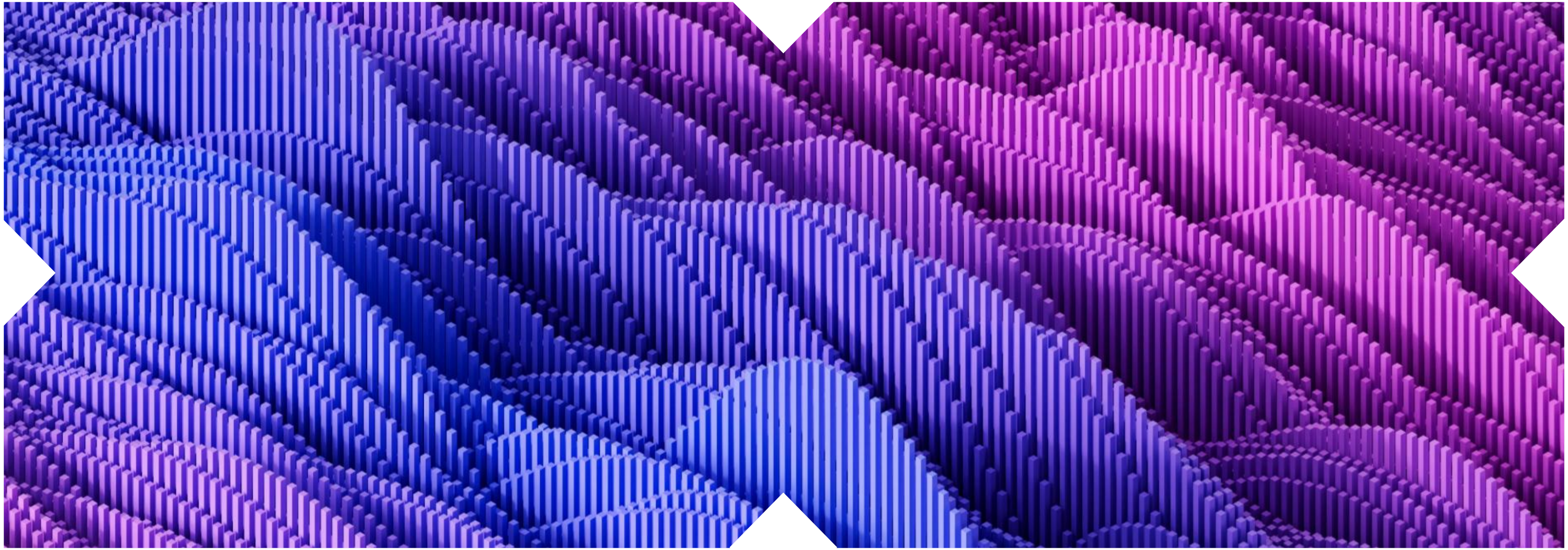
CHESS PROJECT

BUSINESS DESIGN WORKING GROUP

MIGRATION DEEP DIVE (2 OF 2)

5 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

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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: 545 622 280#
  - Presentation materials were distributed before the meeting and will be published on the website.

Important Information

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Workshop 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.

Agenda

01	Introduction and Objectives	10 min
02	Working Group Actions	10 min
03	Customer Migration Reports	20 min
04	New Functionality Enablement	20 min
05	Trades & NBOs – Update	20 min
06	Accounts & Holdings - Update	20 min
07	Forward Engagement & Next Steps	5 min

01
Introduction and Objectives

01 - Workshop Objectives and Outputs

The purpose of this Business Design Working Group session is to gain further customer feedback on the scope of data migration and handling of in-fight transactions for Release 2 of the CHESS Project.

Objectives

- Collect expertise to refine the scope of data to be migrated
- Discuss options for handling of in-flight transactions over the cutover weekend
- Play back information collected from previous engagements
- Develop the finalised set of requirements for implementation in the CHESS Project.

Outputs

- Summary of the session and any applicable actions prepared for the Technical Committee
- Release 2 Cutover & Migration Approach to be published Q4 2027
- Transition rules to be published alongside ASXC / ASXS Operating Rules.

? What outcomes would you like to achieve for your organisation from this workshop?

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02
Working Group Actions

02 – Working Group Actions

#	Action	Raised	Update	Status
BDWG_06	Consider the process of migrating accounts, including transformations and fields not available in current CHESS	Feb 2025 BD WG	To be discussed in migration BD WGs proposed for **Nov 2025** and **Aug 2026** (rescheduled from May 2026)	Open
BDWG_21	Provide finalised update in relation to consolidated feedback on hold / release	Aug 2025 BD WG & Sep 2025 ISO WG	Outstanding questions remain in relation to close-out, fail fees, rules and obligations. To be discussed in Sep 2026 BD WG	Open
BDWG_29	Clarify auditability functionality, including maker/checker, in relation to the CHESS UI	Jun 2026 BD WG	Updates to be provided in a future BD WG	*New*

03
Customer Migration Reports

03 - Customer Migration Reports

Overview of Customer Migration Reports

- Provide CHESS Users with transparency and confidence in migration outcomes by showing what data has migrated and is available for operational use
- Provide information on any exceptions and remediation actions taken by ASX. Reports will be broken down by CHESS User type and each recipient will only receive information relevant to them.

CHESS Users may determine the level of verification to perform based on the information supplied - ASX will seek confirmation during the cutover weekend that there are no major issues preventing business-as-usual from Monday. This confirmation will serve as one of the inputs in the 'Final Go / No-Go checkpoint'.

The reports will also be made available during the industry dress rehearsals and will support those activities.

What is expected from CHESS Users?

- Perform reconciliation and validation of migrated data against your internal records to confirm data has been migrated as expected
- Identify and raise any data discrepancies or reconciliation breaks for investigation
- Collaborate with ASX on remediation activities and agreed action plans to minimise migration risk and support cutover readiness, particularly following dress rehearsals.

03 - Customer Migration Reports

Report Recipients	Reports	Report Level	Content
Issuers / Registries, Controlling Participants	Security Summary Report	Summary	• Provides the Registry and Controlling Participant with the breakdown per Issuer and security, which includes the count of holdings balances and Cum Entitlement details per active Corporate Action
Bid Offerors	Bid Offerors Summary Report	Summary	• Provides each Registry with summary information migrated for all inflight Bid Offers they manage on behalf of the Bidders - this covers buyback, takeover and reinvestment type of Bid Offers
Issuers / Registries, Controlling Participants	Remediated Accounts Report	Detailed	• Provides Registries with a list of account details where ASX performed remediation during migration - this detail will only be shared where a holding existed under an Issuer that is managed by that Registry • Provides each Controlling Participant with the listing of accounts they control where account details have been remediated by ASX
Issuers / Registries, Controlling Participants	Account Email and Communication Preference Changes Report	Detailed	• This report provides Registries and Controlling Participants with a record of accounts where email addresses and / or communication preferences were remediated during migration. *Note: this is anticipated due to existing issues with email addresses and communication preferences received prior to the go-live of eStatements.*

03 - Customer Migration Reports

Report Recipients	Reports	Report Level	Content
Controlling Participants	Account Summary Report	Summary	• Contains summary information of Accounts controlled by a Participant with the breakdown per account type and status
Controlling Participants	Non-Migrated Accounts Report	Detailed	• Contains a list of non-compliant and inactive accounts that were not migrated
Controlling Participants, Issuers / Registries	Housekept Transactions Report	Summary	• Provides a summary of all pending transactions which have been housekept prior to the cutover process
Settlement Participants	Settlement Obligations Report	Summary	• Provides a summary of all migrated settlement obligations, split by type

04
New Functionality Enablement

04 - Position Account Segregation

Migration Approach

POSITION ACCOUNTS FOR GO-LIVE

Primary Position Account

(Default / Co-mingled)

A single Position Account is created in Release 1 for each Clearing Participant.

This will be considered the default / co-mingled account for Release 2.

Nominated Settlement Entrepot

The current nominated **Settlement Entrepot** would be migrated from CHESS as part of Release 2 cutover and automatically associated with the default Position Account.

POSITION ACCOUNTS POST GO-LIVE

Additional Position account(s)

(TP specific)

As part of cutover, any additional Position Accounts would need to be created and mapped to any **additional Settlement Entrepots**.

Additional Settlement Entrepot(s)

Any additional Settlement Entrepots required by the Participant would be proposed to be set up in CHESS, **prior to go-live**.

ASX proposes that segregated Position Accounts would be set up as a **post** go-live activity for applicable Clearing Participants.
This allows the relevant Settlement Entrepots to be created and the transition for outstanding trades and net obligations completed.

04 - RTGS Payments

Migration Approach

- Existing Payment Facilities that support batch settlement processes will be migrated as part of the cutover process
- To support the rollout of RTGS payment processes in a controlled fashion, ASX proposes to set up non-batch Payment Facilities that would support non-batch DvP payments and Corporate Action payments as a post go-live process
- This also factors in the proposed phased or delayed rollout plans for Corporate Actions elections, as discussed in the July 2026 Business Design Working Group.

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05
Trades & NBOs - Update

05 - Trades & NBOs

Update

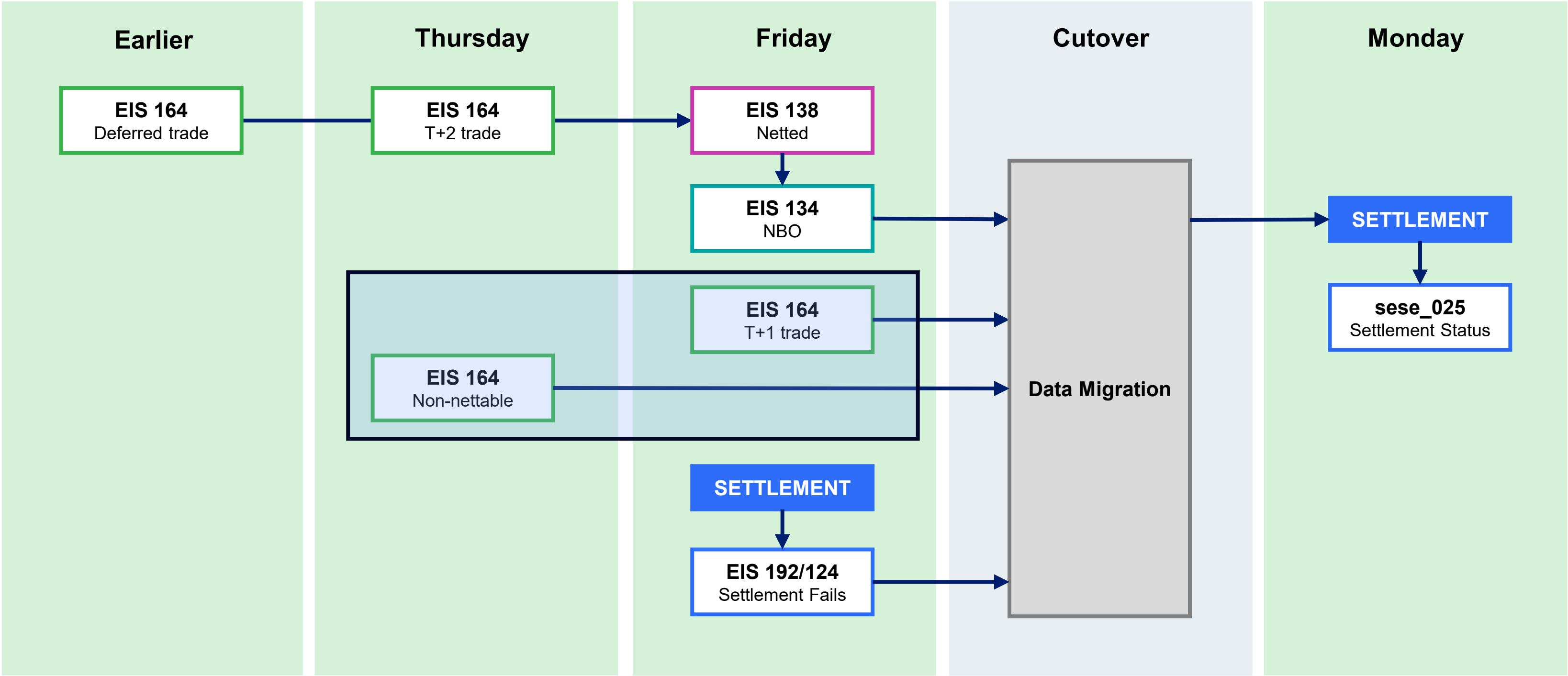
In the November 2025 Business Design Working Group, we proposed multiple options for handling the migration of gross market trades (non-netted), given they are not proposed to be supported by the new solution.

The proposal is for gross market trades to be migrated in as an equivalent to a settlement instruction that has been subject to a position realignment, given this is the functionality that replaces non-netted trades.

EIS Transaction	Transaction Type	ISO Message Type – Settlement Confirmations	Securities Transaction Type	Cancellation Permitted
164	Gross Market Trade (Non-Netted)	Sett_119 Sett_106	Realignment [REAL]	Y
134	Net Broker Obligation (Netted)	Sett_119 Sett_106	Netting [NETT]	N
105 / 107 / 101	Settlement Instruction	Sett_119 Sett_106	Placement [PLAC] Trade [TRAD] External Account Transfer [OWNE] Securities Lending [SECL]	Y
142	Accrued Settlement Instruction	Sett_119 Sett_106	Claim [CLAI]	Y

05 - Trades & NBOs

Trades for Settlement Monday



Trades not netted by CHESS will be migrated as a re-aligned trade.
Securities Settlement Type = REAL

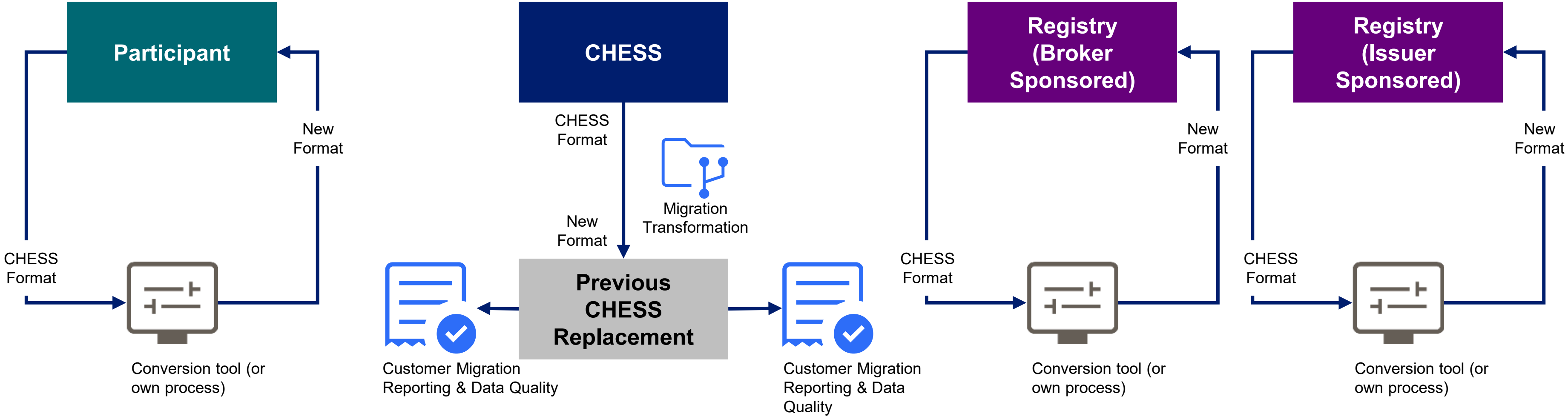
06
Accounts & Holdings - Update

06 - Registration Details Transformation

Previous Project Approach

During the 2023/24 scoping and consultation activities, industry requested ASX to evaluate different proposals for the transformation of registration details.

In the previous iteration of the Project, ASX provided a registration details conversion tool and published rules and guidance on how to transform data. Participants and Registries were then responsible for transforming the data independently using the tool or their own processes. Registries would also then transform the Issuer Sponsored sub-register, outside of CHESS.



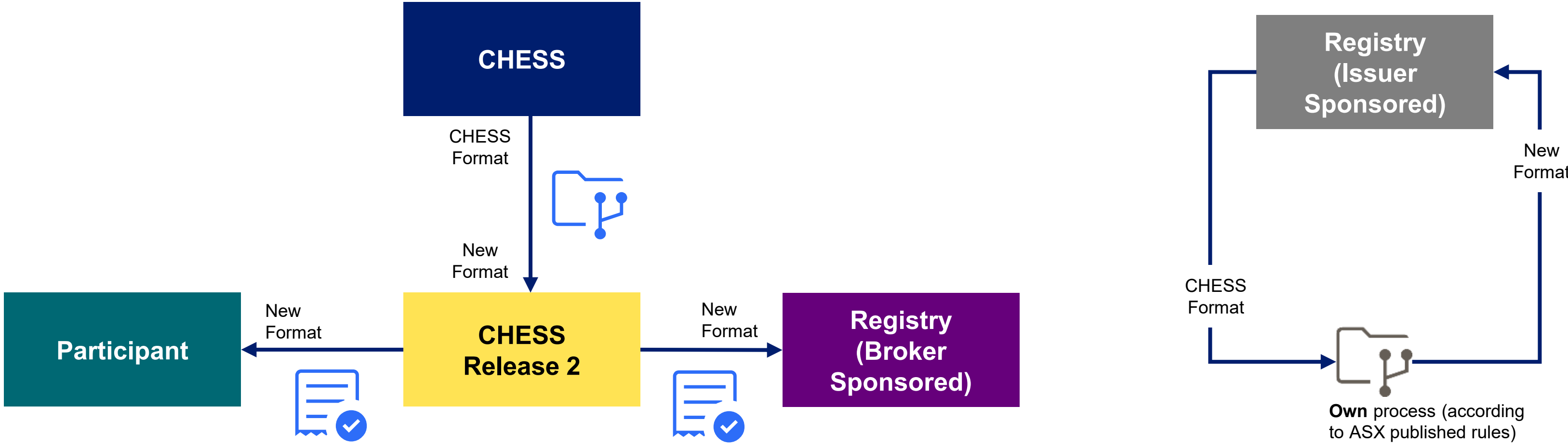
06 - Registration Details Transformation

New Proposal

Three parties transforming the data independently poses risks that the data may be transformed differently by different parties (even in the case where the tool is used), resulting in discrepancies.

Alternatively, ASX proposes to transform the data centrally and notify both Participants and Registries of the outcome.

Given this approach, ASX is proposing to no longer offer a Registration Details Conversion tool.



Given the volume of transformations, ASX will evaluate whether the data transformation should be notified via ISO or flat file (ie CSV) and whether generated iteratively or over the cutover weekend.

06 - Registration Details Transformation

Opportunities for Early Transformation and Data Remediation

Industry also requested ASX to explore opportunities for the early migration of accounts data to further mitigate the cutover risk.

There will be various opportunities to transform and remediate data including:

ASX Rehearsals and Data Quality Assessments
If data quality issues are identified during the internal ASX migration rehearsals, ASX will be proactively work with Participants to resolve

Industry Dress Rehearsals
ASX will perform multiple industry dress rehearsals, which could include notifying CHESS Users of the transformed production account data (per previous slide)

Parallel Test Phase
The industry parallel test phase provides the market an opportunity to continue testing on transformed production data in the new system following a production data migration

06 - Holding Administration Lock

Revised Approach

ASX is proposing an alternate approach for the migration of Holding Administration Locks, due to the change in data structure between current CHESS and Release 2.

Currently, a Holding Administration Lock is represented as an attribute of the holding. In CHESS Release 2 however, this will change to a sub-position balance, as this allows for partial holding locks to be applied and aligns more closely to the ISO standards.

Due to the transformation that needs to be applied by both the Participants and CHESS, we are proposing to undertake the transformation centrally and notify Participants via ISO 20022 instead.

Participants can disregard any existing Holding Administration Locks as they will be re-applied by ASX Operations during the cut-over weekend (or early Monday) and an ISO notification generated so that Participants can re-apply in the new construct.

Benefits

- Transformations do not need to be undertaken by Participants
- Aligns to existing functionality that is being build and accredited to
- Improved visibility via notifications
- No action post go-live
- Reduces industry testing and complexity for low volume (~20 locks in CHESS at a given time)

06 - Account Data Migration

Holder Type

ASX has provisioned a Holder Type as part of the solution to conform to ISO representation. Whilst it is not expected to be used for any specific business processing initially, it aids in in future proofing the solution in case there is a need to record more information in the future. As an example, the ISO standard construct only permits Date of Birth to be recorded against an Individual and similarly an LEI only against an Organisation.

This is further complicated as it is difficult to facilitate changes to the number and types of holders via ISO messaging once an account is created. Whilst this information is understood to be available in participant systems, it is not currently available to ASX to augment the data.

ASX is currently working towards migrating all accounts created prior to go-live with a default value of “Organisation” and evaluating options to either:

- Provide a means for Participants to provide a list of Individual Holders prior to migration, or
- Provide a way for Holder Type to be provided as a future remediation activity if a need from industry arises.

Nominee Designation

ASX also proposes that the Nominee designation can be added as a post go-live process in preparation for the rollout of Corporate Action elections.

07
Forward Engagement & Next Steps

07 - Proposed Upcoming BDWG Sessions – 2026

#	Session	Topic(s)	Invitees	Proposed Date	Status
30	Migration Scope Deep Dive (#2)	Continued industry discussion on data migration scope and approach	All	5 Aug 2026 (previously 5 May 2026)	Planned
31	Release 2 Additional Deep Dives	Topics requiring further discussion (e.g. Collateral Management System, levies, hold / release)	All	2 Sep 2026	Planned
32	Release 2 Additional Deep Dives	ETF Deep Dive	All	7 Oct 2026	TBC
33	Release 2 Additional Deep Dives	Operational hours, TBC	All	4 Nov 2026	TBC
34	Release 2 Additional Deep Dives	*Agenda to be determined*	All	2 Dec 2026	TBC

Note: This represents an indicative schedule, subject to change based on industry inputs and further planning. Multiple sessions may be required per topic. Blue denotes an update since last presented.

07 - Recent Business Design Working Group Sessions

#	Session	Topic(s)	Invitees	Proposed Date	Status
18	Payment Provider Focus Group	Payment provider focus group on planned changes to payment authorisation processes	Payment Providers	7 August 2025	Completed
19	**Release 2 Drop 3 Deep Dive (2 of 2)**	Deep dive into Release 2 Drop 3 detailed business design (issuer sponsored, payments)	All	19 August 2025	Completed
20	Non-Batch Payments Focus Group	Industry focus group on the real-time payment channel	All	9 September 2025	Completed
21	**Release 2 Drop 4 Deep Dive (1 or 2)**	Deep dive into Release 2 Drop 4 changes and business design	All	9 October 2025	Completed
22	Migration Scope Deep Dive (#1)	Industry discussion on data migration scope and approach	All	6 November 2025	Completed
23	**Release 2 Drop 4 Deep Dive (2 of 2)**	Deep dive into Release 2 Drop 4 changes and business design	All	26 November 2025	Completed
24	**Release 2 Drop 5 Deep Dive (1 of 3)**	Deep dive into Release 2 Drop 5 changes and business design	All	4 February 2026	Completed
25	Registries Focus Group	Focus group on specific Registry topics	Registries	4 March 2026	Completed
26	**Release 2 Drop 5 Deep Dive (2 of 3)**	Deep dive into Release 2 Drop 5 changes and business design (Cash Market Margining and Collateral)	All	23 March 2026	Completed
27	**Release 2 Drop 5 Deep Dive (3 of 3)**	Deep dive into Release 2 Drop 5 changes and business design – Corporate Actions continuation	All	1 April 2026	Completed
28	CHESS UI & Connectivity	Deep dive overview of the CHESS UI, connectivity, resiliency and BCP topics	All	3 June 2026	Planned
29	Corporate Actions – Follow Up	Discuss finalised scope of Corporate Actions (inc. beneficial ownership schedules)	All	1 July 2026	Planned

07 – Next Steps & Future Topics

ASX will prepare a summary of this session for the Technical Committee including any actions.

Migration topics will be progressed further via the Implementation & Transition Working Group.

Upcoming BDWG Topics

- Collateral Management (September)
- Hold / Release (September)
- Settlement Levies (September)
- ETFs Deep Dive (October)
- Operational Hours (November)

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Questions

Appendix

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Thank you

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