

ASX Cash Equities Clearing and Settlement Advisory Group Communique

18 March 2024

The ASX Cash Equities Clearing and Settlement Advisory Group (**Advisory Group**) met on 26 February 2024 to discuss the CHES replacement project, ASX's proposed process for industry engagement on T+1 settlement and the CHES Replacement Partnership Program.

CHES replacement project

ASX management presented information to the Advisory Group regarding:

- > The status of the CHES replacement project.
- > The approach to the development of the assurance program for the delivery phase of the CHES replacement project.
- > The approach to ASX's public consultations with industry in 2024 on the CHES replacement project.
- > The operating model for the CHES replacement project, and the respective roles and responsibilities of the delivery partners.

The Advisory Group will continue to consider many of these topics at its future meetings as part of its ongoing focus on the CHES replacement project, including the project status, developments related to the assurance program and ASX management's proposed responses to public consultations.

T+1 settlement

ASX management presented information to the Advisory Group on ASX's proposed process for industry engagement on T+1 settlement, including regarding:

- > The formation of the T+1 Working Group to provide analysis and insights to the ASX Business Committee on settlement cycle compression.
- > The proposed public consultation process.

The Advisory Group requested further information on the potential benefits and disadvantages to the Australian market if Australia moves, or does not move, to T+1 settlement.

The Advisory Group will continue to consider matters related to the potential implementation of T+1 settlement in Australia at its future meetings.

CHES Replacement Partnership Program

ASX management presented information to the Advisory Group on the status of ASX Limited's CHES Replacement Partnership Program and the proposed approach to the remaining payment milestones for the Development Incentive Pool, which will shortly be subject to consultation with program participants.

The Advisory Group requested a future update on the status of ASX Limited's CHES Replacement Partnership Program when there is greater clarity regarding the remaining payment milestones.

Next Advisory Group meeting

The Advisory Group will meet at least quarterly in 2024. The next Advisory Group meeting will take place on 29 May 2024.

Alan Cameron AO

Independent Chair, ASX Cash Equities Clearing and Settlement Advisory Group