



28 September 2022

Australian Securities and Investments Commission
Mr Nathan Bourne
Senior Executive Leader, Market Infrastructure
Level 5, 100 Market Street
SYDNEY NSW 2000

ASX Market Announcements Office
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

AGM ADDRESSES BY THE CHAIR AND THE MANAGING DIRECTOR AND CEO

Attached are copies of the addresses to be given by the Chair and the Managing Director and CEO at ASX Limited's Annual General Meeting today.

Release of market announcement authorised by:
Daniel Moran
Group General Counsel and Company Secretary

Further enquiries:

Media

David Park
Senior Advisor, Media & Communications
T +61 2 9227 0010
M +61 429 595 788
E david.park@asx.com.au

Investors

Simon Starr
General Manager, Investor Relations and Sustainability
T +61 2 9227 0623
M +61 416 836 550
E simon.starr@asx.com.au

ASX Limited 2022 Annual General Meeting

Chair and CEO Addresses

28 September 2022

(Check against delivery)

Chair's address
Damian Roche



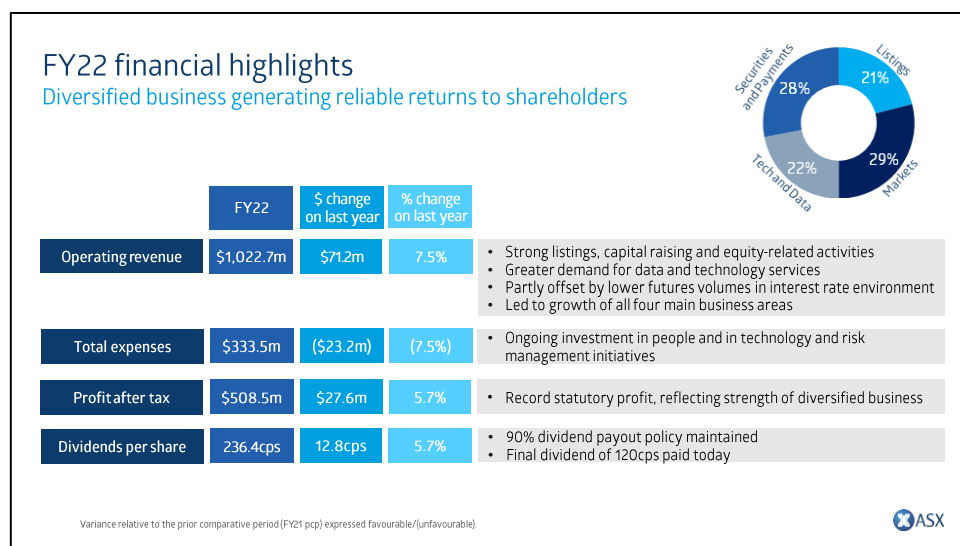
Fellow shareholders, it is a pleasure to present my second AGM address as your Chair.

It is also a pleasure to be back in front of a live audience after a couple of years disrupted by COVID. Welcome to all from wherever you are joining us.

The 2022 financial year continued to be a year of change and challenge for 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 of the future.

Overall, I am proud of what we have accomplished and what we are building.

Financial highlights





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 236 cents 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 120 cents per share is paid today.

The solid results reflect strong performances by new listings, capital raisings 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 electronic CHES statements, the Agribusiness Index and our DLT as a service platform Synfini
- rolling out growth programs for equity options, debt market data and commodities derivatives, and
- ensuring our risk, governance and regulatory arrangements continue to meet the highest standards.

It was, as I said earlier, a year of achievement.

Innovative solutions

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 \$115-125 million in the coming year.

The highest profile component of this program, but by no means the only one, is our CHES 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 CHES 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 CHES system safely and with the confidence of all stakeholders.

Importantly, we continue to invest in the existing CHES 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 2022 Annual Report, released last month.

New beginning

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 our new CEO following the retirement of Dominic Stevens. Her credentials are outlined in the Annual Report.

Helen has impressed already with:

- 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 as 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 CHES 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 the 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 appointments align with our determination to strengthen the technology, project management and public policy expertise around the Boardroom table.

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

Conclusion

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.

CEO's address Helen Lofthouse



Thanks Damian. It is a pleasure to be here with you today, at my first AGM as CEO. I have appreciated the support of the Board, the team here at ASX and our shareholders in my first few months in the role, and I am pleased 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, shareholders, people and regulators. This process has been invaluable and 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 attuned to the evolving needs of our customers. This also drives innovation and creates potential new revenue opportunities for our businesses.

Risk management is one of the key pillars of ASX and is embedded in our culture. What we do matters, and how we do it matters too.

ASX is a highly regulated business, which is 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, to achieve that we welcome input from a range of internal and external reviews and stakeholders.

Technology is another pillar of ASX as it underpins all 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 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. 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.

Our executive renewal continues. Last month I was pleased to announce the appointment of Blair Beaton as Group Executive of Listings and welcome Andrew Tobin as Chief Financial Officer. Both are highly experienced and already making a great impact.

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 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 significant success with our electricity futures and are 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.

FY23 update
On track with FY23 guidance

Update for first two months of FY23

- Total capital raised is down compared to particularly strong prior year
- Recovery in futures volumes, particularly at short-end, which is expected to continue in rising interest rate environment

<p style="background-color: #0099cc; color: white; padding: 5px; text-align: center;">Expenses growth of 10-12%</p> <p>Driven by:</p> <ul style="list-style-type: none"> • Investment in people in key areas of technology and risk • Risk management initiatives reflecting importance of role as market operator • Inflationary pressure on salaries and other costs 	<p style="background-color: #003366; color: white; padding: 5px; text-align: center;">Capital expenditure of \$115-125 million</p> <p>Driven by:</p> <ul style="list-style-type: none"> • Ongoing investment in technology to drive long-term sustainability of ASX
---	--



As you would expect, 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 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. And, as you will have seen with many other businesses, we are being impacted by inflationary pressure on salaries and 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, technology and risk management practices are the most important investments that we can make on your behalf. And we are doing so in order to support our strong and diversified portfolio of core businesses and to explore growth opportunities.

Conclusion

Finally, I would like to thank all of the ASX staff for their hard work during a challenging year. I am proud to be leading such a dedicated, purpose-driven team.

I will now hand back to Damian.

Thank you.