



# Audit and Supervision Committee Charter

## Introduction

1. The Audit and Supervision Committee (the **Committee**) is a committee of the ASX Limited Board (the **Board**).
2. This Charter sets out the role, responsibilities, composition and operation of the Committee.
3. The Committee has been appointed as the audit committee for the following entities:
  - a) ASX Clear Pty Limited
  - b) ASX Clear (Futures) Pty Limited
  - c) ASX Clearing Corporation Limited
  - d) ASX Settlement Pty Limited
  - e) Austraclear Limited
  - f) ASX Settlement Corporation Limited.

The entities listed above are collectively referred to as ‘the **CS Subsidiaries**’, and their Boards are collectively referred to as ‘the **CS Boards**’. The Board and the CS Boards are collectively referred to as the **ASX Group Boards**.

## Role and responsibilities

4. The role of the Committee is to assist the Board to discharge its responsibilities related to:
  - a) reviewing and overseeing ASX Limited’s consolidated financial reports and statements
  - b) overseeing the integrity of the ASX Group’s accounting and corporate reporting systems
  - c) liaising with and monitoring the performance and independence of the ASX Group’s external and internal auditor.
5. In performing its role, the Committee’s responsibilities include assisting the Board and subsidiaries within the ASX Group with the following matters (and any other matters that may be referred to it by an ASX Group Board or another Board Committee from time to time), subject to the matters noted in paragraph 8:

Focus area		Responsibilities	
a)	Financial and corporate reporting and capital management	(i)	review half-yearly and yearly financial reports and statements (including with management and the external auditor), and make recommendations to the Board
		(ii)	review and make recommendations to the Board regarding significant financial, accounting and reporting issues
		(iii)	review ASX’s corporate reporting and disclosure processes and the outputs of those processes
		(iv)	review the appropriateness of the accounting policies adopted by management in relation to the financial reports and statements
		(v)	receive representations and attestations from the Managing Director and Chief Executive Officer (the <b>CEO</b> ) and the Chief Financial Officer
		(vi)	review financial statements and reports for compliance with accounting standards and policies and other requirements relating to their preparation, including any requirements relating to sustainability-related financial disclosures
		(vii)	assess whether the half-year and full-year financial reports are consistent with the Committee members’ information and knowledge
		(viii)	review and make recommendations to the Board in relation to capital management, ASX’s dividend policy, dividends, and operation of the dividend reinvestment plan (and its rules).
b)	Corporate financial management and reporting risk	(i)	oversee and advise the Board on management of ASX Group’s general corporate financial risks (e.g. tax, accounting, treasury and balance sheet risks, including foreign exchange risk and investment risk), as well as any other risks referred to it by the Risk Committee
		(ii)	approve ASX Group’s Tax Policy and Tax Transparency Report

Focus area	Responsibilities
	<ul style="list-style-type: none"> <li>(iii) oversee that management has appropriate processes for identifying, assessing and responding to those risks, and that those processes are operating effectively</li> <li>(iv) review trends in ASX's Group's risk profile in respect of those risks.</li> </ul>
c) External auditor	<ul style="list-style-type: none"> <li>(i) annually consider the appointment of the external auditor and, as required, consider the procedures for the selection and appointment and removal of the external auditor and whether an audit tender process is required. Any recommendation to change the external auditor would require Board and shareholder approval</li> <li>(ii) review and approve the terms of engagement and fees of the external auditor at the start of each audit</li> <li>(iii) consider and review the scope of work, reports and activities of the external auditor including interaction with the internal audit function</li> <li>(iv) review the findings of the audit with the external auditor, and monitor management's response to reviews and recommendations of the external auditor</li> <li>(v) establish and review policies as appropriate in relation to the independence of the external auditor</li> <li>(vi) assess, and advise the Board on, the independence of the external auditor, based on the information received from the external auditor and management. In assessing independence, the Committee considers: <ul style="list-style-type: none"> <li>(A) the employment of former employees of the external auditor</li> <li>(B) policies on the supply of non-audit services by the external auditor</li> <li>(C) the fees for audit and non-audit services provided by the external auditor on a regular basis</li> <li>(D) the rotation of audit partners</li> <li>(E) the external auditor's own statement on independence</li> <li>(F) any other information from the external auditor setting out its relationships that may affect its independence</li> </ul> </li> <li>(vii) review and recommend to the Board for approval the disclosure relating to the provision of non-audit services by the external auditor for inclusion in the annual report</li> <li>(viii) review the effectiveness of the annual audit and the performance of the external auditors taking into account the opinions of management and internal audit.</li> </ul>
d) Internal audit	<ul style="list-style-type: none"> <li>(i) review and approve the charter, annual audit plans and activities for the internal audit function (and where appropriate, without management present)</li> <li>(ii) review the adequacy of resources, governance arrangements and internal standing of the internal audit function</li> <li>(iii) review and concur on the appointment, replacement and remuneration of the General Manager Internal Audit</li> <li>(iv) review the performance, objectivity, independence and effectiveness of the internal audit function</li> </ul>
e) Internal control and risk management	<ul style="list-style-type: none"> <li>(i) monitor the adequacy and effectiveness of the ASX Group's internal control systems and risk management framework through any reports received from internal audit or the external auditor that identify: <ul style="list-style-type: none"> <li>(A) relevant issues relating to compliance with, and effectiveness of, the enterprise risk management framework</li> <li>(B) material internal control deficiencies</li> </ul> </li> <li>(ii) monitor management's response to reviews and recommendations of the internal auditor regarding internal control systems, procedures and risk management</li> </ul>

Focus area	Responsibilities
	<div><div>(iii)</div><div>receive any reports that identify a material incident involving fraud or a breakdown of internal controls, consider whether there are any underlying thematic issues and/or any 'lessons learnt'</div></div> <div><div>(iv)</div><div>receive reports on activities related to breaches of obligations, including material breaches of the Code of Conduct and Anti-bribery and Corruption Policy</div></div> <div><div>(v)</div><div>review ASX Group's Whistleblower Protection Policy, and receive reports on material incidents reported under that Policy</div></div>
f) Participants Compliance and Listings Compliance	<div><div>(i)</div><div>review regular reports from management in relation to the arrangements for monitoring and enforcing compliance with the operating rules of the ASX Group's market licensees and CS facility licensees, and monitor the adequacy of those arrangements. These reports are to include information in relation to:<div><div>(A)</div><div>the performance by Listings Compliance and Participants Compliance of their compliance and enforcement functions; and</div></div><div><div>(B)</div><div>the resources (including financial, technological and human resources) for performing those compliance and enforcement functions.</div></div></div></div> <div><p><b>Note:</b> The Committee does not make compliance or enforcement decisions relating to the circumstances of a particular listed entity, product issuer or participant. Those decisions are administered by management delegated with compliance and enforcement decision making authority.</p></div>
g) Performance, recruitment, and remuneration arrangements	<div><div>(i)</div><div>provide input to the People and Culture Committee in respect of relevant matters that may be considered in assessing the performance, accountabilities and remuneration outcomes for the relevant persons as set out in the Charter of that Committee, including:<div><div>(A)</div><div>the Chief Financial Officer</div></div><div><div>(B)</div><div>the Chief Risk Officer</div></div><div><div>(C)</div><div>the Chief Compliance Officer</div></div><div><div>(D)</div><div>the General Manager, Participants Compliance</div></div><div><div>(E)</div><div>the General Manager, Internal Audit</div></div></div></div> <div><div>(ii)</div><div>provide input on the appointment and replacement of the Chief Compliance Officer.</div></div>
h) Clearing and settlement services	<div><div>(i)</div><div>review and oversee management actions in relation to the following matters and processes, and to make relevant recommendations to the Board and the CS Boards, including as required under any ASIC CS Services Rules that have come into effect:<div><div>(A)</div><div>pricing policy for clearing and settlement services</div></div><div><div>(B)</div><div>management accounts</div></div><div><div>(C)</div><div>internal cost allocation and transfer policy between the ASX Group entities for clearing and settlement of cash equities in Australia</div></div><div><div>(D)</div><div>covered services comparative report</div></div><div><div>(E)</div><div>cost allocation model report.</div></div></div></div>

6. In order to assist the Committee to carry out its functions, including in considering the financial statements of ASX Limited and ASX Group subsidiaries, the Committee receives, considers, and (where appropriate) relies on, as applicable:
- a) reviews and confirmations from the external auditor, internal auditor and General Manager, Enterprise Compliance
  - b) management attestations

- c) external audit reviews
- d) subsidiary board reviews.

7. The Committee will:

- a) approve any policies, procedures and other documents or matters that an ASX Group Board may delegate to it from time to time
- b) resolve any disagreements between management and the external auditor regarding financial reporting.

8. The following matters are not within the scope of the Committee's responsibilities:

- a) financial risk matters that are within the responsibility of the CS Boards as set out in their Charter (including matters relating to counterparty and financial risk arising from the ASX Group's clearing and settlement operations, which are the responsibility of the CS Boards).

### Committee composition

- 9. The members of the Committee are appointed by the Board, in consultation with the Nomination Committee.
- 10. The Committee will consist of at least three members. All members of the committee are to be independent non-executive directors of the Board.
- 11. To assist with the flow of relevant information between Board Committees:
  - a) the Chair of the Risk Committee will be a member of the Committee
  - b) the Committee Chair will be a member of the Risk Committee.
- 12. Each member must have a working familiarity with general finance and accounting practices. At least one member of the Committee must have accounting or related financial management expertise.

### Committee Chair

- 13. The Committee Chair is appointed by the Board, in consultation with the Nomination Committee.
- 14. The Committee Chair must be an independent non-executive director of the Board, and must not be the Chair of the Board.
- 15. The Committee Chair's primary responsibilities are leading the Committee and overseeing the processes for the Committee fulfilling its responsibilities under this Charter. The Committee Chair is also responsible for:
  - a) chairing Committee meetings and facilitating open and effective discussions at Committee meetings
  - b) maintaining communications with management and the Company Secretary in relation to the Committee's information requirements
  - c) serving as the primary link between the Committee and the Board and other Board Committees.

### Committee Secretary

- 16. The Company Secretary of ASX Limited, or such other person as they may nominate, will act as the Committee Secretary.
- 17. The Committee Secretary reports directly to the Committee, through the Committee Chair, on all matters to do with the proper functioning of the Committee.
- 18. All Committee members have direct access to the Committee Secretary and vice versa.

### Committee Meetings

#### Frequency and conduct

- 19. The Committee shall meet at least four times per year or more frequently if necessary to fulfil its responsibilities.

20. Any member of the Committee may convene a meeting of the Committee at any time. Further, the Committee Chair will call a meeting of the Committee if requested by the external auditor, the internal auditor, or the Chair of the Board.
21. Notice will be given to every member of the Committee of every meeting of the Committee, and best endeavours will be used to ensure that a reasonable period of notice is given before each meeting. However, circumstances may arise that would require a meeting of the Committee to be called at short notice. Acknowledgment of receipt of notice by all members is not required before the meeting may be validly held.
22. Each ASX Group Board director shall have access to Committee papers. However, directors who are not Committee members are not required or expected to review Committee papers.

#### Quorum

23. A quorum shall be any two members or any greater number determined by the Board.

#### Attendance

24. Non-executive directors of the Board who are not Committee members may attend Committee meetings but are not required or expected to do so.
25. Any person may be invited to attend Committee meetings at the invitation of the Committee, as extended by the Committee Secretary.
26. There shall be a standing invitation for a representative of the non-ASX directors of the CS Boards to attend Committee meetings.
27. The following persons shall have a standing invitation to attend Committee meetings:
  - a) Managing Director and Chief Executive Officer
  - b) Chief Financial Officer
  - c) Chief Risk Officer
  - d) Group General Counsel and Company Secretary.
  - e) General Manager, Internal Audit.
28. The Committee may extend a standing invitation to any other person to attend Committee meetings.
29. The Committee may request that any person who has been invited to attend a Committee meeting who is not a member of the Committee to withdraw for any part of a meeting.

#### Written resolutions

30. The Committee may pass a resolution without a Committee meeting being held if a majority of at least three quarters of the Committee members sign (including electronically) a document containing a statement that they are in favour of the resolution set out in the document, and the directors who assent to the document would have constituted a quorum at a meeting of directors held to consider that resolution.

#### Access and Advisers

31. The Committee has unrestricted access to all staff and relevant records of the ASX Group it considers necessary to fulfil its obligations and has the right to seek explanations and additional information from management and auditors. The Committee will meet regularly with members of the internal audit function and the external auditor without management present.
32. As necessary or desirable, the Committee may invite members of management, internal audit, representatives of the external auditor or other external advisors to be present at meetings of the Committee.
33. At least annually, the Committee shall meet separately with each of the external auditor and internal auditor without management present.
34. For the purpose of supporting the independence of their functions:

- a) the external auditor has a direct reporting line to the Committee and may also report to the Board
  - b) the General Manager Internal Audit reports to the Chief Financial Officer for administrative purposes and has a direct reporting line to the Committee Chair in relation to the performance of the functions of Internal Audit
  - c) the Chief Compliance Officer reports directly to the Committee Chair in relation to the performance and resourcing of the functions of Listings Compliance and ASX enforcement matters
  - d) the General Manager Participants Compliance reports directly to the Committee Chair in relation to the performance of the functions of Participants Compliance.
35. Under the terms of the ASX Whistleblower Protection Policy, ASX staff may lodge a complaint with the Committee Chair if they are concerned about a breach of confidentiality under that Policy.
36. The Committee may (at ASX's expense):
- a) appoint external experts to assist the Committee in carrying out its responsibilities
  - b) invite those external experts to attend and provide input at Committee meetings.
37. Where the Committee appoints such external experts, management will provide the external experts with any information necessary to enable the external experts to perform their role.
38. The Committee will collaborate with the Risk Committee in relation to matters that are relevant to the scope of that Committee's role and responsibilities as set out in that Committee's charter.

### Reporting and referral of matters

39. The Committee Chair will update the ASX Group Boards about Committee activities. The reports will be provided at the next meeting of the Boards and may be verbal.
40. The Committee will refer to the ASX Group Boards or other Board Committees (as appropriate) any matters that have come to the Committee's attention that are relevant for those Boards or Board Committees.
41. Committee meeting minutes will be provided to the ASX Group Boards for noting.

### Committee Charter Review

42. The Committee will review this Charter once every two years to keep it up to date and consistent with the Committee's authority, objectives and responsibilities.
43. Amendments to the Charter are to be approved by the Board, except for updates for ASX branding, formatting, position titles, capitalisation, paragraph numbering, dates, and correction of typographical, grammatical, cross-referencing or other minor errors, which may be approved by the Company Secretary.

### Approval date

Charter last reviewed: 21 May 2025

Charter last approved or amended: 3 June 2025