ASX Tokenisation Working Group

Industry Overview & Strategic Context

26 August 2026

Acknowledging Country

ASX acknowledges the Traditional Owners of Country throughout Australia. We pay our respects to Elders past and present.

Artwork by Lee Ann Hall
My Country My People

ASX

Welcome

Session Overview

1. *Welcome & Housekeeping*
2. *Context & Objectives*
3. *Today's Session*
4. *Global Context* *(presented by the ValueExchange)*
5. *Foundational Considerations*
6. *Future Focus Areas*
7. *Q&A and Next Steps*

Housekeeping

Competition law protocol
Working Group members are reminded to have regard to their obligations under Competition law. Please note that the Competition and Consumer Act prohibits a corporation from engaging with one or more persons in a concerted practice that has the purpose, effect, or likely effect of substantially lessening competition

HOW TO PARTICIPATE

Be active.
Be constructive.
Keep it relevant.

Use the chat or raise questions during the session. Customer-specific matters will be taken offline to keep the forum focused for all participants.

Participation

Cameras on where practical, microphones muted unless speaking. Questions and discussion are encouraged. Please use the raise hand functionality to call out questions throughout the session, noting there is a Q&A period at the end of the session.

Non-attribution & Recording

Unless expressly advised, views may be used and reported; but they are not attributed to any member or firm outside this room. Sessions will be recorded for minute-taking purposes only.

Session Materials

Materials will be distributed at least one business day before each session. Session summaries and supporting materials will be provided only to attendees of the relevant session(s).

Actions

Any actions will be captured, assigned and tracked by ASX. Outstanding questions may be followed up after the session via email or future working group updates.

Today's Presenters

Speakers leading today's discussion

AJ

Andrew Jones

Chair • Group Executive, Securities & Payments, ASX

Industry SME

BN

Barney Nelson
CEO, The ValueExchange

ASX Tokenisation Secretariat

RB

Ricky Budd
Senior Manager, Equities, Securities & Payments

CM

Catherine Michael
Senior Manager, Stakeholder Engagement, Markets

LB

Lisa Briggs
Senior Product Manager, Securities & Payments

JJ

John Jeffrey
Manager, Equities Engagement

MA

Matthew Abbott
Media Lead, Corporate Affairs

Additional ASX business representatives will be online to field any relevant questions.

Context & Objectives

Industry Tokenisation Discussion Paper

OBJECTIVE

Industry Discussion Paper

Market-led discussion paper on tokenisation adoption for Australia's financial infrastructure

01

WHAT IT IS

A shared industry perspective

- Identifies priorities, barriers and opportunities across the asset lifecycle.
- Reflects industry perspectives on potential evolution of market infrastructure.
- Technology-neutral. Tokenisation is one option, not the outcome.

02

HOW IT WILL BE USED

Direction, not commitment

- Focuses industry effort where value is greatest.
- Assesses tokenised and conventional market models.
- Informs industry and regulatory discussion, not implementation decisions.

INDUSTRY OBJECTIVE - Explore how market infrastructure can support the evolution of a tokenised market ecosystem.

OVERVIEW

Why Now

The conversation has moved from “Can tokenisation work?” to “Where can it create measurable value?”

01

GLOBAL MOMENTUM

From experimentation to implementation

Global financial market infrastructures are progressing tokenisation initiatives beyond proofs of concept.

02

VALUE FOCUS

From technical feasibility to measurable outcomes

The conversation is shifting toward market design, confidence and demonstrable value.

03

AUSTRALIAN OPPORTUNITY?

From evidence to an Industry alignment

The next step is developing a shared industry perspective on the implications for Australian market infrastructure.

OVERVIEW

Our Approach

Building alignment, exploring opportunities and consolidating industry views

01

TODAY

Align the industry

1. Global context – a shared understanding & common view
2. Foundational considerations – High-level alignment
3. Future focus – industry sessions & priorities

02

SIX TARGETED SESSIONS

Explore priority areas

Test where tokenisation may create value, the barriers to address and which opportunities warrant further analysis:

1. **Fixed income collateral**
2. **Cash equities settlement**
3. **Asset issuance & products**
4. **Derivatives collateral & margin**
5. **IPO process & capital raising**
6. **Trading & market access**

03

CONSOLIDATED OUTPUT

Shape the discussion paper

Consolidated industry priorities, the barriers to be addressed, the enabling conditions required, and the use cases warranting deeper industry work.

OUTCOME - Align today • Explore priority opportunities • Consolidate industry direction

Roles & Responsibilities

Working Group Members

CONTRIBUTE EXPERTISE

Share operational, commercial, risk, regulatory and technology perspectives.

CHALLENGE ASSUMPTIONS

Test emerging ideas against market realities and identify dependencies.

PRIORITISE AREAS

Highlight important market problems and evidence gaps.

COLLABORATE CONSTRUCTIVELY

Focus on industry outcomes rather than organisational advocacy.

ASX

FACILITATOR

Convene participants, encourage open discussion and ensure broad perspectives are considered.

MARKET INFRASTRUCTURE OPERATOR

Share market infrastructure context and future operating model considerations.

INDUSTRY COORDINATOR

Consolidate insights, common themes and areas requiring further analysis.

DISCUSSION PAPER AUTHOR

Capture and synthesise industry perspectives objectively, ensuring findings and recommendations are evidence-based and industry-led.

Today's Session

Key Objectives

What We Aim to Achieve Today

Build a shared foundation and identify where future exploration can add value.

01

GLOBAL CONTEXT

Shared understanding

Build a common view of the global tokenisation landscape and emerging market developments.

02

FOUNDATIONAL CONSIDERATIONS

High-level alignment

Test alignment on the principles and considerations that should frame future discussion.

03

FUTURE FOCUS

Industry sessions

Identify priority areas for deeper exploration and potential industry benefit.

SESSION 1 OUTCOME - Understand the landscape • Align on foundations • Shape future focus

Global Context

Key drivers and developments

the ValueExchange

ASX Tokenisation Industry Working Group

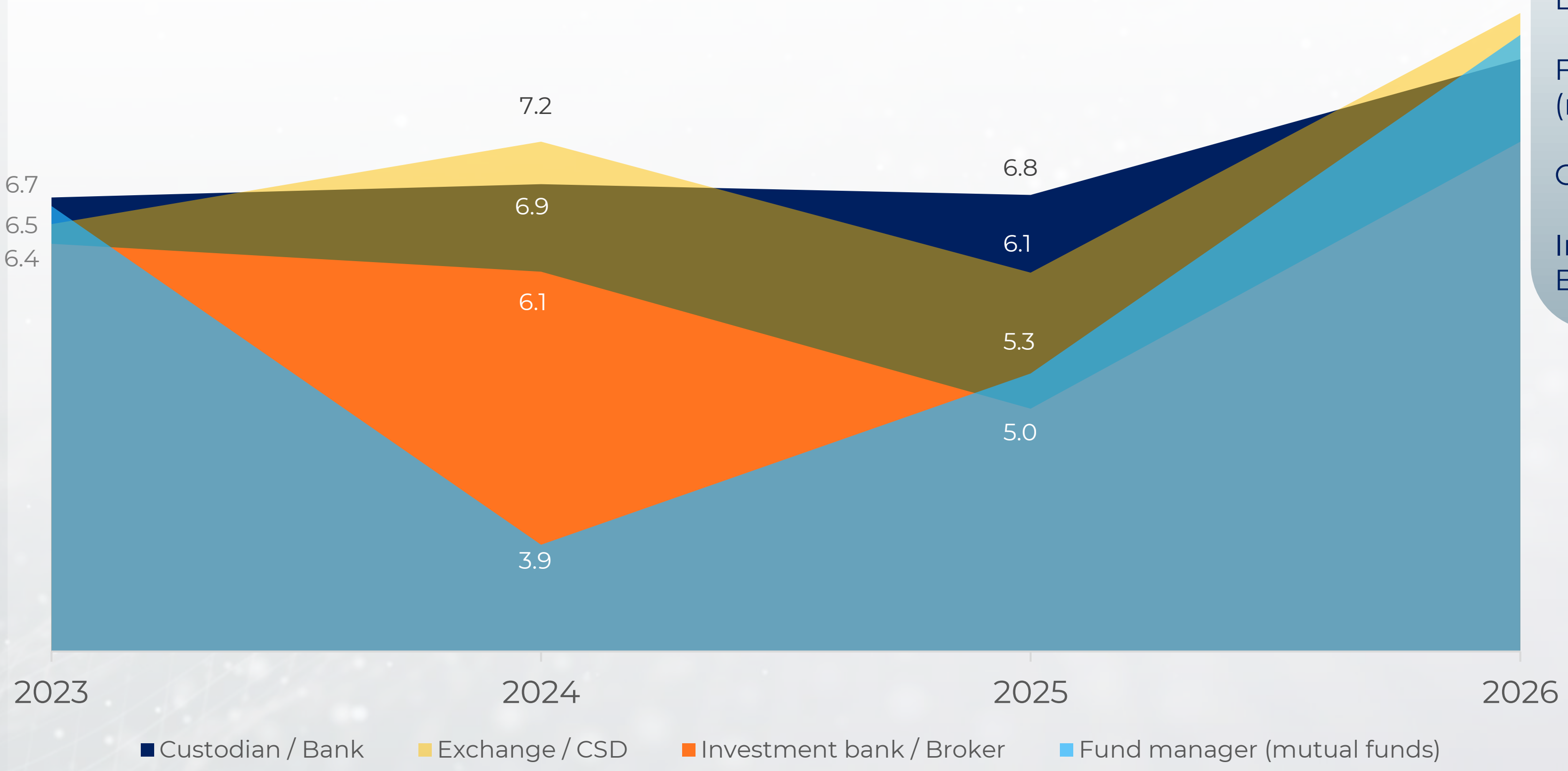
Market context

01

DLT and digital assets in 2026: Core KPIs

DLT and digital assets have never been more important than they are in 2026

Strategic importance of DLT and digital assets (out of 10)



2026	
Exchange / CSD	**8.3**
Fund manager (mutual funds)	**8.1**
Custodian / Bank	**7.9**
Investment bank / Broker	**7.2**

2026 has seen a rapid rise in the importance of DLT and digital assets across all segments — by more than 12%.

Every global region has seen similar levels of increase in 2026.

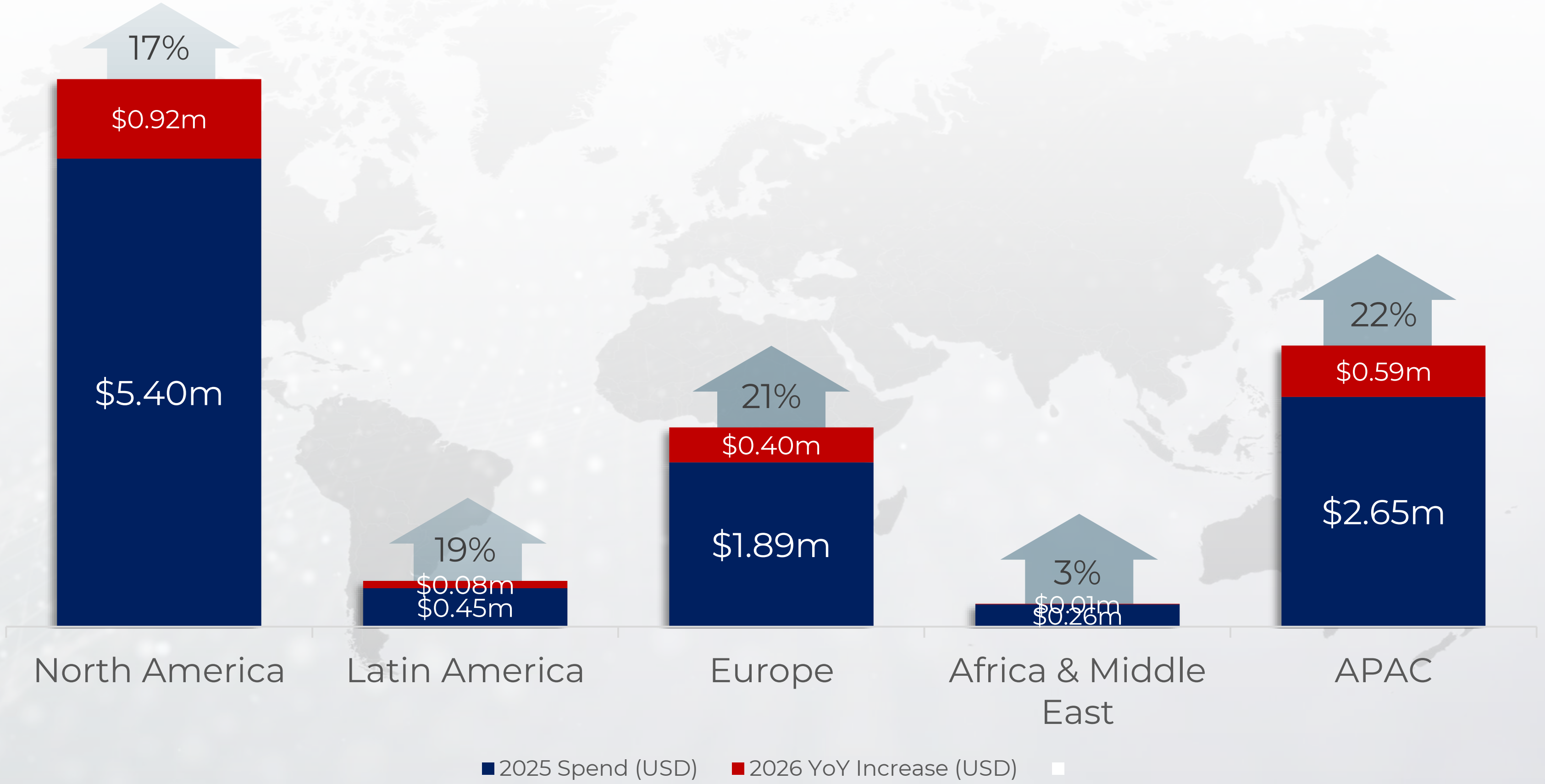
Fund managers have gone from the least engaged to almost the most engaged in two years.

Question: How would you rate the importance of DLT and digital assets to your firms?

The average US firm is spending USD 6.3m on DLT / digital assets in 2026 — although growth rates in Europe and Asia have accelerated

DLT in the Real World
2026 edition

Average spend on DLT and digital asset initiatives per firm in 2025 and 2026

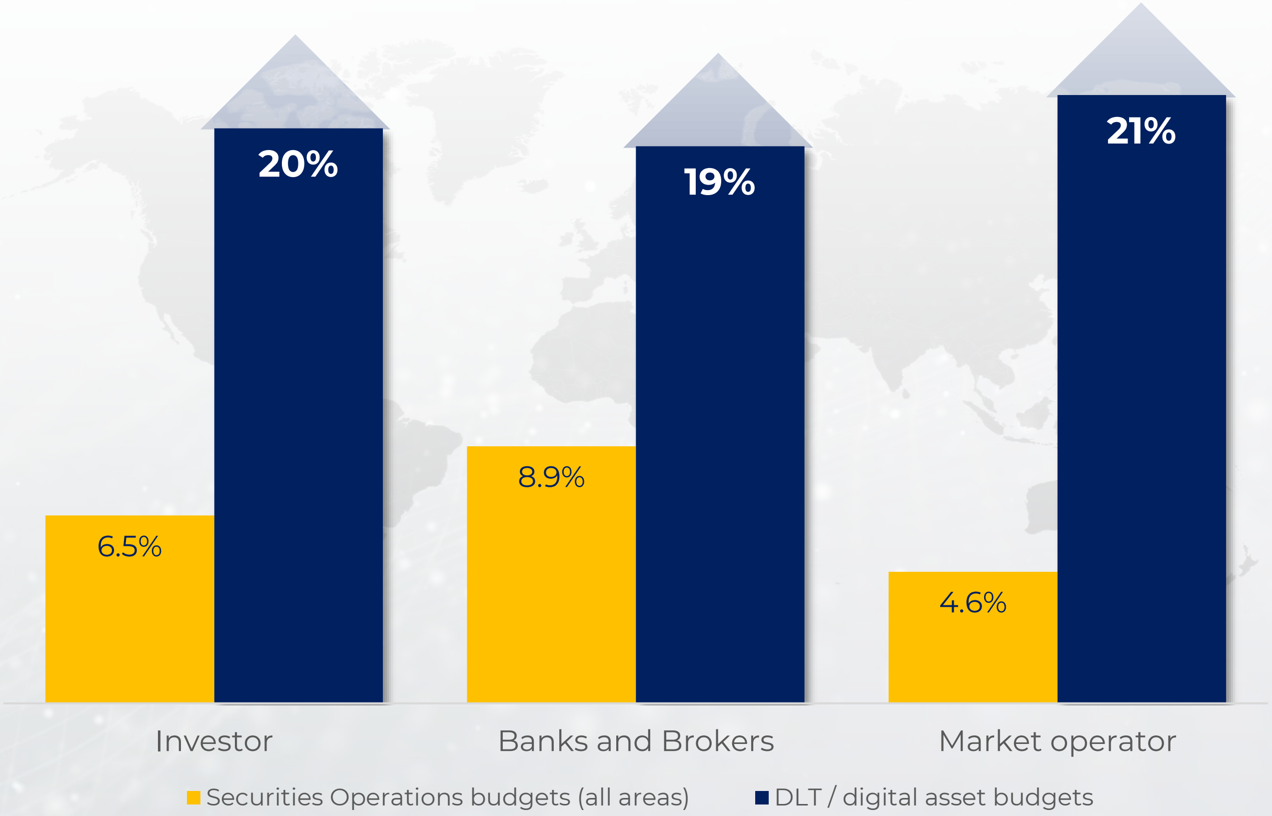


After slow budget growth in 2025, Latin American, European and Asian digital asset budgets are growing as fast as those in North America.

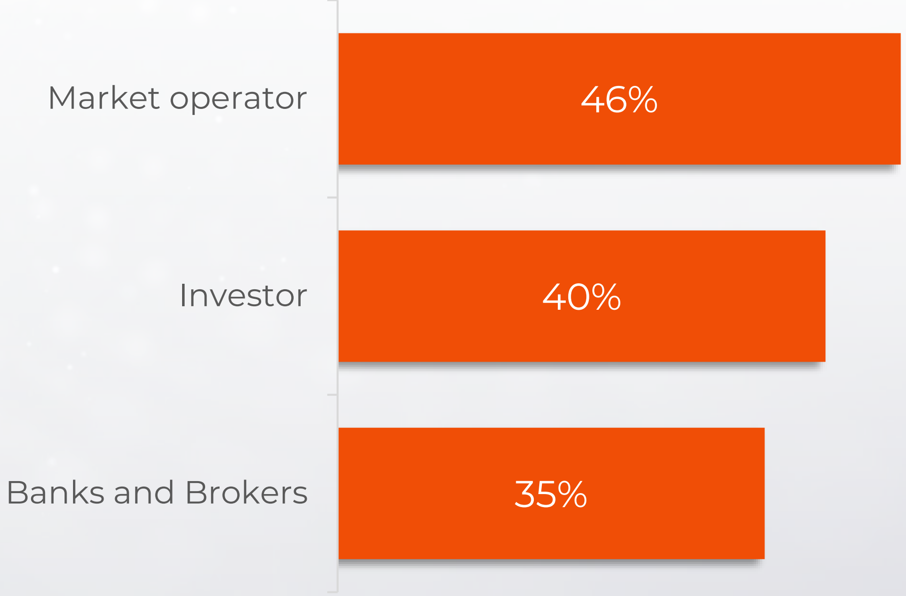
Yet US firms are still out-spending their European peers by almost three times.

DLT / digital asset budgets are growing at more than three times the pace of securities operations spend

% growth in overall Securities Operations spend vs DLT / digital asset budget growth (2025/2026)

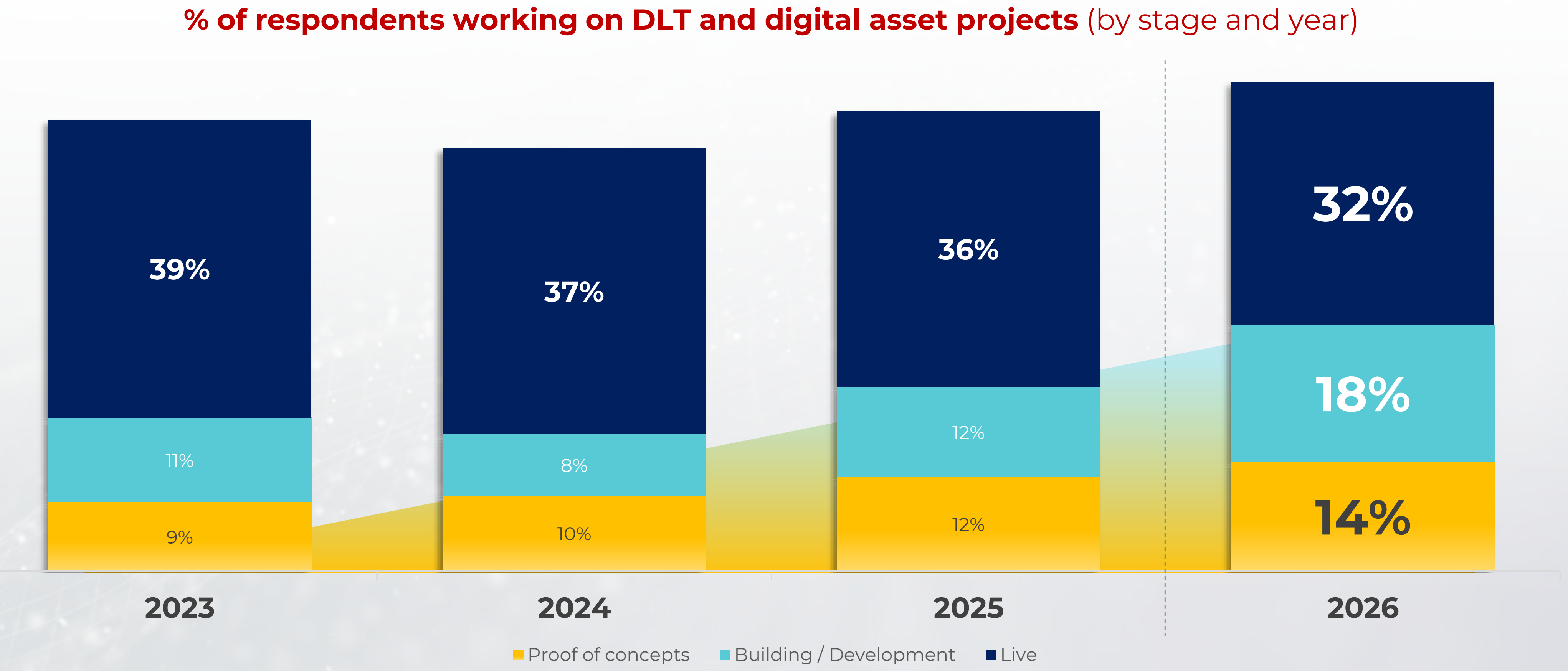


% of respondents seeing DLT / digital asset budget increases of over 25% YoY



Question: How has your spend on DLT and digital assets changed in the last year?

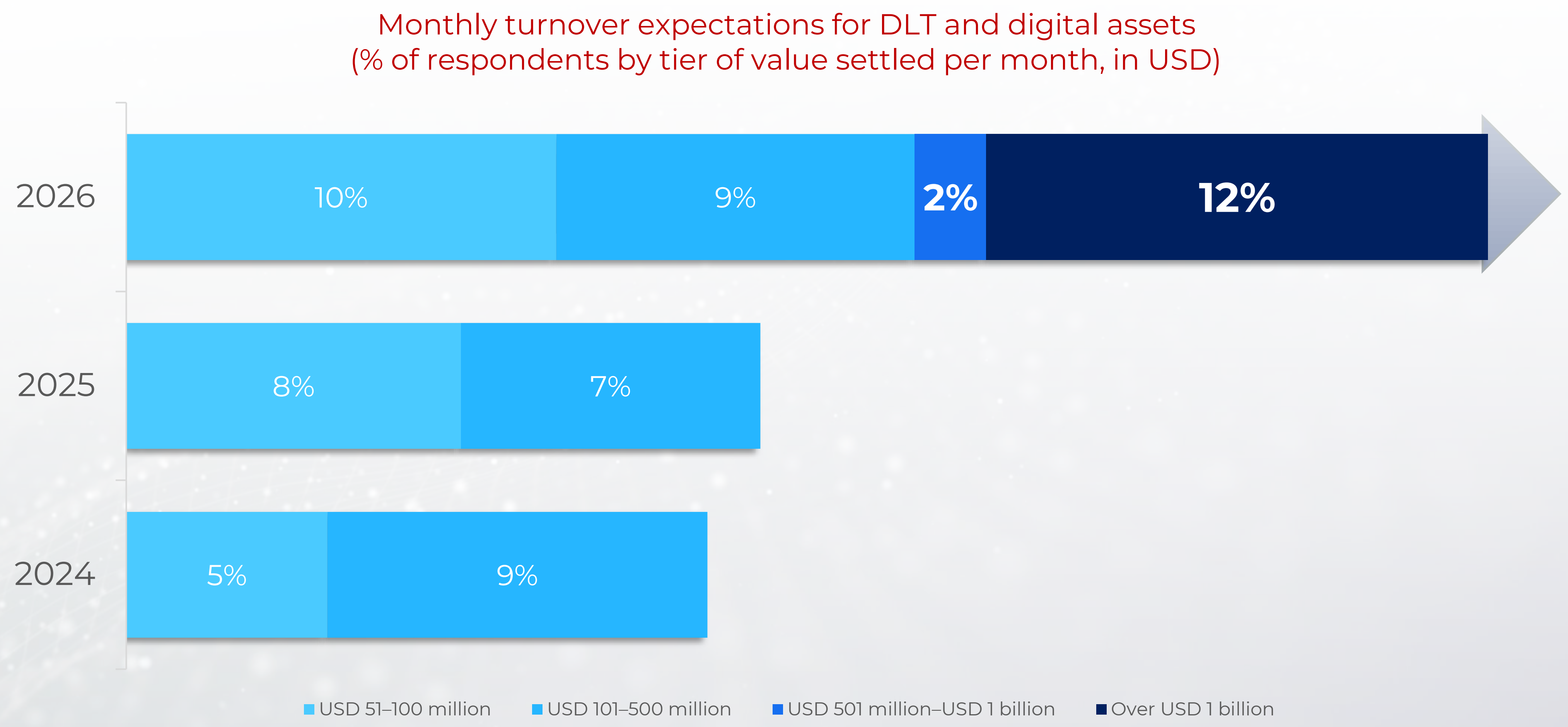
Industry development is growing at its fastest rate since 2023



Levels of POC/development work are now at their highest since 2022 — with a ground-swell across all sectors of the industry.

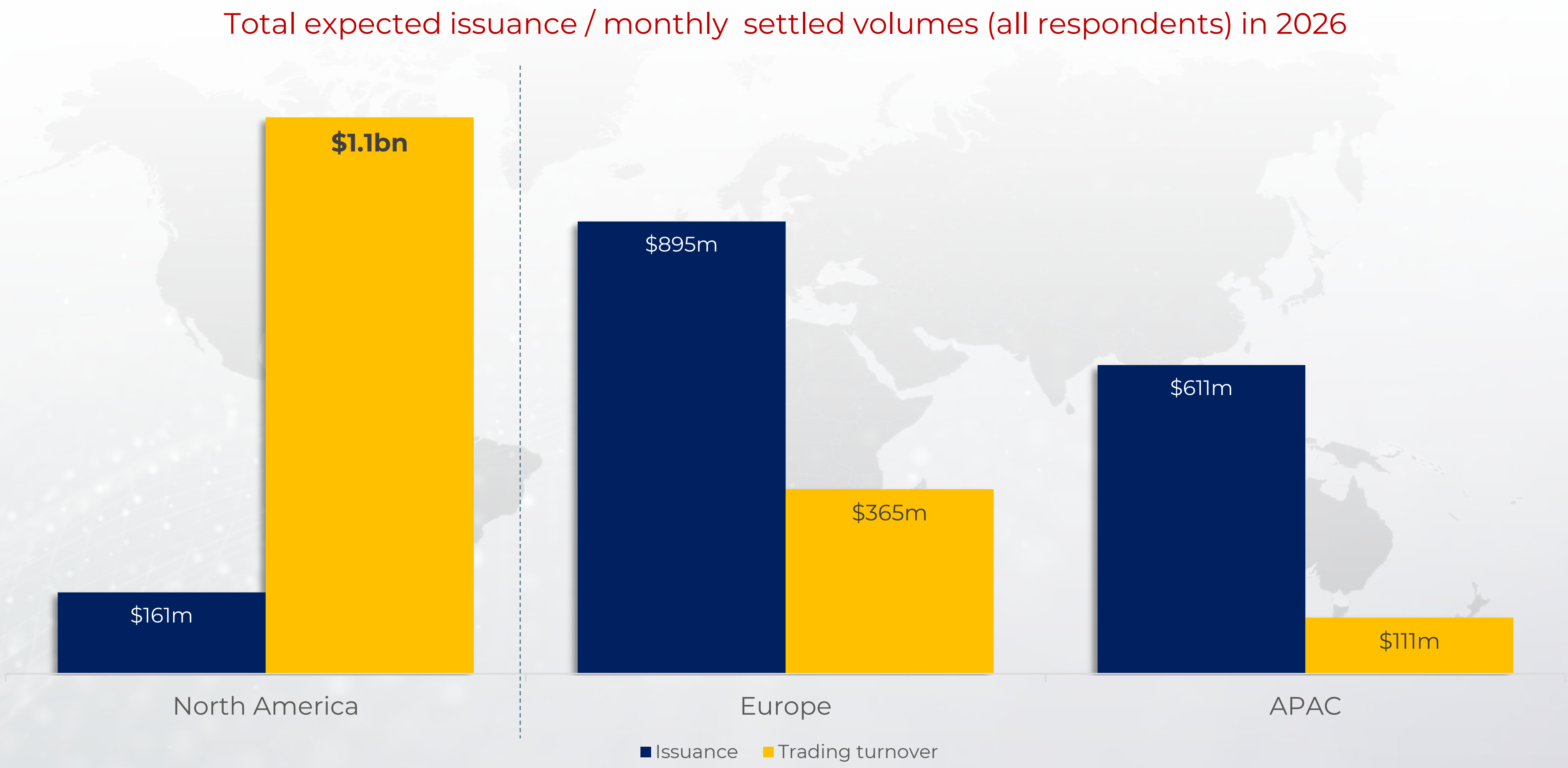
Is the definition of "live" shifting? Anecdotally that is why levels of live usage have declined slightly.

Turnover is materializing as 12% of firms expect to see over USD 1bn in monthly transaction volumes on DLT in 2027



Question: For your DLT projects, how much activity are you expecting in 2027 (in monthly transaction volumes)?

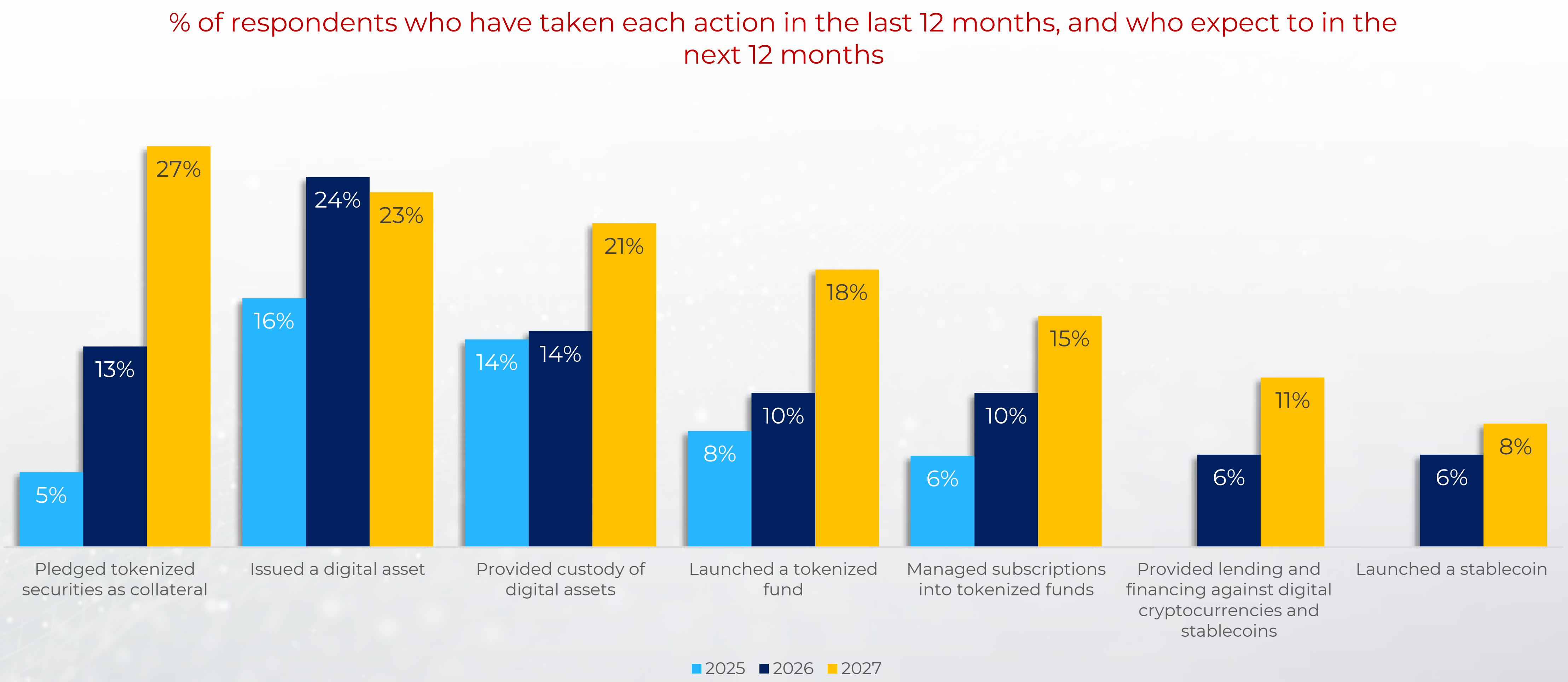
Issuance volumes are still more than four times expected turnover — except in the US



02

Where is the action today?

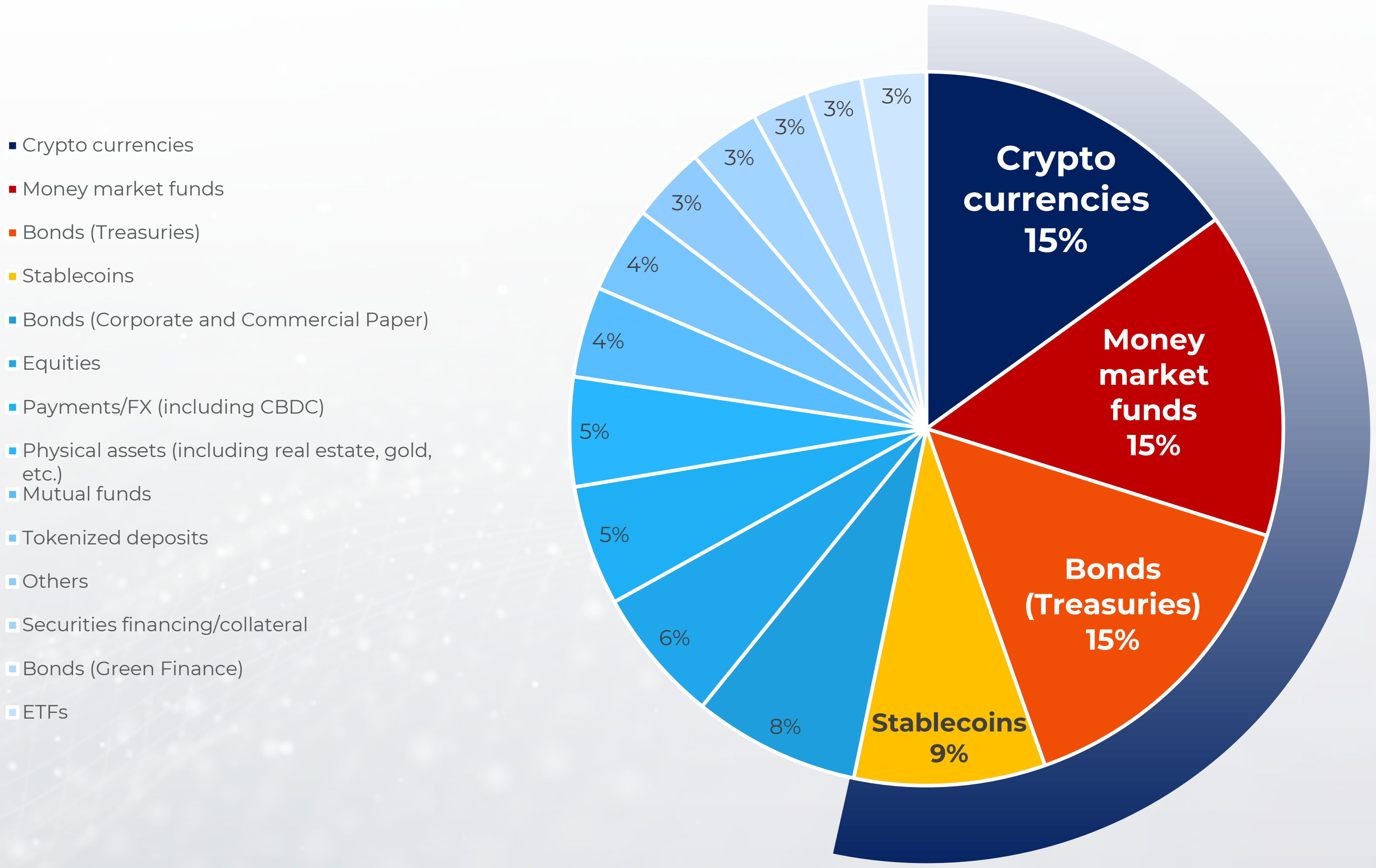
Collateral tokenization is set to become the largest institutional activity for 27% of firms in 2027



Question: Which of the following actions have you taken in the last 12 months — and which do you plan to take in the coming 12 months?

Four asset classes make up over 50% of expected digital asset turnover in 2027 — all driven by revenue growth

Average breakdown of expected monthly turnover by asset class



Cryptocurrencies

- Objective: new revenue generation (78%)
- 32% of banks to offer financing against cryptocurrencies in 2027.

Money Market Funds

- Objective: new distribution opportunities (55%)
- 26% of fund managers have launched a TMMF in the last 12 months.

Bonds (Treasuries)

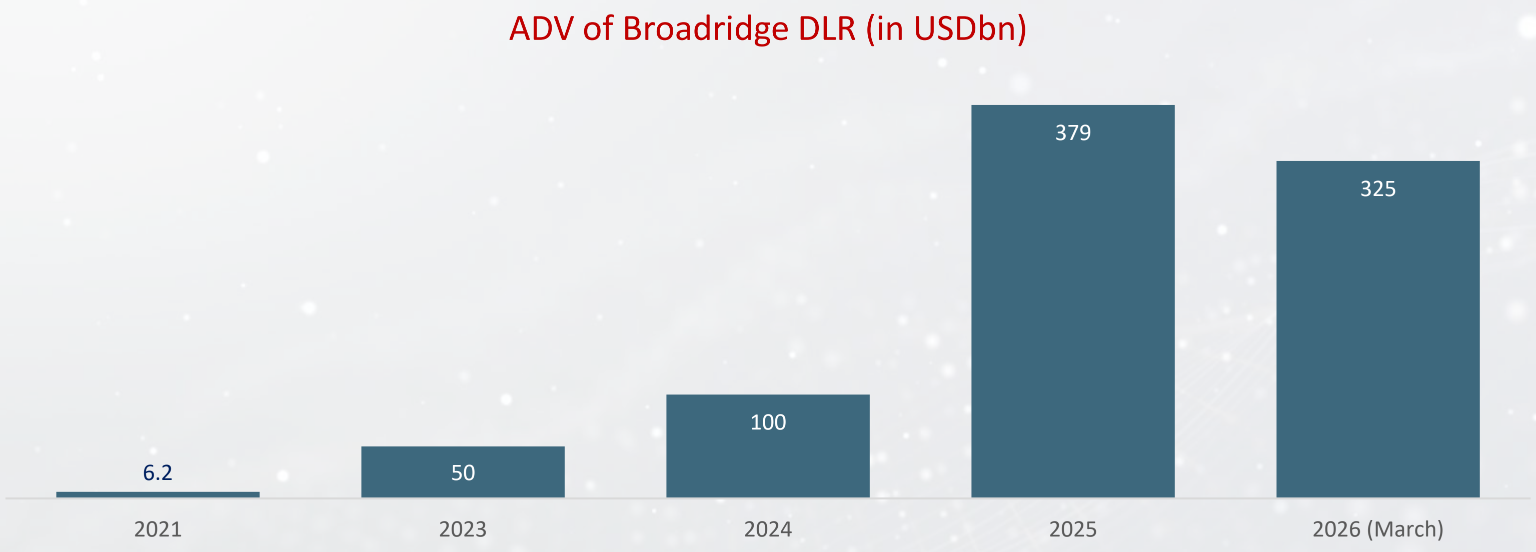
- Objective: new revenue generation (32%)
- 21% of banks will use tokenized bonds as collateral in 2027

Stablecoins

- Objective: new revenue generation (33%)
- 56% of firms expect to use stablecoins to fund trades in 2027

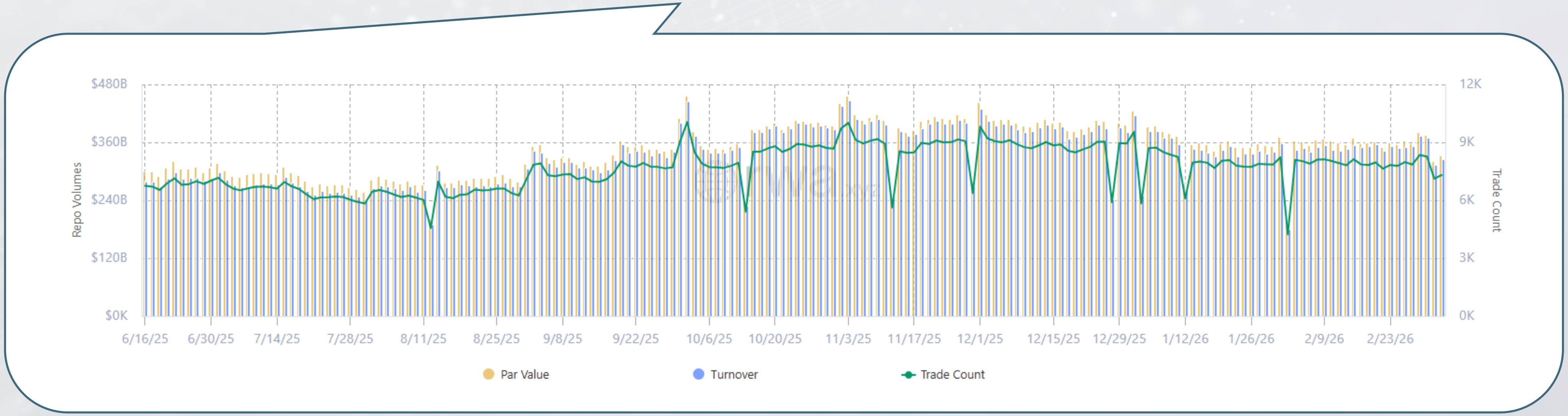
Question: Approximately, how would you break down your expected monthly in 2027 by the following asset classes?

Tokenised repos: USD325bn per day



Tokenised repos constitute around 3.6% of global daily turnover

(Global, daily repo turnover = approx. USD9 trillion)



Source: rwa.xyz

What is the industry runway?

	To date					Q1 2026					Q3 2026		2027+
North America			**BUIDL launch**	Genius Act draft	DTCC test trades on Canton	**DLR reaches 6 trillion in turnover**	GDF TMMF pilot	Canada stablecoin regulation	Coinbase offering traditional custody	DTCC MVP with >60 participants	**DTCC MVP (Q3)**	CME, ICE tokenisation launch	Nasdaq, NYSE launch
Europe	**EIB issuances**	**SIX / SDX launch (with CHF CBDC)**	**ECB DLT trials**	Eurex / HQLAX / Clearstream live	Cleartoken license (UK)	UK DIGIT award to HSBC	LSEG DISH launch	DTCC cross border UST trades	ECB: tokens as collateral	DZ/KFW issuance under EWPG	FCA recognises on-chain fund ledgers	**ECB Pontes (Digital Euro) launch**	Swift ledger live (MVP in 2026)
Asia-Pacific	SET bond issuances	GL1, Ubin, etc.	MarketNode / FundNode launches	HKMA Ensemble bond issuances	Stablecoin regs in HK, Singapore	UBS AM, China AMC TMMF launches	USD1bn in tokenised gold on HSBC Orion	HKMA Ensemble	Project Acacia	HKD and MYR stablecoins (Q1)			JSCC UST AUD CBDC?
Industry milestones	First sovereign on-chain issuances	First live CBDC usage	Tokenised Money Market Funds gather >USD1bn			3.6% of daily repo turnover on-chain					**US Treasuries, Equities, ETFs available in tokenised form**	**Central Bank back-stop facility for tokenised EUR securities**	

Who is working on tokenisation today?

Live in revenue production (Q3)

Committed POCs / projects (2026)

Funded projects

FMIs in the Americas

- DTCC
- Nasdaq
- NYSE
- CME
- CBOE
- ICE
- B3
- DCV
- TMX

FMIs in Europe

- SIX / SDX
- Euroclear
- LCH / LSEG
- Eurex / Clearstream
- ECB / T2S
- CBOE

FMIs in Asia-Pacific

- FundNode
- HKMA
- **ASX**
- Jasdec
- SGX
- SET
- Bursa Malaysia

9 Custodians

8 Investment Banks

12 Tier 1 Asset managers

Core pre-requisites: 3 phases of need

To begin	For live adoption	For industry scale
Semi-centralized market ecosystem	Legal treatment: token is a security	Acceptance of tokenized securities as central bank collateral
Agreement on core issue that needs addressing	Clarity on settlement finality	Recognition of digital cash as a liability (not an asset)
Existence of digital money mechanism	Prudential treatment: same asset same risk (inc RWA treatment)	Access to central bank cash on-chain
Active sponsorship from securities regulator & central bank	Existence of a tokenized security that can be legally claimed	External industry pressures (e.g. 24x7)
	Readiness: Core banking systems, custodians and tri-party agents	

Knowing what DLT isn't

Myth-busting

- × DLT / tokenisation does not create liquidity
- × "It must not become a new security. It must be a digital representation"
- × "Fractionalisation isn't new. Its rule based"
- × DLT doesn't make standardisation happen.
- × Institutional clients will not pre-fund

Core learnings

- ! Money matters: People look at securities only and forget about payments
- ! We are adding, not replacing (processes, platforms)
- ! The same questions matter: where are my assets?
- ! Progress is entirely incremental: not transformative

What tokenisation model?

Universal access | **New tradable tokens** | **Technology upgrade**

Everyone is in

- CSD provides all account holders with digital wallet capabilities automatically.
- Your depository account is your wallet
- E.g. SIX

CSD account holder: Demat | Digital

Opt in per security

- Depository participants convert demat securities into tokens as and when required, by moving them into an immobilization account.
- E.g. DTCC

CSD account holder (Demat) ↔ CSD omnibus digital account (Digital)

Creating a parallel market

- Access to specific market capabilities (usually 24x7) only available through tokenisation
- Demat securities continue to be used during standard day
- E.g. B3

Out of hours

CSD account holder (Demat) ↔ CSD omnibus digital account (Digital)

Hidden digital technology

- Using specific DLT capabilities for processing only
- User sees no difference (i.e. demat model continues)
- E.g. Clearstream, DCV, Euroclear,

CSD core processing: Digital

CSD account holder: Demat

Partner with a tokeniser

- 3rd party is responsible for minting tokens based on immobilized securities – and delivering them to FMI
- User and FMI see no change to flows
- Potential partners: technology companies (HQLAx / Eurex), Banks (Citi JSCC or SGX), Triparty agents

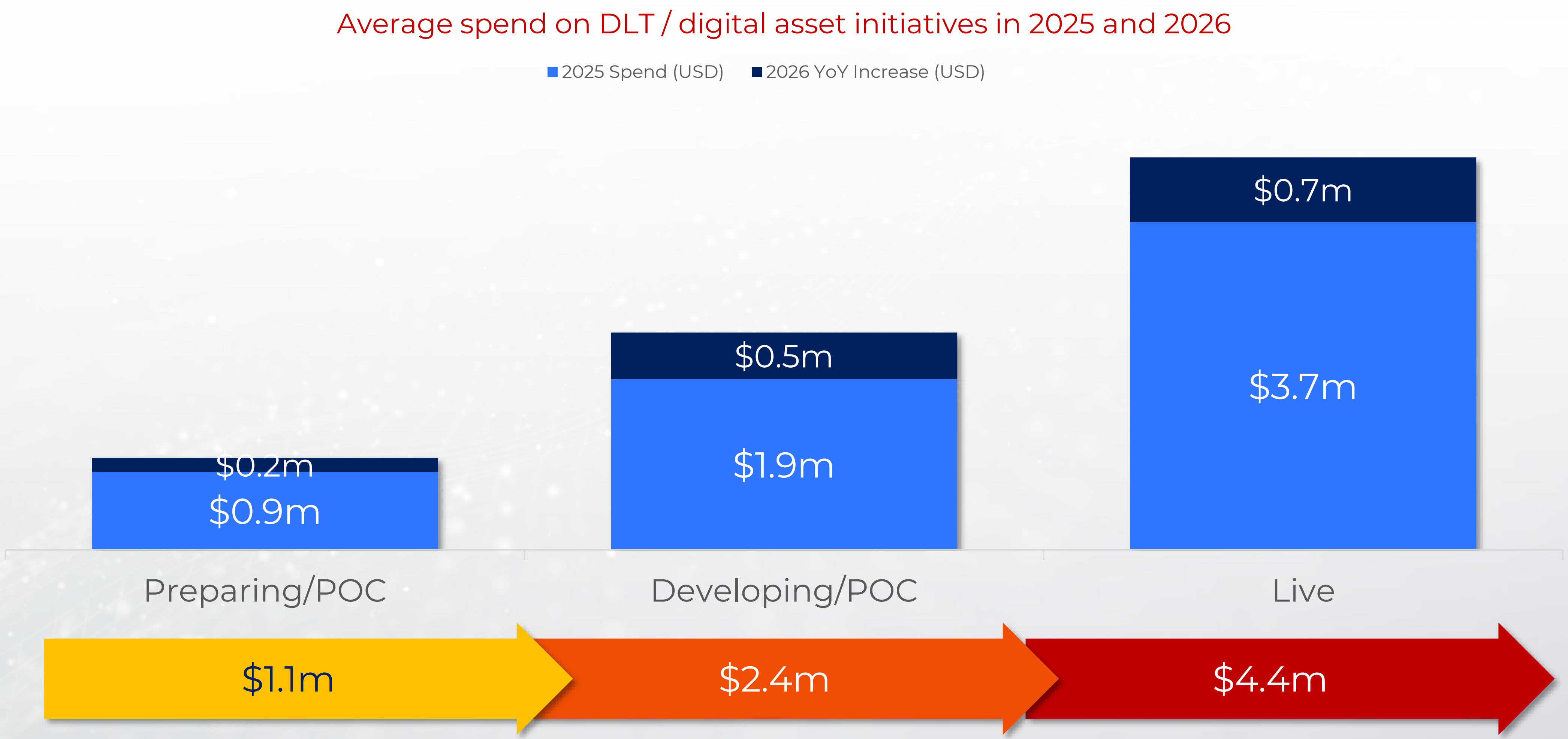
CSD account holder (Demat) ↔ 3rd party platform (Digital)

03

Inside our DLT projects

It costs USD 7.9m on average to get live with DLT in 2026

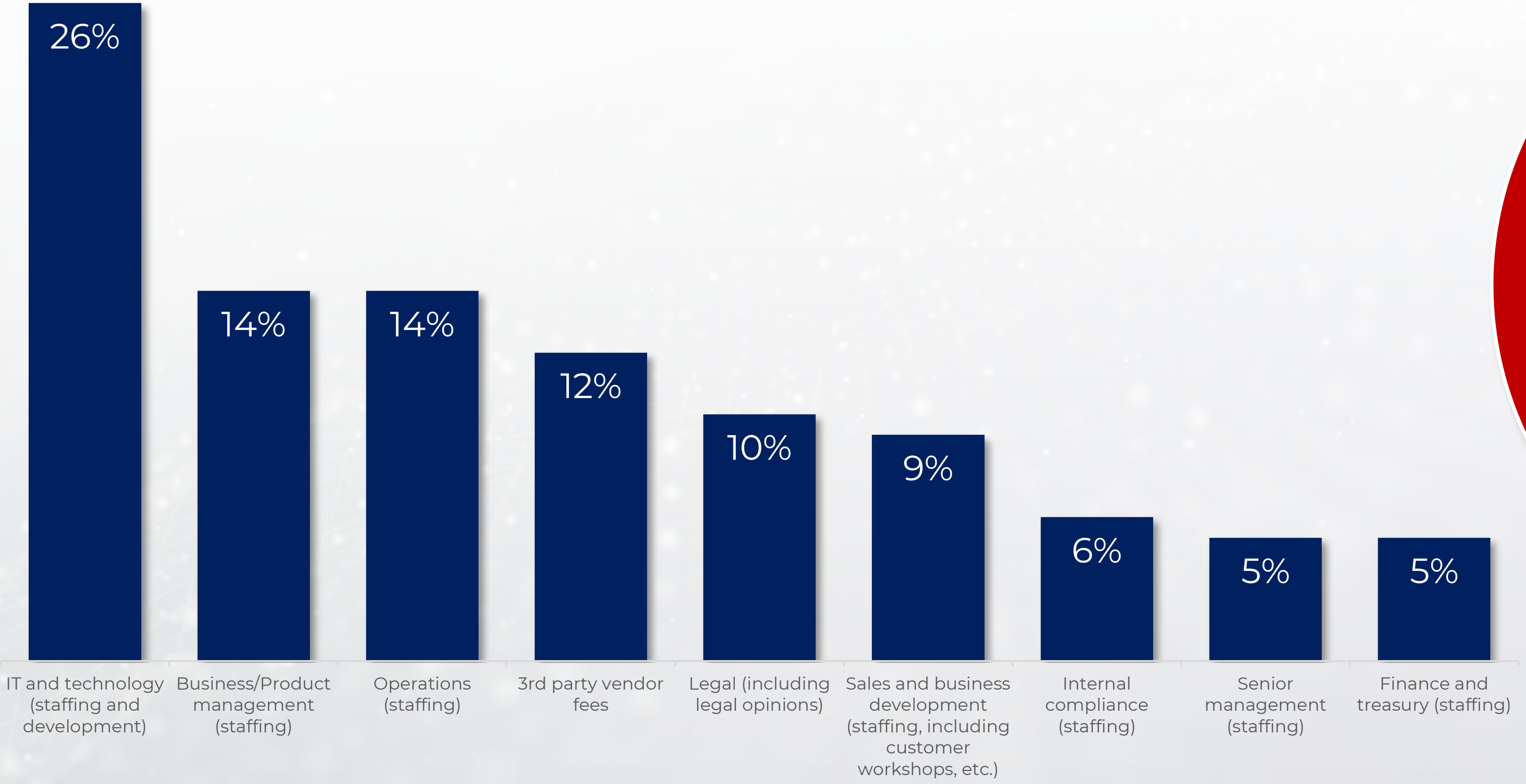
DLT in the Real World
2026 edition



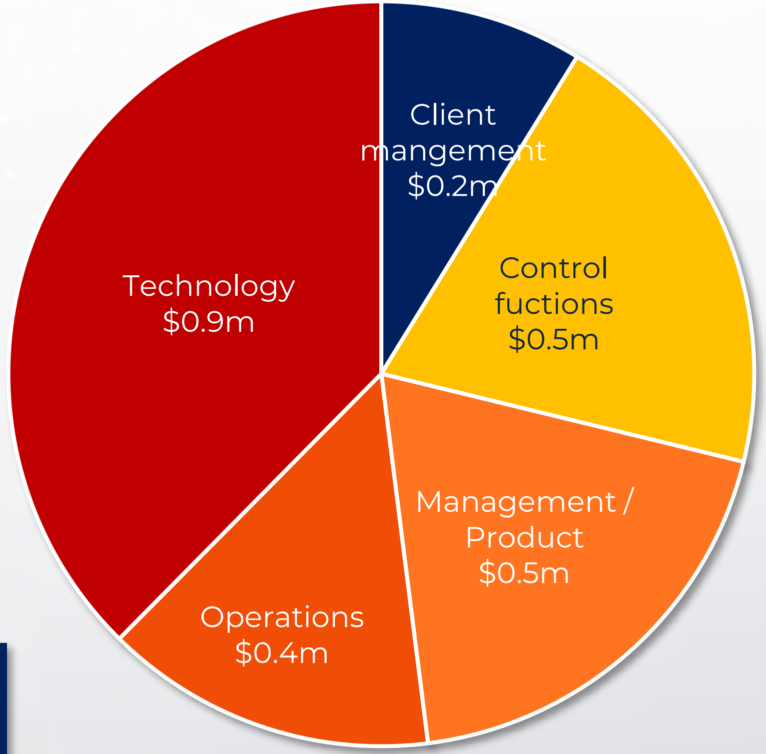
Question: How has your spend on DLT and digital assets changed in the last year?

IT and operations costs are less than 50% of total digital asset project costs

Average breakdown of DLT / digital asset project costs



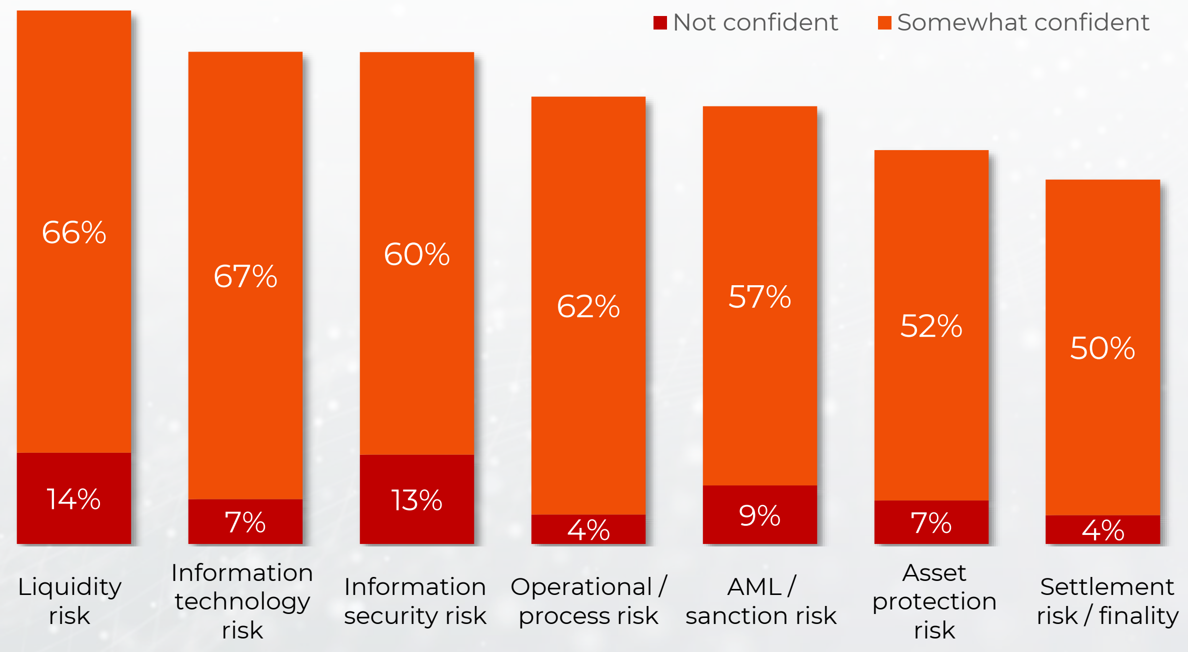
Average costs per firm in USD



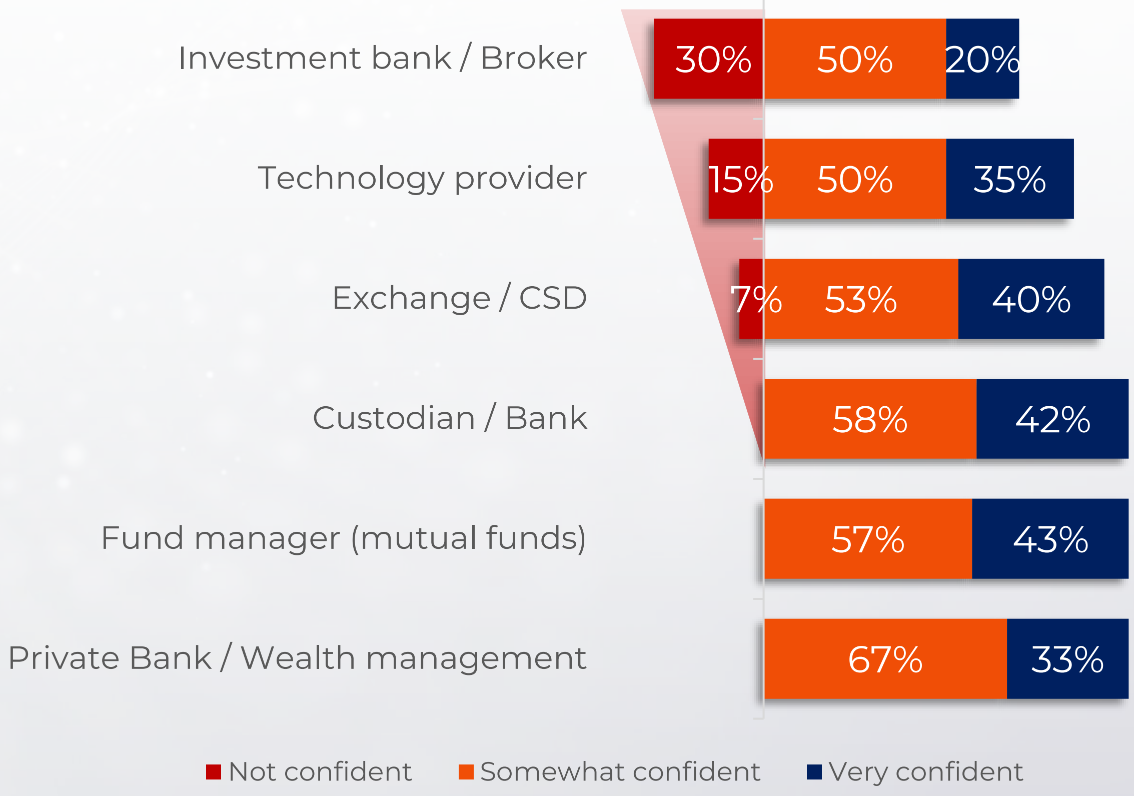
Question: How do your project costs break down (approximately) across the following activities?

Due diligence is the new frontier: 80% of active firms need help in managing their digital asset risks today

% of respondents saying that they are "somewhat" or "not confident” in managing the following digital asset risks



% of respondents by their ability to manage digital asset risk in their businesses

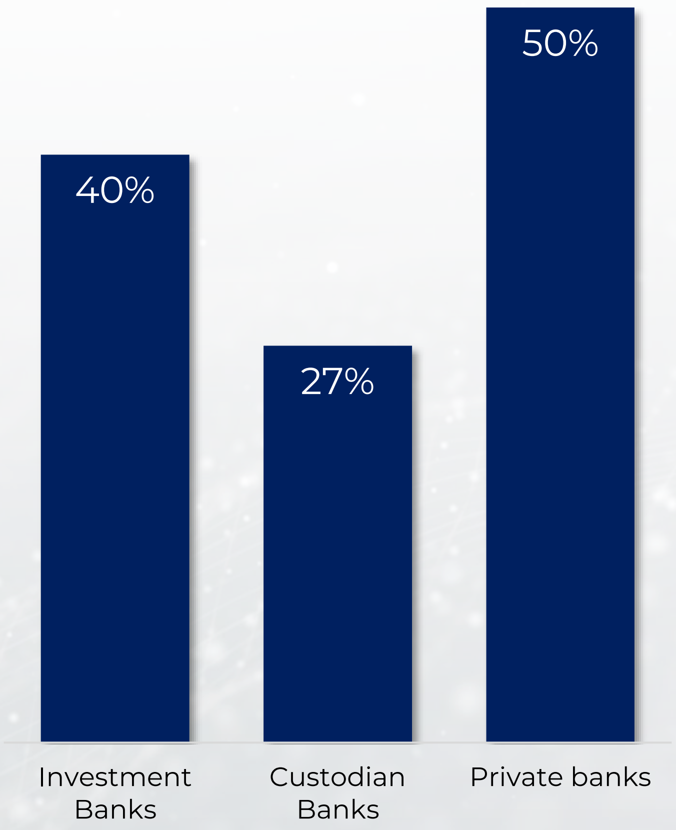


Question: How confident are you in your ability to identify, manage and oversee the following risks with digital assets?

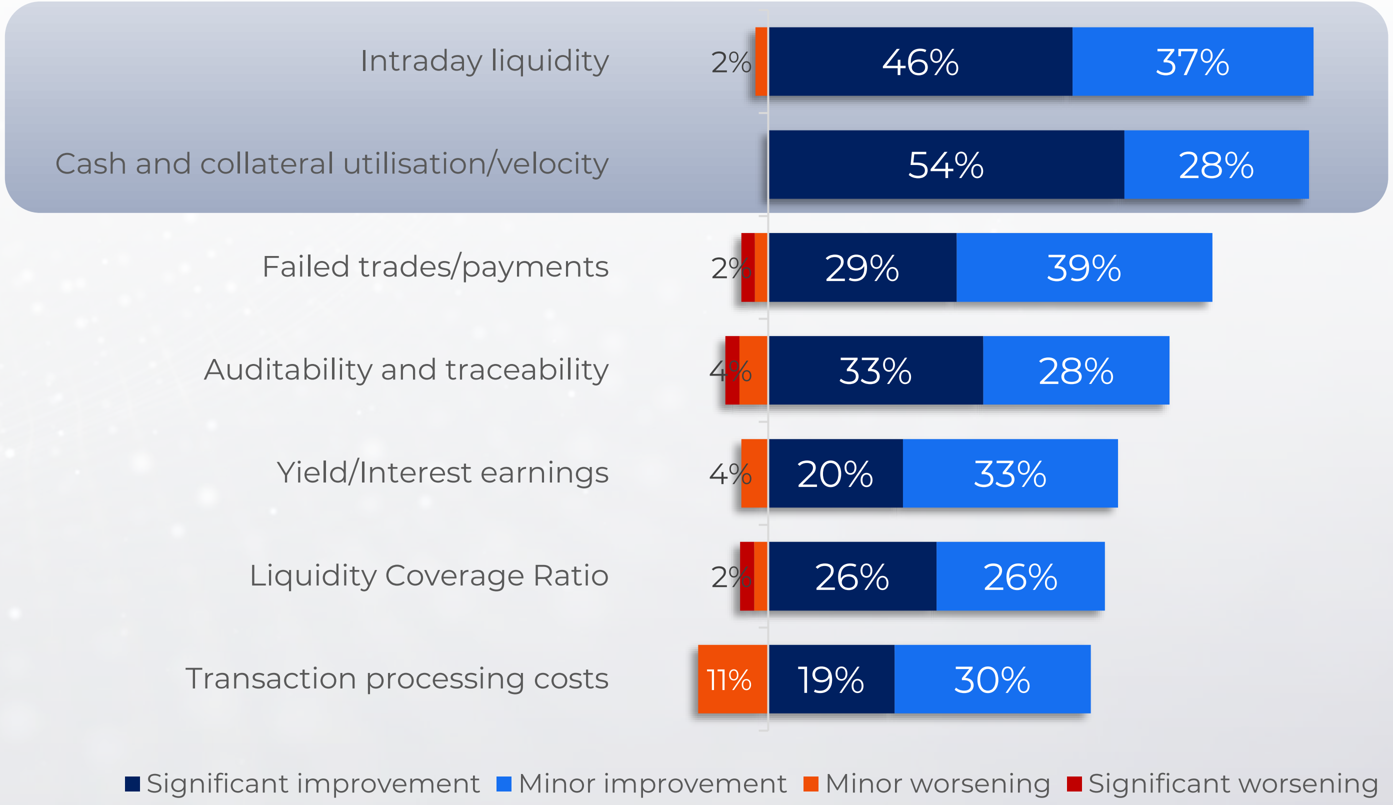
With 83% of firms seeing DLT deliver key benefits in enabling intraday liquidity, banks stand to benefit the most from DLT today

DLT in the Real World
2026 edition

% of banking respondents running DLT projects to drive treasury benefits



% of respondents citing DLT’s impact on each business activity



the ValueExchange

Thank you!

thevalueexchange.co →

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Foundational Considerations for Australia

High-Level Industry Alignment

Foundational considerations for the Australian market

Key Considerations

01

IMPLEMENTATION PATH

Evolution or replacement?

Identifying Australia's preferred path to tokenisation.

02

LEGAL FOUNDATION

Regulated, legally equivalent assets?

Do Tokens represent real securities with full legal standing?

03

CRITICAL DEPENDENCY

Settlement - the critical enabler?

Dependent on digital cash solutions and close collaboration with industry and central banks.

Which Tokenisation Model?

Assessing the most practical pathway for Australia.

01 REPRESENTATION MODEL

Tokenised existing securities

An existing security remains in conventional infrastructure, with a token representing the immobilised position.

CONVENTIONAL CSD — Legal source of truth → **LOCKED / IMMOBILISED** — Underlying security retained → **TOKEN ON LEDGER** — Transferable representation

Legal rights derive from the existing regulated security and authoritative conventional register.

02 DIGITAL REGISTER MODEL

Digitally native issuance

A security is issued directly onto DLT, with the digital register serving as the official legal ownership record.

ISSUER → **SECURITY ISSUED DIRECTLY ON DLT** — No parallel conventional record → **DLT REGISTER** — Official legal record

Legal rights are embedded in the digital security and authoritative DLT register, requiring legal and regulatory enablement.

WHY BOTH MAY COEXIST

The preferred model depends on legal settings, issuer appetite, market readiness and regulatory treatment.

DISCUSSION OBJECTIVE

Test whether Australia should begin with a pragmatic representation model while preserving a pathway to digitally native issuance?

Tokenised money

The critical distinction is who issues the money, what claim it represents and where the settlement risk sits.

01

COMMERCIAL BANK MONEY

Bank deposit token

A tokenised claim on a deposit held with the issuing commercial bank.

ISSUER Commercial bank

CLAIM Deposit liability of that bank

KEY RISK Issuer credit and operational risk

02

PRIVATE MONEY

Stablecoin

A privately issued token designed to maintain a stable value against fiat currency.

ISSUER Usually a regulated non-bank

CLAIM Reserve assets held by the issuer

KEY RISK Issuer, reserve, liquidity and redemption risk

03

CENTRAL BANK MONEY

Wholesale central bank money

A direct claim on the central bank for use by eligible wholesale institutions.

ISSUER Central bank, such as the RBA

CLAIM Direct central bank liability

KEY RISK Lowest credit risk settlement asset

04

CENTRAL BANK MONEY

Tokenised exchange settlement balances

Existing ESA balances at the RBA made available for DLT-based settlement, without issuing a separate wCBDC.

ISSUER RBA through existing ESA arrangements

CLAIM Existing central bank money in a new operational form

KEY RISK Operational, access and interoperability design

WHY IT MATTERS
The choice determines the credit risk, access model and continuity with today's central-bank-money settlement arrangements.

KEY DISCUSSION QUESTION
Should Australia support multiple interoperable forms of tokenised settlement money, including tokenised ESA balances?

Shared Conditions for Success

What conditions will influence where tokenisation can deliver sustainable market value?

01
Legal certainty
Authoritative records

02
Interoperability
Common standards

03
Governance
Controls and resilience

04
Identity & data
Permissions and privacy

05
Adoption economics
Viable operating model

Opportunity + Enabling Conditions = Credible Areas For Deeper Industry Exploration

DISCUSSION - What's not covered?

Future Focus

Industry Sessions

Where can Tokenisation provide value across the asset lifecycle?

Potential opportunities for further discussion across the market lifecycle?

ISSUANCE Origination / Listing	TRADE Market Access	CLEARING Manage risk	SETTLEMENT DvP	ASSET SERVICING Subregister / Depository	COLLATERAL Optimisation
Digital Issuance Digitally represent debt/ ETF	**Fractionalisation** Broader access	**Margin Optimisation** 2 am, index expiry	**Atomic settlement** One-step exchange	**Programmability** Automated rights	**Collateral mobility** Across venues
Capital raising IPO & issuance access	**Extended hours** Beyond day windows		**Settlement options** Choice of model	**Peer-to-peer transfer** Direct transfers	**Tokenised Collateral** Accepted by CCP

Tokenised Money

DISCUSSION - What's not covered and where is the greatest industry value?

Next Steps

What Happens Next

We will close the loop after today and prepare the industry discussion for the next working group.

Follow-up email
Sent to all attendees with relevant material and next steps.

Session materials
Presentation material shared to all session attendees.

Feedback form
Views and input requested from industry via an MS form.

Outstanding questions
ASX will provide responses to outstanding questions not answered in session.

SUBSEQUENT SESSIONS

Targeted, invitation-only workshops

Participation will be tailored to each topic and use case.

INTERESTED IN PARTICIPATING?

Express interest via the Tokenisation@asx.com.au mailbox

Expressions of interest will help inform participation in relevant future sessions.

Upcoming Industry Sessions

Targeted sessions to explore priority use cases and practical industry requirements.

REGISTRATION Invitations will be issued to targeted industry cohorts. To express interest in a session, contact **tokenisation@asx.com.au.**

9 SEP	Fixed Income	ASX office / MS Teams	2.00pm – 3.30pm
23 SEP	Derivatives Clearing	ASX office / MS Teams	2.00pm – 3.30pm
14 OCT	Cash Equities Clearing & Settlement	ASX office / MS Teams	2.00pm – 4.00pm
28 OCT	IPO Process / Capital Raising	ASX office / MS Teams	3.00pm – 5.00pm
11 NOV	Asset Issuance & Products	ASX office / MS Teams	2.00pm – 4.00pm
25 NOV	Trading / Market Access	ASX office / MS Teams	2.00pm – 4.00pm

Session dates and times subject to change.

Thank you

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Get in touch

For information on the tokenisation working group visit the ASX tokenisation website or email tokenisation@asx.comau.

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