

ASX Cash Equities Clearing and Settlement Advisory Group Communiqué

11 February 2026

The ASX Cash Equities Clearing and Settlement Advisory Group (**Advisory Group**) met on 9 December 2025.

December 2025 meeting

ASX management presented information to the Advisory Group on the following matters:

- > The CHESS Project, including updates in relation to project status, the assurance plan, the Release 2 industry timeline checkpoint 1, and stakeholder engagement on the design for corporate action election STP and non-batch DvP settlement features.
- > The CHESS Technical Review undertaken by IBM.
- > International developments related to T+1 settlement. The Advisory Group understands that there have not been any updates to ASX's position on T+1 settlement in the context of the CHESS Project.¹
- > The financial resilience and risk roadmap for ASX Clear.

The Advisory Group also received briefings from other attendees on relevant matters, including updates from:

- > Oxera regarding the Covered Services Comparative Report required under Rule 2.4.1 of the *ASIC CS Services Rules 2025*.
- > KPMG regarding its Core Systems external assurance report required under Rule 2.4.5 of the *ASIC CS Services Rules 2025*.

Representatives from a number of the Approved Market Operators also attended a portion of the meeting to provide feedback in relation to Release 1 of the CHESS Project, including with respect to industry testing and the AMOs' engagement with the Project team.

Advice regarding the IBM CHESS Expert Report and the need for the timely delivery of CHESS Project Release 2

The Advisory Group was provided a redacted copy of the IBM CHESS Expert Report (the Report).

Based on the information presented by ASX management to the Advisory Group on the Report, the Advisory Group provided advice to the CS Boards in advance of its February 2026 meeting.

Notwithstanding the incomplete nature of the Report received by the Advisory Group, the Advisory Group noted that it was concerned by the findings in the Report.

The Advisory Group advised ASX that it should take a strategic and risk-based approach to addressing the IBM recommendations such that it only addresses the recommendations that it views have a risk-adjusted necessity for the maintenance and continued operation of CHESS until it is replaced.

¹ The Advisory Group understands that ASX intends to proceed on the basis that if a decision is made to move to T+1 settlement, it should occur after implementation of Release 2 of CHESS replacement, with the T+1 go-live date to be at least 12 months after the Release 2 go-live date, and at a minimum 18 months after a decision to transition to T+1.

In the context of the Report, the Advisory Group noted that the delivery of CHESS Project Release 2 in accordance with the plan in 2029 and without delay is of critical importance. The Advisory Group encouraged ASX to consider whether it has the appropriate resources planned to deliver to the Project timeline.

Next Advisory Group meeting

The next Advisory Group meeting is scheduled to take place on 23 March 2026.

Alan Cameron AO

Independent Chair, ASX Cash Equities Clearing and Settlement Advisory Group