



## RESPONSE TO QUESTION ON NOTICE

<b>Inquiry</b>	Parliamentary Joint Committee on Corporations and Financial Services <sup>2</sup> Oversight of ASIC, the Takeovers Panel and the Corporations Legislation
<b>Hearing Date</b>	23 February 2023
<b>Topic</b>	Composition of ASX Clear and ASX Settlement Boards
<b>Reference</b>	Page 60 of Hansard transcript

### Question

**CHAIR:** I want to go to a couple of questions on governance. There's a point here from your opening statement:

*We have made changes to strengthen governance, independence and oversight of the clearing and settlement licence boards by requiring that the chair of each of these boards is independent and could not be a director of ASX Limited.*

How long was it previously the case that the board's make-up included members who were directors of ASX Ltd?

**Mr Roche:** ASX Clear and ASX Settlement—I'd need to confirm the exact date, but it's been for an extended period that there's been an independent chair of those two boards. But we took the action in May 2022 to appoint an independent chair of Austraclear and of ASX Clear (Futures). For the two licensed boards, I'd need to confirm the precise dates, but the two boards relating to the CHES Replacement program have had, for some time, an independent chair.

### Answer

In March 2021, changes were made to the Charter for the Clearing and Settlement Boards to require that the Chair of ASX Clear and ASX Settlement must not also be a director of ASX Limited.

This change to the Charter reflected the longstanding practice over at least the prior 10 years for the Chair of ASX Clear and ASX Settlement to not be a director of ASX Limited. The current and previous two Chairs of ASX Clear and ASX Settlement have not been directors of ASX Limited.

The Clearing and Settlement Boards Charter also requires that the ASX Clear and ASX Settlement Boards must be comprised of at least 50% non-executive directors who are not also directors of ASX.