

14 December 2025

Mr Joseph Longo
Chairman
Australian Securities and Investments Commission
Level 5, 100 Market Street
Sydney, NSW 2000

Dear Chair,

On 16 June 2025, the Australian Securities and Investments Commission (ASIC) announced a landmark Inquiry into the ASX Group (ASX). The Inquiry was initiated by ASIC following repeated and serious failures at ASX, and ongoing concerns held by ASIC and the Reserve Bank of Australia (RBA) over ASX's ability to maintain stable, secure and resilient critical market infrastructure.

Under the Inquiry's Terms of Reference (TOR), the Panel is asked to examine the frameworks and practices in relation to governance, capability and risk management within the ASX Group.

While the Inquiry is still ongoing, the Panel has largely completed its analysis and is well placed to deliver its final report to ASIC by 31 March 2026.

In undertaking its analysis, the Panel has identified what it considers to be the key underlying drivers of concern in relation to ASX's business model, including its governance, capability and risk management, that require urgent attention.

It is the Panel's view that ASX in its current state will not resolve the serious shortcomings that have been identified through this Inquiry and there is a need for a fundamental reset.

The Panel is pleased to provide you with an Interim Report which sets out key underlying drivers of concern, together with a strategic package of actions that, if implemented, would address the concerns identified and provide a circuit breaker to deliver a stronger pathway forward.

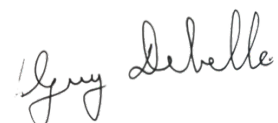
Yours sincerely,



Rob Whitfield AM



Christine Holman



Guy Debelle

The background of the page features a dark blue gradient with a vertical orange line on the left side. On the left side, there are faint, semi-transparent images of financial charts, including a candlestick chart and a bar chart, suggesting a financial or market context.

Inquiry into ASX GROUP

Interim Report

December 2025

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1. Introduction

On 16 June 2025, the Australian Securities and Investments Commission (ASIC) announced a landmark Inquiry into the ASX Group (ASX). The Inquiry was initiated by ASIC following repeated and serious failures at ASX, and ongoing concerns held by ASIC and the Reserve Bank of Australia (RBA) over ASX's ability to maintain stable, secure and resilient critical market infrastructure¹.

To undertake the Inquiry, an expert panel comprising of Rob Whitfield, Christine Holman and Guy Debelle (the Panel) commenced on 1 July 2025.

While the Inquiry is still ongoing, the Panel has largely completed its analysis and is well placed to deliver its final report to ASIC by 31 March 2026.

In undertaking its analysis, the Panel has identified what it considers to be the key underlying drivers of concern in relation to ASX's business model, including its governance, capability and risk management, that require urgent attention.

While there is a significant amount of remediation activity underway, it is the Panel's view that the current activities will not resolve the serious shortcomings that have been identified through this Inquiry.

There is a pressing need for a fundamental reset that puts ASX's stewardship role as an operator of critical market infrastructure first. Moving swiftly now reduces the likelihood of avoidable costs or disruption, and positions ASX to regain momentum and stakeholder confidence. Delayed action would likely allow these issues to deepen, increasing both the difficulty and cost of remediation.

The revised approach will require the Board of ASX Limited (ASX Board) to take full ownership and actively drive the initiatives required to successfully transform its business. It demands disciplined execution, clear accountability, and unwavering leadership commitment. It will also require strong engagement between ASX and the regulators, and a change to the regulators' approach to ASX.

This Interim Report (Report) outlines the Panel's key observations to support its findings. It contains the substantive conclusions that will comprise the basis of the final report that will be issued by 31 March 2026. This Report also includes a strategic package of actions the Panel recommends to address the concerns identified and provide a circuit breaker to deliver a stronger pathway forward.

¹ Market Infrastructure refers to infrastructure that supports trade execution and post-trade clearing and settlement. This is broader than the definition of "financial market infrastructure" used in international regulatory standards in that it includes trade execution infrastructure (market operators).

The Inquiry's Terms of Reference

Under the Inquiry's Terms of Reference (TOR), the Panel is asked to examine the frameworks and practices in relation to governance, capability and risk management within the ASX Group. This includes:

- 1. Identifying any core organisational and cultural drivers contributing to recent incidents, as well as organisational capability gaps of ASX Licensees to provide a stable, secure and resilient market infrastructure that meets the evolving needs of the Australian market.**
- 2. Assessing any impediments to sound risk management and/or compliance outcomes in relation to ASX Licensees.**
- 3. Considering whether initiatives ASX Licensees have underway are sufficient to respond to any shortcomings identified and making recommendations if other initiatives or remedial actions are needed.**
- 4. Recommending how issues should be rectified if identified shortcomings and deficiencies are not already being addressed by ASX.**

Appendix A sets out the Inquiry's TOR in full. Defined terms used in this Report are included in Appendix B.

Purpose of the Interim Report

The Report sets out key underlying drivers of concern, together with a strategic package of actions that, if implemented, would address the scale of change the Panel considers necessary to serve as a circuit breaker for all stakeholders.

The Panel has undertaken extensive, in-depth discovery and analysis which has provided it with a unique, point-in-time perspective on the drivers of concern and the approach required to address them.

Due to the urgency of the reset required, the insights of this Report were shared with ASIC and RBA, and the regulators engaged with ASX with support from the Panel.

The Panel will deliver to ASIC a final report as outlined in the TOR by 31 March 2026. The final report will outline the full set of observations the Panel has made under the TOR, including further details that support the views in this Report.

2. Progress overview

The Panel's work has been supported by a dedicated Secretariat comprising team members from ASIC, RBA, ACCC and APRA.

Since commencing work on 1 July 2025, the Panel supported by the Secretariat, has conducted a comprehensive process to understand the ASX's current practices, policies, and frameworks. This includes:

- Conducting over 140 interviews with stakeholders, including interviews with past and current ASX directors and employees, market participants, clearing and settlement (CS) participants, overseas exchanges and CS facilities, and regulatory agencies (domestic and overseas).
- Considering written submissions from 12 stakeholders.
- Engaging seven experts to provide advice on culture, technology, risk management and international benchmarking.
- Attending a workshop with ASX executives to obtain a thorough briefing of ASX's Accelerate program.
- Facilitating seven focus group sessions with ASX employees to gain insights into the perspectives and experiences of those directly involved with ASX's operations.
- Accessing close to 10,000 documents. This included frameworks, policies and procedures as well as reports (including the most recent IBM Independent Expert Report), board and committee papers, minutes, findings from independent reviews (including those commissioned by regulators), culture assessments and employee engagement surveys.

The Panel wishes to acknowledge that ASX has fully cooperated with the Inquiry throughout the process including timely provision of access to employees and requested documents.

3. Interim findings

ASX operates critical market infrastructure supporting trade execution and post-trade clearing and settlement in Australia. The provision of infrastructure that is stable, secure, resilient and meets the evolving needs of the market is vital to the success of Australia's financial system and comes with significant responsibility.

Despite acknowledging the repeated and serious failings it has experienced, in the Panel's view, ASX continues to underestimate the full extent of change required to successfully perform its important stewardship role.

While attempts have been made to improve practices over time, these have often been more focused on closing gaps rather than striving for excellence. ASX has under-appreciated the long-term investment required to act as the steward for Australia's critical market infrastructure, nor has it undertaken sufficient root cause analysis to focus remediation efforts most effectively.

ASX has often applied tactical and reactive solutions to problems identified through a significant number of external reports and reviews to which it has been subjected over recent years. This incremental approach, together with an insular and defensive culture, has brought about a narrow focus based on trying to meet minimum standards rather than striving to fulfill the role that best serves Australia's interests.

Based on these findings, the Panel has determined that unless the current trajectory is changed, ASX will be unable to meet the current and evolving needs of the market.

The Panel has identified serious shortcomings across ASX's frameworks and practices in relation to governance, capability and risk management, as well as deficiencies in culture and leadership.

ASX's Board must, as a priority, respond to the key underlying drivers of concern confronting ASX with true commitment and undistracted focus to successfully deliver the transformational change required.

Underlying drivers of concern

3.1 Resiliency of critical market infrastructure has been compromised to deliver high shareholder returns

As a commercial enterprise, ASX's Board must constantly balance the competing tensions between delivering shareholder returns in the short-term and the investment required over the long-term. While ASX understands this tension, in the Panel's view, many of ASX's investment decisions over an extended period, have allowed shareholder interests to compromise the outcomes needed for stable, secure and resilient market infrastructure.

The Panel has found that financial objectives over the past 20 years have heavily influenced ASX's decision-making and this has contributed to the number of serious incidents over the past five years. This was a strong theme across interviews and peer benchmarking analysis.

Until recently, ASX's operational and capital expenditure has been low, leading to under-investment in technology, systems, processes, and its own people over a number of years.

ASX has now fallen behind with challenges faced across many areas of ASX's business. These include deferred upgrades to technology platforms, under-investment in core capabilities, lack of action in response to customer feedback, and the need to continue improving its business continuity and contingency arrangements.

ASX's focus on constraining costs has benefited its shareholders, who have experienced strong returns and high dividend payments over many years. ASX has paid 88% of underlying profit, and 95% of statutory profit, as dividends over the past five years².

Despite ASX taking steps to increase its investment in recent years, it is not sufficient to close the gap nor address the evolving demands of the market. Shareholder expectations of ASX's future profitability and expenditure remain heavily anchored around past performance and returns. This creates a real and unresolved tension between ASX's shareholders, its customers and regulators.

ASX has failed to acknowledge the level of investment required. An optimal target state, which incorporates the long-term ambitions for ASX, needs to be agreed upon, so that ASX can make the necessary investment over time to more appropriately balance the needs of all stakeholders.

3.2 Governance arrangements fail to provide the necessary focus on critical market infrastructure

As a vertically integrated group, ASX operates a range of critical market infrastructure. The Group's boards and management must ensure each piece of this critical infrastructure operates effectively, and this requires complete clarity and focus on the obligations of each individual licensee.

The Group's obligations require ASX Limited to do all things reasonably necessary to ensure the markets it operates are fair, orderly and transparent. They also require CS services to be provided in a fair and effective manner and in a way that promotes overall stability in the Australian financial system.

Given the monopoly status of cash equities CS services in Australia, ASX must also ensure fair and open access to all market operators.

In the Panel's view, ASX's current governance structures fail to provide adequate clarity and focus on the obligations of each individual licensee in the Group. While ASX has taken steps to improve its governance practices over time, ASX's existing governance structures and processes do not appropriately manage the competing tensions that exist between its role as a steward of critical market infrastructure and its operation as a commercial enterprise.

This is most clearly illustrated with respect to the CS Facility Licensees. Current governance arrangements do not give the boards of the CS Facility Licensees sufficient clarity, focus, independence and dedicated resources to effectively fulfill their roles as an operator of systemically important financial market infrastructure. This is observed through:

- The presence and potential influence of ASX Limited Board directors on CS Facility Licensee decision making.
- The complete reliance of the CS Facility Licensees on ASX Operations Pty Ltd³ for resourcing and ASX Group for investment to support their needs.
- Financial accounts that fail to give a meaningful reflection of the underlying revenues and costs of each CS Facility Licensee⁴.
- Lack of sufficient engagement with the boards of the CS Facility Licensees in group-wide decisions that impact the licensees' compliance with their obligations.

To ensure the current governance arrangements are effective, sustainable and meet the justified expectations of its stakeholders, the Panel has determined that ASX needs to strengthen the independence of its CS Facility Licensees. This needs to be supported by robust governance processes and dedicated resources to deliver on the licensees' obligations with objective oversight and strategic stewardship.

² Analysis undertaken by Inquiry Secretariat from data sourced from ASX financial statements between FY21 and FY25. Based on 5-year aggregate dividend and earnings figures during the period.

³ ASX Operations Pty Ltd is a subsidiary of ASX Limited and provides support services and resources for ASX Group entities, including the CS Facility Licensees.

⁴ While steps have been taken recently to improve transparency around the revenues and expenses of ASX's Cash Equities Clearing, Settlement and Issuer services under the CS Services Rules and Code of Practice in management accounts, these steps have not been applied more broadly to non-Cash Equities or the statutory financial accounts of the CS Facility Licensees.

3.3 ASX lacks the aspiration to be a steward of critical market infrastructure

In the Panel's view, ASX's market dominance and the absence of competitive pressure has contributed to organisational inertia and a lack of aspiration. The Panel has seen little evidence that ASX has engaged in deeper self-reflection or looked outwards to adopt best practice from global peers. This means that ASX is missing out on opportunities to innovate.

ASX's approach to responding to its challenges has often focused on closing gaps rather than seeking out best practice and striving for excellence. As a provider of critical market infrastructure of national significance, this is a vital step in developing and executing a future-fit, transformational strategy and responding effectively to new and emerging global innovation.

ASX initiated its Accelerate program in mid-2025 in recognition that it was still facing a multitude of challenges that were preventing it from achieving its strategic objectives. Accelerate aims to bring heightened focus on delivering necessary improvements across operational risk, business and technology resilience, data management as well as culture and capabilities.

In engaging with ASX Board and management throughout the Inquiry, the Panel determined that Accelerate was not sufficiently aspirational and had fundamental problems. The program suffered from flawed foundational assumptions, inconsistencies, failure to recognise key interdependencies within the program, lack of resources and capability, and misaligned objectives. There are also additional initiatives missing from the program that the Panel believes are fundamental for a transformation of this scale.

Following a process of engagement and feedback, ASX has done further work to address some of these early findings and the Panel acknowledges the steps that ASX has taken to improve its remediation efforts.

Notwithstanding the progress that has been made, the Panel continues to believe that a strategic reset of the Accelerate program is required in light of the other recommended actions in this Report. ASX will need to ensure that the workstreams and initiatives that form part of the program are appropriately aspirational and targeted to deliver on the intent of the package of actions developed by the Panel. There will also be a need for ASX to consider whether additional initiatives are necessary to achieve this objective.

3.4 Capability and cultural barriers hindering transformational change

Through interviews, focus groups and a detailed review of survey data and reports, the Panel has identified significant capability and cultural challenges that have eroded the organisation's effectiveness over time and are hindering transformational change at ASX.

ASX is an organisation that requires specialised capabilities, deep technical expertise, and long-term planning to support its infrastructure. The Panel is of the view that ASX's approach to building strong foundational capabilities is immature and overly focused on the short-term. Workforce planning, for example, is underdeveloped with little consistency in the way such planning is performed across ASX's business lines. The current approach fails to prioritise the long-term sustainability of ASX's specialist expertise and relies heavily on external consultants.

There is a genuine sense of pride across parts of the organisation about the central role ASX plays in Australia's financial markets. However, the Panel believes ASX suffers from a culture of insularity and defensiveness. This is driven by a number of factors including its unique market position and by the current environment it has been operating in. ASX has been operating in a challenging environment for some time and parts of the organisation have felt 'under siege' in the face of intense scrutiny. Taken together this is creating an insecure environment where its people are reluctant to raise concerns and fear speaking up.

In the Panel's view, successive boards and senior management have not been able to address these cultural issues, with its focus being too narrow and process-orientated rather than outcomes-driven. This has eroded ASX's effectiveness and disconnected it from its broader purpose.

Transformational cultural change requires deliberate, organisational-wide intervention. In the Panel's view, this change can be achieved through setting a compelling, values-driven vision, aligning leaders to model the desired behaviours, and hard-wiring those behaviours into core systems, processes, decision-making, and accountability arrangements.

It requires clear expectations, visible consequences, consistent communication and a willingness to confront legacy practices that no longer serve ASX. Ultimately, real cultural change will occur through strong leadership and outcomes-focused oversight that commits to a higher standard.

These challenges have limited the opportunity for all concerned to step back and understand the root causes and drivers behind ASX's predicament. To make significant progress and create substantial change, a new regulatory approach is essential.

While the regulators have different legislative mandates and have taken steps to improve coordination, the revised approach should be one that provides stronger alignment to deliver outcomes that can benefit the entire market. It will require all parties to approach the task with a different engagement model that encourages open and constructive dialogue while recognising the respective roles of ASX and the regulators in giving effect to regulatory requirements. Commitment and capability will be required to deliver on these outcomes.

3.5 The current regulatory approach has not delivered the desired outcome

Existing regulatory practices have not been effective in driving the outcomes that all stakeholders would have desired. The repeated and serious failures ASX has suffered has eroded the trust between ASX and its regulators. ASX's engagement with the regulators is not meeting expectations and none of these parties are comfortable with where things currently stand.

A significant factor contributing to this situation is that ASX has needed to respond to an ongoing cycle of reviews following its repeated failures. The scale is significant. Since January 2020, ASX has been subject to over 120 reports from external parties to review and/or improve aspects of its governance, capability, culture and risk management. Some of these reports have been directly requested from ASIC (with a small number requested by the RBA), and others are a result of a heavy reliance by ASX on external expertise to solve its problems. As a consequence, ASX has become overwhelmed. The Panel considers that the scope of some of this work has been poorly targeted and ill-defined. This has resulted in outcomes that are far from what stakeholders had intended.

4. Other observations

The Inquiry's work to date has identified a number of other shortcomings across governance, capability, and risk management practices beyond the observations described above.

These shortcomings include:

- Weaknesses in governance supporting ASX's compliance responsibilities.
- Limitations with the organisation's enterprise technology strategy.
- A lack of maturity with respect to practices that support organisational culture, incident response, stakeholder management, risk management and compliance management.

The current model ASX adopts to make long-term funding and investment decisions under its capital management framework may also require adjustment given the level of capability and technology uplift needed.

The Inquiry's final report will set out the Panel's observations in these areas in further detail.

5. Strategic package of actions

The areas of concern identified in this Report highlight organisational governance, capability and risks that cannot be left unaddressed without compromising ASX's critical stewardship role in the Australian economy. Taken together, they create a clear and pressing imperative for action.

Moving swiftly now reduces the likelihood of avoidable costs or disruption, and positions ASX to regain momentum and stakeholder confidence. Delayed action would likely allow these issues to deepen, increasing both the difficulty and cost of remediation.

5.1 Strategic reset of Accelerate program

ACTION 1

Complete a strategic reset of the Accelerate program to set stronger foundations for success and place the provision of critical market infrastructure at the centre of ASX's decision-making.

ASX needs to undertake a reset of the Accelerate program to ensure that it can deliver the transformational change required and set itself up to meet the evolving needs of the Australian market.

This Report sets out the underlying drivers ASX must address to create the necessary foundations for ASX to be a respected steward of critical market infrastructure. Commencing this reset sooner with the benefit of these insights will provide the opportunity to minimise change fatigue and ensure resources are pursuing initiatives that will have the most significant and meaningful impact.

The Panel recommends ASX take the following actions:

1. Assess the defined problem statements and the target states to validate that they will remediate root causes and the underlying drivers of concern outlined in this Report.

2. Consider what additional workstreams or initiatives may be required in the context of this Report.
3. Institute robust program assurance mechanisms that will test both the design and operational effectiveness of the activities delivered under the program.
4. Establish mechanisms to ensure there is accountability for the successful delivery of the program, including through executive performance assessments and the determination of variable remuneration outcomes.

The Panel expects that the regulators will closely review and oversee the design and execution of the strategic reset.

While these actions may temporarily impact the current remediation activity underway at ASX, in the absence of this reset, ASX risks making changes that do not adequately address the concerns identified by the Panel, delivering only incremental improvements that fail to keep pace with the expectations of its stakeholders.

5.2 Strengthen the independence of CS facilities

ACTION 2

Strengthen governance and enhance the independence of the CS facilities by:

- Ensuring the boards of the CS Facility Licensees are composed only of directors who are not directors of an ASX Group company other than the CS Facility Licensees; and
- Taking steps to achieve greater functional separation of the CS facilities from other ASX businesses.

As an operator of critical market infrastructure, ASX must place significant weight on the fair, orderly and transparent operation of the Group's licensed markets, and the fair and effective operation of the CS Facility Licensees. To achieve this, governance structures and processes must effectively manage the competing tensions that exist between the role of individual companies within the Group (as stewards of critical market infrastructure) and the operation of ASX as an integrated commercial enterprise.

To enhance the independence of the boards of the CS Facility Licensees (CS Facility Boards) and achieve greater functional separation, the Panel recommends:

1. The appointment of independent, non-executive director(s) as Chair(s) to the CS Facility Boards.
2. None of the other directors of the CS Facility Boards should be past or present directors of ASX Limited.
3. The CS Facility Boards move existing delegations of responsibility for the CS facilities to operate more independently.
4. The CS Facility Boards approve the financial accounts of the CS Facility Licensees and determine their budget. Pricing decisions about CS facility services are approved by the CS Facility Boards and intra-group services are subject to more robust service level agreements.

This action is intended to enhance focus, independence and support for the CS Facility Boards to prioritise and safeguard Australia's systemically important financial market infrastructure. It aims to ensure the CS Facility Boards have the right capability, resources and 'voice' to deliver on their duties, and to more appropriately balance the competing tensions between the provision of financial market infrastructure and ASX's commercial objectives. It also aims to improve transparency about the financial performance of each CS Facility Licensee, enabling the CS Facility Boards to make more informed decisions about the pricing of CS facility services and how they can support sustainable, long-term investment in critical market infrastructure. For these outcomes to be achieved, the selection of directors with the appropriate skills, experience and vision to serve on the CS Facility Boards will be critical.

The Panel considers that internal separation is the proportionate response at this time to provide the CS Facility Licensees with the independence and focus they need, while minimising disruption to enable attention to be devoted to other challenges across ASX's business.

5.3 Revised regulatory approach to ASX

ACTION 3

Evolve the regulatory approach to ASX by:

- ASIC and RBA establishing a dedicated joint team to undertake future supervisory work over ASX.
- ASIC and RBA collectively setting with ASX an agreed target end-state for the Licensees as operators of critical market infrastructure.

Restoring trust between the regulators and ASX must be a priority to deliver better outcomes for Australia.

The Panel strongly believes that a different regulatory approach to ASX is required – one that delivers better alignment and effective coordination between the regulators to achieve the best outcomes for the market while respecting each regulator’s legislative mandate. The Panel considers that the establishment of a joint supervisory team between ASIC and the RBA provides the best chance of delivering the change required to achieve these outcomes.

The Panel acknowledges the work underway by the regulators to review their approach to the supervision of CS facilities. The Panel believes a revised approach is needed where all parties adopt a different engagement model that places greater focus on outcomes and emphasises ASX’s role as a steward of critical market infrastructure.

It requires all parties to strive for best practice and continuous improvement where engagement is centred on building trust and a constructive relationship, and commitment and capability to support it.

As a priority, the joint supervisory team should have responsibility for agreeing with ASX the target states in the revised Accelerate and critical technology programs including current CHES, CHES Replacement and Austraclear. It should also have responsibility for:

- Assessing and agreeing with ASX the timelines for delivery of milestones under the programs; and
- Reviewing and assessing the programs design and operating effectiveness to confirm whether relevant milestones have been satisfactorily completed and target state outcomes have been achieved.

The Panel considers this new supervisory approach should deliver better alignment and more effective engagement between the regulators and ASX.

5.4 Capital charge

ACTION 4

Apply a capital charge to respond to ASX's elevated risks. This will also focus attention and incentivise the successful delivery of remediation efforts and promote appropriate resource allocation.

The implementation of a capital charge is recommended to protect the financial system and respond to the elevated risks ASX faces. It will strengthen ASX's financial position to respond to risks that may be realised.

The Panel has identified a range of issues that have elevated ASX's risk profile. These include:

- Persistent weaknesses in governance, risk management and compliance frameworks and practices.
- Long-term under-investment in systems and technology.
- Deficiencies in workforce capability and planning with a heavy reliance on the use of contractors and consultants.
- A reactive mindset that is overly focussed on meeting minimum requirements instead of investing for the long-term and striving for best practices.

The capital charge would be gradually unwound once regulators are satisfied that key milestones in the reset Accelerate program have been achieved. Once all milestones are achieved, the regulators would remove the financial incentive entirely. This should incentivise ASX to successfully deliver on its remediation program in a timely and effective manner.

6. Conclusion

The Inquiry into ASX has identified significant deficiencies that require immediate attention. A strong future cannot be built upon weak foundations and due to the current challenges facing ASX, there is a pressing need for a fundamental reset to address the underlying drivers of concern outlined in this Report.

Successfully implementing this strategic package of actions requires more than a well-designed roadmap. It demands disciplined execution, clear accountability, and unwavering leadership commitment. In order for there to be meaningful progress, ASX will benefit from investing early in strong governance, aligning stakeholders around a shared purpose, and building the capability and capacity required to sustain change.

By grounding decisions in evidence, sequencing actions thoughtfully, and maintaining transparent communication, ASX can navigate complexity while preserving momentum and confidence. These success factors will help position ASX to move decisively along its pathway forward, translating ambition into sustainable outcomes.

Appendix A

Inquiry Terms of Reference

ASIC is conducting an assessment under section 794C and section 823C of the *Corporations Act 2001 (Cth)* (**Corporations Act**) of how well the ASX Licensees are complying with their obligations under Chapter 7 of the Corporations Act. ASIC requested the panel contribute to ASIC's assessment by examining the frameworks and practices of (a) the ASX Licensees and (b) other companies within the ASX Group (to the extent they assist the ASX Licensees in relation to the operation of the relevant markets/facilities and compliance by the ASX Licensees with their obligations under Chapter 7) (collectively, the **ASX Group** or **Group**).

For the purpose of the assessment, the panel is asked to examine the frameworks and practices in relation to governance, capability, and risk management within the ASX Group, so as:

- a) to identify, in light of a number of incidents in recent years that have raised compliance concerns with respect to the ASX Licensees:
 - i) any core organisational and cultural drivers within the ASX Group that have contributed to these incidents; and
 - ii) whether the ASX Group has the right organisational capabilities for the ASX Licensees to provide a stable, secure, and resilient market infrastructure and to meet the evolving needs of the Australian market;
- b) to assess, at a minimum, whether any of the following areas of operation, or their implementation, conflict with sound risk management and/or compliance outcomes in relation to the ASX Licensees:
 - i) the Group's organisational structure, board structures and governance framework;
 - ii) the Group's framework for managing and delegating risk management and compliance responsibilities;
 - iii) the Group's financial objectives;
 - iv) the Group's accountability framework;
 - v) the Group's framework for identification, escalation and addressing matters of concern raised by ASX staff, regulators, members or customers; and
 - vi) the mix of monopoly and competitive services offered by the Group;
- c) to consider, where the ASX Licensees have initiatives underway to enhance the areas reviewed under (a) and (b) above, whether these initiatives will be sufficient to respond to any shortcomings identified and, if not, to recommend what other initiatives or remedial actions need to be undertaken; and
- d) to recommend, to the extent that there are other shortcomings or deficiencies identified under (a) and (b) above that are not already being addressed, how such issues should be rectified.

ASIC requested the panel provide a report to ASIC by 31 March 2026.

The panel should not make specific determinations regarding matters currently the subject of legal proceedings or regarding individual stakeholder issues.

Schedule 1—Definitions

In these Terms of Reference:

ASX Group means ASX Limited and its related bodies corporate.

The ASX Licensees are:

- (a) ASX Limited, holder of an Australian market licence issued under s 795B(1) of the Corporations Act;
- (b) Australian Securities Exchange Limited, holder of an Australian market licence issued under s 795B(1) of the Corporations Act;
- (c) ASX Clear Pty Limited, holder of an Australian CS facility licence issued under s 824B(1) of the Corporations Act;
- (d) ASX Settlement Pty Limited, holder of an Australian CS facility licence issued under s 824B(1) of the Corporations Act;
- (e) ASX Clear (Futures) Pty Limited, holder of an Australian CS facility licence issued under s 824B(1) of the Corporations Act; and
- (f) Austraclear Limited, holder of an Australian CS facility licence issued under s 824B(1) of the Corporations Act.

Schedule 2— Examples of incidents involving the ASX Licensees

Examples of incidents involving the ASX Licensees in recent years include:

- (a) the 2016 hardware failure in ASX's equity trading system, which delayed the opening of the ASX market and caused it to close early;
- (b) the capacity issue with the CHES Settlement system at the onset of the COVID19 pandemic in March 2020 that required ASIC to direct market participants to reduce trading volumes;
- (c) the November 2020 full day outage of the ASX equity market due to a failed software upgrade;
- (d) the decision in 2022 to pause and then cancel the upgrade of CHES, which are now the subject of legal proceedings;
- (e) the failure of ASX CHES Batch Settlement to complete as scheduled on 20 December 2024.

Appendix B

Glossary of defined terms

Term	Definition
ACCC	Australian Competition and Consumer Commission
Accelerate	A program initiated by ASX that aims to deliver the necessary improvements across operational risk, business and technology, data management as well as culture and capabilities.
APRA	Australian Prudential Regulation Authority
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange. The term "ASX" is used to refer to ASX Group, which covers ASX Limited and its related bodies corporate.
ASX Board	The board of directors of ASX Limited
ASX Licensees	The following ASX entities: <ul style="list-style-type: none">• ASX Limited• Australian Securities Exchange Limited• ASX Clear Pty Limited• ASX Settlement Pty Limited• ASX Clear (Futures) Pty Limited• Austraclear Limited
ASX Limited	The parent entity of the ASX Group and holder of a market licence.
ASX Operations Pty Limited	A subsidiary of ASX Limited providing intra-group support to ASX entities.
CEO	Chief Executive Officer
Corporations Act	Corporations Act 2001 (Cth)
CS	Clearing and settlement
CS Facility Boards	The board of directors of the CS Facility Licensees.
CS Facility Licensees	Holders of a CS facility licence issued under section 824B(1) of the Corporations Act. ASX has four CS Facility Licensees: ASX Clear Pty Limited, ASX Settlement Pty Limited, ASX Clear (Futures) Pty Limited and Austraclear Limited.
Financial market infrastructure	A multilateral system among participating institutions, including the operator of the system, used for the purposes of clearing, settling, or recording payments, securities, derivatives, or other financial transactions.
Inquiry	Inquiry into ASX Group announced by ASIC on 16 June 2025.
Market infrastructure	Infrastructure that supports trade execution and post-trade clearing and settlement. For the purpose of this Report, this is defined as being broader than the definition of "Financial Market Infrastructure" in that it includes market operators.
Panel	The expert panel appointed to conduct the Inquiry into ASX.
RBA	Reserve Bank of Australia
TOR	Terms of Reference for the Inquiry

Appendix C

Panel members

Chair and Panel Member

Rob Whitfield AM

Rob is an independent non-executive director of Commonwealth Bank, a non-executive director of Transurban Limited and a member of the Council of the Australian National University.

During Rob's 30-year career with Westpac Banking Corporation, he held roles as Chief Executive Officer of the Institutional Bank, Chief Risk Officer, Group Treasurer and Chair of the Asia Advisory Board. After leaving Westpac, he held roles as Chair and Director of New South Wales Treasury Corporation, and Secretary of NSW Treasury and Industrial Relations.

In 2020, Rob was awarded the Order of Australia (AM) for his significant service to the banking and finance sector and public administration.

Rob holds a Bachelor of Commerce from the University of NSW, a Grad Dip in Banking, and a Grad Dip in Finance from UTS and has completed the Advanced Management Program at Harvard Business School. Rob is also a fellow of the Chartered Institute for Securities and Investment (CISI) and a fellow of the Australian Institute of Company Directors (AICD).

Panel Member

Christine Holman

Christine is a non-executive director of two ASX listed boards, AGL Ltd, and Collins Foods Ltd, and one private company, Indara Pty Ltd which is a joint venture between Australian Super and Singtel.

Christine's 35-year executive and board career included leading teams across the media, property, industrial, infrastructure, private investment, and technology sectors. She was formerly Chief Financial Officer and Commercial Director at Telstra Broadcast Services and advised management and the boards of investee companies at Capital Investment Group.

Christine also sits on the boards of Football Australia, The State Library of NSW Foundation, and The McGrath Foundation.

Christine has an MBA and Post-Graduate Diploma in Management from Macquarie University and is a Graduate of the AICD.

Panel Member

Dr Guy Debelle

Dr Guy Debelle is chair of FundsSA and a board member of the Clean Energy Finance Corporation, e61 and Tivan. He is also an adviser to the Investment Committee of Australian Retirement Trust, chair of the advisory board of Famille Capital, and an honorary professor of economics at Adelaide University.

Guy was the Deputy Governor of the Reserve Bank of Australia for six years having worked at the RBA for 25 years, including 10 years as Assistant Governor Financial Markets. After leaving the RBA, Guy worked at Fortescue Future Industries as CFO.

