

Business Committee

18 September 2024

Important Information

Competition Law Reminder

Workshop members are reminded to have regard to their obligations under competition law. In particular, please note that the Competition and Consumer Act prohibits a corporation from engaging with one or more persons in a concerted practice that has the purpose, effect or likely effect of substantially lessening competition.



Acknowledging Country

ASX acknowledges the Traditional Owners of Country throughout Australia. We pay our respects to Elders past and present.

Artwork by Lee Ann Hall, *My country My People*

1b

Draft minutes and report
26 June 2024

2a

Advisory Group update

3a

T+1 update

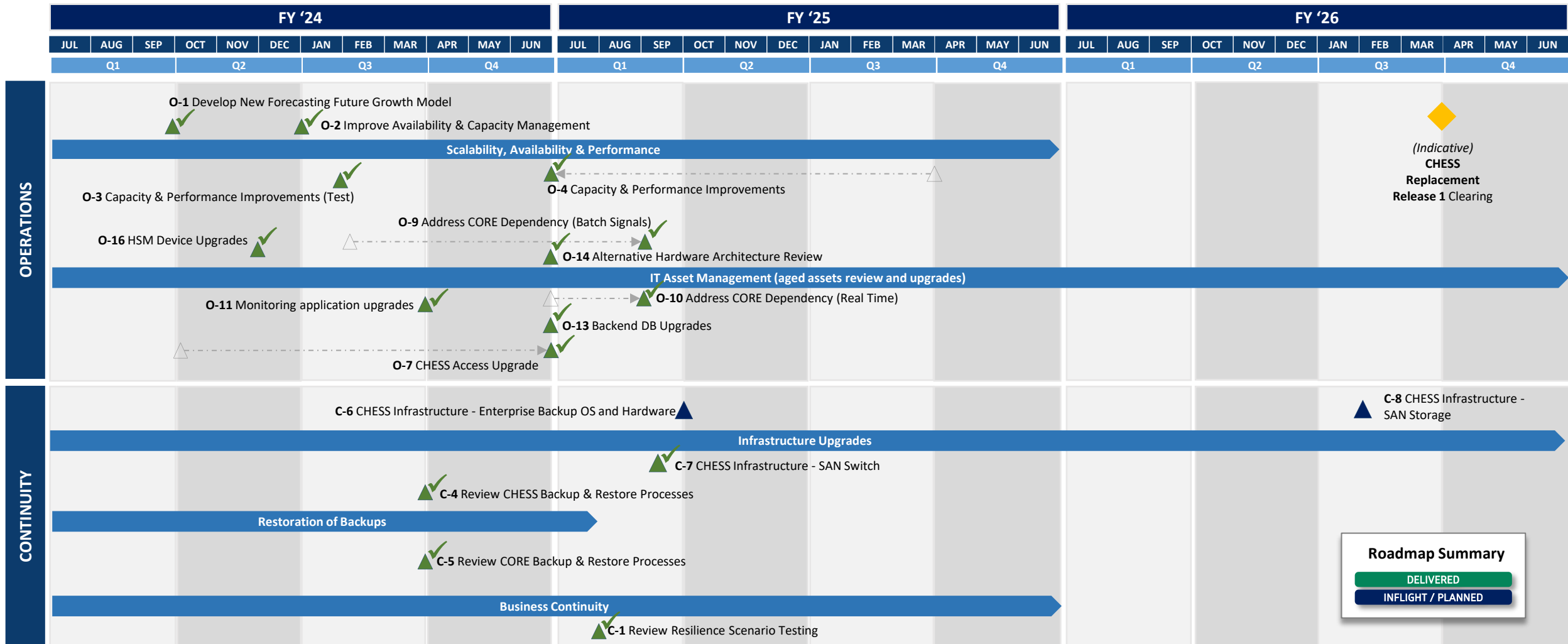
3b

Electronic statements take-up update

3c

Current CHESS roadmap

CHES Roadmap – as at June 2024



NOTE: The dates presented in this Roadmap are indicative only.

Risks & Governance based initiatives have not been depicted in the above roadmap as they are considered ongoing and business as usual in nature.

All Security initiatives (and certain Operational and Continuity initiatives) have not been depicted in the above roadmap due to commercial sensitivity.

8 x Special Report items have been completed in FY23 and do not fall inside the roadmap calendar range.

C-9 CHES Frontend & Backend Hardware is currently being monitored and its delivery is dependent on the outcome of O-14.

3d

ASX Customer Impact Plan

3e

Pricing Policy Consultation

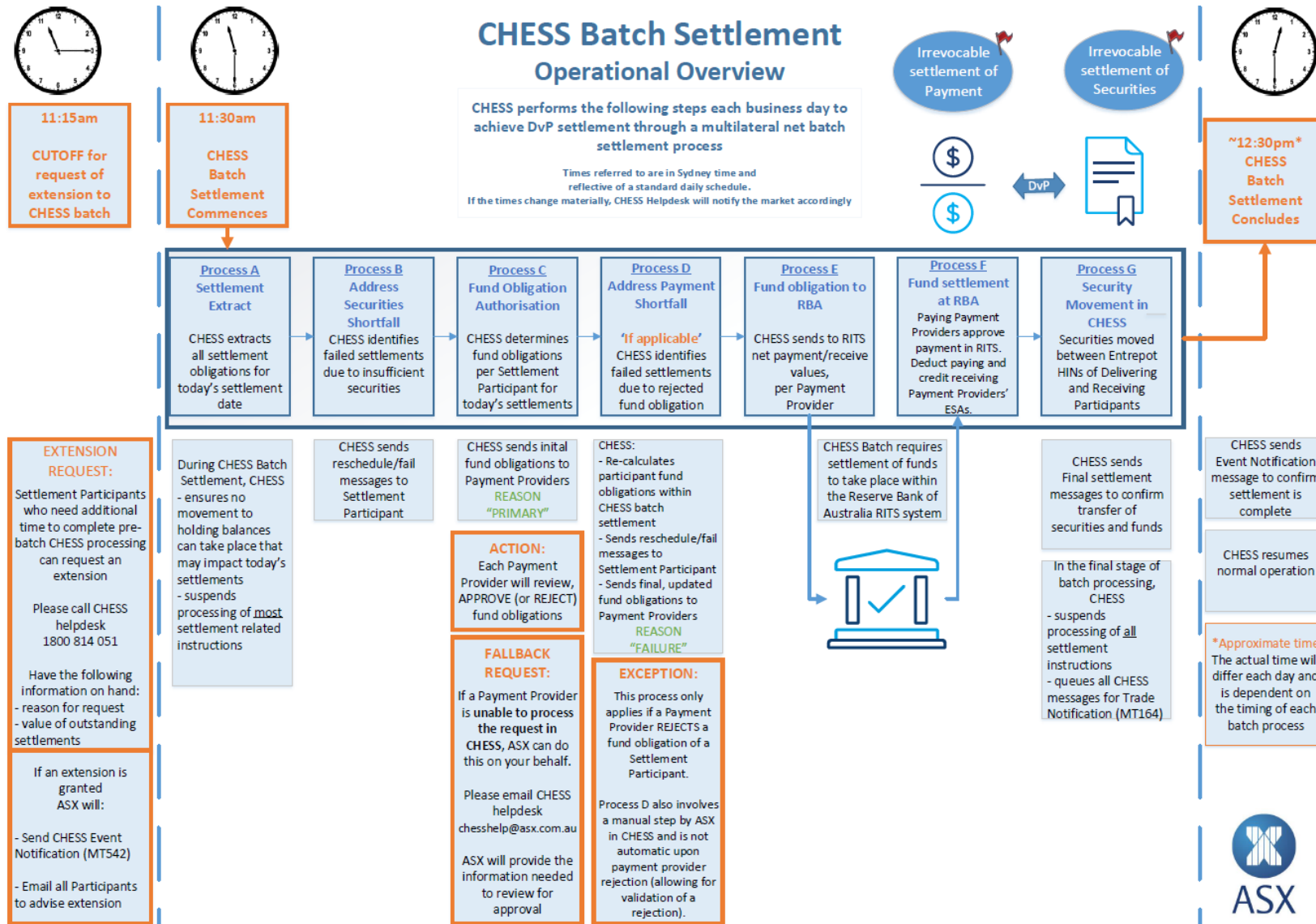
3f

BC Membership Policy

3g

Proposed rule amendments for CHESSE batch settlement delay scenario

3g - Chess Batch Settlement Operational Overview



3h

Securities Reporting Lending Review

3h – Disclosure of Securities Lending Activity

Background

- > In 2008, there were significant delays in the settlement of Australian equities, partly caused by a participant's failure to meet its delivery obligations due to its securities lending transactions.
- > Following this event the RBA determined that greater transparency of equities securities lending activity would assist participants in assessing settlement risk in this market.
- > Based on industry consultation, the Financial Stability Standard for Securities Settlement Facilities were varied, and the securities lending disclosure regime was introduced into the ASX Settlement Rules.

3h – Disclosure of Securities Lending Activity

Current Statement and Proposed Next

- > Participants have raised the difficulties faced with the reporting requirement, in particular, the operational complexities and regulatory burden associated with collating this data, especially across different jurisdictions versus the reliability and use of the reports.
- > Participants have raised that the securities lending data published by ASX is not relied on for several reasons, including:
 - the limited scope of lending activity that is captured;
 - other data being available since these rules were established in 2010; and
 - the difficulty with establishing prior borrowing of stock.
- > On that basis, Participants have confirmed that they do not rely on this data to assess settlement risk and instead utilise private data services.
- > AFMA has engaged with the RBA and ASX on the challenges the industry faces and relevance of the securities lending regulatory reporting framework today.
- > ASX is proposing a working group to conduct a deep dive into securities lending reporting, including ongoing relevance of current arrangements and drivers and any alternative proposal to be put to regulatory agencies.

3i

TNF Australasia meeting 2025

The Network Forum Australasia 2025

We are thrilled to announce that ASX will again serve as the host partner for [The Network Forum Australasia Meeting 2025](#) on Tuesday 4 and Wednesday 5 March 2025 in Sydney.

ASX, in collaboration with host [The Network Forum](#), are looking to curate an impressive lineup of domestic and global speakers. We will address a wider and diverse range of topics and are seeking input from the industry on potential subjects and speakers.

We look forward to seeing you at the conference for an engaging and productive discussion.

DATE Tuesday 4 March - Wednesday 5 March 2025

TIME 8.30 AM - 7.30 PM AEDT

VENUE Exchange Square, 18 Bridge Street, Sydney

MORE INFO [Visit The Network Forum](#)

4a

CHESSE Replacement project update

4b

CHESSE Replacement public consultation update

4c

CHESSE Replacement assurance plan update

5 and 6

Question Session

5 and 6 – Items Not For Presentation

Current Statement and Proposed Next

- > Agenda item 5a: Independent Assessment of the Assurance Plan for the CHESSE Replacement Project
- > Agenda item 5b: Operational Performance Cash Market Clearing and Settlement
- > Agenda item 5c: Maintaining the Stability of Existing CHESSE
- > Agenda item 5d: Annual report on Cash Equity and Settlement Services Developments
- > Agenda item 5e: Australian Carbon Exchange Initiative update
- > Agenda item 6a: Partnership Program update

7a

Open Actions

7a – Open Actions

18 September 2024

#	Action	Due date	Status	Owner	Update
23-7-2	ASX to perform further analysis to articulate benefits of moving to T+1 settlement, including margin and capital savings analysis.	Dec 2024	Open	ASX	<p>The analysis to identify default fund capital savings is more complex and will be provided at the December 2024 meeting.</p> <p>No update to provide in the September 2024 meeting.</p>
23-12-2	ASX to prepare a roadmap to provide stakeholder impact visibility across the major work streams running in tandem (such as current CHES initiatives, CHES Replacement, and T+1).	Sep 2024	Open	ASX	<p>The ASX Customer Impact Plan will be provided as part of agenda item 3d.</p>
24-3-1	ASX to provide semi-annual updates regarding electronic statements take-up	Sep 2024	Open	ASX	<p>An update on eStatements will be provided as part of agenda item 3b.</p>
24-3-2	Holding statements – to consider establishing a working group to review impediments to, and incentivising take up of, holding statements and other investor updates in electronic form	Sep 2024	Open	ASX	<p>The first meeting of working group was convened on Wednesday, 28 August 2024.</p> <p>An update on Holding Statements will be provided as part of agenda item 3b.</p>

7a – Keep In View

18 September 2024

Topic	Action	Due date	Status	Owner
eStatements and Holding Statements	ASX provide an update at each Business Committee meeting, alternating each meeting between an item for noting and an item for presentation with further detailed updates	Sep 2024	Open	ASX
Australian Carbon Initiative	ASX provide an update at each Business Committee meeting on the Australian Carbon Initiative.	Sep 2024	Open	ASX

7b

Forward work program

7b – Forward Work Program

18 September 2024

Meeting Date	Topics
11 December 2024 4.00-6.00pm	<ul style="list-style-type: none">• Current CHES - service performance, maintaining stability• CHES Replacement including Technical Committee updates• Release 2 Consultation Response themes• Pricing Policy Consultation Response themes• FY24 Management Accounts• Forward work program for 2025• End of year drinks

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Thank you.

