CHESS Digital Statement Adoption

Industry Consultation paper

November 2026



Invitation to comment

Submission Guidelines

ASX is seeking submissions on the issues canvassed in this paper by 5pm AET on Friday 4 December 2026. Submissions will be accepted via the following survey tool: **Have Your Say - CHESS Digital Statement Adoption**

Disclosure of Submissions

Submissions received in response to this paper may be published on the ASX website, unless they are clearly marked as confidential or ASX considers that there are reasons not to do so. If you would like your submission, or any part of it (including your identity), to be treated as confidential, please indicate this clearly in your submission.

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Any personal information you provide as part of your submissions (including your name, email address and the organisation you represent, if any) will be collected by ASX to facilitate the consultation and feedback process. Provision of your personal information is voluntary, however if you do not provide this information, ASX may not be able to contact you in relation to any questions we might have regarding your submission. ASX may use your personal information to contact you if we have questions about your submission.

If you include personal information in your submission and do not clearly indicate to ASX that your personal information should be treated as confidential, your personal information may be disclosed on the ASX website in the course of publication of that submission.

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Contacts

For general enquiries, please contact ASX Clear and ASX Settlement via email on CHESS_statements_consultation@asx.com.au.

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1. Introduction

As at 30 October 2026, CHESS had 3.4 million non-zero CHESS Holder Identification Number (HINs) of which approximately 22%, or 0.7 million, had opted in to the electronic delivery of CHESS statements (referred to as 'eStatements') and other electronic communications.

These HINs are held across 32 Participant organisations, with eStatement adoption ranging from 0% to 100%:

- 4 Participants have adoption above 50%
- 4 Participants have adoption between 20% and 50%
- 3 Participants have adoption between 10% and 20%, and
- 21 Participants have adoption below 10%.

Of the 2.7 million non-zero HINs that have not opted in to eStatements, approximately 82% are concentrated among 5 Participants. The remaining 0.5 million are spread across the other 27 Participants.

Over the past five years, postage costs for paper CHESS statements have risen, with Australia Post stamp prices increasing from $1.10 to $1.85 and total CHESS statement expenses over this period were approximately $55 million. In addition, postage delivery frequency is expected to reduce, and postage costs are expected to further increase. Without further material action, these costs may continue to contribute to upward fee pressures.

Paper CHESS statements also have an environmental impact through their printing and distribution. In October 2026, approximately 1.8 million paper statements were issued, the majority being monthly holding statements. There is an opportunity to reduce this impact and support more sustainable practices for the future.

ASX considers that these costs and the environment impacts can be substantially reduced by accelerating the transition to electronic CHESS statements adoption.

ASX has taken several steps in recent years to encourage electronic CHESS statement adoption (refer to Section 3) and is finalising a bulk opt-in tool to support Participants with transitioning large numbers of clients to eStatements. The tool will use a process similar to the one Participants currently use to decommission inactive HINs in bulk.

Stronger incentives are needed to accelerate the industry's transition to eStatements. These incentives should also facilitate cost recovery for Issuers, who currently bear the cost of paper statements but cannot directly implement the changes needed to increase electronic adoption.

2. Proposal overview

ASX proposes to introduce a CHESS Digital Statement Adoption Fee from 31 March 2027. Under the proposal, Participants would be charged $1 for each non-zero HINs not opted in to electronic CHESS statements, with the fee assessed twice each financial year. At the end of the financial year, amounts collected would be refunded where a Participant meets the applicable annual refund criteria. Amounts not refunded would be pooled and credited to Issuers in proportion to their eligible paper statement volumes, recognising the costs currently borne by Issuers for paper CHESS statements.

This proposed new fee is intended to support greater industry adoption of electronic CHESS statements by incentivising Participants with a high proportion of HINs that have not opted in to electronic statements. This proposal is separate from the fee review process under the Pricing Policy and is being considered at this time to accelerate the transition to electronic CHESS statements, following five years of electronic CHESS statement functionality being available with limited take-up.

Figure 1 provides a high-level overview of the proposed fee and refund process.

ASX does not propose to retain any amounts collected: fees would either be refunded to Participants or credited to Issuers.

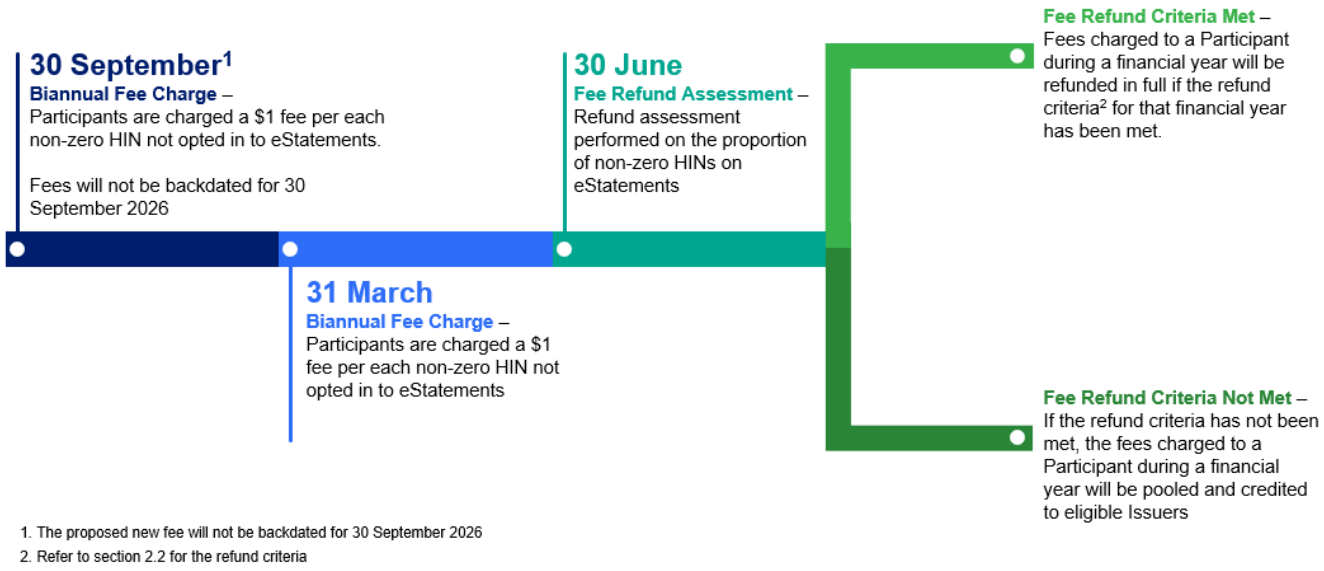


Figure 1 – How the proposed new fee will work across a full financial year period

2.1. Fee Details

Fee Details	Summary
What changes	Introduction of a CHESS Digital Statement Adoption Fee
Effective date	31 March 2027
Frequency	Twice per financial year (31 March and 30 September)
Fee criteria	Any Participants that manage client HINs and can manage eStatement preferences on behalf of clients
Fee charge	$1 per non-zero HIN not opted into eStatements
Fee exclusion	Any eligible Participants who have met already the financial year refund criteria
Amount retained by ASX	$0. Any interest accrued from the fees collected will be included within the refund process (refer to section 2.2).

2.2. Refund Details

Refund Details	Description
Process date	At the end of the financial year, on 30 June
Refund criteria	Fees charged to a Participant during a financial year will be refunded in full if the Participant subsequently meets the target milestone for that financial year, by 30 June: • **FY27**- 75% of total HINs opted into eStatements • **FY28**- 85% of total HINs opted into eStatements • **FY29 and beyond**- 90% of total HINs opted into eStatements
If refund criteria are not met	Fees that are not refunded will be pooled and credited to Issuers, in proportion to their eligible paper CHESS statement volumes, in recognition of their current funding of paper CHESS statements.

3. Supporting Participants to transition to eStatements

The CHESS Digital Statement Adoption Fee is intended to encourage eStatement adoption, and ASX recognises that Participants will need practical support to move their clients from paper statements. ASX intends to support Participants through the following:

- **Bulk opt-in:** To support a coordinated approach to bulk opt-in activities, Participants are encouraged to consider the guiding principles and schedule outlined in the coordination of bulk opt-in of HINs to electronic Holder communications paper, published on 19 February 2026.

  ASX is also planning to implement a tool that will allow Participants to transition large numbers of clients to eStatements in a single process, using an approach similar to the one Participants currently use to decommission inactive HINs.

- **Simplified opt-in:** ASX has already amended the ASX Settlement Operating Rules (so that Participants can opt in on behalf of their clients, through a negative consent process). Further information on the amendments can be located here.

- **Progress reporting:** To support Participants in monitoring their progress, ASX can provide electronic uptake statistics upon request. Participants are also encouraged to contact ASX to discuss their eligibility to apply for the HIN pricing model – subscription model.

- **Investor and Issuer communications:** ASX will continue to include brochures with paper CHESS statements to explain to investors how opt in to electronic CHESS statements and work with Issuers to promote eStatements in their respective shareholder communications.

4. Alternatives considered

ASX considered the following alternatives to the proposed fee and does not propose to pursue them, for the reasons set out below:

- **Charging investors directly**: ASX does not support this option. Investors must opt in to eStatements, but they can do this directly through their Participant, so the Participant is the practical point of contact for increasing adoption. Charging investors directly would be significantly harder to implement, as it would require new billing and collection arrangements for up to 2.7 million HINs, adding costs and complexity for the industry. A Participant-level fee is simpler to administer and places the incentive with the parties best placed to move their sponsored clients to eStatements.

- **Continuing with current initiatives alone**: ASX has implemented a range of measures to support adoption of electronic CHESS statements, including amendments to the relevant CHESS rules, information provided with paper statements, Issuer-led promotion and the development of a bulk opt-in capability. These measures have relied principally on voluntary adoption. After five years of electronic CHESS statement functionality being available, approximately 22% of non-zero Holder Identification Numbers have adopted electronic statements. Over the same period, postage costs have totalled approximately $55 million and are reflected in the cost of providing clearing and settlement services. With postage costs expected to increase and postal delivery frequency to reduce, ASX considers that additional measures are appropriate to support greater adoption of electronic CHESS statements and mitigate growth in the costs associated with paper delivery, which are currently funded by Issuers.

5. Consultation questions

ASX invites feedback on the following questions about the proposed CHESS Digital Statement Adoption Fee. Responses should be submitted via the electronic survey tool (see Consultation submissions and next steps).

Question number	Question
1	Do you support ASX's broader initiative to transition from paper statements to eStatements, with the aim of reducing environmental impacts and other associated inefficiencies?
2	After five years, eStatement uptake has increased from 0% to 20%. Do you agree that further action is required to accelerate the transition to eStatements, given that paper statements costs affect fees across the industry?
3	Do you support the introduction of a fee to incentivise the transition to eStatements?
4	Do you agree that the Participants best positioned to influence client adoption should have a financial incentive to encourage greater eStatement adoption across the HINs they sponsor?
5	Do you support rebating 100% of any new fee collected to Issuers to offset the costs they currently incur for the dissemination of paper statements?
6	Do you support the proposed model, which generates no additional revenue for ASX and aims to encourage a meaningful transition to eStatements?
7	What actions has your organisation undertaken to promote eStatement adoption, and how effective have these actions been?
8	Please share any additional comments or feedback below.
9	Do you wish your responses to this consultation to remain confidential?

6. Consultation submissions and next steps

ASX welcomes stakeholder submissions on the proposal outlined in this consultation paper, as well as submissions on any related areas of interest or concern. The consultation opens on 16 November 2026, and responses are requested to be received by 5pm AET on Friday 4 December 2026 via the electronic survey tool that will capture consultation feedback. Please indicate in your response whether you wish it to remain confidential (Question 9).

Have Your Say - CHESS Digital Statement Adoption

ASX will consider all submissions received before finalising the proposal and will provide an update on the results received to the December 2026 Business Committee. ASX will publish a response paper summarising stakeholder feedback and ASX's response. ASX will provide further information on implementation timing and Participant readiness activities through established engagement channels.

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