

**Question on Notice raised in the Hearing of the Parliamentary Joint Committee of Corporations and Financial Services, held on Thursday 23<sup>rd</sup> February 2023 in Sydney**

**Question**

Can you take on notice having a look at the statements from ASIC and the changes proposed and how that might intersect with the thoughts that you have?

**Response**

There are two reports that have been requested from ASX by ASIC, under the powers available to ASIC containing in the Corporations Act:

- A Report detailing the response plan in respect of ASX to the findings and recommendations of the CHES Replacement Program External Review conducted by Accenture; and
- A Report in relation to the current Portfolio, Program and Project Management (“**PPPM**”) framework and an assessment of the current PPPM framework against internationally recognised frameworks to either validate the current framework is fit for purpose or to identify any deficiencies in the current framework and to document steps to be taken to rectify the deficiencies.

Both Reports are to be audited by Ernst & Young and there are to be publicly available versions of the Reports (with commercially confidential information removed).

Boardroom Pty Limited (“**BoardRoom**”) welcomes the action by ASIC to enhance the monitoring of ASX’s response to the recommendations contained in the CHES Replacement Program External Review conducted by Accenture and to review the project management methodology used by ASX to ensure it is appropriate for a project of this complexity. We are especially heartened to see there is to be a publicly available version of the Reports.

BoardRoom does, however, consider the importance of the CHES Replacement project to the Australia financial system is of such import, that ASIC (and other appropriate regulators) should take a more active and consistent role in the governance of the CHES Replacement project. For example, BoardRoom would like to see ASIC also calling for reports in relation to the future work to be undertaken in relation to the CHES Replacement project, the rationale for the solution that has been chosen, a discussion of the pros and cons of the proposed solution and the decision that has been taken.

We reiterate our comment during the Hearing supporting the concept of a governance body chaired by ASIC or the RBA. This body would have a mandate to receive regular reports as to progress of the CHES Replacement project as well as to consider the reports mentioned above and to consider and opine on the decision that may have been taken; weighing that decision against the interests of all stakeholders.