ASX BUSINESS COMMITTEE

16 September 2026

Housekeeping

Troubleshooting

- Please mute yourself when not speaking
- Please use the ‘raise hand’ feature on MS Teams if you would like to ask a question
- Please introduce yourself when talking for the benefit of all members
- Meeting is being recorded for the purposes of capturing decisions and actions
- Dial in details (audio only):
  - +61 2 7208 4607
  - Phone Conference ID: 845 083 864#
- Presentation materials were distributed before the meeting and will be published on the website.

Important Information

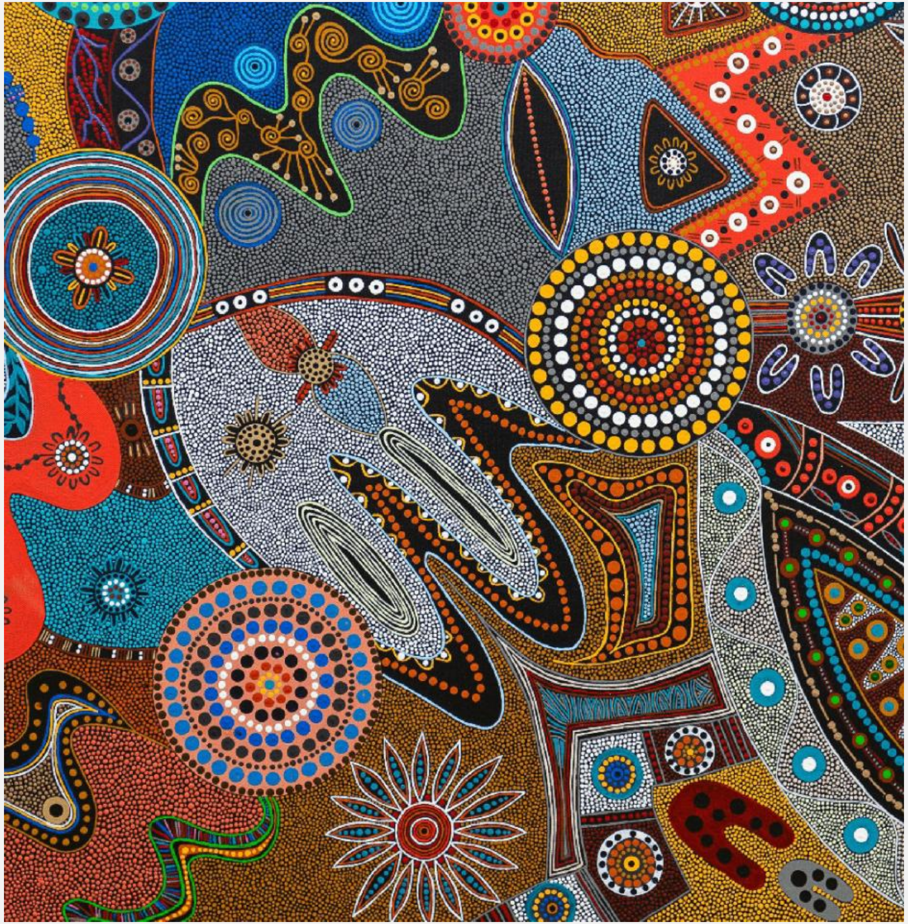
Competition Law Reminder

Committee members are reminded to have regard to their obligations under competition law. In particular, 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.

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



Agenda

01	Welcome, Opening Remarks & Meeting Minutes
02a	Advisory Group Update
03a	CHESS Batch Settlement PIR
03b	Annual review of CS Services Revenue
03c-03e	Working Group updates
03f	CHESS Industry-Wide Resilience Exercise
03g	Clearing Risk Liquidity Framework
04a	CHESS Project Update
04b	Corporate Action Election Functionality
04c	CHESS Replacement Technical Committee Charter
05	Additional Items For Noting
06	Open Actions, Forward Engagement and AOB

01b – Draft Minutes and Report of Previous Meeting

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02a – Advisory Group update

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02b – Member Initiated Items

03a – CHESS Batch Settlement Delay PIR

03b – Annual Review of CS Services Revenue

03c – Statements Working Group

03d – Share Sale Fraud Working Group

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03e –Tokenisation Working Group

03e – 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.

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

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03e – Industry Discussion Paper

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?

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03e – Industry Tokenisation Exploration Workshops

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

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

Group	Date	Session	Location	Time
	14 OCT	Kick Off - Overview	MS Teams	2.00pm – 4.00pm
Targeted Sessions	9 SEP	Fixed Income	ASX office / MS Teams	2.00pm – 3.30pm
Targeted Sessions	23 SEP	Derivatives Clearing	ASX office / MS Teams	2.00pm – 3.30pm
Targeted Sessions	14 OCT	Cash Equities Clearing & Settlement	ASX office / MS Teams	2.00pm – 4.00pm
Targeted Sessions	28 OCT	Asset Issuance & Products	ASX office / MS Teams	3.00pm – 5.00pm
Targeted Sessions	w/c 16 NOV	IPO Process / Capital Raising	ASX office / MS Teams	2.00pm – 4.00pm
Targeted Sessions	25 NOV	Trading / Market Access	ASX office / MS Teams	2.00pm – 4.00pm

Session dates and times subject to change.

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03e – Approach to each session

Problem-focused: starting from today's frictions, considering the available models, and drawing on global experience

Framework

01 TODAY

How it runs

- The current mechanics, participants and constraints.
- Where the friction, cost and manual work sits.
- Where existing market infrastructure and workflows remain fit for purpose.

02 THE MODELS

The design choices

- The available models, including potential benefits and considerations associated with each.
- Native issuance or digital twin; one pool or a parallel venue?
- A dedicated settlement asset(s) or existing RTGS rails?

03 WHAT MUST BE TRUE

The unresolved questions

- Legal, tax, regulatory, prudential and operational requirements?
- Australia-specific issues contrasted with global observations
- Who owns each question: industry, ASX, regulators?

04 THE EVIDENCE

What others have proven

- What has gone live offshore, and at what size.
- What was enabled by legislation versus by a sandbox.
- What failed or stalled, and why.

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03e – WS4 Cash Equities: Proposed High Level Agenda

Potential areas of exploration for the 14 October session:

01 CLEARING
Risk & Collateral

- Tokenised collateral acceptance?
- Margin optimisation?

02 SETTLEMENT
Cash & Securities

- Atomic DvP and optional acceleration
- Digital cash and loss-of-netting trade-offs

03 SUBREGISTER
Ownership & Transfer

- Authoritative digital record
- Peer-to-peer entitlement transfer and transparency
- Cross boarder transfers (dual listed)

04 ASSET SERVICING
Rights & Events

- Programmable corporate actions
- Dividends, elections, distributions and entitlements

SHARED CONDITIONS UNDERPINNING ALL PILLARS

- *Legal certainty and an authoritative record*
- *Interoperability and standards*
- *Cash and settlement rails*
- *Governance, controls and resilience*
- *Identity, permissions and data*
- *Adoption economics*

FOR DISCUSSION

Where could tokenisation solve existing frictions / provide additional value across cash equities clearing & settlement?

03f – CHESS Industry-Wide Resilience Exercise

03f - Next external engagement: EOI

Business Committee update | 16 September 2026

Now | **ASX will shortly issue an EOI communication inviting organisations to register interest and nominate a single lead planner contact.**

Programme update

- Retrospect Labs engaged to support design, facilitation, Gauntlet delivery and reporting; ASX retains participant coordination and approvals.
- Scope and objectives have moved into scenario design, with a business-resilience focus on CHESS ecosystem decision-making, coordination, communications and recovery.
- Current focus is finalising EOI registration, defining the ongoing stakeholder engagement model and readiness approach.

Request for participating organisations

1. **Nominate a lead planner / point of contact**
   Sufficient authority, close to operations and able to coordinate internally for the programme duration.
2. **Attend EOI briefing and follow-up sessions**
   Understand objectives, expected commitment, support model and Gauntlet onboarding approach.
3. **Support readiness and design input**
   Identify relevant roles to attend the exercise across business, operations, cyber, technology and Finance/Treasury; coordinate logistics and provide feedback.

NOW
- EOI Registry
- Lead Planner Nominations

NEXT
- Lead Planner Information session
- Exercise Formal Registration

THEN
- Lead planner familiarisation, orientation and readiness activities
- ASX FAQ and Drop-in Sessions

03f - Lead planners bridge ASX and participants

Lead planner activity roadmap | Business Committee

Message | **Nominating a lead planner is the first readiness step; it gives ASX a single contact and keeps preparation consistent across organisations.**

1. Next external comms
SEP 2026
Register interest and nominate a Lead Planner / primary contact.

2. Briefing & expectations
Following EOI
Attend induction session covering objectives, exercise structure, participant commitment and support model.

3. Planning period
Nov 2026 – Mar 2027
Identify organisational participants across business, operations, technology, cyber and governance.

4. Pre-exercise readiness
Feb–Apr 2027
Complete familiarisation, onboarding and readiness activities, including drop-in and Gauntlet orientation sessions.

5. Exercise delivery
Planned May 2027
Coordinate organisational participation during the facilitated tabletop exercise.

6. Debrief & learnings
Jun–Jul 2027
Support observations, feedback and lessons learned to strengthen sector resilience.

Ongoing communication with participating organisations

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03g – Clearing Risk Liquidity Framework update

03g - Clearing Risk Liquidity Framework

Update on Guidance Note 13 (GN13)

Status

- GN13 remains an open action post Public Consultation— the programme has moved from issue identification into framework development.
- Participant feedback has been received and is shaping the direction of the update.
- Currently applies to ASX Clear only — the updated GN13 will extend to cover both ASX Clear and ASX Clear (Futures).

What we heard from participants

Clarity

Clearer expectations for liquidity preparedness and the evidence ASX will require.

Consistency

A more coherent approach across the two clearing houses, recognising different risk profiles.

Proportionality

Requirements calibrated to participant nature, prudential status, scale and clearing activity.

How are we progressing

1 International benchmarking

Compare relevant global standards and peer approaches

2 Targeted request for information

Confirm participant categorisation and current-state liquidity capability. and identify where differentiated requirements are warranted.

04a – CHESS Project Update

04a – Completion of planned ISO WG meetings

The final planned ISO WG was held on 26 August 2026 concluding ASX's industry engagement on ISO 20022 messaging.

ASX would like to thank all members for their input and expertise through the engagement period. Further ISO WG for CY2026 have been provisioned to address potential residual feedback and are expected to be held on an as needed basis going forward.

20 sessions
ISO Working Group sessions held across the CHESS Project

100 attendees
Approximately 100 industry attendees at each of the ISO Working Group sessions

249 queries
MyStandards queries resolved, plus extensive working group and engagement

275
EIS messages
Previous project — starting point

106
ISO messages (adapted)
Previous iteration of the CHESS project — via adaptation

86
ISO messages
CHESS Project — closely aligned to the global industry standard

04b – Corporate Action Elections Functionality

For noting | For discussion | For recommendation

04b – Corporate Actions Elections: Indicative Timeline

Sep 2025

Proposal to proceed to detailed design endorsed by the Business Committee and subsequently accepted by the ASX CS Board

Q4 2025

Multiple Registry and Participant bilateral meetings held to understand pain points and evaluate potential solutions

Q1 - Q2 2026

Business Design Working group sessions held to present and refine proposed designs and potential solutions

May 2026

Design outputs to be presented to Technical Committee and Business Committee for consideration.

Aug - Sep 2026

Proposed design to be recommended to the Technical Committee. Refer to Appendix A for all industry feedback themes provided from industry engagement activities

Oct - Nov 2026

Drop 5 UTDs scheduled to be published and industry workshop planned to be held to provide further clarity on the proposed legal and operating rules changes, operating impacts and implementation

Dec 2026

Proposed design to be recommended to the Business Committee

Blue denotes an update since last presented

04c – Technical Committee Charter Changes

04c – Proposed Changes to the Technical Committee Charter

- ASX is recommending proposed amendments to the ASX CHESS Replacement Technical Committee Charter

- The purpose of the proposed amendments is to enable Technical Committee members to review and evaluate potential impacts and interdependencies of any proposed changes to CHESS or other key strategic initiatives on the delivery and industry readiness for CHESS Release 2

- Summary of proposed amendments:
  - include an additional role for the Technical Committee to *provide members with an overview of key initiatives or proposed changes impacting cash equities clearing and settlement infrastructure to enable members to review and evaluate the impacts of this information on the delivery of the CHESS Project.*
  - changing the name of the CHESS Replacement Technical Committee to the CHESS Project Technical Committee

- The updated Charter is being tabled for feedback, with Business Committee members and their representatives invited to provide any comments or to raise any questions on the proposed updates to at the 16 September Business Committee meeting or via the Business Committee Secretariat inbox.

05 – Question Session

05 – Items Not For Presentation

- Agenda item 5a: CHESS Project Assurance Plan
- Agenda item 5b: Cash Market Margining
- Agenda item 5c: Annual CHESS Roadmap
- Agenda item 5d - Operational performance cash market clearing and settlement
- Agenda item 5e: Partnership Program

06a - Open Actions

For noting | For discussion | For recommendation

06a – Open actions

As at September 2026

Item number	Action	Due date	Status	Owner	Response
26-5-1	ASX to seek Business Committee member interest to form the Tokenisation Working Group to develop an industry discussion paper.	Sep 2026	Propose to close	ASX (Andrew Jones)	The first Tokenisation Working Group meeting was held on 26 August 2026. Refer to agenda 3d for the Working Group update and overview of the forward engagement schedule of meetings
26-4-2	Business Committee members to provide feedback on the solution design or on potential issues that could impede take up for corporate action elections functionality	Sep 2026	Propose to close	Business Committee ASX (Chris Boyes)	Refer to agenda item 4b for ASX's recommendation on the solution design for corporate action election functionality

For noting | For discussion | For recommendation

06a – Keep in view

As at September 2026

Topic	Action	Due date	Status	Owner
eStatements and Holding Statements	ASX provide an update at each Business Committee meeting, alternating each meeting between an item for noting and an item for presentation with further detailed updates	September 2026	Open	ASX
ASX Public Consultations and Responses	ASX to provide an overview on its public consultations impacting Clearing and Settlement, Issuer Services or the CHESS Project	December 2026	Open	ASX

06b – Forward Work Program

For noting | For discussion | For recommendation

06b – Forward work program

As at September 2026

Date	Topics
10 December 2026 4.00-6.00pm	• Current CHESS - service performance, maintaining stability • CHESS Project including Technical Committee updates • Annual review of Clearing and Settlement Services pricing outcomes • Corporate action election functionality • Working Group updates • Forward work program for 2027 • End of year drinks

Appendix A

Appendix A – Corporate Action Elections Feedback

The table below summarises the key feedback themes raised through the Technical Committee, associated Working Groups and broader industry consultation activities undertaken to date

Topic	Feedback / Question Raised	ASX Response	Source
Strong industry support for automation and standardisation	Participants were generally supportive of CA Elections functionality, recognising the opportunity to improve automation, standardisation and straight-through processing across the market.	Our proposed solution seeks to deliver a standardised and automated election process across participants and registries.	• Industry consultation feedback (BDWG, ISOWG, Technical Committee)
Mandatory and consistent adoption	Feedback highlighted the importance of consistent industry adoption to maximise benefits and avoid fragmented operating models.	We have considered adoption and enablement approaches as part of the recommended solution design.	• Industry consultation feedback
Beneficial holder (UBO) data in election messages	Concerns were raised regarding the inclusion of detailed beneficial holder information in election messages, particularly for omnibus and nominee structures where message size, scalability and operational complexity may increase.	We have consulted and confirmed that beneficial holder information should remain within scope to enable end-to-end automation and STP. Based on current analysis, we do not anticipate material performance concerns and will continue engaging with impacted participants on specific use cases.	• Technical Committee (2 September 2026) • Industry consultation feedback
Alternative delivery mechanisms	Participants suggested alternative approaches, including SFTP, APIs and other non-message-based submission models.	We advised that a messaging-based approach remains the preferred Release 2 design and is consistent with broader solution architecture principles.	• Technical Committee (2 September 2026) • Industry consultation feedback

Appendix A – Corporate Action Elections Feedback

The table below summarises the key feedback themes raised through the Technical Committee, associated Working Groups and broader industry consultation activities undertaken to date

Topic	Feedback / Question Raised	ASX Response	Source
Phased implementation and market fragmentation	Concerns were raised that partial adoption or a phased implementation may result in multiple parallel processes, creating additional complexity and support overheads for industry participants.	We acknowledge these concerns and are planning to go-live shortly after release 2, balancing implementation risk with longer term desired outcomes.	• Industry consultation feedback
Registry capability and development effort	Feedback noted that support for beneficial holder information may require additional registry development and operational changes.	We have considered registry impacts as part of our solution assessment and ongoing industry engagement.	• Industry consultation feedback
Vendor and downstream system readiness	Participants identified dependencies on third-party vendors, internal systems and supporting technology solutions.	We recognise the importance of industry readiness and will continue engagement through build and testing phases.	• Industry consultation feedback
Scope, consultation and implementation timing	Members sought assurance that all legal, operational and downstream impacts are understood and raised concerns that certain elements, such as beneficial holder information, may not have received the same level of consultation as other components.	We clarified that the recommendation seeks endorsement to proceed into build and test activities, with further refinement to occur through future rules consultation.	• Technical Committee (2 September 2026)

Appendix A – Corporate Action Elections Feedback

The table below summarises the key feedback themes raised through the Technical Committee, associated Working Groups and broader industry consultation activities undertaken to date

Topic	Feedback / Question Raised	ASX Response	Source
Validation rules and business requirements	Questions were raised regarding mandatory versus optional data elements and the operation of validation rules in practice.	We advised that detailed business requirements, validation rules and processing scenarios are documented in the consolidated solution materials provided for industry review.	• Technical Committee (2 September 2026)
Liability, payment obligations and delivery risk	Industry participants requested further clarity on legal obligations, liability considerations, dishonour risk and broader impacts arising from the proposed solution.	We have noted these matters and will continue to assess and address them through the rules consultation process.	• Industry consultation feedback • Technical Committee discussions