ASX Limited 2020 Annual General Meeting

Chairman and CEO Addresses

30 September 2020

(Check against delivery)

Let us now move to a discussion of ASX's performance in FY20.

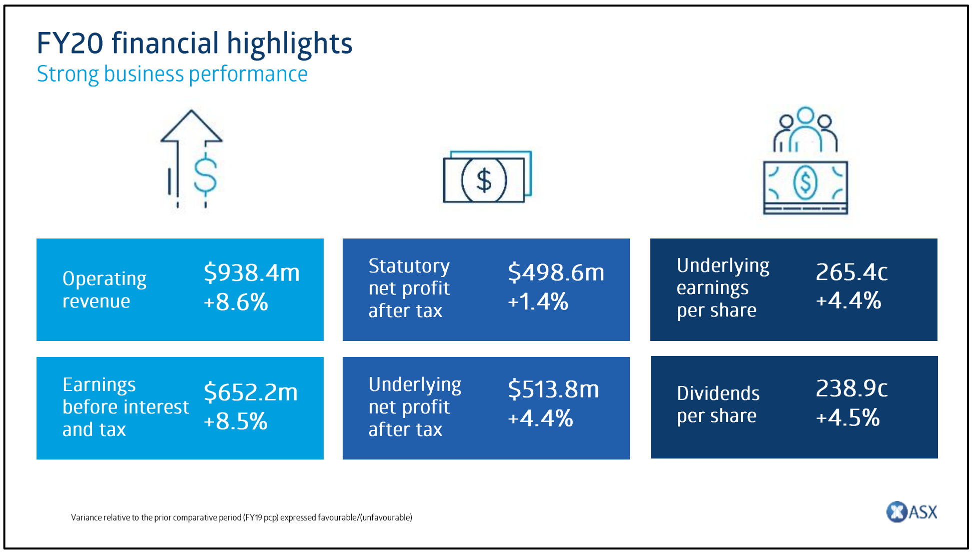
Performance overview

Fellow shareholders, no one needs reminding about the extraordinary challenges caused by the COVID-19 pandemic this year. As a community, we are continuing to grapple with them. We sincerely hope you, and your family and friends, remain safe and well.

ASX delivered a strong result for the period, particularly given the challenges in the latter part of the financial year. Our core businesses performed well, generating solid underlying profit growth. And our critical systems proved resilient, helping to keep our markets open and available. This allowed ASX to manage the periods of record volatility and volumes.

This achievement reflects the strength of ASX's diversified business model and the investments we've made to fortify our risk and technology foundations. It is also a credit to the skill and hard work of our people, who maintained ASX's operational integrity, even as up to 95% of them were working from home. This gives comfort to me and the Board that ASX's culture is healthy.

On your behalf, I congratulate our people, and I thank our customers. And on behalf of ASX, I thank you, our shareholders, for your support during this strangest of years.



Turning to FY20 financial highlights … our statutory net profit after tax grew 1.4% to over $498 million – up $6.6 million year on year. And underlying net profit after tax rose 4.4% to almost $514 million – up nearly $22 million. This was driven by strong revenue growth.

Earnings before interest and tax were more than $652 million – up 8.5% on last year.

Earnings per share grew for the eighth year in a row. Statutory EPS was up 1.4% to more than $2.57, and underlying EPS was up 4.4% to over $2.65.

Our dividend for the second half was more than $1.22 per share, fully franked. This brought total ordinary dividends (interim and final) for the year to almost $2.39 per share, up 4.5% from last year. This is the seventh consecutive year of higher total ordinary dividends and represents 90% of underlying profit. The final dividend is paid today.

Dom will provide more detail about ASX's business performance for the year shortly. He'll also update you on some of the company's major projects and our customer-focused, technology-driven strategy.

Building an exchange for the future

Central to ASX's strategy and to creating long-term value for our stakeholders is the level of trust in our actions. Sustaining that trust is something we work at every day. It's something the Board closely monitors.

To that end, an important development during the year was the update to our sustainability framework. The new framework sharpens our focus on how we create long-term value for all our stakeholders. It links our activities to manage ASX's non-financial risks, operate as a responsible corporate citizen and influence our external environment. It includes operating infrastructure that's resilient and providing markets that are efficient. Binding them together is a high level of trust in our actions.

- Trust extends to the relationship we have with our people: they told us during the height of the pandemic that they generally felt comfortable and connected, well informed and safe. Their wellbeing remains our primary concern.
- Trust includes how we respond to our customers impacted by COVID-19: for our customers we variously offered fee relief, eased resourcing pressures and provided temporary rule flexibility to deal with capital raising needs.
- Trust is vital to the important economic role exchanges like ASX play: having resilient operations and keeping our markets open supports price discovery, capital allocation and risk transfer. These are critical in periods of uncertainty and high volatility.
- Trust underpins the cooperation we have with our regulators, particularly ASIC and the RBA: we work closely with our regulators, and not just during the crisis, on a range of measures to maintain the market's efficiency, stability and integrity.
- Trust, resilience and efficiency all apply to the way we develop products and services to meet the market's needs: on this point, I want to touch on the best-known project we're working on – the CHESS replacement project.

As shareholders know, ASX has been working on this project for several years. The business case is straight-forward: we're replacing a system that's more than 25 years old – just like we have done with the equities and futures trading systems in recent years, and which we will continue to do with other systems when required. Importantly, CHESS replacement is being funded through our own capital expenditure program. In fact, we have made it clear we will not increase fees for the CHESS services we currently provide when the upgrade is delivered. And we hope to see the digitising of CHESS statements and other benefits flow as soon as possible.

The volume and volatility challenges experienced during the COVID-19 period imposed strains on back offices of most market participants and others across the industry. That's why installing the next generation of technology to support the digitisation of Australia's equity market is a priority.

As you would expect, ASX has a governance framework in place to replace CHESS in a safe and timely way. This includes our own Board, committee and audit processes. The project is subject to the extensive oversight and scrutiny from our regulators. We receive valuable input from multiple industry and customer-based forums. And numerous independent reviews are conducted on different aspects of the project. We have many years of experience replacing our core systems. Ultimately, as the licensed operator of the clearing and settlement facilities, ASX is responsible for replacing CHESS. The obligation is ours and will not be outsourced or delegated.

We will do our best to listen to and consult with all of our stakeholders. That's been a hallmark of the project from day one. It's a complex undertaking, and we are mindful that there will be competing interests and different perspectives. We have heard and understood the diverse views of CHESS users, and we are acting on their feedback. It will take time to get right. And we are learning along the way.

I believe ASX can be trusted to deliver a system with the capabilities to serve the market for the next decade and beyond. A system that will place Australia's financial markets at the forefront of technological innovation.

CHESS attracts most of the headlines but it's by no means the only ASX project of significance. There is an extensive range of other initiatives, many of which have been, or shortly will be, delivered. I'll leave it to Dom to elaborate shortly. Like CHESS, they are about ASX's work to build an exchange for the future.

Board skills and experience

Turning to Board matters … quality leadership is always critical. Never more so than during a crisis.

We work hard to ensure the ASX Board has the right mix of skills, diversity and experience. This proved invaluable as 2020 unfolded.

In January, we welcomed Rob Woods to the Board. Rob has over 30 years' experience in financial markets. This includes a deep understanding of ASX's businesses and regulatory obligations, having served on our clearing and settlement boards. Rob is standing for election at this meeting.

Seeking re-election today is Damian Roche, who has been a director since 2014. Rob and Damian will speak in support of their candidacy shortly. Both candidates are unanimously endorsed by the Board.

Also unanimously endorsed is our gratitude to Peter Warne, who is retiring from the Board at the end of this AGM after 14 years' service. Peter joined the Board in July 2006 following the merger with the Sydney Futures Exchange. His contribution has been enormous. We thank him for his wisdom, expertise and dedication, and wish him the best for the future.

Conclusion

This year has been more complex than most. The next year could be equally testing. I am confident ASX, including its Board and Management team, is well prepared to deal with the challenges and to capitalise on the opportunities.

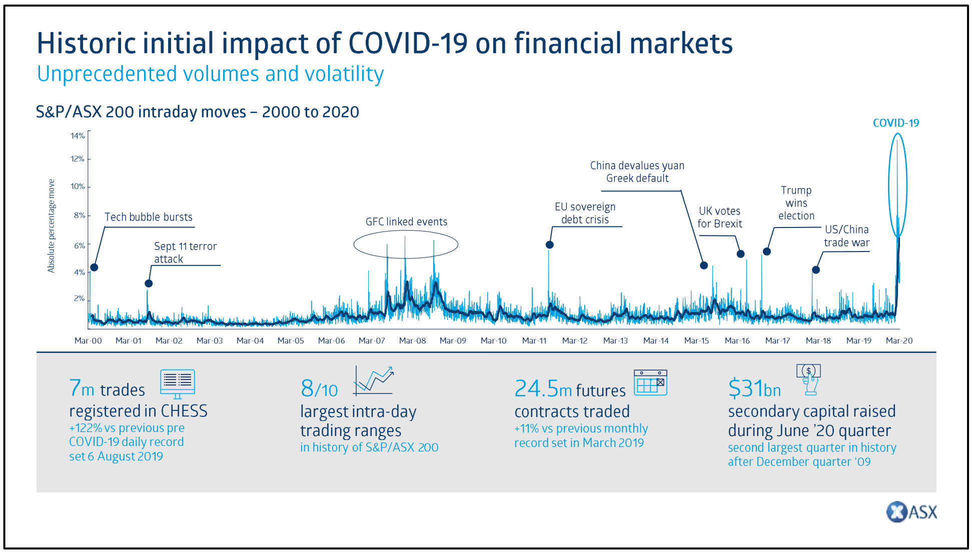
Having a reliable, well-capitalised and trusted company at the heart of Australia's financial markets has never been more important.

I thank my fellow directors for their continued commitment and congratulate all our people for their hard work over the last 12 months.

Finally, I also express my gratitude to you, our loyal shareholders.

I now invite Dominic Stevens to address the AGM.

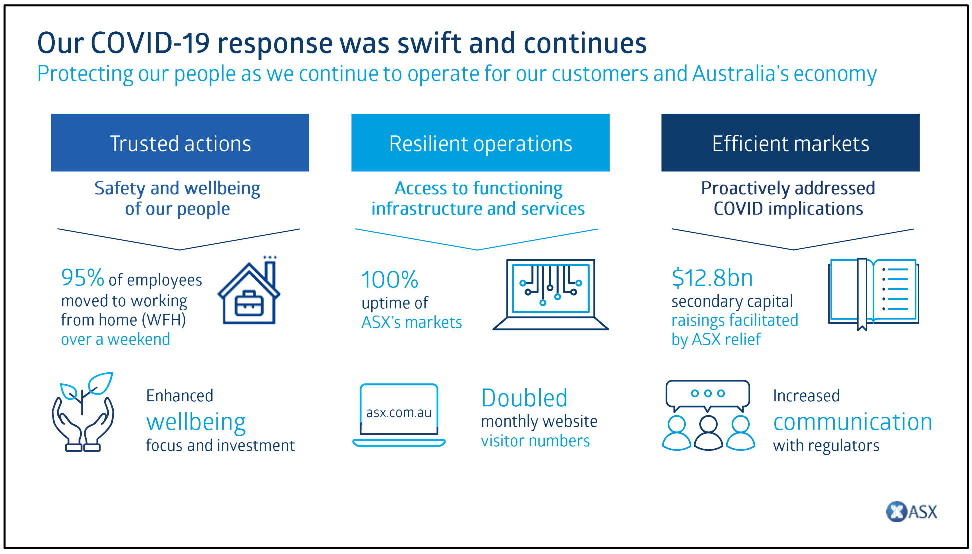
Thank you Rick and welcome everyone to ASX's first virtual AGM.



Unprecedented. Unparalleled. Uncertain. Terms that have been used more frequently in the last nine months than I can recall being used in any prior period; and I was around for the 1987 crash!

For ASX, the initial impact of COVID-19 on Australia's financial markets did make history.

March 2020 and the following months was a time when daily records were set and reset. We saw an explosion of volume, with a string of daily volume records like never before. We also saw an explosion of volatility, with March recording eight of the 10 largest intra-day moves in the history of the S&P/ASX 200 index, and record volumes in our futures markets. In the months following March, new record numbers of users visited our website and companies raised $31 billion in secondary capital quickly and efficiently. And this was all happening in the midst of the most extreme business continuity event in modern times.



Enabling Australia's financial markets to operate effectively and efficiently, as they did during those early weeks of Australia's COVID-19 response and lock down, reflects ASX's deep-rooted commitment to our long-term sustainability. Earning our stakeholders' trust, and their confidence in our operational resilience and the integrity of our markets, is always important. This is particularly so when markets are reacting to extreme external shocks.

Our response to the COVID-19 pandemic – and how we continue to respond – remains focused on protecting our people and operations, as well as supporting our customers and markets. Importantly, our response was strengthened by the investments we've made in operational resilience, risk management, technology and digitisation over the past three years as part of our Building Stronger Foundations program.

Being trusted for our actions is critical to our ability to operate at the heart of Australia's financial markets.

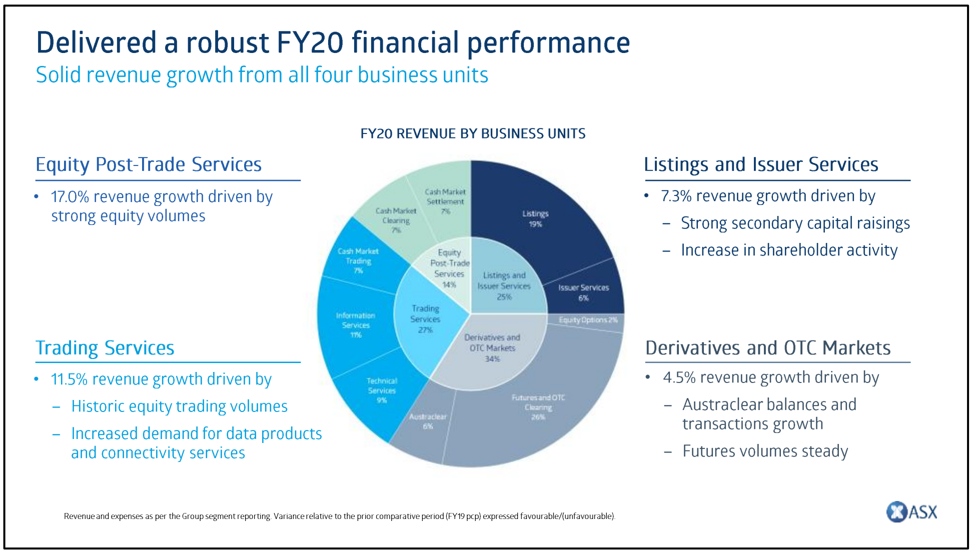
Over a single weekend in mid-March, we executed our crisis management plan and transitioned 95% of our workforce to work from home, utilising the remote working capabilities we have invested in over the past five years. The past six months have been a valuable experience in proving the case for flexible work practices – benefits we hope to retain for the future. However, it is very clear that some activities benefit from the social and collaborative features of the office environment. This is why we have initiated the beginnings of a well-planned return to the office over the coming months.

During the ongoing health and economic uncertainty, we have significantly increased our focus on employee wellbeing. I am proud to report that the commitment and flexibility shown by our workforce has been, and continues to be, inspiring.

The resilience of ASX's operations is our second area of focus for managing our long-term sustainability. In the face of record volume and volatility throughout March, ASX produced 100% uptime – or reliability and resilience – across all our key trading and post-trade systems. Shortly, I will update you on the progress we are making in our multi-year journey to contemporise ASX's technology infrastructure. This is a strategy we believe is critical to ensuring we deliver for all of our stakeholders for many years to come.

As a provider of critical financial markets infrastructure, we take our responsibility to support the efficiency with which our customers use our services to exchange information, transfer risk, and allocate and raise capital very seriously. We do this through numerous activities, including our technology solutions, listing and operating rules, guidance notes, market oversight activities and education initiatives.

With the onset of COVID-19, ASX moved quickly and in partnership with regulators to provide relief to those companies that needed to raise capital, while ensuring fairness and protection for retail investors. Similar to the GFC 12 years ago, the agility and responsiveness of ASX's listing rules framework enabled Australia's capital markets to remain open and effective during a period of extreme uncertainty.



Against this backdrop, ASX was able to deliver robust financial results for the 2020 year. As Rick mentioned, revenue growth of 8.6% was driven by solid performances from across the Group.

Looking at the earnings drivers in a little more detail.

The impact of COVID-19 drove heightened equity trading volumes, with value traded up 30%. This in turn drove higher clearing and settlement volumes, which resulted in a record year for this business. Secondary capital raisings were up 44% compared with FY19, and were the primary reason total capital raised was the highest it has been in over a decade.

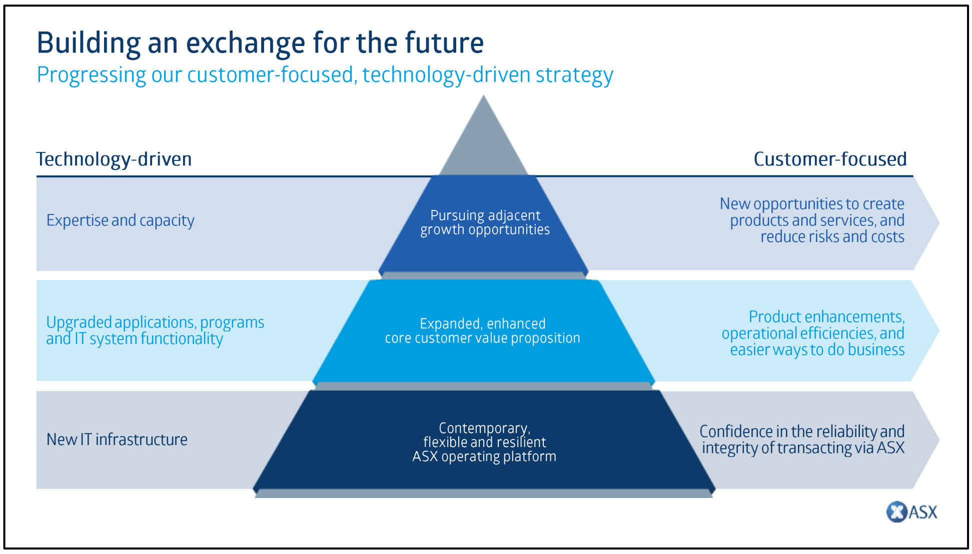
Futures volumes were down 1% for the year, as growth in the first half was offset by lower volumes in the second. Volumes initially rose with COVID-19 uncertainty. But the RBA's yield curve control measures reduced the volatility and volume of our short-dated derivative products towards the end of the second half.

Austraclear, our bond central security depository, cash transfer and registry business, saw particularly strong growth of 10.6% in FY20, supported by the increase in issuance of Treasury and semi-government securities.

Our information services business, which earns its revenues from selling ASX price, benchmark and reference data and other products, delivered growth of 10.7%, as we continue to see the shift in demand for individual data consumption to machine-readable data.

And finally, our technical services business, which captures the access and connectivity revenues generated by ASX Net and by the Australian Liquidity Centre (or ALC), delivered steady growth of 4.4%, as customers increased the number of connections between each other.

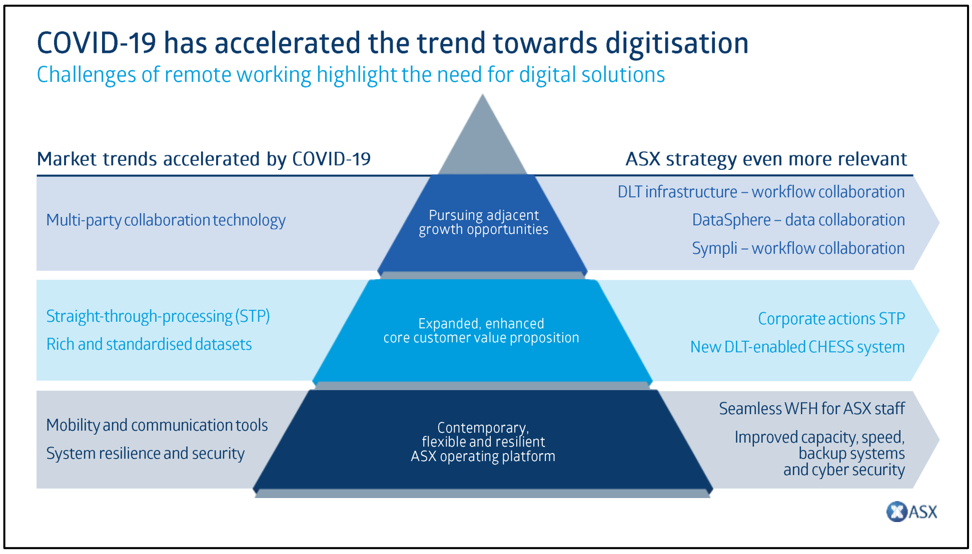
Turning now to the strategic update.



Looking back over all that has happened in 2020 and assessing where we find ourselves today, ASX remains well positioned to continue to execute our customer-focused, technology-driven strategy.

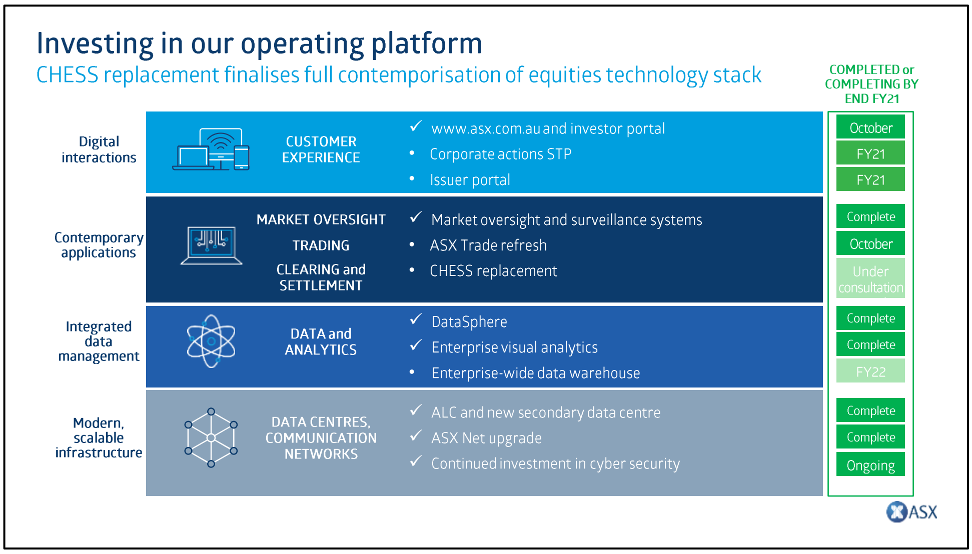
Our strategy is grounded in the importance of strong governance, risk management and operational foundations – characteristics that enhanced our ability to navigate successfully the last six months.

By being technology-driven, our strategy is enabling ASX to deliver more customer-focused products and services, collaborate better with our customers, and importantly, allow them to collaborate more effectively with each other.



COVID-19 and its ramifications have significantly accelerated the market trends that our strategy is designed to pursue.

The drive towards digitisation, industry straight-through-processing, workplace mobility, collaborative technologies, richer datasets and standardisation to enable all this, has accelerated in the last six months. This is also reflected in feedback we have received from our customers, which I will talk to shortly. We are confident that the investments we are making in these technologies now will reap benefits for many years to come.



The transformation of ASX's technology stack has been core to our strategy to maintain ASX's position at the forefront of technology innovation. When we committed to our technology-driven strategy in 2016, we recognised the need to invest in our contemporary technology foundations on which our new applications and digital capabilities would sit. This is why our transformation has seen us invest in our entire technology stack – from top to bottom.

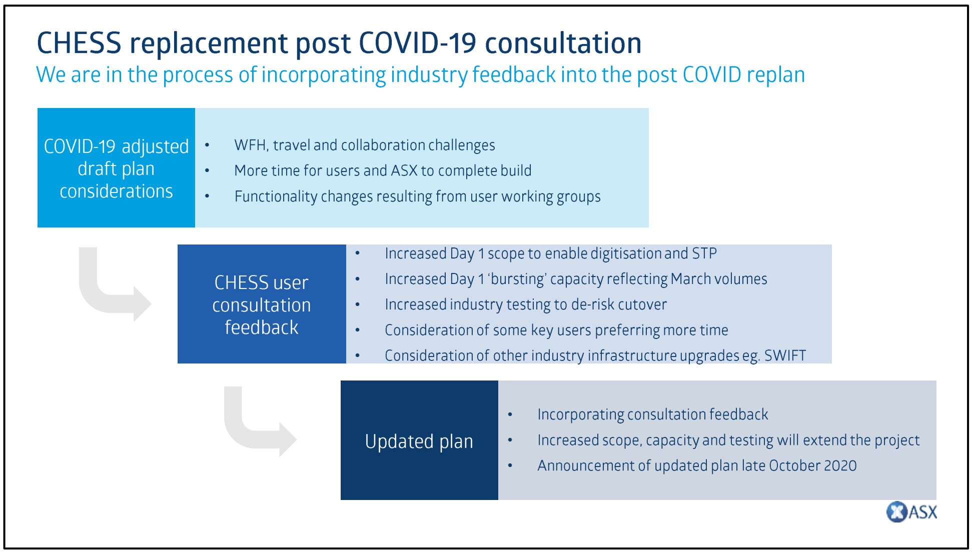
While our CHESS replacement project attracts plenty of media coverage, it is only one of a number of initiatives undertaken to contemporise our technology environment. Once we complete this work, the cash equity business will be built on contemporary technology, from its physical hardware infrastructure, through the data and application layers, and all the way to its web presence.

We've upgraded our data centre infrastructure so that it is modern and scalable. We've increased our investment in cyber security and remain vigilant managing our cyber security risk controls, procedures and prevention strategies.

Aligned with our work to embed a customer-focused, data-driven culture, we have invested in data analytics and new data visualisation tools, as well as our internal data science capability DataSphere – which we are now offering as a service to customers.

We have invested in our market surveillance technology and upgraded ASX's Market Announcement Platform to make it easier for issuers to use. A significant upgrade to our equity trading system will be complete next month. And of course the CHESS system will be replaced after more than a quarter of a century of reliable and efficient service to Australia's investing community.

For our shareholders, the most visible investment will be seen in our new website, which is currently running in parallel to our existing site until that is switched off in in the next few weeks. I hope you find the new site and additional features easier and more engaging to use across multiple devices.



As I said earlier, we have a comprehensive program to contemporise our technology stack from top to bottom. Our CHESS replacement project is an important element and the final part of that contemporisation for equities.

ASX appreciates and understands the significant scope and complexity of this project. Like most things in life, the challenges that require the most effort and commitment tend to deliver the greatest benefits. We believe this will be the case with CHESS replacement. It will deliver long-term benefits to clearing and settlement participants, issuer service providers and listed companies, and ultimately every Australian who directly or indirectly owns shares.

Continuous and broad industry consultation has been, and remains, a key component of our governance framework and project execution.

Recently, we re-engaged with the market around a 'COVID-19 adjusted' replan of the project. The responses showed CHESS users are highly engaged and looking forward to the completion of the project in an expeditious and safe manner.

Importantly however, this consultation was the first formal consultation post COVID-19, so it was instructive to understand how this had affected the views of participants. In their formal responses and in follow-up discussions, it is clear that there is a demand for significant additional capacity and functionality from the go-live date. ASX is listening to these requests and looking at how the plan would need to lengthen to accommodate this. More specifically:

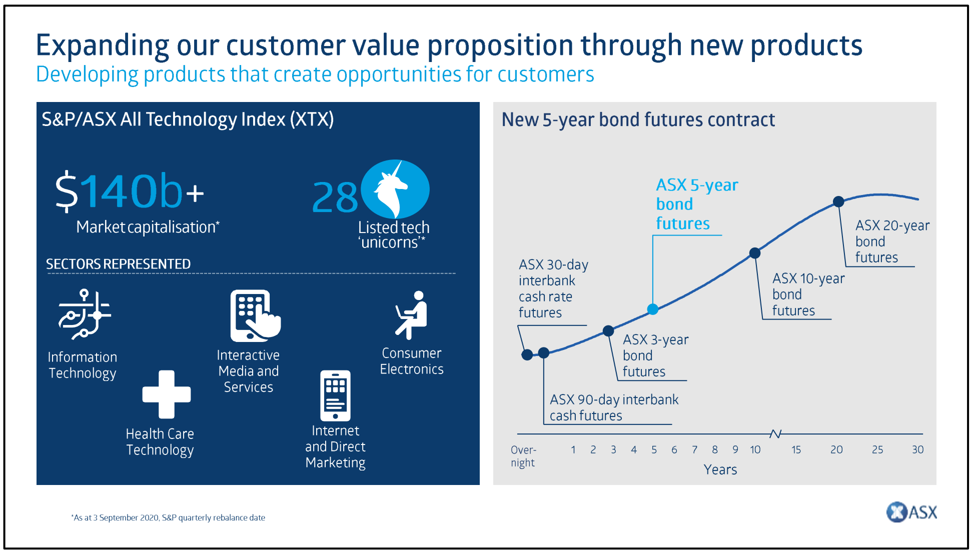
- The COVID-19 pandemic and the ensuing work from home constraints demonstrated the inefficiencies of paper, wet signatures and manual processes. There is a desire, accelerated by this experience, to prioritise the digitisation of processes. This request is calling for some 'day two' functionality focused on this area to be brought forward into 'day one', especially regarding corporate action straight-through-processing, which will increase go-live project scope.
- Stakeholders also reflected on the extreme volume spike in March 2020 and their requirements for additional 'bursting' of post-trade processing capacity. To put this in perspective, when we began the project we were looking at a go-live volume target of five times the then record CHESS day. With the volume explosion we saw in March, we are now looking at plans to ultimately double or triple that original volume target, which will increase go-live system capacity.
- Participants have also requested more coordinated industry and performance testing, and testing with respect to actual migrated data, to further reduce risks around the cutover to the new system.
- Finally, while participants in the main told us they were happy with our draft timetable, some – including an important back office systems provider for a substantial part of the market – expressed a preference for an extra six to nine months. We are also including this in our deliberations.

We also fielded feedback from a small number of CHESS users who did not give us an indication of their readiness. However, we are very confident, given how they connect to CHESS, that they will be able to meet the final timetable.

Therefore, as you can see, this is a complex project where ASX continues to listen and is currently looking to accommodate the additional needs of stakeholders. In fact, we will look to engage further with the market to simplify some functional processes to allow even greater efficiency, performance and functionality.

These requested additions to capacity and scope will be reflected in the go-live date. We also aim to further reduce risk in the final plan and better accommodate the preferences of those for more time.

The team is currently working through the feedback and will return to market with a final plan in the second half of October.



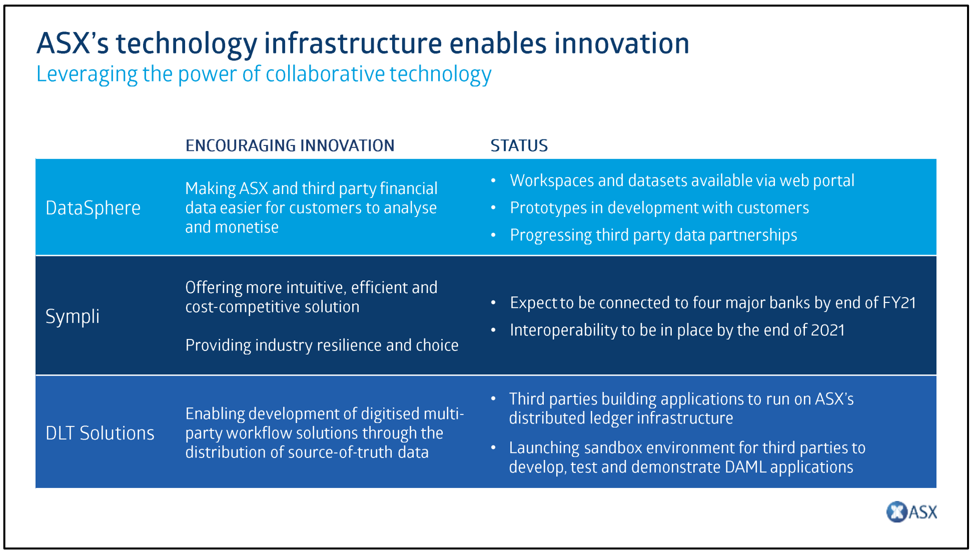
Alongside our efforts to make business easier for our customers, we continue to look at how we can expand our value proposition for customers with new products that meet the demands of our changing world.

We are particularly passionate about fostering a larger, more vibrant listed technology sector in Australia. While important for ASX as a business, I believe it is also of long-term importance to the Australian economy and will help position us as part of this growing global industry.

Over the last five years, the number of technology stocks listed on ASX has increased by 49 to 202. During this time, ASX has positioned itself as a globally competitive exchange for technology listings. These companies have also been some of the best performers on the exchange, including during the pandemic.

Consistent with the growing importance of the technology sector to Australian investors, during the year we launched the S&P/ASX All Technology Index. The index has enhanced the profile and understanding of listed tech companies, and increased opportunities for investors to gain exposure to some of the world's most exciting new enterprises.

For the fixed income market, we are on track to launch a new five-year bond futures contract towards the end of the year. While new products generally take some time to gain momentum, market conditions are ideal to create support for the new contract. There was already demand for a five-year product pre COVID-19, given existing issuance and the opportunity to mirror five-year bond futures traded offshore. Post COVID-19, the significant increase in Government bond issuance around the five-year part of the curve is expected to provide another leg to that demand equation.

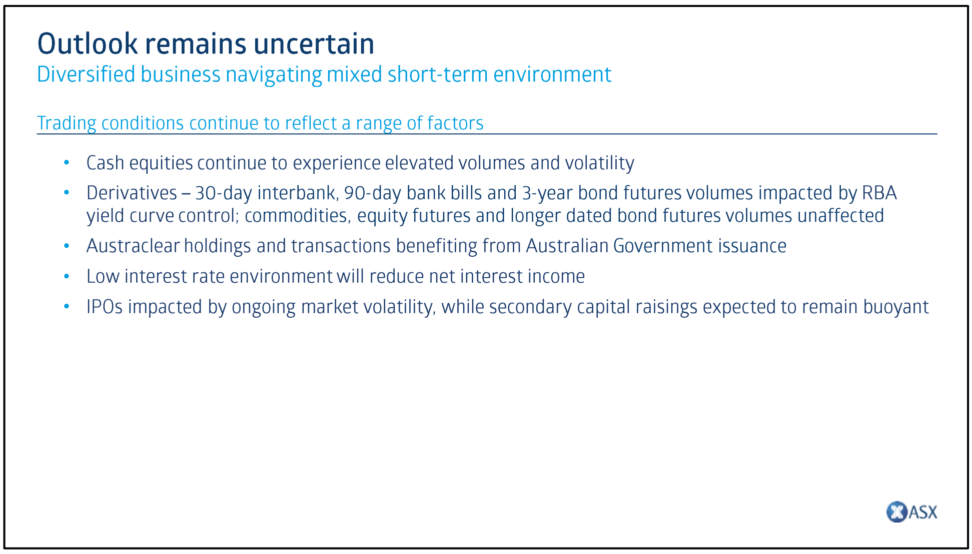


Turning now to the last slide on our strategic progress – our growth adjacencies. These are opportunities where we feel we can use our expertise and experience to drive further digitisation in other industries beyond just financial markets.

ASX DataSphere has been designed and built to make accessing, analysing and sharing financial market data easier for ASX and our customers. Having launched the platform last year, we have now opened it to third parties looking to partner with ASX to help solve their data challenges. And we now offer a significantly larger group of datasets, including ASX's Austraclear bond, money market and Repo data.

Our e-conveyancing joint venture investment Sympli is set for a busy 12 months. As mentioned at our FY20 results, we expect Sympli to be connected to all four major retail banks by the end of this financial year. Three weeks ago, the ability for Sympli to more easily compete in the e-conveyancing market was enabled when all the States and Territories jointly supported the introduction of interoperability in 2021. Once in place, this will allow the parties in a property transaction to seamlessly manage their obligations through different e-conveyancing providers, creating opportunities for new entrants like Sympli.

While implementing the new CHESS system is our primary focus for deploying distributed ledger technology, or DLT, we continue to support financial service providers who are developing innovative products using DAML, the programming language developed by our DLT partner, Digital Asset. In time, we expect new innovative products and services to be run on ASX's distributed ledger infrastructure.



To finish my address, I will revisit the outlook comments I made in August at the FY20 results, which remain broadly valid.

While the consensus view seems to be that the August reporting season was better than expected, the outlook is still very difficult to predict. The US election is among a number of geo-political issues afoot; timing around a COVID-19 vaccine is still up for discussion; and the economic outlook for Australia and the global economy remains unclear.

The RBA's ongoing yield curve control measures continue to dampen trading in short-term derivative securities. The expected increase in bond issuance from the AOFM is positive for our Austraclear business, and will help temper the impact of lower short-dated futures volumes.

The pressure on interest rates and margins continues to weigh on ASX's ability to generate interest income from its own capital and from collateral balances. This is particularly so because we invest in high quality, highly liquid, low-yielding securities. These assets currently earn around 10 basis points. With the recent speculation of another rate cut, we could see those returns fall further.

The outlook for IPOs remains mixed as well as sector dependent. However, it is encouraging that after a challenging second half of FY20, the first half the 2021 financial year looks more promising.

Taking all this into consideration and in summary, ASX remains well positioned for the long-term and our diversified business supports our near-term performance in these uncertain times.

Finally, I would like to thank our staff for their hard work and diligence in what has been a year of significant achievements under some challenging circumstances. I also thank our customers and stakeholders for their continued support through these extraordinary times.

Before I hand you back to Rick, I would like to share with you the new website launch video.