

16 March 2023

By email: [Corporations.Joint@aph.gov.au](mailto:Corporations.Joint@aph.gov.au)

**ATT: PARLIAMENTARY JOINT COMMITTEE ON CORPORATIONS AND FINANCIAL SERVICES**  
**RE: Oversight of ASIC, the Takeovers Panel, and the Corporations Legislation**

Link Group (Link) welcomed the opportunity to participate as a witness on Thursday, 23 February 2023 at the hearing of the Parliamentary Joint Committee on Corporations and Financial Services and hereby provides our comments in relation to item taken on notice from Senator Pratt.

Link is a global, digitally enabled business connecting millions of people with their assets safely, securely, and responsibly. In Australia, Link's subsidiary, Link Market Services Limited acts as a share registrar and delivers comprehensive solutions across the complete breadth of investment products including listed equities, unlisted managed funds, and exchange traded funds.

As a leading share registry provider, Link handles the recording of close to 25% of all shares listed on the Australian Securities Exchange (ASX) servicing 39% of the ASX top 100 companies, 36% of ASX200 companies and facilitates the management and delivery of over 700 Annual General Meetings in Australia each year using technology led platforms that have been innovated extensively in recent years.

We process more than \$81 billion dollars in payments in over 50 currencies. Each year more than 8.2 million shareholders transact on our investor portals, be that viewing their shareholdings, transacting on their accounts, or viewing documents pertaining to their investments. Our connectivity to the ASX clearing and settlement platform is integral to the delivery of our services to the market.

Link invests heavily in technology to maintain and develop a suite of technology driven solutions for our clients and their shareholders.

Link was asked to respond to the following question:

Q. In what way might the licensing regime and regulatory obligations for operators of financial markets need amending in light of what we've learned in relation to CHES's replacement?

The key observation in considering what we've learnt following ASX CHES Replacement project pause is that it is paramount to have a clear and well-defined business case at the preliminary stage that provides; justification for project undertaking, it evaluates the project benefit, establishes the precise business goals for **all project stakeholders**, outlines cost and risk of alternative options and provides a detailed rationale

for the preferred solution following rigorous assessment. We know that projects generally fail without having a solid business case to support them.

With consideration in relation to the obligations of the four regulators of the Australian financial systems: Australian Prudential Regulation Authority (APRA); the Australian Securities and Investment Commission (ASIC); the Reserve Bank of Australia (RBA); and the Australian Treasury, Link would support and welcome increased involvement and supervision in future advancements of the Australian financial markets as well as future ASX CHES Replacement projects.

Link acknowledges in the affirmative ASIC's notice issued, 23-035MR to ASX Limited (ASX), ASX Clear Pty Ltd (ASX Clear) and ASX Settlement Pty Ltd (ASX Settlement) (the ASX Licences) under sections 794B and 823B of the *Corporations Act 2001* (the Act) on Wednesday, 22 February 2023. We believe it to be a constructive and beneficial action, which provides industry with a level of assurance.

Looking to the future and to address any next phases of the ASX CHES Replacement project, Link would be pleased to see ASIC and RBA supervise ASX's project in terms of project scope, industry consultation / committee participation and oversee the procurement process for vendor selection.

In conclusion, Link supports innovation and technology driven solutions that allows our industry to provide services to investors and the broader financial markets, safely, securely, and responsibly.

Thank you.

Lyša McKenna  
Managing Director, Corporate Markets ANZ  
Link Group