

ASX Cash Equities Clearing and Settlement Advisory Group Communique

14 June 2024

The ASX Cash Equities Clearing and Settlement Advisory Group (**Advisory Group**) met on 29 May 2024 to discuss the CHES replacement project, ASX's progress with industry engagement on T+1 settlement and other matters related to ASX's cash equities clearing and settlement business.

CHES replacement project

ASX management presented information to the Advisory Group regarding:

- > The status of the CHES replacement project.
- > The draft assurance program for the delivery phase of the CHES replacement project.
- > The key themes of feedback received in ASX's public consultation process on Release 1 of the CHES replacement project and aspects of ASX's proposed response.
- > The proposed approach to interoperability in CHES replacement, which ASX will put forward in its upcoming consultation paper on Release 2 of the CHES replacement project.

T+1 settlement

In response to a request from the Advisory Group, ASX management presented further information on the potential benefits and disadvantages to the Australian market if Australia moves, or does not move, to T+1 settlement.

ASX management also provided the Advisory Group with an update on industry discussions on the potential transition to T+1 in Australia, as well as the status of transitions to T+1 in other global markets.

Other cash equities clearing and settlement matters

ASX management presented information to the Advisory Group on other strategic matters relating to the operation of the licensed clearing and settlement facilities, including the development of a policy on the pricing of cash equities clearing and settlement services.

Advisory Group feedback

The Advisory Group provided feedback to ASX management that certain information regarding ASX's proposed approach to interoperability in CHES replacement should be detailed in ASX's forthcoming consultation paper on Release 2 of the CHES replacement project.

The Advisory Group will continue to closely focus on the CHES replacement project, the potential implementation of T+1 settlement in Australia and other strategic matters related to cash equities clearing and settlement at its future meetings.

Next Advisory Group meeting

The next Advisory Group meeting will take place on 28 August 2024.

Alan Cameron AO

Independent Chair, ASX Cash Equities Clearing and Settlement Advisory Group