGM will be conducted as a hybrid meeting, with shareholders being able to attend and participate in the AGM through the following methods:

- **Live online:** by joining the online platform at: <https://meetings.linkgroup.com/ASX23>; or
- **In person:** in the ASX Auditorium, Lower Ground Floor, Exchange Square, 18 Bridge Street Sydney, NSW

Further information on how you can participate in the AGM (including how to register, vote and ask questions) is set out on the following pages and in the Virtual Meeting Online Guide available at: [www.asx.com.au/agm](http://www.asx.com.au/agm).

This year, a number of directors are standing for election or re-election, including myself. The elections of Vicki Carter and Luke Randell and my re-election are unanimously supported by the Board (with each candidate abstaining from making a recommendation on their own election or re-election).

Vicki and Luke are seeking election for the first time, having been appointed as non-executive directors by the Board since last year's AGM.

I am standing for re-election at this meeting under the director rotation rules having last been elected by shareholders at the 2020 AGM. This will be the last time I intend to offer myself for re-election in accordance with ASX's tenure guidelines. If re-elected, I am committed to ensuring a smooth and successful transition to a new Chair during my last term.

More details for these directors and the reasons for the Board supporting their election are set out in the explanatory notes for Items 5(a), (b) and (c).

There is an additional candidate, Mr Philip Galvin, who has nominated himself for election as a director. The Board has considered the nomination and has recommended that shareholders vote against the appointment of Mr Galvin for the reasons set out in the explanatory notes for Item 6.

I look forward to welcoming you to ASX's 2023 AGM.

Yours sincerely,



**Damian Roche**  
Chair of ASX Limited

15 September 2023

# Notice of Annual General Meeting 2023

ASX Limited (ASX or the Company) will hold its Annual General Meeting (AGM) at 10:00am (Sydney time) on Thursday, 19 October 2023 for the purposes of transacting the business set out in this Notice. Shareholders and proxyholders may attend the meeting in the ASX Auditorium, Lower Ground Floor, Exchange Square, 18 Bridge Street, Sydney, NSW or online at <https://meetings.linkgroup.com/ASX23>. In-person and online registrations for the AGM will commence at 9:30am (Sydney time). The voting and participation information and the explanatory notes form part of this Notice.

## Items of Business

### 1. ASX Financial Report

To receive the Financial Statements, Directors' Report and Auditor's Report for ASX and its controlled entities for the year ended 30 June 2023.

Note: There is no requirement for shareholders to approve these reports.

### 2. Securities Exchange Guarantee Corporation Limited – Financial Report for National Guarantee Fund

To receive the Financial Statements and Auditor's Report for the National Guarantee Fund for the year ended 30 June 2023.

Note: There is no requirement for shareholders to approve these reports.

### 3. Adoption of Remuneration Report

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

That the Remuneration Report for the year ended 30 June 2023 be adopted.

Note: The vote on this resolution is advisory only and does not bind the Company or the directors. The directors will consider the outcome of the vote and comments made by shareholders on the Remuneration Report at the meeting when reviewing the Company's remuneration policies. The non-executive directors (which excludes the Managing Director and CEO), unanimously recommend that you vote in favour of this Item.

### 4. Grant of Performance Rights to the Managing Director and CEO

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

That approval be given for all purposes including ASX Listing Rule 10.14, for the grant of performance rights to the Managing Director and CEO, Helen Lofthouse, on the terms described in the explanatory notes.

Note: The non-executive directors (which excludes Ms Helen Lofthouse), unanimously recommend that you vote in favour of this Item.

### 5. Election and Re-election of Directors Supported by the Board

To consider, and if appropriate, pass the following as separate ordinary resolutions:

- That Damian Roche, who retires by rotation and being eligible, is re-elected as a director of ASX.
- That Vicki Carter, who having been appointed a director of ASX on 2 February 2023 in accordance with the ASX Constitution and being eligible, is elected as a director of ASX.
- That Luke Randell, who having been appointed a director of ASX on 3 April 2023 in accordance with the ASX Constitution and being eligible, is elected as a director of ASX.

Note: Each resolution will be voted on separately. The directors unanimously support the re-election of Mr Damian Roche and the election of Ms Vicki Carter and Mr Luke Randell (with each candidate abstaining from recommending their own election or re-election).

### 6. Non-Board Endorsed Candidate

To consider, and if appropriate, pass the following ordinary resolution:

That Philip Galvin, who has nominated himself for election under the ASX Constitution, and being eligible, is elected as a director of ASX.

Note: The directors unanimously recommend against the election of Mr Philip Galvin.

### 7. Spill Resolution – Conditional Resolution

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

That, subject to and conditional on at least 25% of the votes validly cast on Item 3 (Adoption of Remuneration Report) being cast against the adoption of the Remuneration Report for the year ended 30 June 2023:

- a general meeting of the Company (Spill Meeting) be held within 90 days after the passing of this resolution;
- all of the directors of the Company in office at the time when the resolution to make the Directors' Report for the financial year ended 30 June 2023 was passed, other than the Managing Director, cease to hold office immediately before the end of the Spill Meeting; and
- resolutions to appoint persons to offices that will be vacated immediately before the end of the Spill Meeting be put to the vote at the Spill Meeting.

Note: The directors unanimously recommend you vote against this Item.

By order of the Board

Johanna O'Rourke  
Company Secretary  
15 September 2023

# How to Participate in the AGM and Vote

## How to participate in the 2023 AGM

ASX Limited (ASX or the Company) will hold its Annual General Meeting (AGM) on Thursday, 19 October 2023, beginning at 10.00am (Sydney time). The AGM will be held as a hybrid meeting, which means shareholders can attend and participate online or in person. Details regarding how to attend the AGM are set out below.

### Registration

Shareholders and proxyholders attending the AGM in person or online can register from 9:30am on the day of the AGM.

### Attend in person

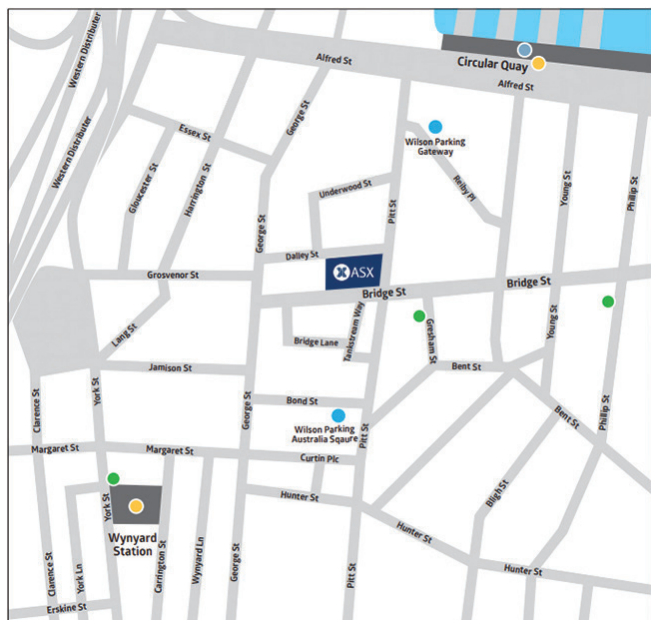
#### Venue

The meeting will be held in the ASX Auditorium, Lower Ground Floor, Exchange Square at 18 Bridge Street, Sydney, NSW.

#### How to get there

- T Train:** Exchange Square is a short walk from Wynyard Station or Circular Quay Station.
- B Bus:** The closest bus stops are located at Bridge Street, Phillip Street, Gresham Street and York Street.
- F Ferry:** Exchange Square is a short walk from the wharves at Circular Quay.
- P Parking:** There are several carparks located within walking distance of Exchange Square.

For more information about public transport and timetables please call 131 500 or visit [www.transportnsw.info](http://www.transportnsw.info)



### Attend online

Shareholders and proxyholders can watch, vote, make comments and ask questions during the AGM via the online platform at <https://meetings.linkgroup.com/ASX23>.

To do this you will need a computer or mobile/tablet device with internet access. You will also need to ensure your browser is compatible. Supported browsers are Chrome v44 and after, Firefox 40.02 and after, Safari - OS X v10.9 and after, Internet Explorer v11 and after, and Microsoft Edge v92.0 and after.

**Shareholders:** when you log onto the online platform, you will need to provide your details (including SRN/HIN and postcode) to be verified as a shareholder. Shareholders with a registered address outside Australia should click 'Outside Australia' and select the country of their registered address.

**Proxyholders:** when you log onto the online platform, you will need your 'Proxy Number' which will be provided to you by Link Market Services by email before the AGM.

More information about how to use the AGM online platform is available in the Online Guide, which is available at [www.asx.com.au/agm](http://www.asx.com.au/agm).

### Viewing the AGM webcast

The AGM will be webcast live on <https://meetings.linkgroup.com/ASX23>.

An archive of the webcast will be available on the ASX website shortly after the meeting concludes. You do not need to be a shareholder or proxyholder to view the webcast. Also, copies of the addresses and presentations will be released on the ASX market announcements platform on the morning of the AGM.

### How to vote

#### Direct voting – prior to the meeting

You may cast a direct vote prior to the meeting either online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au) or by completing and submitting a Voting Form.

If you use the Voting Form to cast your direct vote, you must mark Box A in Step 1 on the Voting Form and mark "For" or "Against" on Items 3 to 7.

If you cast a direct vote prior to the meeting, you may still participate in the meeting. If you participate in the meeting, the Chair has determined that your direct vote will not be cancelled unless you cast a live vote during the meeting or complete and submit a poll voting card on the day.

The Direct Voting Regulations are available at [www.asx.com.au/agm](http://www.asx.com.au/agm). By submitting a direct vote, you agree to be bound by these regulations.

# How to Participate in the AGM and Vote

## Voting in person – during the meeting

Eligible shareholders may attend the meeting and vote in person.

You may still attend the meeting and vote in person even if you have lodged a direct vote or appointed a proxy prior to the meeting. You will be provided with a poll voting card on the day. If you have previously submitted a Voting Form and you vote during the meeting, your vote at the meeting will cancel your direct vote (unless you instruct ASX or Link Market Services otherwise) or suspend your proxy appointment while you are present at the meeting.

While you are not required to submit your Voting Form if you attend the meeting in person, please bring your personalised Voting Form with you as it will help you register your attendance at the meeting. If you do not bring your Voting Form with you, you can still attend the meeting but representatives from Link Market Services will need to verify your identity.

## Voting online – during the meeting

Online attendees will be able to vote in real-time during the meeting when invited by the Chair. You will be able to vote for, against or abstain on each Item through the online platform.

## Appointing a proxy

You can appoint a proxy to participate and vote on your behalf as an alternative to participating in the meeting in person or casting a direct vote in advance of the meeting.

You may appoint a proxy either online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au) or by completing and submitting a Voting Form prior to the meeting.

If you use the Voting Form to appoint a proxy, you must mark Box B in Step 1 on the Voting Form. You can direct your proxy how to vote on Items 3 to 7 by marking "For" or "Against" for each Item.

A proxy does not need to be a shareholder of ASX. A proxy may be an individual or company. If you are a shareholder entitled to cast two or more votes you may appoint up to two proxies. If you appoint two proxies, you should complete two separate Voting Forms and specify the percentage or number of votes each proxy is appointed to exercise. If you do not specify a percentage or number on both forms, each proxy may exercise half of the votes. You must return both Voting Forms together. If you require an additional Voting Form, please contact Link Market Services on +61 1300 724 911.

If you complete and submit a Voting Form and no direction is given or you do not mark Box A or Box B, the Chair will be appointed as your proxy.

If you mark both Box A and Box B, you will be taken not to have appointed a proxy and your direct votes will be counted.

If you appoint a proxy, you may still participate in the meeting. However, your proxy's right to speak and vote will be suspended while you are participating in person or online. If you participate in the meeting online and prefer that your proxy's right to speak and vote not be suspended, consider watching the webcast as a visitor rather than signing in with your shareholder details.

On a poll, if:

- you have appointed a proxy (other than the Chair) and your appointment specifies the way the proxy is to vote on the resolution; and
- your proxy is either not recorded as attending the meeting or does not vote on the resolution,

the Chair will, before voting on the resolution closes, be taken to have been appointed as your proxy for the purposes of voting on that resolution and must vote in accordance with your written direction.

## Impact of your proxy appointment on your voting instructions

**If you appoint the Chair as your proxy and do not direct the Chair how to vote, you are authorising the Chair to cast your undirected vote on all proposed resolutions.**

If you appoint any other member of ASX's key management personnel (KMP) or their closely related party as your proxy, they will not be able to vote your proxy on Item 3 (Adoption of Remuneration Report), Item 4 (Grant of Performance Rights to Managing Director and CEO), or Item 7 (Spill Meeting - Conditional Resolution) unless you have directed them how to vote.

"Closely related party" is defined in the Corporations Act and includes a spouse, dependant and certain other close family members, as well as any companies controlled by a KMP.

If you intend to appoint a KMP or their closely related party or the Chair as your proxy, you are encouraged to direct them how to vote on Items 3, 4 and 7 by marking "For", "Against" or "Abstain" for each of those Items.

## The Chair's voting intentions

The Chair intends to vote available proxies in favour of Items 3, 4 and 5.

The Chair intends to vote available proxies against Item 6 (Non-Board Endorsed Candidate) and Item 7 (Spill Resolution - Conditional Resolution).

If there is a change to how the Chair intends to vote undirected proxies, ASX will make an announcement to the market.

The Chair's decision on the validity of a direct vote, vote cast by a proxy or vote cast by a shareholder (including by attorney or corporate representative) is conclusive.

# How to Participate in the AGM and Vote

## Submitting your Voting Form

Your completed Voting Form must be received by no later than 10:00am (Sydney time) on Tuesday, 17 October 2023. An original or a certified copy of any power of attorney under which the form was signed must also be received by this time unless previously provided to Link Market Services. You can lodge your vote:

- online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au) by following the instructions. You will need your Securityholder Reference Number (SRN) or Holder Identification Number (HIN), which is set out on the Voting Form
- by completing the Voting Form and:
  - > posting it to Link Market Services using the reply-paid envelope or to Locked Bag A14, Sydney South, NSW 1235
  - > faxing it to +61 (2) 9287 0309
- using a mobile device by scanning the QR code on the back of the Voting Form. To scan the QR code you will need a QR code reader application that can be downloaded for free on your mobile device. You will also need your SRN or HIN and postcode for your shareholding.

## How to ask questions

### Before the AGM

As in prior years, we invite shareholders to submit questions or comments to ASX or the external auditor in advance of the meeting. If you wish to submit questions or comments before the AGM, they must be received by ASX no later than 5:00pm (Sydney time) on Thursday, 12 October 2023.

Questions may be submitted before the AGM as follows:

**Online:** at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au).

**Post:** complete and submit the Question Form available at [www.asx.com.au/agm](http://www.asx.com.au/agm) to:

ASX Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South, NSW 1235 Australia

### During the AGM

During the AGM, shareholders and proxyholders will have a reasonable opportunity to ask questions or make comments.

Online participants can ask questions in writing via the online platform <https://meetings.linkgroup.com/ASX23>.

We will endeavour to address as many of the more frequently raised relevant topics as possible during the course of the meeting. However, there may not be sufficient time available at the meeting to address all of the questions raised.

Please note that individual responses will not be sent to shareholders.

## Technical difficulties during the AGM

If you experience any technical difficulties during the AGM, please contact Link by phoning: +61 1800 990 363.

If technical difficulties arise, the Chair has discretion as to whether and how the AGM should proceed. If the Chair considers it appropriate, they can continue to hold the meeting and carry on business, including conducting a poll and voting in accordance with valid proxy instructions. ASX encourages shareholders to lodge a direct vote or directed proxy in advance of the meeting even if they plan on attending the meeting.

## Other information

### Electronic copies

ASX believes that the best way for shareholders to receive meeting documentation, annual reports and other information on ASX matters is electronically.

To review or update your current communication preference simply logon to our share registry's website at <https://investorcentre.linkgroup.com> and select the "Communications" tab. You will need your portfolio login details or your Securityholder Reference Number (SRN) or Holder Identification Number (HIN).

### Update your details

To update information about your shareholding go to the Link Investor Centre: <https://investorcentre.linkgroup.com>.

### ASX's registered office and contact details

ASX Limited ABN 98 008 624 691  
20 Bridge Street, Sydney NSW 2000  
Telephone: +61 2 9227 0000  
[www.asx.com.au](http://www.asx.com.au)

## Glossary

- Corporations Act means the *Corporations Act 2001* (Cth).
- Chair means Chair of the meeting.
- Explanatory notes means the notes included in the Notice convening this meeting.
- Notice means this Notice of Annual General Meeting including the 'How to Participate in the 2023 AGM' section, voting and participation information, and explanatory notes.

# Explanatory Notes

## Key information

### Eligibility to attend and vote

You are eligible to attend and vote at the meeting if you are registered as an ASX shareholder at 7:00pm (Sydney time) on Tuesday, 17 October 2023.

### Last date to submit Voting Form

Your completed Voting Form must be received by no later than 10.00am (Sydney time) on Tuesday, 17 October 2023.

### Chair's voting intentions

The Chair intends to vote all available proxies in favour of Items 3, 4 and 5.

The Chair intends to vote all available proxies against Items 6 and 7.

The Chair will call a poll for all resolutions set out in this Notice. Please refer to the explanatory notes for further information on the proposed resolutions and applicable voting exclusions.

### Questions from shareholders

Shareholders may direct questions during the meeting to the Chair about the operations and management of ASX, or to ASX's auditor about the content of the auditor's report and the conduct of the audit.

Questions may also be submitted in advance of the meeting online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au). If you wish to ask a written question in advance of the meeting, it should be submitted no later than 5:00pm (Sydney time) on Thursday, 12 October 2023.

We will endeavour to address as many of the more frequently raised relevant topics as possible during the course of the meeting. However, there may not be sufficient time available at the meeting to address all of the questions. Please note that individual responses will not be sent to shareholders.

### Your privacy

Attendees at the meeting may be video recorded. A live AGM webcast will be available on the ASX website.

## Explanatory notes

### Item 1: ASX Financial Report

The Financial Statements, Directors' Report and Auditor's Report for ASX for the year ended 30 June 2023 will be laid before the meeting. There is no requirement for shareholders to approve these reports. However, the Chair will allow a reasonable opportunity for shareholders to ask questions about, or make comments on, the operations and management of ASX. Shareholders will be given a reasonable opportunity to ask the auditor questions about the conduct of the audit, the preparation and content of the Auditor's Report, the accounting policies adopted by ASX in relation to the preparation of the Financial Statements and the independence of the auditor in relation to the conduct of the audit.

### Item 2: SEGC Financial Report

Securities Exchanges Guarantee Corporation Limited (SEGC) is the body responsible for administration of the National Guarantee Fund (the Fund). The operation of SEGC and the Fund is governed by the Corporations Act and SEGC's constitution. The assets of the Fund are the property of SEGC but are held on trust for purposes set out in the Corporations Act. The Corporations Act requires SEGC to cause a copy of the audited financial statements of the Fund to be laid before the AGM of ASX. There is no requirement for shareholders to approve these reports.

### Item 3: Adoption of Remuneration Report

The Remuneration Report of the Company for the financial year ended 30 June 2023 (FY23) is set out in ASX's 2023 Annual Report. The report outlines ASX's executive remuneration framework and the FY23 remuneration outcomes for the ASX Board, the CEO and KMP. The Chair will allow a reasonable opportunity for shareholders to ask questions about, or make comments on, the Remuneration Report at the meeting. The resolution is advisory only. The Board will consider and take into account the outcome of the vote and feedback from shareholders on the Remuneration Report when reviewing the Company's remuneration policies.

### Board recommendation

The non-executive directors recommend that you vote in favour of this Item.

### Voting exclusions

ASX will disregard any votes cast on this resolution:

- by or on behalf of a member of the KMP named in the Remuneration Report for the year ended 30 June 2023, or that KMP's closely related parties, regardless of the capacity in which the vote is cast; or
- as a proxy by a member of the KMP at the date of the meeting, or that KMP's closely related parties,

unless the vote is cast as a proxy for a person who is entitled to vote on this resolution:

- in accordance with their directions on how to vote as set out in the proxy appointment; or
- by the Chair pursuant to an express authorisation to exercise the proxy as the Chair thinks fit even though the resolution is connected with the remuneration of KMP.

# Explanatory Notes

## Item 4: Grant of Performance Rights to the Managing Director and CEO

Helen Lofthouse commenced as Managing Director and CEO of ASX on 1 August 2022.

ASX's Remuneration Report for the financial year ended 30 June 2023 contains details of Ms Lofthouse's FY23 remuneration.

ASX's executive remuneration framework, which is summarised in the Remuneration Report, is designed to be competitive with market standards, linked with ASX's five year strategy, reflect performance achieved by the Company and aligned with the interests of shareholders. For example, Ms Lofthouse's FY23 remuneration focuses on performance using a balance of short-term and long-term objectives by comprising a mix of 40% fixed, 40% short-term variable reward (STVR) and 20% long-term variable reward (LTVR). Sixty percent of Ms Lofthouse's overall FY23 remuneration is at-risk. Over 70% of this at-risk remuneration will be deferred into either restricted shares under the STVR Plan or performance rights under the LTVR Plan.

ASX uses performance rights under the LTVR Plan because they create share price alignment between executives and ordinary shareholders but do not provide executives with the full benefits of share ownership (such as dividend and voting rights) unless and until the performance rights vest.

Ms Lofthouse's remuneration is consistent with ASX's executive remuneration policy which is summarised in the Remuneration Report.

### New executive remuneration structure

The Board has undertaken a review of the executive remuneration framework in support of ASX's five year strategy.

This review considered feedback from key stakeholders and aims to improve the alignment of executive remuneration outcomes with those of ASX's shareholders. As a result of this review, four key changes are proposed:

1. Extending the LTVR to all Group Executives.
2. Aligning the LTVR measures with the refreshed strategy through the adoption of an underlying return on equity (ROE) hurdle, to replace the current earnings per share (EPS) growth hurdle. ROE is a core metric of ASX's performance and is directly aligned to shareholder value creation.
3. Adopting a broad index peer group of ASX 100 companies for our relative total shareholder return (TSR) peer group, aligning with market practice for other global exchanges.
4. Modifying the STVR to defer 50% of any award, with the deferred portion vesting subject to continued service split evenly over one and two years. This change, when combined with the proposed LTVR scheme, provides a staggered vesting of remuneration across one, two and four years.

A review of risk management issues will continue to be performed by the Board prior to any testing of either the STVR or the LTVR Plans under the new framework.

We believe these changes will better align executives' remuneration with the value created for our shareholders.

Further details on the new LTVR award is provided in the following sections.

### How will the proposed LTVR award be calculated?

The number of performance rights to be granted to Ms Lofthouse is calculated by dividing \$2 million (being Ms Lofthouse's new LTVR opportunity) by the Volume Weighted Average Price (VWAP) of ASX shares over the 10 business days preceding 19 October 2023 (the date of the proposed grant).

As an illustrative example only, based on the VWAP of ASX's shares over the 10 business days preceding 31 July 2023 of \$61.8320, the number of performance rights granted to Ms Lofthouse would be 32,346.

Each performance right entitles Ms Lofthouse to receive, upon vesting, one fully paid ASX ordinary share (or at the Board's discretion, Ms Lofthouse may instead receive a cash-equivalent payment).

The number of shares that may vest at the end of the performance period (if any) will be determined having regard to the performance criteria described in these explanatory notes.

### What rights do performance rights have?

Performance rights have no entitlement to dividends or voting.

For any shares that are ultimately awarded, an additional amount of shares or cash (as determined by the Board) may be allocated to an equivalent value to the dividends paid by the Company over the performance period on those shares (dividend equivalent payment), assuming the dividends were reinvested on the ex-dividend date. Ms Lofthouse will not receive any franking credits or value in lieu of franking credits.

### What is the performance period for the 2023 grant?

Four years, commencing 20 October 2023 and ending on 19 October 2027.

### What performance conditions apply to the 2023 grant?

The performance hurdles include internal and external measures, with 50% of performance rights tested against an underlying ROE condition and 50% of performance rights tested against a relative TSR condition.

(i) ROE performance condition (50% weighting)

ROE is calculated by dividing the underlying net profit attributable to ASX (statutory NPAT adjusted for the after-tax effect of any significant items) by the average equity over the period.

Performance is measured by averaging the underlying ROE over each of the four financial years in the performance period, using FY24 as the base year and FY27 as the end year.

ROE performance rights will start to vest at 13.0% average underlying ROE. The Board believes this payout schedule for underlying ROE over a four-year vesting period provides appropriately challenging stretch targets for management:

Average underlying ROE per annum	ROE performance rights that vest
Less than 13%	0%
13.0%	20%
From 13.0% to 14.5%	20% - 100% straight line pro-rata vesting
At or above 14.5%	100%



# Explanatory Notes

## (ii) TSR performance condition (50% weighting)

TSR is determined by comparing ASX's performance to the performance of a group of peer companies selected by the Board. The number of performance rights subject to the TSR performance condition which vest at the 51st percentile of the peer group is 25%. This focuses management rewards on significant outperformance of the peer group.

The peer group comprises ASX 100 companies. This provides a broad and representative comparative peer group for Australian investors. The peer group will be adjusted if members are delisted (for reasons other than financial failure) or a company merges with or is acquired by another company in the peer group – in which case the resulting company remains in the peer group and the acquired company is removed. The Board has the discretion to adjust the peer group in other circumstances.

TSR will be calculated by an external provider as follows:

- performance period 20 October 2023 to 19 October 2027;
- TSR calculation will use three-month VWAP up to (and including) the start date and end date of the performance period;
- dividends assumed to be re-invested on the ex-dividend date; and
- ignoring tax and any franking credits (or equivalent).

The Board, based on the calculation performed by an external provider, will determine at the end of the performance period whether ASX has met the performance condition.

The number of performance rights that vest will be determined as follows:

TSR Rank	TSR performance rights that vest
Less than 51 <sup>st</sup> percentile	0%
51 <sup>st</sup> percentile	25%
From 51 <sup>st</sup> percentile to 76 <sup>th</sup> percentile	25% - 100% straight line pro-rata vesting
At or above the 76 <sup>th</sup> percentile	100%

## When will securities be provided?

If shareholder approval is obtained, performance rights will be allocated to Ms Lofthouse following the 2023 Annual General Meeting. If performance conditions are met, Ms Lofthouse will be entitled to receive ASX shares following the end of the four-year performance period in October 2027.

## Why is shareholder approval being sought for Long-Term Variable Reward grant?

The non-executive directors consider that Ms Lofthouse's remuneration package (including the proposed grant under the LTVR Plan) is reasonable and appropriate having regard to the circumstances of the Company and Ms Lofthouse's responsibilities as CEO.

ASX asks shareholders to consider and vote upon a grant of performance rights to Ms Helen Lofthouse under the LTVR Plan. ASX Listing Rule 10.14 requires a listed company to obtain shareholder approval before issuing equity securities (including shares and rights to shares) to a director under an employee incentive scheme. ASX Listing Rule 10.14 does not apply to the grant of rights to directors under an employee incentive scheme where the shares to be acquired in satisfaction of the rights are required by the terms of the scheme to be purchased on-market. It also does not apply to the subsequent purchase of those securities on-market.

If new shares are issued in order to satisfy the LTVR grant (if the rights vest) that issue falls within ASX Listing Rule 10.14 because Ms Lofthouse is a director of ASX. While it is currently intended that any shares allocated on vesting of the performance rights granted to Ms Lofthouse will be acquired on-market as opposed to issuing new shares, shareholder approval is being sought for the grant to preserve flexibility in the event that the Board ultimately considers it necessary or appropriate to issue shares rather than acquire them on-market.

## What if shareholder approval is not obtained?

If shareholder approval is not obtained, the Board may proceed with the grant of performance rights to Ms Lofthouse under the LTVR Plan by requiring in the award terms that the award will be satisfied by shares acquired on-market, or may consider alternative long-term variable remuneration arrangements such as deferred cash upon fulfilment of the relevant performance requirements. If deferred cash is granted, this will diminish the alignment of the CEO's remuneration with that of other executives and shareholders.

## Impact of cessation of employment

Performance rights granted to Ms Lofthouse will lapse immediately in the event of her resignation (unless approved by ASX) or her dismissal due to misconduct or poor performance. If Ms Lofthouse ceases employment for a qualifying reason, her LTVR will remain on foot, subject to its original terms, except that any service condition will be waived. A qualifying reason includes cessation by genuine retirement, mutual agreement, termination from the Group on notice, pursuit of other Company-approved initiatives, death, serious illness or accident. Where Ms Lofthouse's LTVR does not lapse immediately, the Board may determine (acting reasonably) the proportion of performance rights that remain on foot, vest or lapse.

# Explanatory Notes

## Does the Board have any discretion to adjust vesting outcomes?

The Board has the discretion to change the number of shares provided to Ms Lofthouse following achievement of performance hurdles where:

- necessary to protect the financial soundness of ASX;
- adverse outcomes have arisen that reduce the original assessment of the performance generating the provision of the benefit;
- the Board considers that performance outcomes have been materially impacted by changes to ASX's dividend policy, capital structure, gearing or corporate structure;
- the Board considers not doing so would provide the CEO with an 'inappropriate benefit' under ASX's Remuneration Adjustments Policy; and
- the Board determines that vesting should increase or decrease by up to 20%.

The Board will exercise such discretion in a manner that is consistent with supporting sound and effective risk management, protecting ASX's long-term stability and aligned with the creation of long-term shareholder value.

## Additional information

- Performance rights are granted to Ms Lofthouse as part of her remuneration. No amount is payable by Ms Lofthouse when performance rights are granted or when they vest.
- No loan will be made in relation to the acquisition of performance rights.
- Ms Lofthouse has previously been awarded 13,821 performance rights under the LTVR Plan at no cost as part of her remuneration.
- Ms Lofthouse's proposed FY24 total remuneration package is:
  - > Total fixed remuneration of \$2,000,000 (inclusive of superannuation).
  - > Target STVR with a value of \$1.7 million. Maximum STVR under the plan is 150% of target.
  - > LTVR with a face value of \$2,000,000.
- Details of any securities issued under the LTVR Plan will be published in the Annual Report relating to the period in which the securities were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14.
- Any additional persons within the scope of Listing Rule 10.14 who become entitled to participate in the LTVR Plan after the resolution is approved and who were not named in this Notice will not participate until approval is obtained under Listing Rule 10.14.

Shareholders are referred to the FY23 Remuneration Report for further details of Ms Lofthouse's remuneration.

## Board recommendation

The non-executive directors recommend that you vote in favour of this Item.

## Voting exclusions

ASX will disregard any votes cast:

- in favour of this resolution by or on behalf of Ms Lofthouse or an associate of Ms Lofthouse, regardless of the capacity in which the vote is cast; and
- on this resolution as a proxy by a member of the KMP at the date of the meeting, or that KMP's closely related parties,

unless the vote is cast:

- as proxy or attorney for a person entitled to vote on the resolution in accordance with their directions on how to vote as set out in the proxy appointment;
- as proxy for a person entitled to vote on the resolution by the Chair pursuant to an express authorisation to exercise the proxy as the Chair thinks fit; or
- by a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - > the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
  - > the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

# Explanatory Notes

## Item 5: Election and Re-election of Directors Supported by the Board

Damian Roche retires by rotation at this meeting and offers himself for re-election to the Board.

On 2 February 2023, the ASX Board appointed Vicki Carter as a director. She offers herself for election to the Board.

On 3 April 2023, the ASX Board appointed Luke Randell as a director. He offers himself for election to the Board.

The ASX Board:

- has developed a Board skills matrix to capture the mix of skills it is looking to achieve in its membership and to capture the current mix of skills, knowledge and experience on the Board;
- has identified the skills, knowledge and experience on the Board using a self-assessment questionnaire in which directors were asked to rate their level of proficiency in each skill area;
- considers that its current mix of skills, experience and expertise is appropriate for it to understand ASX and its operating environment, to navigate current and emerging issues, to oversee the performance of management in executing the Board-approved strategy and generally discharge its obligations effectively;
- undertakes comprehensive reference checks before appointing a new director or putting a candidate forward to shareholders for election (including education, employment, character, criminal history and bankruptcy checks);
- undertakes a review of its performance each year. This includes a review of each director's individual performance. The Board has taken the results of this review into consideration when making its recommendations to support the election and re-election of directors at the 2023 AGM;
- considers that Damian Roche is an independent, non-executive director;
- considers that Vicki Carter is an independent, non-executive director; and
- considers that Luke Randell is an independent, non-executive director.

The skills and experience of Damian Roche, Vicki Carter, and Luke Randell are set out below.



**Damian Roche**  
Independent, Non-Executive Chair  
BCom

Damian Roche was elected ASX's Chair in April 2021 and has served as a director since August 2014. He is Chair of the Nomination Committee and has been a member of the Audit and Risk Committee and the People and Culture Committee since 21 April 2021.

Mr Roche is a director of ASX Clear (Futures) Pty Limited, the ASX clearing and settlement licensee for Australia's derivatives markets. He is also Chair of the intermediate holding companies for ASX's clearing and settlement licensees.

Mr Roche has over 30 years' experience in global financial markets, with extensive cross-asset class expertise spanning the equities, fixed income and commodities markets, with a specific focus on the Asia-Pacific region, including Australia. During his career, Mr Roche managed relationships with global investors and market participants, built new products and capabilities across sales, trading and execution, assessed and implemented related technology investments and liaised with regulators across multiple jurisdictions.

Mr Roche was a member of the global Corporate and Investment Bank Operating Committee for J.P. Morgan where he worked for 10 years. Mr Roche's final role at J.P. Morgan was Head of Markets and Investor Services Sales and Distribution for Asia-Pacific, based in Hong Kong.

Mr Roche is a director of Kaldor Public Arts Projects and HRL Morrison & Co Limited.

### Board recommendation

The Board considers that Mr Roche's experience in global investment banking and extensive cross-asset class experience complements the Board's existing skills and experience.

For the reasons set out above, the directors (with Mr Roche abstaining) unanimously support the re-election of Mr Roche and recommend shareholders vote in favour of this Item.

# Explanatory Notes



## **Vicki Carter**

**Independent, Non-Executive Director**  
**BA (Social Sciences), GradDipMgmt, GAICD**

Vicki Carter was appointed a director of ASX in February 2023. She is a member of the Nomination Committee, People and Culture Committee and Technology Committee.

Ms Carter brings more than 35 years' senior executive experience. She has developed deep skills in strategy, operations, sales, human resources and transformation delivery in a career that has spanned several sectors including banking, insurance, wealth management and telecommunications.

Ms Carter's most recent executive experience was at Telstra Corporation, where she served in Executive Director roles between 2015 and 2021. In that time, she was responsible for customer experience, product design and delivery, strategy and business service functions. She was also charged with overseeing delivery of T22, Telstra's multi-year transformation program.

Prior to her career with Telstra, Ms Carter held a number of executive roles at National Australia Bank, as well as product, business development and project director roles at ING Australia, Prudential Assurance and Australian Eagle.

Ms Carter has been a non-executive director of Bendigo and Adelaide Bank Limited since September 2018 and IPH Limited since October 2022. She has been the Chair of Sandhurst Trustees Limited since July 2022. She is a Graduate of the Australian Institute of Company Directors.

### **Board recommendation**

The Board considers that Ms Carter's cross-sector experience in strategic roles, leveraging technology and delivering transformation programs complements the Board's existing skills and experience.

For the reasons set out above, the directors (with Ms Carter abstaining) unanimously support the election of Ms Carter and recommend shareholders vote in favour of this Item.



## **Luke Randell**

**Independent, Non-Executive Director**  
**BBus, GradDip Fin Markets, CPA, MAICD**

Luke Randell was appointed a director of ASX in April 2023.

Mr Randell is also a director of ASX's clearing and settlement licensees as well as the intermediate holding companies for the clearing and settlement licensees. He has also been a member of the Audit and Risk Committee since April 2023.

Mr Randell has developed close to 40 years' experience in financial services with the majority spent in capital and international markets following several senior roles with firms: Citi, Salomon Smith Barney and Natwest Markets.

Mr Randell was Head of Markets and Securities Service for Citi Australia and New Zealand from May 2017 to May 2022. Prior roles included being CEO, President and Head of Institutional Clients Group for Citi in Japan for five years, as well as Co Head of Global Markets and Head of Equities for Citi in Australia and New Zealand. Mr Randell spent almost four years in London where he was Citi's Head of Equity Derivatives for Europe, Middle East and Africa.

Mr Randell is a Member of the Australian Institute of Company Directors.

### **Board recommendation**

The Board considers that Mr Randell's experience in global capital markets and managing customer and stakeholder relationships complements the Board's existing skills and experience.

For the reasons set out above, the directors (with Mr Randell abstaining) unanimously support the election of Mr Randell and recommend shareholders vote in favour of this Item.

# Explanatory Notes

## Item 6: Non-Board Endorsed Candidate

In accordance with article 12.9 of the ASX Limited constitution, Mr Philip Galvin, an external non-Board endorsed candidate offers himself for election. Mr Galvin has been assessed by the Board as being independent.

The Board is comprised of highly experienced senior business leaders from a variety of professional backgrounds who each meet fundamental requirements and, collectively, possess the skills, experience, tenure and diversity considered necessary to appropriately govern ASX's operations.

The Board, supported by the Nomination Committee, reviews the size and composition of the Board, having regard to the Board's skills matrix and the objective that the Board comprise the mix of skills, expertise, experience and diversity required for the Board to discharge its obligations effectively.

As part of its succession planning and commitment to refresh talent, skills and experience on the Board, the Board appointed two new directors in 2023. Importantly, the Board is satisfied that the current composition of the Board aligns with ASX's strategic objectives.

Any director candidate should possess skills, expertise and experience that adds to the overall skills and experience of the Board and aligns with ASX's strategic objectives. The Board has carefully considered Mr Galvin's nomination in this context and believes this his appointment would not satisfy this threshold.

The following information about Mr Galvin's skills and experience is based on information provided by Mr Galvin, and has not been independently verified by ASX.



**Philip Galvin**  
BEC, Dip. Bus Admin

Mr Galvin has had extensive experience across a diverse range of industrial and financial businesses including oil & gas (SANTOS), electricity generation and supply (ETSA), banking (Co-Op Building Society), meat processing (Waitaki International), aviation (Air NZ), global building materials (Pioneer International) and financial exchanges (Sydney Futures Exchange and ASX Ltd).

Mr Galvin brings knowledge and experience directly related to the exchange space as the Executive General Manager Operations at SFE and the Executive responsible for the completing the physical merger of SFE and ASX by December 2006.

Mr Galvin retired in mid 2007 but has, since 2014, been actively engaged in dialogue with the Company regarding cost control, regulatory compliance and progress of the CHES project.

For additional information please refer to [www.linkedin.com/in/philip-galvin-436016239](https://www.linkedin.com/in/philip-galvin-436016239)

## Board recommendation

For the reasons set out in the introduction of this Item, the directors unanimously recommend shareholders vote against the appointment of Mr Galvin.

## Item 7: Spill Resolution - Conditional Resolution

### General information

(Conditional Item)

The Corporations Act includes a 'two-strike' rule in relation to remuneration reports. The two-strike rule provides that if at least 25% of the votes cast on the resolution to adopt the remuneration report at two consecutive AGMs are against adopting the remuneration report, shareholders will have the opportunity to vote on a spill resolution (described below) at the second AGM.

At last year's AGM, at least 25% of the votes cast on the resolution to adopt the FY22 Remuneration Report were against adopting the report (the first strike).

Accordingly, if at least 25% of the votes cast on Item 3 at the 2023 AGM are against adopting the FY23 Remuneration Report, this will constitute a 'second strike' and Item 7 will be put to the meeting and voted on as required by section 250V of the Corporations Act (the Spill Resolution).

If less than 25% of the votes cast on Item 3 are against adopting the FY23 Remuneration Report, then there will be no second strike and the Spill Resolution will not be put to the meeting.

If the Spill Resolution is put to the meeting, it will be considered as an ordinary resolution, which means that, to be passed, the resolution requires the approval of a simple majority of the votes cast by or on behalf of shareholders entitled to vote on the resolution.

If the Spill Resolution is passed, a further general meeting (Spill Meeting) must be held within 90 days after the 2023 AGM and, immediately before the end of the Spill Meeting, each of:

- Damian Roche
- Yasmin Allen
- Vicki Carter
- Melinda Conrad
- David Curran
- Peter Nash
- Luke Randell
- Dr Heather Smith

being the current directors (other than the Managing Director) who were in office when the Board approved the last Directors' Report (the Relevant Directors), will cease to hold office.

The Spill Meeting would consider the election or re-election of directors, and each of the Relevant Directors would be eligible to seek re-election.

It is proposed that any vote would be conducted by a poll. Such a process results in each shareholder having one vote for each share held and in respect of which a vote is cast (subject to the voting exclusions).

# Explanatory Notes

The Board recommends that shareholders consider the following factors when making a decision on how to vote on any Spill Resolution put to the AGM:

- the substantial additional expense which holding a Spill Meeting would cause;
- the Board's view that it currently has the right mix of skills and experience;
- the disruption to the Company which would be caused by changes to the Board composition; and
- ASX's response to the 'first strike' received at the 2022 Annual General Meeting, which is set out in the letter from the People and Culture Committee Chair on pages 47 to 48 of ASX's 2023 Annual Report.

## Board recommendation

The directors unanimously recommend shareholders vote against this Item.

## Voting exclusions

ASX will disregard any votes cast:

- by or on behalf of a member of the KMP named in the Remuneration Report for the year ended 30 June 2023, or that KMP's closely related parties, regardless of the capacity in which the vote is cast; or
- as a proxy by a member of the KMP at the date of the meeting, or that KMP's closely related parties,

unless the vote is cast as proxy for a person who is entitled to vote on the Spill Resolution:

- in accordance with their directions on how to vote as set out in the proxy appointment; or
- by the Chair pursuant to an express authorisation to exercise the proxy as the Chair thinks fit even though the resolution is connected with the remuneration of KMP.

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