

# Media Release

10 October 2019

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## ASX improves listing rules to enhance market quality

The Australian Securities Exchange (ASX) has today released [its final response](#) to submissions to its November 2018 consultation paper *Simplifying, clarifying and enhancing the integrity and efficiency of the ASX listing rules*. The response includes a range of rule amendments and new and updated guidance.

ASX Chief Compliance Officer, Kevin Lewis, said that the changes are designed to improve disclosures to the market, make the listings rules easier to understand and comply with, and enable ASX to better monitor and enforce compliance with the listing rules.

“The changes take into account feedback received through the extensive public consultation process and are aimed at bolstering the integrity of the ASX market,” Mr Lewis said.

“It’s important that ASX keeps evolving the listing rules so they remain contemporary, address emerging compliance issues, and continue to serve the interests of issuers, investors, and the Australian economy.”

Key initiatives include:

- more guidance and direction on the information that should be given to shareholders in notices of meetings
- more guidance and direction on the voting processes that should be followed at shareholder meetings and more consistent reporting of voting outcomes
- simpler and clearer processes and forms to announce a proposed issue of shares and to seek their quotation
- changes to ASX’s quarterly reporting regime to provide a more robust disclosure framework for start-up entities
- better and timelier disclosure by listed investment companies and listed investment trusts of their net tangible assets (NTA) backing
- new measures to address breaches of the listing rules.

There are also further enhancements to ASX’s admission rules and processes, including:

- a simplification of ASX’s escrow rules and guidance to make the escrow process less burdensome for listed entities
- an extension of ASX’s ‘good fame and character’ listing condition to include non-director CEOs and CFOs
- measures to address inappropriate behaviours by promoters and professional advisers in new and back door listings.

In addition, to enhance the quality and consistency of market disclosures and information, from 1 July 2020, any person appointed responsible for communicating with ASX about listing rule matters will have to complete an approved education course and examination covering listing rule compliance.

The public consultation concluded in March 2019. Forty-eight written submissions were received from a broad range of stakeholders, including listed entities, advisers, and investor and industry groups.

“This package of reforms builds on the major changes ASX has made in recent years to its continuous disclosure, corporate governance, and admissions rules and guidance,” Mr Lewis said.

“It reflects ASX’s commitment to continuous improvement of its supervisory framework and to enhancing the trust, quality, and resilience of the ASX market.”

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## **FURTHER INFORMATION**

### **Effective date**

Subject to the receipt of the necessary regulatory approvals—and with two minor exceptions explained in the Consultation Response (see page 2)—the listing rule amendments and new and updated guidance notes will come into effect on 1 December 2019.

### **Education Roadshow**

ASX will be conducting a national roadshow on its rule and guidance changes in late October and early November. The dates, venues, and registration links for the roadshow events are available at: [Brisbane](#), [Melbourne](#), [Perth](#), [Adelaide](#) and [Sydney](#).

### **Copies of rules, guidance notes and forms**

Copies of ASX’s final listing rule amendments, new and updated guidance notes, and updated listing rule forms can be accessed on the ‘Public Consultations’ page on the ASX website at: <https://www.asx.com.au/regulation/public-consultations.htm>

### **Copies of consultation submissions**

ASX received 48 written submissions in response to its consultation paper, with nine provided on a confidential basis. The submissions provided on a non-confidential basis are also available on the ‘Public Consultations’ ASX website at: <https://www.asx.com.au/regulation/public-consultations.htm>.

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