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ANZ in a rush over new CEO transition

DAVID ROSS

Banking major ANZ has brought forward the start date of its new chief executive Nuno Matos, who will now take on the top job on May 12.

The bank on Monday also announced a new "risk and trading" focused board director just days after it was handed a review into its markets business.

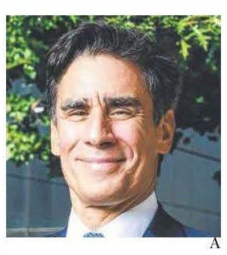
ANZ said its new CEO would start four days after outgoing chief executive Shayne Elliott delivers the lender's first-half results, on May 8.

Mr Matos will now take the reins at ANZ 61 days earlier than planned, after investors were told in December he wouldn't be available to start as CEO until July 3.

Mr Elliott will stay to provide "handover support" until September 30, with his last day as CEO being May 11.

ANZ chair Paul O'Sullivan said the bank's leadership transition was "well progressed".

"We are pleased Nuno has been able to secure the early fulfilment of his commitments with his previous employer and bring forward his start date," he said.



Matos

Mr Matos, who until recently has headed up HSBC's wealth and personal banking business, said he was looking forward to moving to Melbourne, ANZ's hometown.

The 57-year-old will also see his pay adjusted to reflect his new start date, with a top-up to be applied against his 2026 award, subject to shareholder approval at ANZ's annual general meeting.

Mr Matos has already met with a number of executives at ANZ to discuss plans.

The decision to bring forward Mr Matos's start comes as ANZ's board met in Melbourne last week. At that meeting it was presented with a culture review into the bank's markets business prepared by external consultants at Oliver Wyman.

The review is expected to be released in coming weeks, and before ANZ's first-half result.

It comes after ANZ was ordered to run the ruler over its markets business by the Australian Prudential Regulation Authority, which oversees the banking sector. The Australian Securities & Investments Commission opened a probe into ANZ's markets business amid allegations of market manipulation in a $14bn government bond deal in 2023.

ASIC is also actively considering enforcement action against ANZ over a variety of issues in its retail bank.

The regulator has warned it will make a decision on whether to take enforcement action against ANZ within the first-half.

APRA slapped ANZ with a $250m capital penalty, topping up the existing $500m buffer, saying the bank had failed to address non-financial risks, highlighted by the bond trading scandal.

ANZ's board has convened a subcommittee to review the markets issues.

Meanwhile, ANZ's board is being shaken up, too. Veteran Department of Finance public servant Jane Halton is retiring.

Alison Gerry, who chairs infrastructure business Infratil and is a director of Air New Zealand, will join on May 9.

Ms Gerry has been a director of ANZ Bank New Zealand, the Kiwi subsidiary of the Australian banking heavyweight, since 2019.

AOFM revises tally of meetings since trading scandal

The federal government's debt agency, the Australian Office of Financial Management, met with staff at ANZ four times in the last four months, amid a regulatory probe over possible market manipulation.

The AOFM has revealed its staff, including at times agency chief executive Anna Hughes, met with ANZ on four occasions, after earlier telling The Australian only two such meetings occurred.

These meetings included a call on December 17 with Ms Hughes and head of funding, strategy and research Matt Wheadon, who spoke to ANZ's institutional bank boss Mark Whelan and the bank's head of markets, Anshul Sidher.

The call is described as a five minute conversation, and involved ANZ informing the AOFM about "staff changes at the bank" after a shuffling of roles in the markets division in the wake of the ASIC probe.

Several traders have departed ANZ's markets team since the bank's role as joint-lead manager in a $14bn sovereign bond placement in 2023 came to light. ASIC is investigating whether traders manipulated the bond market to the detriment of taxpayers and to the benefit of the bank, which ANZ denies.

ASIC is also examining how ANZ provided incorrect records of trading, overstating the performance of the bank's bond operations by $54.4bn to the AOFM as part of efforts to win business from the government debt agency.

It was the AOFM which referred concerns about adverse market movements to ASIC in the weeks after the 2023 bond placement.

DAVID ROSS

Clean energy investment firm swoops on Brisbane data centre

CHRIS HERDE

Global clean energy investment firm United H2 has completed the acquisition of a Brisbane-based high-security data centre company, positioning it to scale up operations across Australia and internationally.

The purchase of Oper8 Global – a 12-year-old business that provides modular data centres, custom data centre build, data centre management, cybersecurity, cloud services, and digital infrastructure consultancy – was for a combined entity value of $50m.

United H2 chief executive Will Davidson said the purchase was executed through UHL's investee company, VIRIDIS Green Data Centres, which he claimed was redefining Australia's data infrastructure. "By integrating renewable energy solutions, we are ensuring industry growth without increasing emissions or energy risks. This acquisition strengthens Australia's leadership in both green technology and digital se curity," he said.

Based in Seventeen Mile Rocks in Brisbane's southern suburbs Oper8's blue-chip client engagements include CSIRO, Telstra, Vocus, NBN, the University of Melbourne, and the Australian and Queensland governments.

Oper8 has a global footprint across Australia and the Asia-Pacific, supported by strategic partnerships with Thales, Entrust, Dell, Equinix, RFCODE, and others. The acquisition provides VIRIDIS with the foundation to build, own, and operate high-performance, ultra-secure data centres globally.

Oper8's product offering also aligns with VIRIDIS's proprietary AI-driven Least Cost Power Soft-ware and clean energy microgrid technology, enhancing energy ef-ficiency and reducing operational costs.

VIRIDIS will deploy ultra-secure, modular data centre pods designed to meet military-grade standards for sensitive and high-priority data processing.

The global data centre industry is experiencing rapid growth, driven by AI, cloud computing, and high-performance computing.

The market is forecast to reach $US452.5bn this year, growing to $US624.1bn by 2029.

However, data centres are among the most energy-intensive industries and VIRIDIS was founded to tackle this by develop-ing green data centres through its clean-energy microgrid model.

Mike Bull, MD of VIRIDIS Green Data Centres, said securing Australia's digital future was critical. "Sovereign data capabilities protect our national infrastructure, defence, and enterprise operations, ensuring that our most valuable information remains under Australian control."

ASIC threatens to take over ASX

JOHN FEDER

ASX chief executive Helen Lofthouse: delivery of new clearing services slated for March and April next year

DAVID ROSS

The corporate regulator and the Reserve Bank have threatened to use their powers to seize control of the market operator, warning a pre-Christmas trading outage cast doubt on ASX's competency to handle complex programs.

In two missives aimed at the ASX last Friday, both co-regulators warned that the collapse of the CHESS clearing and settlement system and the response coordinated by the exchange in December last year were unacceptable.

UBS analyst Kieren Chidgey warned the ASX was now facing "near-term costs with risk of a more heavy handed regulatory intervention".

UBS warned the ASX would see expenses surge 10.6 per cent in the year ahead, racing ahead of consensus estimates of 7.5 per cent growth. It said the market operator was valued in line with its overseas peers, despite a moderate earnings outlook.

Shares in ASX fell 2.75 per cent to $65.14.

The RBA and ASIC, which jointly oversee the ASX, said the outage underlined the potential for further market blackouts and highlighted the ASX's slow work to remediate the incident.

The CHESS system went dark on December 20 after a lull in trading in the lead-up to Christmas exposed a technical vulnerability baked into the ageing technology.

This saw CHESS reduce the number of "pages" used to allocate memory, eliminating headroom for trades. The system was unable to handle increased trading volumes.

Traders were left owing clients billions, while the ASX was unable to settle other trades.

In its letter to the ASX, the RBA said the market operator was failing to live up to its Financial Stability Standards, downgrading it to "not observed".

This comes after the RBA rated the ASX as only "partially observed" for three years in a row in its annual scorecard.

It said it had made the unprecedented move after an out-of-cycle review of the ASX Clear and ASX Settlement functions.

ASIC also demanded the ASX engage experts to complete a technical review of CHESS. A project is under way to replace the ageing technology with a new system from Tata Consulting Services.

The ASX selected TCS BaNCS to replace its CHESS system last year, after an earlier failure to build a new clearing system using blockchain technology.

American technology firm Digital Asset had been initially picked to build the CHESS replacement system in 2016, before the ASX pulled the plug on the program in 2022, triggering a $250m writedown.

ASIC said the review and any remediation must "provide greater confidence to regulators, and the public, in the stability and operational resilience of the current CHESS platform".

ASX must provide a report to the two agencies within 150 days of appointing an expert.

ASX chief executive Helen Lofthouse said the delivery of new clearing services, as part of the CHESS replacement project, was slated for March and April 2026.

ASIC and the RBA have crisis powers they can act on with respect to the market operator.

Clean Seas agrees to be swallowed by Yumbah

CAMERON ENGLAND

Clean Seas Seafood has signed an agreement to be taken over by Yumbah Aquaculture after an independent board committee recommended shareholders back the deal.

Under the proposal, Clean Seas shareholders can receive either 14c per share in cash or the equivalent in Yumbah shares, which are not publicly listed.

The committee assessed the cash option, and concluded it was in the best interests of shareholders. An independent expert's report will be sent to shareholders in May. The Yumbah offer was 52 per cent higher that the closing price of 9.2c on the trading day before the offer was made.

Port Lincoln-based Clean Seas is focussed on growing and selling kingfish.

Yumbah is backed by billionaire Anthony Hall, who is a co-founder of medical imaging technology company Pro Medicus. Yumbah in April last year, moved to a 19.8 per cent stake in Clean Seas, adding on-market purchases to a large stake picked up in a 2023 capital raising.

Mr Hall co-founded mussel producer Bay Sea Farms and r-estructured this company into Yumbah in 2016.

Yumbah now produces more than 2600 tonnes of abalone annually.

It also produces oysters and oyster spat, and in August 2023 bought mussel farmer and processor Eyre Peninsula Seafoods. In August last year it took over oyster company East 33.

Former WiseTech chair returns to the boardroom

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be in that role given his past association."

The Australian Shareholders' Association said it was concerned as to how "independent" a former chair who led the board less than 12 months ago could be.

"The return of Wisetech's former chair as lead independent director raises serious governance concerns," ASA chief executive Rachel Waterhouse told The Australian. "ASA supports genuine board renewal that brings in new perspectives and independent oversights - not a revolving door of directors.

"Investors may question whether this reflects meaningful change or the same leadership in a different guise."

The appointments come less than one week after AustralianSuper – the company's fourth-biggest shareholder and the second-largest outside investor in the company with a 2.79 per cent stake – sold off its $580m stake, citing governance concerns.

Concerns were raised after a board exodus on February 24, when four independent directors, including then chair Richard Dammery, abruptly resigned, and Richard White assumed control just days later.

Shares in WiseTech closed up 1.47 per cent on Monday at $81.23, representing a market value of $27.17bn. The company was contacted for comment.

On Monday, WiseTech told investors that it believed Mr Harrison would be able to help the company address governance concerns.

"Given Andrew's prior tenure and role as chair of WiseTech and his skillset and depth of experience with the company, he will be able to make a substantial and immediate contribution to the continuity and governance of the company," it said.

That is despite ASX listing rules that say a director who has been an officer within the last three years is not to be considered independent.

A WiseTech spokeswoman told The Australian in early March that it knew it was not compliant with ASX listing rules. She also said WiseTech was "satisfied that (Michael Gregg) meets the classification of an independent director".

The company also appointed UPS vice-president Chris Charlton. He joins the WiseTech board after a 26-year career including roles in Singapore, Australia and New Zealand. "The skills that Chris will bring to the board will enhance the board's logistics and product knowledge, including product developments such as CargoWise Next, Compliance-Wise, Container Transport Optimisation, and many other innovations and product initiatives," the company said.

Ms Bird said that given two of WiseTech's recent board hires were former directors, it was hard not to speculate as to whether Mr Charlton had a relationship with the company.

WiseTech was asked whether there was a relationship but is yet to respond.

Ms Bird said WiseTech was probably struggling to fill the empty seats left since non-executive directors Lisa Brock, Michael Malone, Fiona Pak-Poy and former chair Mr Dammery abruptly departed, citing "intractable differences in the board" and "differing views around the ongoing role of the founder and founding CEO, Richard White".

WiseTech's boardroom chaos has caught the attention of the Australian Securities & Investments Commission, with its chair Joe Longo confirming it was "very interested" in whether WiseTech had breached the Corporations Act with "extraordinary manoeuvres" at board level.

> 'It appears to suggest that Mike Gregg cannot be in the role'
>
> HELEN BIRD
> SWINBURNE UNIVERSITY OF TECHNOLOGY

Earlier this month an independent review commissioned by WiseTech found Mr White had misled the WiseTech board over his personal relationship with an employee.

The review, which is continuing, prompted the board to conclude a "number of the matters are serious in nature, and that such conduct is not acceptable and must not be repeated", WiseTech said in a statement.

The update also included preliminary findings regarding two further complaints WiseTech received in February this year regarding Mr White, an employee and a WiseTech supplier.

WiseTech's second partial update was drawn from a review undertaken by Herbert Smith Freehills and Seyfarth Shaw.

The company has refused to release the full independent review, a decision that led to the mass exodus of four board directors earlier this year.

Mr White accepted the preliminary findings of the review and supported the adoption of a stricter code of conduct, the statement said. A spokesman for Mr White said he not seen a full copy of the report.