

Business Committee Report to the Boards of ASX Clear and ASX Settlement

11 February 2026

At its 11 February meeting, the Business Committee was updated on:

- The Advisory Group meeting on 9 December 2025.
- The CHES Project, covering the Project status, implementation readiness for CHES Release 1, the industry communication approach for CHES Release 1 Go Live and an update on the Assurance Plan.
- Learnings from TMX's implementation of the TCS solution in Canada and the comparisons with ASX's implementation of the CHES Project.
- ASX's formal lodgement of amendments to the ASX Settlement Operating Rules to support bulk-opt in for electronic statements which was agreed to by ASIC in early-February 2026.
- ASX's recent market announcements covering its public response to the ASIC Inquiry interim report (**interim report**) and the recent CHES connectivity issues.
- Service performance of CHES up to December 2025 and ASX's latest public consultations and responses.

AGREED ACTIONS

There were two new actions was raised during the meeting for:

ASX to provide the Business Committee with the key output from its post implementation review on the CHES connectivity issues.

Minutes from the meeting are attached.

ASX Business Committee

Date	Wednesday, 11 February 2026			
Time	12:00pm – 2:00pm			
Location	Level 27, 39 Martin Place Sydney or MS Teams			
Agenda Item	Action	Presenter(s)	Est Time	Page
1. Meeting Opening			10 min	
a.	Welcome, Open, Acknowledgement of Country	Noting	Chair	
b.	Minutes of 10 December 2025 meeting Approval		Chair	
Items For Presentation			100 min	
a.	Advisory Group update	Discussion	Alan Cameron	10 mins
b.	Member initiated item - ASIC Inquiry	Discussion	Clive Triance	5 mins
a.	CHESS Project update	Discussion	Triona Quinlan	15 mins
b.	CHESS Release 1 Go Live	Discussion	Triona Quinlan Andrew Jones	30 mins
c.	CHESS Project - Assurance Plan update	Discussion	Michelle dal Pozzo	5 mins
a.	TMX's TCS solution implementation learnings	Discussion	Eric Rumpfels	15 mins
b.	Statements Working Group	Discussion	Karen Webb	10 mins
Question Session – Items Not For Presentation			10 min	
a.	Operational performance cash market clearing and settlement	Noting	Stephen Kelly	
b.	ASX consultations and responses	Noting	ASX	
6. Meeting Closing			10 min	
a.	Open actions	Approval	Chair	
b.	Forward work program	Noting	Chair	
c.	Any other business	Discussion	Chair	
d.	Next meeting – 27 May 2026	Noting	Chair	

Action Items

Item number #	Action	Due date	Status	Owner
26-02-01	ASX to provide the Business Committee with the key output from its post implementation review on the CHES connectivity issues.	May 2026	Open	ASX
25-9-3	ASX to report back to the Risk Consultative Committee on the business case for margin pass-through in third-party clearing scenarios	May 2026	Open	ASX
25-9-4	Business Committee members to advise ASX if they wish to participate in discussions on an industry-wide cyber scenario test	May 2026	Open	ASX
25-12-01	ASX to revert to Business Committee members on its communication protocols for incidents with a focus on CHES Release 1	Feb 2026	Closed	ASX

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Business Committee Members (46)

Chair (1)

Company	Representative	Title	Delegate / Apology
	Paul Rayson	Independent Chair, ASX Business Committee	

Clearing and Settlement Participants (25)

Company	Representative	Title	Delegate / Apology
ABN AMRO Clearing	Adrian Rubin	Chief Executive Officer, APAC	Matthew McMahon
Australian Investment Exchange Limited (AUSIEX)	Peter Robinson	Head of Operations	
Bank of America Merrill Lynch	Stephen Hacker	Director, Head of Operations	
Barrenjoey	Louise Boreham	Head of Operations	
BNP Paribas	Mark Wootton	Head of Custody Product Aust & NZ	
Burrell & Co Holdings	Saskia Jo	Associate Director – Finance	Apology
CITI	Lyall Herron	Custody & Clearing Product Manager, Australia & New Zealand	
CMC	Andrew Rogers	Director of Broking Business	
CommSec	Sheridan Thompson	Executive Manager, Industry Engagement & Strategy	
Euroz Hartleys	Anthony Brittain	Executive Director, Chief Operating & Financial Officer	Apology
FinClear Services Pty Ltd	Leigh Conder	Chief Operating Officer	Apology
FNZ Custodians (Australia)	Michael Hawke	Head of Sales and Trading, Customer Relationships	Apology
Goldman Sachs	Yen Lee	Executive Director	Marton Laszlo
Instinet Australia	Phil Penrose	Head of Australian Operations	Apology
J.P. Morgan	Craig Twentyman	Custody Product Head Australia & New Zealand, Executive Director	Steve Hackers
Macquarie Group	James Indge	Cash Equities Business Manager	
Morgans Financial	Daniel Spokes	Director, Client Support Services	
Morgan Stanley	Carrie Barrack	Country Business Manager	
Morrison Securities	William Slack	Chief Executive Officer	Apology
Openmarkets Australia	Rob Forbes	Chief Operating Officer	
Phillip Securities (Australia) Limited	Craig Semmens	Chief Executive Officer/Executive Director	
RBC Securities Australia	Daniel Gray	Managing Director, Head of Business & Client Services, APAC	

Third Party Platform	Lee Muco	Chief Executive Officer	Adam von Giese
WealthHub Securities	Anita Mead	Head of High Networth, Investment Products	
UBS	Conor Foley	Senior Business Manager	

Settlement Only Participants (3)

Company	Representative	Title	Delegate / Apology
Certane CT Pty Ltd	Rose O'Rourke	Operations Manager	Apology
Chimaera Capital	Rochelle Pattison	Director	Apology
HSBC	Harpreet Ahuja	Head of Securities Services, Australia & New Zealand, Markets & Securities Services	Simon Siluk

Approved Market Operators (4)

Company	Representative	Title	Delegate / Apology
Australian Securities Exchange (ASX)	Ben Jackson	General Manager, Market Operations	
Cboe Australia Pty Ltd	John Williams	Director Australian Equity Operations	
National Stock Exchange (NSX)	Chan Arambewela	Chief Operating Officer	Richard Atkins
Sydney Stock Exchange (SSX)	George Wang	Executive Director	

Industry Associations (6)

Company	Representative	Title	Delegate / Apology
Australian Custodial Services Association (ACSA)	Robert Poulter	Chair of the ACSA Operations Working Group	
Australasian Investor Relations Association (AIRA)	Ian Matheson	Chief Executive Officer	
Australian Shareholders' Association (ASA)	Rachael Waterhouse	Chief Executive Officer	Apology
Governance Institute of Australia (GIA)	Catherine Maxwell	General Manager, Policy & Advocacy	Apology
Stockbrokers and Investment Advisers Association (SIAA)	Maria Lykouras	Chief Executive Officer	
The Australian Financial Markets Association (AFMA)	Damian Jeffree	Senior Director of Policy	

Registries (4)

Company	Representative	Title	Delegate / Apology
Automic	Sue Julian	Chief Operating Officer	Anthony Kerstens
BoardRoom	Tharun Kuppanda	Head of Risk, Compliance and Regulatory Partnerships	Apology
Computershare	Josh Collard	Senior Manager, Regulatory & Market Initiatives	
MUFG Pension & Market Services	David Farr	Managing Director, Corporate Markets ANZ	Apology

Technology Service Providers (2)

Company	Representative	Title	Delegate / Apology
Broadridge	James Marsden	Managing Director, Post Trade Asia Pacific	
Securitease	Cliff Richards	Managing Director	

ASX Representatives (13)

Company	Representative	Title	Delegate / Apology
Australian Securities Exchange (ASX)	Andrew Jones	General Manager, Equities, Securities & Payments	
Australian Securities Exchange (ASX)	Clive Triance	Group Executive, Securities & Payments	
Australian Securities Exchange (ASX)	Con Korkofigas	Senior Legal Counsel and Senior Manager	
Australian Securities Exchange (ASX)	Diane Lewis	General Manager, Public Policy and Advocacy	
Australian Securities Exchange (ASX)	Diona Rae	Chief Operating Officer	Apology
Australian Securities Exchange (ASX)	Dirk McLiesh	Chief Risk Officer	
Australian Securities Exchange (ASX)	Glenn Kennedy	Head of Equities Engagement, Securities & Payments	
Australian Securities Exchange (ASX)	Karen Webb	General Manager, Issuer Services, Securities & Payments	
Australian Securities Exchange (ASX)	Sally Palmer	Deputy General Counsel	
Australian Securities Exchange (ASX)	Stephen Hammon	General Manager, Business Management & Planning, Securities & Payments	
Australian Securities Exchange (ASX)	Stephen Kelly	General Manager, Clearing and Settlements Operations	
Australian Securities Exchange (ASX)	Steven Hannan	Senior Manager, Stakeholder Engagement, Securities & Payments	

Australian Securities Exchange (ASX)	Tim Whiteley	Chief Information Officer	Apology
Australian Securities Exchange (ASX)	Triona Quinlan	General Manager, Technology Delivery	

Invited Guests (1)

Company	Representative	Title	Delegate / Apology
	Alan Cameron AO	Independent Chair, Cash Equities Clearing and Settlement Advisory Group	

Observers (6)

Company	Representative	Title	Delegate / Apology
Australian Securities and Investments Commission (ASIC)	Benjamin Cohn-Urbach	Senior Executive Leader, Market Infrastructure	
Australian Securities and Investments Commission (ASIC)	Hema Raman	Senior Specialist, Market Infrastructure	
Australian Securities and Investments Commission (ASIC)	Liang Chen	Analyst, Market Infrastructure	
Australian Securities and Investments Commission (ASIC)	Nick Hughes	Senior Specialist - Technology, Market Infrastructure Markets Group	
Reserve Bank of Australia (RBA)	Nick Rowbotham	Manager, Clearing and Settlement Supervision	
Reserve Bank of Australia (RBA)	Simon Truong	Lead Analyst, Domestic Supervision and Resolution, Payments Policy Department	

Auditors (1)

Company	Representative	Title	Delegate / Apology
Ernst & Young	Juan Carlos Martín de los Santos	Director, Technology Risk	Roberto Fitzgerald

AGENDA ITEM 1: MEETING OPENING

a) Welcome, apologies and Acknowledgement of Country

The Chair welcomed Members, delegates, ASX management, and observers to the 11 February 2026 Business Committee meeting.

The Chair recognised an outgoing Business Committee member representative and their contributions made to Business Committee and the broader industry.

Apologies and changes to representation were noted as per the agenda. The Chair acknowledged the Traditional Custodians of country throughout Australia and paid respects to Elders past and present.

The Chair outlined the agenda noting that this meeting would cover an update from the Independent Chair of the Advisory Group, the ASIC interim report, progress made on the CHES Project and preparations for CHES Release 1 Go Live, key developments of the Statements Working Group, and insights from the implementation of the TCS solution by TMX.

b) Minutes of 10 December 2025 meeting

The Chair noted that the minutes of the December 2025 meeting and the report to the Boards of ASX Clear and ASX Settlement had been circulated on 23 December 2025 with no amendments requested by Business Committee members.

The minutes and amendment were approved without further comment.

ITEMS FOR PRESENTATION

AGENDA ITEM 3: Business Committee Member Items

a) Advisory Group update

The Independent Chair of the Advisory Group provided an update on the most recent Advisory Group meeting, which occurred on 9 December 2025. The Independent Chair of the Advisory Group highlighted the following matters, as detailed in the related public [Advisory Group communique](#) dated 11 February 2026:

- ASX provided updates at the meeting on the CHES Project status and assurance, the CHES technical review undertaken by IBM, T+1 and the financial resilience and risk roadmap for ASX Clear.
- Two AMOs attended part of the meeting to provide their organisations perspective on Release 1 of the CHES Project at that point in time (December 9).

The Independent Chair of the Advisory Group noted that, as per the Communique, the Advisory Group raised concern related to the findings of the IBM report and advised ASX that it should take a strategic and risk-based approach to addressing the IBM recommendations.

Member discussion

Some members sought additional information on the Advisory Group's concerns regarding the findings of the IBM Report. The Independent Chair of the Advisory Group responded that the IBM Report found issues with the current CHES system that required remediation and that advice was provided indicating the ASX response should take an appropriate, strategic, risk-based approach

that balanced the IBM findings against the priority of delivering the CHES Project within the Project timeline.

The ASX Group Executive Securities and Payments further noted that ASX had risk assessed and prioritised the IBM findings and was planning to perform work on the high priority items.

A member queried whether the Advisory Group met before or after the ASIC Inquiry interim report was published. The Independent Chair of the Advisory Group advised that the Advisory Group met approximately one week before the interim report was published and has not met since the publication.

b) ASIC Inquiry Interim Report

The ASX Group Executive Securities and Payments provided opening comments to the member-initiated agenda item on the ASIC interim inquiry report, noting:

- ASX's initial response to the ASIC interim inquiry report was publicly available on the [ASX website](#).
- The importance of releasing market sensitive information simultaneously to all stakeholders which may limit the level of detail that could be shared in this meeting ahead of the formal response which was expected in late-February 2026.-sensitive information simultaneously to all stakeholders
- Further detail was planned to be provided through the appropriate forums once the additional information is available to the market.

Member discussion

A member commented on the Business Committee's role in providing input for ASX Clearing and ASX Settlement Boards consideration and queried whether the Business Committee should provide its input on the interim report. The Chair responded that the Business Committee had previously provided input to the ASX Clearing and Settlement Boards on matters covering T+1 settlement and the CHES Project, and that the Committee's advice had been acted upon. The Chair proposed to the Business Committee that formal input was not required for immediate decision but could be considered in the future if appropriate.

c) ASX Updates

The ASX Group Executive Securities and Payments advised that ASX submitted a [market announcement](#) outlining that ASX's Chief Executive Officer would be stepping down.

The ASX General Manager Securities and Payments Operations provided an overview of two connectivity related issues. It was noted that:

- ASX reported 2 incidents that occurred the morning of Monday 2 February both relating to connectivity issues to CHES. Status updates were provided to the industry via ASX's System Status page and direct Participant communications were provided. ASX was currently finalising its post implementation review and could share the key outputs with Business Committee members once they were available. (**open action 26-02-01**).

- 1st incident occurred at 7:43am Monday 2 February and was triggered by a Participant implementing new technology. ASX performed a three-minute restart to CHESSE resulting in a brief disconnection that then enabled all Participants to reconnect from 7:45am, restoring normal connectivity.
- 2nd incident impacted an AMO that had experienced a separate connectivity issue on Monday 2 February when connecting to CHESSE. ASX worked closely with the AMO to diagnose and resolve the issue with full connectivity being restored by 10:16am and trade messages flowing as expected from 10:40am.

Member discussion

A member queried how the market could have confidence that such incidents would not occur in the period prior to full implementation of the CHESSE Project. The ASX General Manager, Securities and Payments Operations responded that the connectivity related incidents resulted from external factors but were identified and resolved by ASX within a timely manner. The ASX Group Executive, Securities and Payments acknowledged the concerns raised by the member and noted significant work had been completed or was currently underway to prevent incidents where possible and enable timely recovery if they do occur.

AGENDA ITEM 4: CHESSE Project

a) CHESSE Project Update

The ASX General Manager, Technology Delivery provided an update on CHESSE Release 1 and 2.

With regards to CHESSE Release 1:

- The 2nd of 2 Industry Dress Rehearsals (**IDR2**) with AMOs was successfully completed over the 7-8 February weekend covering the Go Live cutover process and governance activities.
- The final planned codebase for AMOs was delivered into CHESSE Release 1 Industry Test Environment (**ITE1**) and the To-Be Prod environment on 9 February 2026.
- AMO Parallel Test Cycle 2 commenced on 9 February and was expected to be completed on 20 February. ASX's business and technology readiness teams who are supporting production were supporting parallel testing.
- The Project is currently focussed on completing the remaining internal testing activities covering lower priority resilience testing and downstream and reporting.
- Two key Project risks were currently being managed for CHESSE Release 1 covering the completion of assurance reviews and potential defect fixes that may impact the end date of parallel testing.

With regards to CHESSE Release 2:

- Drop 1 testing was expected to be completed in February 2026 with the CHESSE Release 2 Industry Test Environment (**ITE2**) targeted for launch in March 2026.
- Software Provider onboarding for connectivity to ITE2 for the Drop 1 Build and Test phase had commenced with connectivity forms expected to be received from approximately 27 Software Providers.
- A project risk had been identified for the CHESSE Release 2 Drop 2 ITE milestone of June 2026 given the prioritisation of CHESSE Release 1 which had delayed Drop 2 testing.

Member discussion

The Chair queried whether there would be any further code drops following completion of IDR2 that may impact the industry testing activities. The ASX General Manager, Technology Delivery advised that at this stage no defects had been identified in parallel test that required a further code drop.

A member queried whether any external facing scope items could be deferred to the CHES Release 2 contingency drop (**Drop 6**). The ASX General Manager, Technology Delivery responded that the Project could move external facing scope items to Drop 6 however this has not been required at this stage.

A member sought clarification on whether the prioritisation of CHES Release 1 would impact Milestone 1 of the Development Incentive Pool. The ASX General Manager, Technology Delivery responded that the prioritisation of CHES Release 1 was not expected to impact Milestone 1 of the Development Incentive Pool.

b) CHES Release 2 Go Live

The ASX General Manager, Technology Delivery provided an update on CHES Release 1 Go Live. It was noted that:

- Internal and industry testing activities were expected to be completed by late-February 2026 which would then lead into ASX's internal governance activities in March 2026.
- Two internal Strategic Governance Group (**SGG**) meetings were scheduled in mid-March 2026 to review and approve key CHES Release 1 project artefacts which were then expected to flow into the Board internal governance considerations in late-March 2026.
- Two further industry sessions to walkthrough key items for CHES Release 1 Go Live are expected in March through the Technical Committee and Implementation & Transition Working Group.

The ASX General Manager, Equities, Securities and Payments provided an overview of industry readiness and the indicative industry communication approach for CHES Release 1:

- All AMOs had completed required testing activities with the remaining expected activities being the completion of AMO Parallel Testing Cycle 2 and the provision of AMO attestations which is targeted for late-February 2026.
- 21 out of 27 Clearing Participants had completed their attestations for the Clearing Regression phase with the Project actively engaging with the remaining 6 Clearing Participants to complete attestations by late-February 2026.
- Technical Committee and Business Committee members would be provided with updates via email following the completion of key milestones or activities over the Cutover Weekend and Go-Live.

Member discussion

No member feedback was recorded.

c) CHES Project Assurance Plan update

The ASX Assurance Senior Program Manager provided an update on the CHES Project Assurance Plan, it was noted that:

- A large number of assurance reviews had been completed for CHES Release 1 and there were a manageable number of medium and low rated open findings with action plans in place to resolve the findings before Go Live.
- 2 assurance reviews for CHES Release 2 had been completed with a further 2 assurance reviews currently in progress. No open assurance findings were reported.

The ASX Assurance Senior Program Manager advised that EY had completed its December licence condition review report which was targeted for publication in February 2026.

Member discussion

No member discussion was recorded.

AGENDA ITEM 4: CLEARING AND SETTLEMENT SERVICES, ISSUER SERVICES

a) TMX implementation learnings

The ASX General Manager, Securities and Payments Technology provided an overview of the key learnings of TMX's implementation of the TCS solution. It was noted that:

- TMX and ASX were broadly comparable in terms of trade volumes and peak trading activity and TMX was using the TCS solution that ASX is currently implementing.
- TMX undertook a big bang implementation approach and delivered a significantly larger breadth of scope with significant customisations when compared to ASX.
- TMX's big bang event went as planned with most issues being resolved through data fixes and required code fixes being delivered via weekly patches.
- ASX's implementation of CHES Release 1 was seen to hold a lower overall risk profile than TMX given the phased implementation approach, extensive testing and assurance activities and use of parallel testing which was not feasible for TMX given the complexity of its implementation.

Member discussion

A member queried how TMX managed software releases or upgrades following its implementation. The ASX General Manager Securities and Payment Technology acknowledged that further code drops could lead to regression and noted that increased testing was expected to lead to better outcomes. The General Manager, Securities and Payments Technology advised that TMX was well prepared and trained for further code releases post its Go Live.

A member commented on their organisation's direct experience with the TMX implementation and proposed a separate session with ASX to share their key learnings and insights.

b) Statements Working Group

The General Manager, Issuer Services, Securities and Payments provided an update on the latest developments of the Statements Working Group since December 2025. It was noted that:

- 27.6% of holding statements were issued electronically for the month of January 2026 and the average number of investors opting in to electronic communications increased from 60,000 to 80,000 per month.
- ASX continued to promote electronic statement opt-in via targeted social media campaigns across various social media websites and through pamphlets to be included in the March 2026 paper statement mail out.
- ASX planned to introduce multi-factor authentication for its CHESSE statements solution and investor portal as well some email and workflow improvements.

The General Manager, Issuer Services, Securities and Payments noted that ASX published a [market notice](#) on 13 January 2026 confirming ASX Settlement had formally lodged amendments to the ASX Settlement Operating Rules with ASIC which was agreed to in early-February 2026. A subsequent [market notice](#) was published 5 February to confirm that regulatory clearance had been received for the amendments and they will become effective Monday 16 February. To further support the industry with bulk opt-in for electronic statements, ASX planned to publish additional guidance and will engage with Settlement Participants to provide key information on the application of bulk opt-in arrangements.

Member discussion

Business Committee members acknowledged the progress made by the Statements Working Group and the efforts of the Working Group members. Another member commented that the duplication of processes could be another area of focus for the Working Group, specifically the dividend reinvestment plan statements sent by Issuers as well as ASX.

AGENDA ITEM 5: Question Session: Clearing and Settlement Services, Issuer Services, CHESSE Project

The Committee noted papers on operational performance and ASX's latest public consultations paper and queried whether any Business Committee members had any questions or feedback for ASX.

Member discussion

A member sought clarification on the timing of fees for CDI issuers and whether the rule amendments referenced in [ASX's response paper](#) were public. The ASX General Manager, Issuer Services, Securities and Payments responded that ASX was seeking to align several related changes, including the rule amendments, before the fees were expected to be introduced and that at least one month's notice would be provided prior to implementation. The ASX General Manager, Issuer Services, Securities and Payments confirmed that the rule amendments detailed in the response paper were publicly consulted on in H1 2025.

AGENDA ITEM 6: MEETING CLOSE

a) Open actions and items to be kept in view

The Chair noted that the open action from the 10 December Business Committee meeting on the CHESSE Release 1 communication approach (open actions 25-12-1) was to be closed.

Member discussion

No member discussion was recorded.

b) Forward work program

The Chair welcomed Business Committee members to raise any further member-initiated items to include in the forward work program.

Member discussion

A member requested for a member-initiated item on the ASIC Inquiry final report. Another member requested for a member-initiated item on ASX's risk considerations when applying the use of AI.

c) Any other business

Member discussion

No member discussion was recorded.

d) Next meeting – 27 May 2026

The Chair thanked members for their contributions and closed the meeting at 1:30pm. The next meeting will be held at ASX's Martin Place building on 27 May 2026.

Signed as a correct record of the meeting.

Chair

Date