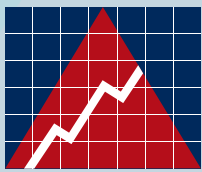


AFMA

ANNUAL REPORT 2023

Australian Financial Markets Association Ltd



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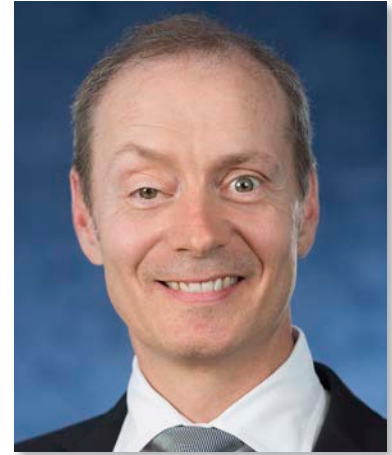
CONTENTS

- Chair’s Report 4
- Policy Initiatives..... 8
- Market Committees.....13
- Government Sector Engagement.....15
- Professionalism and Education17
- AFMA Events18
- AFMA in the Community20
- AFMA Staff.....21
- AFMA Committees24
- AFMA Governance25
- 2022/23 Submissions26
- AFMA Members29
- About AFMA.....32

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CHAIR'S REPORT

It is a privilege for me to write the Chair's Report at the end of my first year as AFMA's Chair, having commenced at the 2022 AFMA Annual General Meeting. My observation from my time as Chair is that AFMA has continued to build on its successful recent history to enhance its support for members and participants in Australia's financial markets. This has occurred through ensuring that AFMA's priorities are clearly defined and also through deeper engagement with stakeholders to better articulate the priorities of AFMA.



Australia's financial markets are at a critical juncture, with a number of current initiatives and projects underway that have the potential to transform the way that financial markets participants do business. It is during times of change that bodies such as AFMA demonstrate value, by bringing stakeholders together and coalescing individual views into industry positions, and I was pleased to see a number of examples of AFMA clearly demonstrating its worth during the year. To enhance its effectiveness, AFMA has recalibrated its internal resources to ensure that its capability is aligned to the priorities of its members.

I look forward to continuing to work closely with AFMA's Deputy Chair, Nell Hutton and AFMA's other Directors to ensure that AFMA remains relevant, committed and focused on delivering the objectives of AFMA and its members.

A Period of Change

The last twelve months has seen significant changes in all aspects of financial markets, both in Australia and internationally. During the year we saw progress on the use case for digital currencies, material developments in data disclosures relating to sustainability and significant engagement across the industry relating to Australia's financial market infrastructure. There was also the emergence of new markets, such as a burgeoning carbon market, as well as financial market issues stemming from the energy transition.

AFMA's role will always be to ensure and promote markets that are fair, efficient and competitive. It is critical that local markets support business and the broader Australian

economy and it is imperative that challenges that arise are addressed by the industry collectively. AFMA seeks to be at the forefront of discussions to ensure that our markets and the supporting infrastructure is appropriate given current and future requirements.

Strategic Objectives

Each May, AFMA's management presents proposed strategic priorities for AFMA to me and my fellow Directors. As the first opportunity to review these proposed priorities as Chair, it was pleasing to see alignment between what AFMA saw as key focus areas and the issues that keep AFMA members up at night. Priorities such as right-sizing regulatory burden for our members will always be a key AFMA priority, but the AFMA Board was happy to endorse issues such as markets related clearing and settlement infrastructure, and sustainability as key AFMA priorities.

I was also pleased to see Management continue its collaboration with peer associations, ensuring that there is a collective voice to Canberra and that both duplication and gaps in terms of representation are minimised. Due to a concerted effort over the last couple of years, there is a greater awareness in Canberra of who AFMA represents, what issues are important to AFMA members and a recognition that AFMA is a trusted and reliable voice that looks to improve outcomes for the collective as opposed to a minority. Deriving efficiency from advocacy efforts is part of AFMA's strategy as it helps leverage ideas from an even greater number of institutions and allows AFMA (and our peers) to present a united and consistent voice on important policy matters.

CHAIR'S REPORT

Expanding AFMA's Horizons

A key imperative of AFMA's Board and management is to continuously ensure that AFMA engages with organisations and stakeholders in a manner that derives value for our members and enhances the efficiency and operation of our markets. In that regard, there were two key initiatives during the year which expanded AFMA's reach.

First, AFMA formalised its relationship with the UK based Financial Markets Standards Board (FMSB) through a reciprocal membership arrangement. The FMSB develops standards that are designed to represent good markets practice and which bridge the gap between legal requirements and the efficient operation of markets. Being a member of FMSB allows AFMA the opportunity to engage and help shape FMSB standards at an early stage. AFMA has hired a dedicated resource with carriage of engagement with FMSB, ASIC and AFMA's members to ensure that the importation of such standards into Australia is done in an appropriate manner.

Second, AFMA also confirmed reciprocal membership with the Carbon Market Institute (CMI). This is a symbiotic relationship that allows the CMI and its members to enhance the professionalism of the carbon markets through access to standard-form documentation and allows AFMA to engage with a broader range of market participants to better understand the state and trajectory of an important emerging market that is pivotal to the energy transition. AFMA will build on this relationship in future and is already seeing a number of carbon-specific businesses approach AFMA for membership.

Proportionate Regulation

While advocating for proportionate and appropriate regulation has always been an AFMA focus, during the year there were a seemingly increasing number of instances of regulatory intervention that either imposed a disproportionate burden or for which there was little stated rationale. On multiple occasions during the year, AFMA escalated member concerns to senior personnel within our regulators to ensure that the regulatory impact was aligned to a properly articulated policy intent.

AFMA accepts the need for regulation but notes that overly burdensome regulation, or regulatory fragmentation relative to other jurisdictions, undermines Australia's reputation as a place from which to conduct business, and negatively and unnecessarily impacts on the productivity and cost base

of Australian business. As a significant proportion of our members are in the process of implementing the recently-enacted Financial Accountability Regime, it will be important that in-scope firms, Government and regulators work together to align the regulatory impost to the objective of the regime. AFMA is uniquely placed to facilitate those conversations.

Policy

AFMA's representations on behalf of members cover a broad range of policy areas including:

- Exchange traded and OTC markets;
- Equity and debt capital markets;
- Bank prudential and conduct regulation;
- Energy markets;
- Environmental and carbon markets;
- Taxation; and
- Anti-money laundering legislation and regulation.

Over the course of the year, AFMA made over 90 policy submissions reflecting the breadth of AFMA's activities both in Australia and globally. The submissions pertain to a wide range of policy issues and address improvements to existing law, the design of new legislation, regulatory instruments and associated guidance. More detail of AFMA's policy work is included in this Report and in the Key Achievements document circulated to members mid-year.

Government Sector Engagement

AFMA held over 100 meetings with regulators, Parliamentarians, government and agencies, including formalised liaison processes with Treasury, ASIC, APRA,

AFMA escalated member concerns to senior personnel within our regulators to ensure that the regulatory impact was aligned to a properly articulated policy intent.

CHAIR'S REPORT

Our members include representatives from each segment of the financial markets sector, thereby ensuring that our policy positions, market conventions and standards are representative of the market as a whole.

AUSTRAC, and the ATO. In addition, AFMA meets regularly with offshore peer associations and attends briefings with international bodies such as IOSCO.

AFMA now has an internal resource dedicated to government relations and has stepped-up bilateral meetings within the year with members of parliament and their staffers to enhance the awareness of AFMA in Canberra. A broad range of parliamentarians sit on Senate and House committees which often undertake detailed inquiries and reviews into legislation that directly impacts AFMA's members. As such, it is a valuable investment in ensuring that those undertaking the reviews understand AFMA members' perspectives.

Education

The 2022/23 year saw heightened awareness and demand for the Financial Markets Certificate, which is the education course that underpins AFMA Accreditation. The Financial Markets Certificate is taught by the Macquarie University Business School and follows a curriculum determined by AFMA. As detailed in the Report, close to 300 students have received the Financial Market Certificate since inception with total course enrolments being close to 1,000. What is particularly pleasing is that more than 60 firms have enrolled staff into the program, demonstrating the appeal of the program and its relevance to a broad subset of AFMA members.

From an AFMA Board perspective, the goal has always been to ensure that any education program linked to AFMA Accreditation is practical, helps students to perform their

roles in Australia's financial markets, and instils professional characteristics on graduates and member firm staff. It is clear from the enrolments and the feedback received to date that the partnership with Macquarie University is meeting these objectives.

Membership

AFMA had 133 members as at 30 June 2023 and continues to receive enquiries from firms that are planning to participate in Australia's financial markets. Our members include representatives from each segment of the financial markets sector, thereby ensuring that our policy positions, market conventions and standards are representative of the market as a whole.

AFMA is fortunate to have a large number of highly supportive Partner Members that provide professional services to AFMA's members. These firms give considerable insight into trends and priorities they are seeing across their client base. In addition, our Partner Members bring technical skills to assist with the formulation of AFMA's policy positions.

International

AFMA's relationships with counterpart global organisations and other international bodies are crucial to ensuring that regulatory fragmentation is reduced and that we maintain awareness of global developments that may have implications for Australia, either in the form of potential new regulation or where the overseas regulation has extra-territorial effect.

AFMA continues to benefit from long and established relationships with bodies such as the ICMA, ISDA and the FMSB in relation to standardised documentation, debt market practices and market standards, all of which have increasing relevance in the Australian context.

Financial Position

AFMA continues to be in a strong financial position, thanks largely to the support of its members. We operate within a tight financial control framework and continuously look for initiatives to enhance our value proposition for members.

CHAIR'S REPORT

Financial Markets Foundation for Children

AFMA is proud to provide accounting and operational support to the Financial Markets Foundation for Children on a pro-bono basis. We were very pleased to see fundraising activities at pre-COVID-19 levels, allowing for the very important funding of paediatric medical research projects, chairs at leading Universities and specific brain cancer research.

In Appreciation

I thank my fellow Directors on AFMA's Board for their commitment to the Association and the broader industry over the past 12 months and for the support they have offered me as Chair. Given the demands on each Director's time, I am grateful for the effort taken by each Director to ensure that the Association is operating in accordance with its strategic mandate.

During the year, Andrew Hinchliff (CBA), Bill Whitford (TCV) and Drew Bradford (NAB) advised of their intention to retire from the AFMA Board. The contribution from all three individuals to AFMA was outstanding and, on behalf of the Board, I extend my sincere gratitude to Andrew, Bill and Drew for their service.

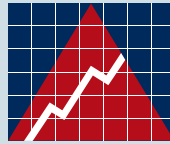
My appreciation to all of those member-firm employees that volunteer to contribute through serving on AFMA's committees or otherwise contribute to AFMA's activities. The Association could not function effectively without significant member input and your ongoing contribution is acknowledged and appreciated by AFMA's Board.

Finally, thank you to AFMA's loyal staff, who continue to represent the Association and the broader industry in a professional and dedicated manner.

Best regards



Nick Hughes
Chair



AFMA

AFMA at a glance

- ✓ 133 Members
- ✓ 40 Committees and Working Groups
- ✓ Over 160 Committee meetings for the year
- ✓ Almost 1,000 Individual Committee/Working Group participants
- ✓ Over 1,800 Accredited Individuals
- ✓ Over 90 Submissions

POLICY INITIATIVES



CHES Replacement

AFMA has worked with members, including ASX and other infrastructure firms, for many years to support the CHES replacement project. When ASX announced a major project review at the end of 2022, AFMA ensured member priorities for the change in direction and scope were quickly and clearly communicated. Many of the suggested changes to reduce project risk and improve outcomes for members were received favourably and look likely to be implemented as the project progresses. AFMA continues to be deeply involved in the project through our participation, moderation and establishment of various AFMA, ASX and cross industry committees and working groups.

Foreign Financial Service Providers

AFMA's long term efforts in relation to improving regulation of Foreign Financial Service Providers has resulted in revised draft legislation being released. While the draft legislation requires further amendment to remove obstacles to the conduct of outbound business from Australia, the goal of having a properly established regulatory regime is within sight. AFMA continues to lead engagement with government and members on this important initiative.

Unfair Contract Terms

AFMA identified and raised with the Government and ASIC serious concerns with how the *Treasury Laws Amendment (More Competition, Better Prices) Act 2022* may apply to institutional financial market contracts in ways which are not intended under the policy objectives of the reform (UCT Reform). The extension of the unfair contract term provisions to cover small business contracts was intended to address

vulnerability by allowing unfair contract terms to be declared void, providing a remedy for small businesses. The emphasis is on 'small' business. Since the legislation was passed, financial market participants have been seeking legal advice and conducting contract reviews to prepare for the reform implementation in November 2023. The UCT Reform has naturally led to conformance exercises being undertaken by members for determining which standard form contracts used in servicing clients will now be within scope under the revised definition. This legal review process has highlighted a wide range of institutional financial market contracts which have standard form provisions, which worryingly may be captured and should not be in scope. This problem has been raised with the Treasury and ASIC. AFMA continues to work on addressing the problem.

Executive Remuneration

AFMA continues to ensure that industry voices are heard in relation to the new Financial Accountability Regime (FAR) particularly in relation to the non-inclusion of individual penalties. While the political road was not without its challenges, ultimately a sensible outcome was achieved for the industry and the economy, with individual penalties excluded from the scheme.

AFMA has achieved significant positive refinements in the CPS 511 standard notably in relation to deferral periods.

In relation to APRA's CPS 511 disclosure proposals, AFMA has again raised industry's concerns with APRA to ensure the standard is finalised in a way that does not unduly risk unnecessary damage to the business environment and applies sensibly where senior executives spend only a part of their time on the Australian branch.

POLICY INITIATIVES

Callable Bonds

AFMA held direct discussions with APRA on its announcement that the ability to call a Tier 2 security would require a convincing economic case beyond reputational risk. AFMA's engagement explained the observed undesirable impacts on funding markets and encouraged consultation and communication for similar issues in future to limit unintended consequences.

Interest Rate Risk in the Banking Book (IRRBB)

AFMA successfully made the case for the exclusion of foreign ADIs and non-significant financial institutions from the proposed IRRBB requirements which would have been excessive for these entities. AFMA worked to ensure APRA understood that any interest rate risks for these firms can be better managed under other prudential standards, resulting in improvements to the APRA standard.

AFMA also assisted APRA continue its work to refresh the APS 117 standard. Our work helped APRA (and its regulated entities) to better understand how a changed banking prudential standard can influence the ongoing stability of non-regulated market segments such as non-bank borrowers. AFMA's work appears to have contributed to a more balanced outcome for the new standard and AFMA will work with members to assess whether the new APS 117 has no ongoing material unintended consequences outside the banking space.

CPS 230 Operational Risk Management

The consultation draft of APRA's CPS 230 looked to be one of the most expensive regulatory reforms in recent years.

AFMA's engagement explained the observed undesirable impacts on funding markets and encouraged consultation and communication for similar issues in future to limit unintended consequences.

The original timing set for implementation would have been impractical at less than a year for a yet to be finalised standard. AFMA and others made multiple representations to APRA that resulted in the start date being delayed by 18 months and reduced costs to industry through refinements to the final standard.

Proportional Regulation for Foreign ADIs and Other Non-SFIs

During the year, we were pleased that APRA accepted AFMA's proposition to categorise foreign ADI branches as non-Significant Financial Institutions (non-SFIs), subject to a reserve declaration right.

AFMA also supported APRA's proportional approach to the prudential risks posed by non-SFI firms. This major change in regulatory approach is of long-term benefit to many AFMA members and the local economy.

Appropriate recognition for the different risks posed by foreign ADIs (and other non-SFIs) in the way they are regulated has been a long term AFMA strategic priority. APRA's representations have already resulted in substantial efficiencies for both the affected banks and APRA, and are likely to continue to do so as more standards use pragmatic and proportional application. For example, our submission to draft CPG 900 Resolution Planning argued for proportionate application, and our request for exclusion of foreign ADI branches was achieved with the release of the final version of CPS 190 Recovery and Exit Planning.

Financial Advice

AFMA engaged closely with the Financial Advice Review, resulting in a recommendation to leave stamping fees and brokerage in place as exemptions to the conflicted remuneration ban. This was a welcome development as some parties had continued to seek the end to these important exemptions.

AFMA continues to ensure that the Government understands that not all financial advice is provided by financial planners and that there is a proportionate regulatory burden for those providing advice in markets-based roles including broking and SME FX. We have welcomed improvements requested in relation to experienced advisors and are working with the Government on improved pathways for new advisers.

POLICY INITIATIVES

Compensation Scheme of Last Resort

As the CSLR Bill made its second trip to the Senate under the new Government, AFMA again argued successfully that the scheme should not extend to Managed Investment Schemes as proposed by some parliamentarians. This would have made the scheme even more prone to unpredictable cost increases and would likely have distorted the market towards these products due to the associated moral hazard. Given the cost blowouts in the scheme's first year, AFMA's consistent policy position against the extension of the scheme proved justified.

RBA Review

AFMA's submission to the RBA Review supported increased monetary and markets expertise on the RBA Board, and the greater use of external information and experts to increase the level of challenge to the internal view. Our recommendations lined up well with the final recommendations of the Review, all of which were subsequently supported by the Government.

Taxation

Justified Trust Reviews

AFMA continued to play a leading role as a conduit between members and the ATO regarding the Justified Trust reviews. The engagement in the current year was particularly important as the ATO moved from the Streamlined Assurance Review phase to the Combined Assurance Review phase. AFMA continued to impress upon the ATO the need for lighter touch administration given the investment made by all affected

AFMA has been at the forefront of engagement with the Government as it looks to implement its multinational tax integrity and transparency agenda.

AFMA members in the initial review phase. A continuing focus of AFMA is to ensure that there is a consistent approach adopted by all of the departments within the ATO.

Implementation of Hybrid Rules

During the year, AFMA was a key interlocutor between the ATO and members regarding the implementation of the anti-hybrid rules. This resulted in the ATO updating its guidance regarding disclosure obligations to ensure industry consistency and facilitated bilateral engagement regarding particular issues that members may have that are bespoke to their own circumstances.

Government's Multinational Tax Agenda

AFMA has been at the forefront of engagement with the Government as it looks to implement its multinational tax integrity and transparency agenda that it took to the 2022 election. Particularly in relation to the proposals regarding Public Country-by-Country disclosure and the proposed amendments to the thin capitalisation rules, AFMA has held discussions both with Treasury and the Treasurer's office to articulate unintended consequences and the potential risk of regulatory over-reach that would hinder Australia's competitiveness as a place to do business. AFMA welcomed the twelve-month deferral of the Public Country-By-Country reporting requirements to income years starting on or after 1 July 2024.

Anti-Money Laundering

Simplification of AML/CTF Regime

A notable achievement in the 2022/23 year was the release of a Consultation Paper by the Attorney-General's Department setting out proposals for the simplification of the AML/CTF Framework, including the Act, Rules and AUSTRAC guidance. AFMA has long been calling for this consultation, as far back as our submission to the 2016 Statutory Review. In the intervening period, the application of the AML/CTF framework has become more concerning for AFMA's members, with a significant number of examples where there is a disconnect between the expectations of regulators and the reporting entity population resulting in high-profile enforcement actions. The announcement of the simplification project and the commitment by the Department, AUSTRAC

POLICY INITIATIVES



AFMA will provide Australian input into global standards while promoting consistency in understanding and application to local markets.

and AFMA members provides a massive opportunity to mitigate risk for our members and to allow reporting entities and the Government to work together to frustrate serious financial crime.

Non-Progression of IFTI Guidance

A significant area of focus of AFMA in recent years has been engagement with AUSTRAC regarding the transaction types and circumstances that trigger an IFTI reporting obligation. During the engagement, it became apparent that there were circumstances where there was a disconnect between AUSTRAC and industry as to whether a transaction was reportable. Noting the potential for changes to systems and processes, as well as residual risk, AFMA procured an outcome whereby any changes to IFTI reporting would only be triggered by the finalisation of the AUSTRAC guidance and apply prospectively. With the announcement of the simplification project, AUSTRAC has confirmed that it will not finalise the draft IFTI guidance, thereby relieving AFMA members of the requirement to change systems/processes twice and mitigating residual risk for members.

Sustainability

AFMA's objective is to be an influential voice in the development of climate and sustainability standards and supporting data collection systems to produce reasonable and implementable outcomes for financial market participants. Our role is also to ensure market participants understand ASIC's regulatory expectations of market intermediaries as gatekeepers in respect of greenwashing risks.

During this year, AFMA formalised its arrangement for overseeing its sustainability work by establishing the Sustainability Committee along with two working groups reporting to it. The first, the Sustainability Disclosure Data Working Group focuses on the disclosure framework and gathering the data required to make this work. It made major substantive comments during the year on the ISSB S1 and S2 global disclosure framework, then turned its attention to the development of the local framework for implementation in Australia. Secondly, there is the Sustainability Risk Working Group which is considering reporting standards and how to mitigate risk through standardisation and regulatory recognition of assurance and accreditation providers.

Over-The-Counter (OTC) Markets

FMSB

AFMA welcomes the Financial Markets Standards Board (FMSB) as an Affiliate Member and likewise is pleased to have become an Affiliate Member of the FMSB.

In engaging more closely with the FMSB, AFMA will provide Australian input into global standards while promoting consistency in understanding and application to local markets. AFMA will work with relevant members to formulate the local industry's position and enhance understanding of current and future FMSB material.

Reassessing the Costs and Benefits of a Centrally Cleared Australian Repo Market

The RBA published an article in their 16 March 2023 Bulletin that considered the viability of central clearing of Repurchase Agreement (Repo) transactions, and concluded that there is a stronger case currently than seen previously for clearing to commence. AFMA will continue to liaise with the RBA and members on this important initiative.

POLICY INITIATIVES



The move to a monthly CPI reading will align Australia's inflation market with other OECD economies and is expected to attract more offshore investors to the Australian inflation market and increase trading activity.

Refinements in the RBA's Open Market Operations

AFMA assisted the RBA to refine the technical elements of its proposed arrangements with regard to accrued interest as the RBA moves the Bank's Open Market Operations (OMO) to be conducted at the Cash Rate Target plus a spread from January 2024.

Australian Bureau of Statistics (ABS) to Publish Monthly CPI Benchmark

AFMA welcomed the Government's Budget announcement that funding would be provided for the ABS to establish a benchmark, monthly CPI. AFMA has advocated for a monthly inflation reading for several years and AFMA made a Pre-Budget submission to the Government on this point in 2018. AFMA and the Inflation Products Committee are already

working with the ABS to develop the inflation products required to ensure that Australian market participants have access to the appropriate tools to hedge and manage inflation risk. The move to a monthly CPI reading will align Australia's inflation market with other OECD economies and is expected to attract more offshore investors to the Australian inflation market and increase trading activity.

Debt Capital Markets Implement Live Order Book Updates

The Debt Capital Markets (DCM) Committee agreed to an initiative to provide live order book updates during the book build of new primary market debt and credit issues. The provision of live order book updates is a positive initiative from the Committee that has been well supported by AFMA members and market participants.

SOFIA (Secured Overnight Funding Index of Australia)

The ASX has been consulting with AFMA and members of AFMA's Repo and Cash Committees to discuss the work they have been doing in developing alternative reference rates using different risk-free rates. The ASX has been collecting data since late 2021 for the potential establishment of a repo based, secured, overnight reference rate. Although there is continued support for BBSW, AFMA welcomes this as a positive initiative to increase transparency in other benchmark rates. The initiative provides a starting point for the industry in developing more alternative reference rates. The new reference rate will be known as SOFIA (Secured Overnight Funding Index of Australia). AFMA will continue to work with the ASX to fine tune the methodology.

MARKET COMMITTEES



Market Governance Committee

AFMA's Market Governance Committee (MGC) serves an important role in Australia's financial markets. The committee is comprised of senior management and heads of trading businesses from AFMA's Members, and oversees the development and maintenance of market conventions, gives guidance on expected market behaviour and promotes integrity and efficiencies to facilitate orderly operations in Australian wholesale OTC markets.

AFMA's Technical Markets Committees address a wide range of market-specific issues which, from time to time, may require a clarification or amendment, or addition of a new convention to the Market Conventions and general practices. The Markets Committees are the primary means through which AFMA undertakes its coordinating role in the industry's self-management of the OTC markets. The Markets Committees propose new conventions and amendments which are ratified by MGC before being adopted by the broader market. Amendments and new conventions in the 2023 financial year continued with refinements to market conventions to support the continuing transformation to risk free rates along with enhanced guidance on Markets Committees structures.

MGC is mandated to regularly review market conditions and performance of products traded in Australia's OTC financial markets. These include the cash market, debt capital markets origination and credit trading, short and long term debt securities markets and the associated repo market, together with a diverse range of derivative products, including interest rate derivatives and inflation products.

The MGC promotes the AFMA Code of Conduct as outlining acceptable standards of behaviour and advises the AFMA Board on material matters and issues arising in respect of market operations and conduct.

Debt Capital Markets

AFMA Fallback Language Template for Floating Rate Notes

With the goal of reducing the risk of market disruption in the event BBSW is not available, AFMA developed a Fallback Language Template for Floating Rate Notes (FRNs) for incorporation in FRN securities documentation. The development and creation of the template language responded to the announcement by the RBA in September 2021 that robust fallbacks are required for BBSW Securities.

Debt Primary Market Conventions

AFMA developed Debt Primary Market Conventions following several committee discussions and a review by the DCM Legal Committee. The conventions deal with the mechanics of the market such as product descriptions, business days etc. The conventions will complement the AFMA Debt Primary Market Guidelines which deal with practices during the primary issuance process.

The MGC oversees the development and maintenance of market conventions, gives guidance on expected market behaviour and promotes integrity and efficiencies to facilitate orderly operations in Australian wholesale OTC markets.

MARKET COMMITTEES

Negotiable and Transferable Instruments (NTI)

The NTI Committee reported strong market conditions over the year. Following the RBA review and recommendation to move from eleven to eight monetary policy meetings per year, the ASX engaged market participants via a survey addressing its existing short-term listed product offering and to identify possible alternative product designs. The survey found that market participants believe the existing 30-Day Interbank Cash Rate (IB) Futures contract is fit for purpose and can accommodate the reduction in monetary policy meetings.

Repo

Members of the Repo Committee reported challenging market conditions persisting through 2023. Members of the Repo Committee implemented a new convention to codify the Target Cash Rate as the base rate for open repo when dealing.

Swaps

Members supported new language for new conventions for neutral dates, T+2 settlement for cross currency swaps, T+1 settlement for single currency basis swaps and a definition of Futures Dates. New conventions were also implemented to provide a definition for BBSW/SOFR basis swaps (to replace the definition of BBSW/LIBOR basis swaps) and for RBA Dates. A review of the Interest Rate Derivatives conventions recommended several non-material amendments to remove redundant references (e.g., replacing LIBOR with SOFR).

Energy & Carbon

Energy

AFMA's Energy Committee continues to engage with the challenges of the transition of the electricity market to net-zero. AFMA has engaged with policy developments that have an impact on the financial market including transmission access reform and the development of a capacity investment mechanism. The Committee is also considering the continued suitability of existing financial products for the changing market, particularly as a result of the changing nature of peak electricity demand.

AFMA has engaged with policy developments that have an impact on the financial market including transmission access reform and the development of a capacity investment mechanism.

Gas

AFMA has established a Gas Working Group to contribute to the development of a strong gas market. The Working Group is engaging with the challenges presented by the Government's intervention in the gas market. AFMA has advocated for policies that provide consistent long term pricing signals that support the development of the market. The Working Group is developing market conventions and working on issues to develop the market, including by contributing to discussions about the development of listed gas products.

Environmental Products

AFMA's Environmental Products Committee continues to support a range of existing legislated environmental products, including LGCs, STCs, ESCs and VEECs; but is also considering issues posed by the potential development of new environmental products schemes to support renewable gases and peak demand reduction. The Committee has recently published substantial updates to the AFMA Environmental Products Addendum and AFMA Environmental Products Spot Contract that aim to ensure these documents remain relevant to the market.

Carbon

AFMA's Carbon Committee is engaging with the rapid evolution of the Australian carbon market. AFMA aims to promote the development of an efficient carbon market with high levels of integrity and professionalism. To support this objective, we have partnered with the Carbon Market

MARKET COMMITTEES



AFMA and the CMI came together in an affiliate membership arrangement to support the development of the Australian carbon market and establish high professional standards for participants in the market.

Institute and created a new class of carbon membership to ensure we are engaging with a broad range of wholesale carbon market participants. In the last year, the Committee has published Australia's first carbon market conventions, and the Committee is currently developing template ACCU trading documentation.

CMI Partnership

In April AFMA and the Carbon Market Institute (CMI) came together in an affiliate membership arrangement to support the development of the Australian carbon market and establish high professional standards for participants in the market.

AFMA currently administers Carbon Market Conventions that streamline market practices and maintains legal documentation that enable Australia's OTC markets, while one of CMI's key focus areas is to facilitate better practice and integrity in decarbonisation strategies, investments, and carbon projects amongst market participants. The partnership will see AFMA and CMI work together to ensure carbon market design is optimised and functions with principles of integrity, additionality, transparency and liquidity.

OTC Market Conventions

AFMA supports a comprehensive system of industry accepted standards and conventions that streamline market practices and ensure Australia's OTC financial markets trade at a standard accepted by all market participants. AFMA's Markets Committees play a vital role in setting Markets Conventions that provide clarity and guidance to market participants regarding the efficient operation of OTC markets. The conventions, standards and procedures reflect current market practices and are kept up-to-date by our markets committees. Set out overleaf is a summary of changes to Market Conventions in the 2023.

GOVERNMENT SECTOR ENGAGEMENT

AFMA has continued to increase its engagement with Ministers, Parliamentarians, Government Departments and regulators. To further support members and keep them abreast of AFMA's work, AFMA established a new

Government Relations Working Group and is in the process of setting up an Energy specific Government Relations Working Group. These groups will help drive engagement and further enhance cohesive messaging.

MARKET COMMITTEES

OTC MARKET CONVENTION CHANGES

Convention Name	Change	Reason	Date
Electricity	Amendment	Removed mention of the 30-minute trading intervals.	August 2022
Carbon Markets	Promulgation of Conventions	Initial publication of the Conventions.	December 2022
Interest Rate Derivatives Review	Amendments New Conventions	Removed/replaced references to Fed Funds with SOFR. Removed/replaced references to LIBOR with SOFR. Removal of references to "Neutral Dates" for single currency and cross currency basis swaps settlement. Removal of references to Reuters and replaced them with Refinitiv. New Definition for BBSW/SOFR basis swaps. Implemented T+1 start date for single currency basis swaps. Implemented T+2 start date for cross currency basis swaps. Implemented a definition of "Futures dates" for market participants to deal the futures strip.	January 2023
All Markets Conventions	Amendment	Amendments were made to all market conventions to ensure there is consistency in the definition of good business days. A good business day is defined as a day other than 'bank close days' as defined in Section 14B of the Retail Trading Act 2008 (NSW).	July 2023
All Markets Conventions	Amendment	Amendments were made to all market conventions. On the advice of AFMA's legal counsel various editorial revisions were made to amend the terms "standard transaction size" and "market parcel" and replace them with "customary market parcel".	July 2023
Debt Primary Market	New Conventions	Complements existing Credit Product Conventions and DCM guidelines. Deals with the mechanics of new issuance process.	October 2023
Interest Rate Derivatives	New Convention	Implemented a definition of "RBA Dates" for market participants to deal the strip of dates following RBA Board meetings which have been reduced to eight meetings per year from eleven.	October 2023
Repo	New Convention	Implemented a convention to codify the Target Cash Rate in the conventions as the base rate for open repo.	October 2023

PROFESSIONALISM AND EDUCATION

The 2022/23 year saw the enhancement of the AFMA professionalism program through the growth and continuing success of the partnership with Macquarie University Business School (MQBS) and the delivery of the Financial Markets Certificate, the academic qualification underpinning AFMA Accreditation.

During the year, more than 880 enrolments into the courses that collectively comprise the Financial Markets Certificate were received, and by the end of the year, close to 300 students had successfully completed the program and were eligible for AFMA Accreditation. This represents more than 15% of the population of accredited individuals and significantly enhances the robustness of the program. Pleasingly, nearly 60 organisations have enrolled their staff into the program, reflecting the diversity of AFMA's membership and the extent to which the Certificate represents a qualification that benefits the entire industry.

Given the partnership with MQBS has been on foot for more than two years, AFMA Management engaged an independent consultant, to engage with accreditation representatives within each member firm to ensure that the Accreditation Program is delivering on its stated objectives and will remain fit-for-purpose. This targeted member engagement

highlighted that, broadly, the program is meeting its objectives but that AFMA could enhance periodic communication with accreditation representatives to ensure that there is sufficient awareness of the quality and content of the program and the roles that it is suitable for.

In December 2022, AFMA and MQBS held an event to recognise and celebrate those students that had obtained the Financial Markets Certificate and accordingly become eligible for AFMA Accreditation. AFMA's then-Chair, Rob Bedwell, gave an enlightening presentation to the group with reflections on what makes a successful career in financial markets. AFMA/MQBS are looking to hold this event annually.

AFMA would like to thank members of its Accreditation Governance Committee for their stewardship over AFMA's professionalism program and for practical feedback to ensure that the program meets the needs of member firms.



Rob Bedwell (JP Morgan) presenting to recent graduates of the Financial Markets Certificate



Graduates of the Financial Markets Certificate networking with industry representatives

AFMA EVENTS

AFMA/ISDA Conference

AFMA's conference was a success and well-received. It featured presentations by the Chair of the CFTC Rostin Behnam and ASIC's Chair, Joe Longo. The conference received good press coverage including on the critical issue of a replacement for the OBU regime, noting the need for a timely solution.

Total attendees numbered just over 190.



Rob Colquhoun, AFMA, Adrian Rubin, ABN AMRO Clearing and Matthew Russell, Optiver



Rostin Behnam (Chair, US Commodity Futures Trading Commission) presenting at the ISDA/AFMA Derivatives Forum with Nick Sawyer (ISDA)



Eric Knight, MQBS, Stephen Halmarick, CBA, Jo Masters, Barrenjoey and Su-Lin Ong, RBC Capital Markets

PwC Event on Readiness for ASIC's New Resilience MIRs

AFMA held a special purpose briefing, attended by over 100 AFMA members, on readiness for ASIC's new Resilience MIRs with our Partner Member PwC. The event was informative and received positive feedback from members, thanks to insightful presentations from PwC experts.

KPMG CPS 230 Session

KPMG hosted a session for smaller ADI members focused on preparing for APRA's upcoming Operational Risk Management Standard CPS 230 and the Government's Financial Accountability Regime (replacing BEAR).



Joseph Longo, Chair, ASIC



AFMA EVENTS

Gilbert + Tobin, FAR Session

Members appreciated a session by Gilbert + Tobin on the forthcoming FAR regime, highlighting differences with the existing BEAR regime and how members should prepare for the change.

Gilbert + Tobin, Quality of Advice

Gilbert + Tobin held a session reviewing the Government's response to the Quality of Advice Review to help prepare AFMA members who will be impacted by the implementation of some of the Review recommendations.

Ashurst Presentation on Amendments to the Privacy Act

Ashurst provided a presentation to AFMA's Data Management Committee on the potential changes to the Privacy Act.

APRA Presentation on CPS 234 Tripartite Early Insights

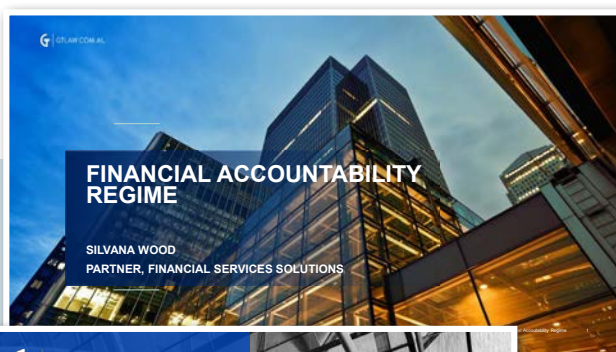
APRA provided a detailed 'Early insights' presentation to AFMA members to assist them prepare for and respond to the tripartite audit program. APRA gave helpful guidance on where to focus resources given their typical findings so far in the program.

King & Wood Mallesons Payments Consultation Information Session

AFMA members welcomed a KWM presentation on the potential directions of the payments system's evolution and the risks and opportunities for market participants.

ASIC Workshop on the Resilience MIRs

Key ASIC staff presented to a well-attended session on its expectations around go-live for the resilience MIRs. Members were able to ask detailed questions of those responsible for ASIC's implementation expectations.



AFMA IN THE COMMUNITY



AFMA is proud to provide administrative support to the Financial Markets Foundation for Children on a pro-bono basis, allowing the Foundation to operate on a dollar-in, dollar-out basis and ensure that all funds donated to the Foundation are used to support paediatric research.

After a two-year hiatus due to the COVID-19 pandemic, the Enchanted Ball, which is the major fundraising activity for the Foundation, roared back to life in November 2022 with an outstanding evening in Melbourne, raising more than \$1.6 million.

AFMA thanks the support of the Foundation Board, its pro-bono counsel Gilbert + Tobin and all banks that participated on the organising committee for their commitment to such an excellent cause.



AFMA STAFF

Management

BRETT HARPER

Chief Executive Officer

Reporting to the Board, Brett is responsible for the overall performance of AFMA in representing the interests of members in dealing with industry policy issues (including market operations) and in providing education and documentation services to members. Brett leads the Management Committee and is the Association's primary spokesperson.

ROB COLQUHOUN

Company Secretary, Financial Controller and Director, Policy

Rob is a member of AFMA's Management Committee and performs financial control and company secretary functions for the Association. From a policy perspective, Rob focuses on AFMA's taxation issues, encompassing corporate tax, international tax and indirect taxes as well as providing support to AFMA's Anti-Money Laundering Committee. Rob consults heavily with Treasury, the ATO and AUSTRAC and is a member of the key Treasury consultation groups. Rob has responsibility for AFMA's Education and Professionalism agenda.

Policy Team

LINDSAY GAMBLE

Director – Energy, Carbon and Environmental Products

Lindsay is responsible for AFMA's engagement with Energy, Carbon and Environmental Product markets. This includes responsibility for the Energy and Environmental Products Committees who maintain the market conventions and documentation for trading in electricity and gas OTC derivatives, carbon and environmental products.

BRENDON HARPER (from August 2023)

Head of Banks and Prudential

Brendon is responsible for engagement with our banking members and leading AFMA's work regarding FMSB Standards work and regulatory/prudential issues.



Brett Harper



Rob Colquhoun



Lindsay Gamble



Brendon Harper



May Huele



Damian Jeffree



David Love



Mark McCarthy



Murray Regan



Monica Young

AFMA STAFF

Brendon has over 15 years' experience in policy development and government engagement in the financial industry. Brendon joined AFMA from the ABA having previously worked at the Australian Investment Council, APRA and the RBA. Complementing a deep knowledge of prudential regulation, Brendon has experience spanning from economic policy and foreign investment regulation to technology reforms and alternative assets.

Brendon is also a lecturer in Macquarie University's Master of Applied Finance program.

MAY HUELE

Secretariat Manager

May is responsible for the efficient operation of AFMA committees and working groups, including the Board of Directors and other governance committees.

DAMIAN JEFFREE

Senior Director of Policy

Damian is the Senior Director of Policy, leading multiple policy initiatives and is a key interlocutor for the industry with many of AFMA's important stakeholders including ASIC, APRA, Treasury, the RBA, and Ministerial offices.

Over recent years Damian has enhanced AFMA's role as a policy body for the financial markets in information security. Damian is also responsible for multiple committees relevant to OTC markets including MGC, wholesale equities (including CHESSE replacement), futures, retail broking, IT, information security, and operations.

DAVID LOVE

General Counsel and International Adviser

David manages AFMA's legal and compliance risk and deals with developments in the regulatory environment for the Association. This role includes overseeing AFMA's documentation and market standards.

David plays a leading role in policy development for: financial market infrastructure, securities and derivatives markets services, OTC and capital market practices, IBOR and other benchmark issues, energy markets and setting the strategic regulatory policy direction for the industry in Australia and other jurisdictions. He plays a key role in AFMA's ongoing relations with Treasury, ASIC, APRA and the RBA.

David also has responsibility for AFMA's international relationships with counterpart associations, international groups and authorities.

David is responsible for managing AFMA's compliance committees, the Documentation Committee along with the OTC guide, and the legal committees for the equity and debt capital markets. A key part of his work centres on LIBOR transition and benchmark associated issues.

MARK McCARTHY

Director – Policy

Mark is the executive responsible for managing the operation of Market Committees in Debt Securities, Debt Capital Markets, Inflation Products and Swaps, and is a member of the RBA's Australian Foreign Exchange Committee. Mark has been responsible for maintaining AFMA's Public Register of Statements of Commitment to the FX Global Code.

MURRAY REGAN (to July 2023)

Director – Policy and Markets

Murray had responsibility for the management of select market committees and conventions, including Cash, Repo, Negotiable/Transferable Instruments (NCDs) and Interest Rate Options. In this role he ensured that AFMA's market conventions, standards, documentation and practices served to promote market efficiency.

In addition, Murray was responsible for the Regulatory Reporting Committee which primarily represents the interests of foreign ADIs. He played a key role in AFMA's ongoing relations with APRA and the RBA.

MONICA YOUNG

Policy Manager

Monica has primary responsibility of AFMA's government relations, ensuring that AFMA's policy objectives are advocated for and understood in Canberra, and by other key stakeholders. Monica joined AFMA from UK Parliament, where she spent four years as a political staffer in policy oriented roles in the House of Commons, having graduated with a Honours Degree in Journalism.

AFMA STAFF

Education

JASON SHEIL (to August 2023)

Accreditation Manager

Jason was responsible for maintaining and managing AFMA Accreditation and the annual reaccreditation process. Additionally, he was a key point of contact for both members and Macquarie University Business School, in relation to the Financial Markets Certificate which is now utilised as the education benchmark for AFMA Accreditation.



Jason Sheil

Services Team

MELINDA CUNNINGHAM

Business Information & Membership Officer

Melinda is the primary contact point for current and prospective members regarding their membership enquires and is responsible for the maintenance of membership records, collation of marketing material and the annual membership renewal process. Melinda manages AFMA's OTC Guide subscription base. Additionally, Melinda is responsible for the company's accounts payable and receivable functions and supports the Financial Controller with month end and year end processes. Melinda provides administrative support to The Financial Markets Foundation for Children.



Melinda Cunningham

JUSTIN GILLFEATHER

Senior Information Technology Manager

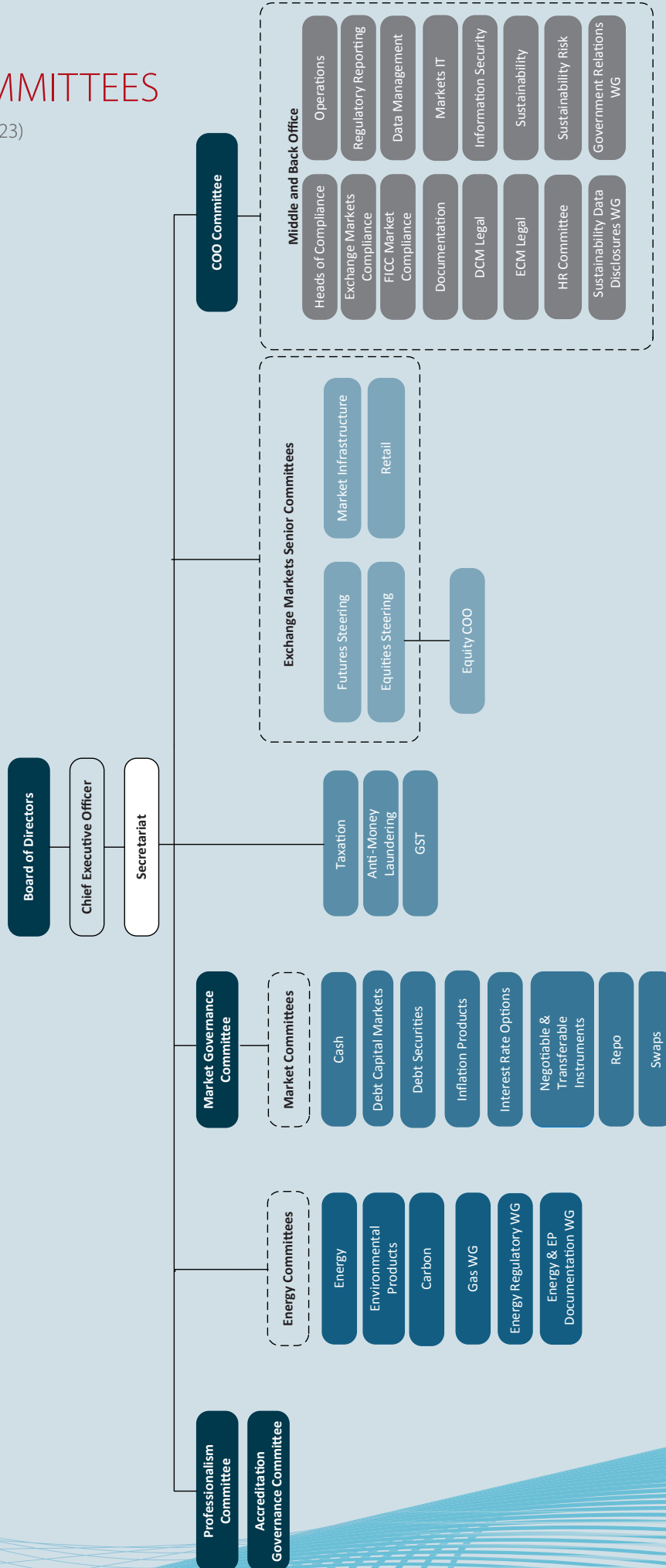
Justin is responsible for all information and communication technology within AFMA, including both internal and member-facing technologies, as well as acting as the Information Security officer.



Justin Gillfeather

AFMA COMMITTEES

(current at 30 June 2023)



AFMA GOVERNANCE (current at 30 June 2023)

Board of Directors

Nick Hughes (Chair)

UBS AG, Australia Branch

Nell Hutton (Deputy Chair)

Westpac Banking Corporation

Shayne Collins

Australia and New Zealand Banking Group Limited

Karine Delvallée

BNP Paribas

Mark Woodruff

Citi

Chris McLachlan

Commonwealth Bank of Australia

Richard Gibb

Credit Suisse AG

Glenn Morgan

Deutsche Bank AG

Robert Bedwell

JP Morgan Chase Bank, N.A.

Stuart Green

Macquarie Group Limited

Richard Wagner

Morgan Stanley Australia Limited

Greg Jarvis

Origin Energy

Beverley Morris

QIC

Kaylene Gulich

Western Australian Treasury Corporation

Market Governance Committee

Anthony Robson (Chair)

Yieldbroker Pty Limited

Tony Togher (Deputy Chair)

First Sentier Investors

Matthew Morris

Australia and New Zealand Banking Group Limited

David Sandler

Bank of America N.A.

Ashley Walsh

BGC Partners (Australia) Pty Ltd

James Hayes

BNP Paribas

Mark Woodruff

Citi

Mitchell Grosser

Commonwealth Bank of Australia

Nicholas Wheeler

HSBC Bank Australia Limited

Bradley Castellano

JP Morgan Chase Bank, N.A.

Tim McCaughey

National Australia Bank Limited

Robert Kenna

NSW Treasury Corporation

Natalie Vanstone

Royal Bank of Canada

Andrew Kennedy

South Australian Government Financing Authority

Justin Lofting

Treasury Corporation of Victoria

Matthew Campbell

UBS AG, Australia Branch

Max Bulloch

Westpac Banking Corporation

2022/23 SUBMISSIONS

Significant Submissions include:

Indicative benefit legend: ● Direct costs savings ● Better regulation ● Better for business

Submission Issue	Policy Maker	Indicative Benefit		
AFMA 2023/24 Pre-Budget Submission	Treasury	●	●	●
Amending the Administered Price Cap Directions Paper	AEMC	●	●	●
ASIC Industry Funding Model Review	Treasury	●	●	●
Australian Cyber Security Strategy	Home Affairs			●
Australian Domestic Gas Security Mechanism Guidelines	Department of Industry, Science and Resources		●	●
Bail-In Instruments - Request for Updated Regulation	Treasury		●	●
Climate-related financial disclosure Consultation Paper	Treasury		●	●
Compensation Scheme of Last Resort Levy Regulations 2022	Treasury	●	●	●
Competition and Consumer Amendment (Gas Market) Bill 2022	Treasury		●	●
Competition in Clearing and Settlement Draft Bill	Treasury			●
Conflicted Remuneration	Treasury	●	●	●
Consultation on AER Wholesale Market Monitoring and Reporting Framework	Energy Ministers		●	●
Consultation Paper 361 Proposed changes to simplify the ASIC Derivative Transaction Rules (Reporting): Second Consultation	ASIC	●	●	●
Consultation Paper on Capacity Mechanism High-Level	ESB		●	●
Consultation Paper on fallback rate provisions for AU and NZ 90 Day Bank Bill Futures	ASX		●	●
Corporate Bond Markets - Drivers of Liquidity during COVID-19	IOSCO			●
CP 365 Remaking ASIC class orders on takeovers, compulsory acquisitions and relevant interests	ASIC		●	●
CP 366 Proposed amendments to the ASIC Derivative Transaction Rules (Clearing) 2015: Second consultation & Draft DTR Instrument	ASIC			●
Digital Assets (Market Regulation) Bill 2023	Senate Standing Committee on Economics		●	●
Digital Platforms: Government consultation on ACCC's regulatory reform recommendations	Treasury		●	●
Empowering the AASB to deliver sustainability standards	Treasury			●
Failed Retailer Review	AEMC	●	●	●
Failed Retailer Review – Directions Paper	AEMC		●	●
Financial Accountability Regime (FAR) Bill 2022 and Financial Services Compensation Scheme	Senate Economic Committee		●	●
Financial Accountability Regime Minister Rules	Treasury		●	●
Financial Adviser Education Standards	Treasury	●	●	●

2022/23 SUBMISSIONS

Significant Submissions include:

Indicative benefit legend:		● Direct costs savings	● Better regulation	● Better for business
Submission Issue	Policy Maker	Indicative Benefit		
Foreign Ownership of Australian Media Assets Review of Legislative Requirements Consultation	ACMA		●	●
Further improvements to Corporations and Financial Services Law	Treasury		●	●
Gas Market Code Exposure Draft	DCCEEW		●	●
Gas Market Parameters Review 2022	AEMO			●
General Requirements for Disclosure of Sustainability-related Financial Information and Climate-related Disclosures	ISSB		●	●
Global Agreement on Corporate Taxation: Addressing the Tax challenges arising from the Digitalisation of the Economy	Treasury	●	●	●
Independent Review of ACCUs	Independent Panel		●	●
Market Management Consultation	ASX		●	●
Market Management Consultation 2: Potential Enhancements	ASX			●
Market Settings Rule Change	AEMC			●
Minimum Liquidity Holdings (MLH) Requirements Contingent Liquidity: Proposed Guidance	APRA		●	●
Modernising Australia's Anti-Money Laundering and Counter-Terrorism Financing Regime	Attorney-General's Department		●	●
Monthly Publication of the Consumer Price Index	ABS		●	●
Multinational Tax Integrity and Enhanced Tax Transparency	Treasury	●	●	●
Multinational Tax Integrity- Strengthening Australia's Interest Limitation (Thin Capitalisation) Rules	Treasury	●	●	●
Multinational Tax Integrity: Public Beneficial Ownership Register	Treasury	●	●	●
Multinational Tax Transparency – Public Country-by-Country Reporting	Treasury		●	●
Nature Repair Market Bill 2023 – Committee Inquiry	Senate Committee			●
NGL Consultation - Extension of AEMO Functions and Powers	Energy Ministers			●
NGR Consultation - Extension of AEMO Functions and Powers	Energy Ministers		●	●
Peak Australian Bodies Submission - Consulting on Proposed Standards	ISSB	●	●	●
Potential expansion of class relief under ASIC Corporations (NZD Denominated Client Money) Instrument 2018/152	ASIC		●	●
Privacy Act Review Report Response	Attorney General's Department		●	●
Proposed Amendments to Chapter 16 of the AML/CTF Rules	AUSTRAC	●	●	●
Prudential Standard APS 117 Capital Adequacy: Interest Rate Risk in the Banking Book (IRRBB)	APRA		●	●
Quality of Advice Review	Treasury		●	●
Rationalisation of Ending ASIC Instrument Measures	Treasury		●	●

2022/23 SUBMISSIONS

Significant Submissions include:

Indicative benefit legend:		● Direct costs savings	● Better regulation	● Better for business
Submission Issue	Policy Maker	Indicative Benefit		
Rationalisation of ending ASIC Instrument Measures	Treasury		●	●
Removal of Stamping Fee Exemption for LICs and LITs	Treasury	●	●	●
Renewable Fuel Scheme – Discussion Paper	NSW Treasury			●
Reportable Situations Industry Engagement	ASIC		●	●
Review of Australia's Autonomous Sanctions Framework	ATO		●	●
Review of Australia's Modern Slavery Act 2018 – Issues Paper	Attorney General's Department		●	
Review of the Form of the Reliability Standard and APC	Reliability Panel			●
Review of the Operation of the RRO	AEMC			●
Review of the Reserve Bank of Australia - Issues Paper	Treasury		●	●
Review of Your Future, Your Super Measures	Treasury		●	●
Rule change to amend the Administered Price Cap	AEMC			●
Safeguard Mechanism – Position Paper	DCCEEW			●
Safeguard Mechanism Draft Legislation	DCCEEW		●	●
Safeguard Mechanism Reforms	DCCEEW			●
Strategic planning and member outcomes: Proposed enhancements	APRA		●	
Strengthening Crisis Preparedness: Draft guidance on financial contingency and resolution planning	APRA		●	●
Strategic Plan for the Payments System	Treasury			●
Strengthening Operational Risk Management: Proposed Prudential Standard CPS 230 Operational Risk Management	APRA	●	●	●
Superannuation Industry (Supervision) Amendment (Your Future, Your Super – Addressing Underperformance in Superannuation) Regulations 2023 (Draft Regulations)	Treasury		●	●
Token Mapping	Treasury		●	●
Transmission Access Reform – Consultation Paper	ESB			●
Transmission Access Reform – Directions Paper	ESB		●	●
Treasury Laws Amendment (Measures 4 for consultation) Bill 2022: ALRC 5 Financial Services	Treasury		●	●
Unfair Contracts Terms Small Business Extension Unintended Impact on Institution Financial Market Contracts	Treasury	●	●	●
Wholesale Market Monitoring and Reporting Reforms	Energy Ministers	●	●	●
3 Year Bond Futures Minimum Price Increment	ASX			●

AFMA MEMBERS (current at 30 June 2023)

Financial Markets Members

ABN AMRO Clearing Sydney Pty Limited
 AGL Energy Limited
 Alinta Energy
 Arab Bank Australia
 Arcadia Energy Trading
 Arrow Energy Trading Pty Ltd
 ASX Limited
 Aurora Energy Pty Ltd
 Australia and New Zealand Banking Group Limited
 Australia Exchange Group Limited
 Australian Office of Financial Management
 Bank of America N.A.
 Bank of China Limited
 Bank of Communications Co. Ltd Sydney Branch
 Bank of Queensland
 Barclays Bank PLC, Singapore Branch
 Barrenjoey Capital Partners Pty Limited
 Bendigo and Adelaide Bank Limited
 BGC Partners (Australia) Pty Ltd
 Bloomberg L.P.
 BNP Paribas
 Canadian Imperial Bank of Commerce (Sydney Branch)
 Cboe Australia Pty Ltd
 China Construction Bank, Sydney Branch
 China Everbright Bank, Sydney Branch
 Citi
 CleanCo Queensland Limited
 CLSA Australia Pty Ltd
 CMC Markets Asia Pacific
 CME Group Australia Pty Ltd
 Commonwealth Bank of Australia
 Convera Australia Pty Ltd
 Crédit Agricole Corporate and Investment Bank
 Credit Suisse AG
 CS Energy Limited
 DBS Bank Ltd
 Delta Electricity
 Deutsche Bank AG
 EnergyAustralia
 ENGIE
 Ergon Energy Queensland Pty Ltd
 FIIG Securities Limited
 First Sentier Investors
 Genuity Services Pty Ltd
 Goldman Sachs Australia Pty Ltd

Great Southern Bank
 HSBC Bank Australia Limited
 Hydro Tasmania
 Iberdrola Australia Energy
 ICAP Australia Pty Ltd
 IG Markets Limited
 IMC Pacific Pty Ltd
 Industrial and Commercial Bank of China Limited
 ING Bank (Australia) Limited
 Intesa Sanpaolo S.p.A
 Invast Financial Services
 Jarden Australia Pty Ltd
 Jefferies (Australia) Pty Ltd
 JP Morgan Chase Bank, N.A.
 Judo Bank Pty Ltd
 London Stock Exchange Group
 Macquarie Group Limited
 Marex Australia Pty Ltd
 Mizuho Bank Ltd
 Monoova Global Payments Limited
 Morgan Stanley Australia Limited
 MUFG Bank, Ltd.
 National Australia Bank Limited
 Newcastle Greater Mutual Group Ltd
 Nomura Australia Limited
 Northern Territory Treasury Corporation
 NSW Treasury Corporation
 OCBC Bank
 OFX
 Optiver Australia Pty Ltd
 Origin Energy
 Ozwide Energy Group Pty Ltd
 PetroChina International (Australia) Pty Ltd
 QBE Insurance Group Limited
 QIC
 Queensland Treasury Corporation
 Rabobank
 Royal Bank of Canada
 Senex Energy Limited
 Shell Energy Australia Pty Ltd
 Snowy Hydro Limited
 Societe Generale
 South Australian Government Financing Authority
 Standard Chartered Bank
 Stanwell Corporation Limited
 State Street Bank and Trust Company
 Sumitomo Mitsui Banking Corporation, Sydney Branch

Suncorp Metway Ltd
 Susquehanna Pacific Pty Ltd
 Tasmanian Public Finance Corporation
 TD Securities
 Teachers Mutual Bank Limited
 The Northern Trust Company
 Tibra Trading Pty Ltd
 Toyota Finance Australia Limited
 Travelex Limited
 Treasury Corporation of Victoria
 Tullett Prebon (Australia) Pty Limited
 UBS AG, Australia Branch
 United Overseas Bank Limited
 Western Australian Treasury Corporation
 Westpac Banking Corporation
 Yieldbroker Pty Limited
 ZEN Energy Retail Pty Ltd

Partner Members

Allen & Overy Australia Pty Ltd
 Ashurst Australia
 Baker McKenzie
 BDO Australia
 Clayton Utz
 Clifford Chance
 Energy Edge Pty Ltd
 Gilbert + Tobin
 Herbert Smith Freehills
 ICE Data Services Australia
 Johnson Winter Slattery
 King & Wood Mallesons
 KPMG
 Minter Ellison
 Norton Rose Fulbright
 PricewaterhouseCoopers
 S&P Global
 White & Case

Affiliate Members

Australian Energy Market Operator Ltd
 Carbon Market Institute
 Clean Energy Regulator
 Financial Markets Standards Board
 International Capital Market Association
 Reserve Bank of Australia

AFMA would like to thank its partner members
for their ongoing support

ALLEN & OVERY

ashurst

Baker
McKenzie.

BDO

CLAYTON UTZ

CLIFFORD
CHANCE

EnergyEdge

GILBERT
+ TOBIN

HERBERT
SMITH
FREEHILLS

Ice

JOHNSON
WINTER
SLATTERY

KING & WOOD
MALLESONS
金杜律师事务所

KPMG

MinterEllison.

NORTON ROSE FULBRIGHT

pwc

S&P Global

WHITE & CASE

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AFMA would like to welcome the following new members



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ABOUT AFMA

The Australian Financial Markets Association (AFMA) is a member-driven and policy focused industry body that represents participants in Australia's financial markets and providers of wholesale banking services. AFMA's membership reflects the spectrum of industry participants including banks, brokers, market makers, energy traders, market infrastructure providers and treasury corporations.



Well-functioning financial markets are critical to good economic performance. AFMA pursues the policy and industry conditions that best enable financial markets to support a healthy economy by:

- Advocating policies and regulation that support development of the financial markets and user confidence in them;
- Encouraging responsible conduct and efficient markets through industry codes, conventions, guides and preparing and maintaining standard documentation; and
- Promoting high professional standards through an accreditation program.

AFMA covers industry issues affecting the front, middle and back office functions of members. This includes matters concerning dealing, advising and operations for both the over-the counter (OTC) and exchange markets for securities and derivatives.

Policy advocacy and industry representation

AFMA seeks to promote efficient regulation that inspires investor confidence in our markets. Our approach is built on constructive engagement with politicians and a credible approach to policy and regulatory matters. The Government and regulators regularly seek AFMA's views on public policy matters relevant to the financial markets.

The financial regulators oversee the day-to-day operation of the financial markets by administering government policy. AFMA has a unique relationship with the regulators that can handle a contest of ideas and views when necessary; and is founded on a common interest in the efficient delivery of regulatory objectives.

Promoting market efficiency and integrity

AFMA underpins official regulation by developing and promoting industry standards and guidance that support efficient and ethical practices across all our financial markets.

In addition, AFMA's conventions and standard documentation for the OTC markets are widely accepted, covering both front office activities and the operational aspects of financial transactions.

Promoting market professionalism

AFMA encourages high standards of professional conduct in financial markets by supporting an industry-led accreditation program to improve individual expertise in OTC and exchange-traded markets. AFMA accords accreditation, which enjoys widespread industry acceptance, to individuals who achieve the required levels of competence.

Industry leadership

AFMA's strategy is set by a Board comprising industry leaders at CEO level. The advocacy, industry standards and conventions processes are supported by member firms through our committees. They regularly assess suitability of the policy and regulatory settings for our financial markets and the degree of professionalism exhibited by market participants.

www.afma.com.au



Australian Financial Markets Association Ltd

ABN 69 793 968 987

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