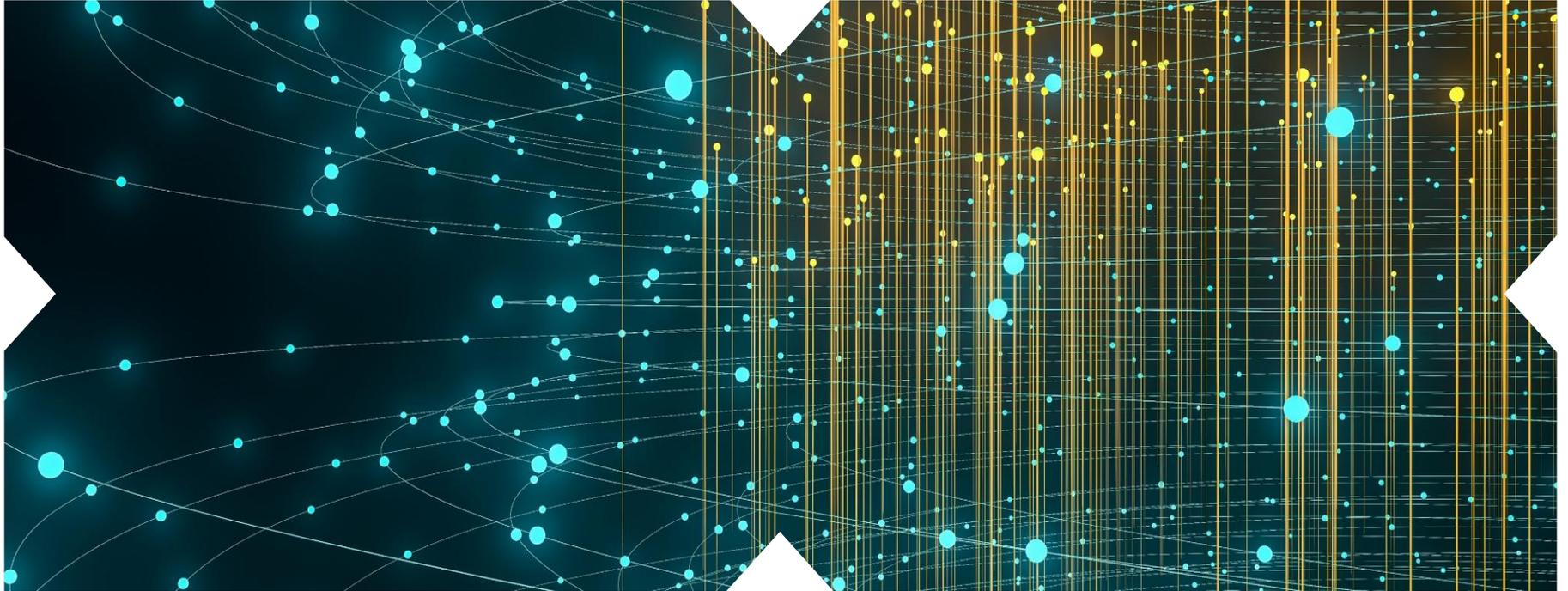


CHESS PROJECT ISO 20022 WORKING GROUP



25 February 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



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: 595 104 383#

Presentation materials were distributed before the meeting and will be published on the website.

Important Information

Competition Law Reminder

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 Open Actions and MyStandards Feedback

02 Business Design Inputs & Workshop Objectives

03 Corporate Actions : Elections

04 Portfolio Transfer

05 Holding Adjustments Remaining

06 Feedback Required & Next Steps

07 Forward Engagement

01 - Open Actions and Feedback

1 – ISO Design Working Group Open Actions

Actions as at 9 December 2025

#	Action	ASX Response	Raised	Presentation Date	Status
ISOWG_M01	ASX to provide further information to Working Group Members in relation to adjustment of Net Positions	ASX to present as part of Drop 5 functionality, per the roadmap – confirmed as part of Drop 5 deliverables	May 2025	Date TBC - Drop 5 ISO WG	Propose to Close
ISOWG_N02	Members to revert with feedback on the Corporate Actions distribution against payments in relation to the splitting of transactions and the potential impacts on processing work required	Feedback from Members captured – will be addressed in future BDWG/ISOWGs (Mar/April - TBC)	Nov 2025	Open until 25 Feb ISO WG (see Actions & Feedback section)	Propose to Close
ISOWG_D01	ASX to review the need for the Holding Adjustment Status Advice - hold_228_sese_024	ASX to revert in 25 Feb ISO WG	Dec ISO WG	25 Feb ISO WG (see Agenda Item 05)	Propose to close
ISOWG_D02	ASX to add Account Notifications to the Holding Adjustment Flowchart	ASX to revert in 25 Feb ISO WG	Dec ISO WG	25 Feb ISO WG (see Agenda Item 05)	Propose to close
ISOWG_D03	ASX to determine whether the Controlling Participant ID is required at all rather than be optional	Not required – removed from User Technical Documentation	Dec ISO WG	25 Feb ISO WG	Propose to close
ISOWG_D04	ASX to revert with a full list of reason codes for Holding Adjustment	ASX updated in 4 Feb BDWG HERE	Dec ISO WG	4 February BDWG	Propose to Close

1 – ISO Design Working Group Open Actions

Actions as at 9 December 2025

#	Action	ASX Response	Raised	Presentation Date	Status
ISOWG_D05	ASX to revert with a full list of Corporate Action codes	ASX presented in 4 Feb BDWG HERE BDWG has taken action to further refine codes	Dec ISO WG	4 February BDWG	Propose to Close for ISOWG
ISOWG_D06	ASX to review Business Rejection Code logic in relation to the structure of proposed ISO Messages	ASX to revert in 25 Feb ISO WG	Dec ISOWG	25 Feb ISO WG (see Actions & Feedback section)	Propose to Close
ISOWG_D07	ASX to review the approach to using Official CA Event Identification and its relevance for the AU market	ASX presented in 4 Feb BDWG - proposal to use CA Event ID HERE ASX to assess the approach of using CA Event ID based on feedback as part of BDWG.	Dec ISO WG	4 February BDWG	Propose to Close for ISOWG
ISOWG_D08	ASX to further discuss proposed approach to CA Movement Confirmation seev.36 in the BDWG before next round of proposed messaging	ASX presented in 4 Feb BDWG HERE Will confirm seev.36 approach based on feedback and revert in BDWG. Proposed for Drop 5.	Dec ISO WG	4 February BDWG	Propose to Close for ISOWG
ISOWG_D09	ASX to further discuss a scenario-based approach (which scenarios apply) in BWDG to Reconstruction of Sub-position Balances.	ASX presented in 4 Feb BDWG HERE	Dec ISO WG	4 February BDWG	Propose to Close
ISOWG_D010	ASX to revert with an update on whether outstanding settlement instructions are affected by Portfolio Transfer	ASX to revert in 25 Feb ISO WG with updates relevant to Drop 4. Drop 5 elements to follow (Mar/Apr)	Dec ISOWG	25 Feb ISO WG (see Agenda item 4)	Propose to Close

1 – ISO Design Working Group Open Actions

Actions as at 9 December 2025

#	Action	ASX Response	Raised	Presentation Date	Status
ISOWG_D11	ASX to revert with an update on whether Sub-positions move with a Portfolio Transfer	ASX to revert in 25 Feb ISO WG with updates relevant to Drop 4. Drop 5 elements to follow.	Dec ISOWG	25 Feb ISO WG (see agenda item 3)	Open
ISOWG_D12	ASX to follow-up on additional detail Claims - Distributions/Transformations against Payment	Further analysis required, will provide an update in March BDWG / ISO WGs	Dec ISOWG	04 March BDWG 17 March ISO WG	Open
ISOWG_D13	To provide comprehensive list of all Transaction Types across settlement instructions, transfers/conversions, holding adjustments, etc	ASX to revert in 25 Feb ISO WG	Dec ISOWG	25 Feb ISO WG (see Actions & Feedback section)	Propose to close

MyStandards Feedback, Actions & Action Responses (Placeholder)

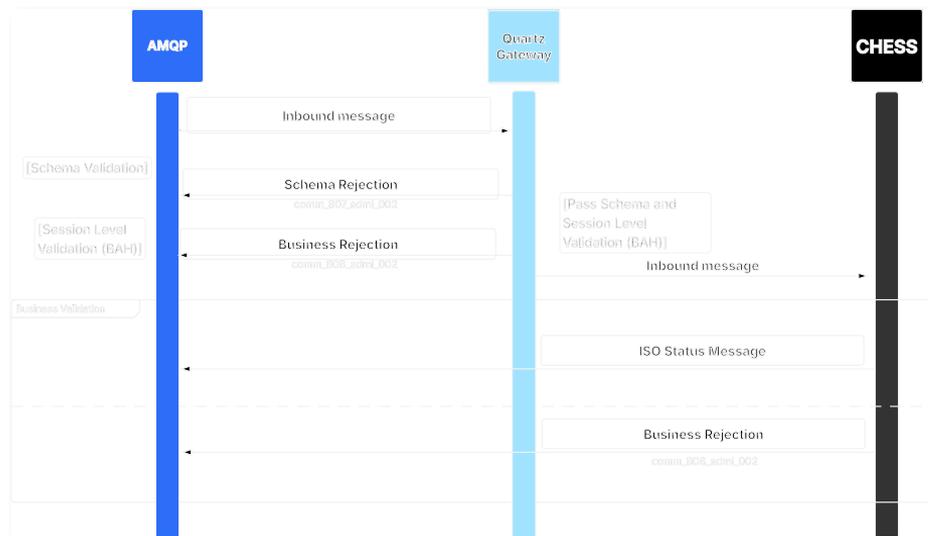
Feedback & ASX Responses - Placeholder

Rejection Messages

Rejection Messages flows

ISOWG_D06

ASX to review Business Rejection Code logic in relation to the structure of proposed ISO Messages



Stage 1: Schema Validation

Validates message structure against schema definitions. Ensures all required XML elements are present and properly formatted according to ISO 20022 standards. On failure, **comm_807_admi_002 (Schema Rejection)** will be generated.

Stage 2: Session Level BAH

Validates Business Application Header (BAH) fields per `comm_801_head_001`. Checks sender eligibility, header integrity, and transaction identifiers.

On failure, generates **comm_808_admi_002 (Business Rejection)** will be generated

Stage 3: Business Validation Rejections

Flow with Status

Message: Generates flow-specific **status message** (e.g., `sese.024`)

Flow without Status

Message: Generates generic **comm_808_admi_002 (Business Rejection)**

Rejection Messages

Quartz Gateway versus CHES Application

Quartz Gateway validation

Schema Validation

Failure in schema results in **comm_807_admi_002** Business Rejection

Business Application Header (BAH) Validation

Failure in any BAH **comm_801_head_001** fields results in **comm_808_admi_002** Business Rejection before the message reaches CHES Application (BaNCS Application).

CHES Application

Business Validation

Once a message passes Quartz Gateway validation and reaches the CHES Applications systems, it undergoes comprehensive business validation specific to the applicable Business Process.

Business rejection messages can be categorised into two types:

- **Status Message within the Business Flow:** Most of the ISO business flows include a dedicated status message, such as sese.024
- **Generic Rejections:** Not many ISO flows do not have a dedicated status message. In such cases, a generic message comm_808_admi_002 Business Rejection

Business Application Header (BAH)
From
To
Business Message Identifier
Message Definition Identifier
Business Service
Creation Date Time
Business Processing Date
Related

Business Area / Process	Status Message (Rejection/Accept)	Generic Business Rejection
Business Application Header (BAH)	–	comm_808_admi_002
Account Management	–	comm_808_admi_002
Passthrough Investor Data	–	comm_808_admi_002
SRN Enquiry Request and Response	–	comm_808_admi_002
Transfer and Conversion	hold_213_sese_024	–
Settlement Instructions Request	sett_106_sese_024	–
Settlement Instruction Cancellation	sett_108_sese_027	–
Settlement Instruction Update	sett_114_sese_031	–
Settlement Lock	hold_204_semt_014	–
Portfolio and COCP	hold_221_sese_024	–
Holding Adjustment	hold_228_sese_024	–
Report Request	rptg_610_sese_022	–
Corporate Action Election	evnt_743_seev_034	–

ISO 20022 Transaction type codes

ISOWG_D13

To provide comprehensive list of all Transaction Types across settlement instructions, transfers/conversions, holding adjustments, etc

Transaction Type Table

ISO Transaction Type Code	ISO definition	CHES Business Processes	CHES Usage
Mark Down	MKDW Relates to the decrease of positions held by an International Central Securities Depository (ICSD) at the common depository due to custody operations (repurchase, pre-release, proceeds of corporate event realigned)	<ul style="list-style-type: none"> Holding adjustment 	Holding adjustment - Decrease of Units for distinct reasons
Mark Up	MKUP Relates to the increase of positions held by an International Central Securities Depository (ICSD) at the common depository due to custody operations (repurchase, pre-release, proceeds of corporate event realigned)	<ul style="list-style-type: none"> Holding adjustment 	Holding adjustment - Increase of Units for distinct reasons
Netting	NETT Relates to the netting of settlement instructions	<ul style="list-style-type: none"> Settlement Obligations 	
Placement	PLAC Relates to the placement/new issue of a financial instrument	<ul style="list-style-type: none"> Settlement Instructions Holding adjustment 	IPO The holding adjustment code used for shares allocated from the Primary Market Facility
Change of Controlling Participant	COCP ASX Proprietary Code List	<ul style="list-style-type: none"> Change of Controlling Participant 	
Portfolio Move	PORT Relates to a portfolio move from one investment manager to another and/or from an account servicer to another It is generally charged differently than another account transfer, hence the need to identify this type of transfer as such	<ul style="list-style-type: none"> Portfolio Transfer 	
Realignment	REAL Relates to a realignment of positions	<ul style="list-style-type: none"> Position Realignment 	

ISO 20022 Transaction type codes

ISOWG_D13

To provide comprehensive list of all Transaction Types across settlement instructions, transfers/conversions, holding adjustments, etc

Transaction Type Table

ISO Transaction Type	Code	ISO definition	CHES Business Processes	CHES Usage
Securities Lending	SECL	Relates to a securities lending operation	<ul style="list-style-type: none"> Settlement Instructions Transfers and conversions 	Stock lending
Trade	TRAD	Relates to the settlement of a trade	<ul style="list-style-type: none"> Settlement Instructions 	Market trade
External Account Transfer	OWNE	Relates to an account transfer involving more than one instructing party (message sender) and/or account servicer (messages receiver)	<ul style="list-style-type: none"> Settlement Instructions 	Off Market Trade
Depository Receipt Release Cancellation	RELE	Relates to a release (into/from local) of depository receipt operation	<ul style="list-style-type: none"> Transfers and conversions 	For CHES-to-Issuer transfer and conversion
Corporate Action	CORP	Relates to a corporate action	<ul style="list-style-type: none"> Holding adjustment 	The holding adjustment is due to a Corporate Action
Market Claim	CLAI	Relates to a market claim	<ul style="list-style-type: none"> Claims 	Claims
Depository Receipt Conversion	CONV	Relates to a depository receipt conversion	<ul style="list-style-type: none"> Transfers and conversions 	For Issuer to CHES transfers & Conversions
Exchange Traded Funds	ETFT	Relates to an ETF creation or redemption	<ul style="list-style-type: none"> Settlement Instructions Holding adjustment 	The holding adjustment is due to an ETF allotment / redemption
Issuance	ISSU	Relates to the issuance of a security such as an equity or a depository receipt	<ul style="list-style-type: none"> Holding adjustment 	The holding adjustment is due to the Issuance of new securities

Market Feedback on My Standards

Feedback items received in MyStandards following the December ISO 2022 Design Working Group

Feedback and Clarifications	ASX Response
<p>6 queries associated with the hold_226_seev_036 Corporate Action Movement Confirmation passthrough message.</p>	<ul style="list-style-type: none">The December ISO Working Group session was used to demonstrate the capabilities of the message only. As per open action ISOWG_D07 and February BDWG, ASX will confirm the seev.036 approach based on market feedback, with the final analysis and message included in Drop 5.
<p>1 query by the share registries challenged the need for the hold_228_sese_024 Holding Adjustment Status Advice for acknowledgements and rejections, expressing a preference for a single rejection message (comm_808_admi_004), consistent with current CHES.</p>	<ul style="list-style-type: none">Refer to the responses for open actions ISOWG_D01 and ISOWG_D06 from this session.
<p>1 query requesting a clear explanation of the conditions that would trigger each rejection code for the hold_228_sese_024 Holding Adjustment Status Advice (Rejected).</p>	<ul style="list-style-type: none">The ISO Working Group is intended to provide the market with early visibility of ISO 2022 messages and flows. Full functional capabilities, including supported scenarios and rejection reasons, will be published in the CHES User Technical Documentation.
<p>1 Market feedback expressed concerns with the new proposal for restructuring sub-balances and potential complexities or breaks.</p>	<ul style="list-style-type: none">ASX has made revisions to simplify the proposal and provided an update on plans in the February BDWG.
<p>1 supportive of the proposed batch settlement model, including: Fund Failures; Close-out Notifications and Exception Handling.</p>	<ul style="list-style-type: none">Noted

Market Feedback on My Standards

Feedback items received in MyStandards following the December ISO 20022 Design Working Group

Feedback and Clarifications	ASX Response
<p>2 queries on hold_227_sese_023 Holding Adjustment Instruction and hold_229_sese_025 Holding Adjustment Confirmation.</p> <ol style="list-style-type: none">1. Suggestion to remove the Controlling Participant ID from the message.2. Market feedback noted a preference for keeping the set of valid values (Mark Down, Mark Up, Corporate Action) limited, in order to remain aligned with current CHES. Expanding the set of values was seen as potentially increasing complexity and development effort.	<ol style="list-style-type: none">1. Controlling Participant Id removed from hold_227 and hold_2292. Noted. As outlined at the 4 February 2026 BDWG, the Holding Adjustment Reason Codes and Transaction Basis are being further refined with inputs from the market.
<p>4 queries seeking validation and clarification of assumptions for the hold_205_semt_015 Intra Position Movement Report.</p>	<ul style="list-style-type: none">• ASX responded to the queries via the CHES feedback spreadsheet and will share the consolidated feedback with the market.
<p>1 Market feedback raised a query regarding the complexity of distinguishing between Portfolio Transfers and Change of Controlling Participant (COCP).</p>	<ul style="list-style-type: none">• ASX has introduced a new proprietary code within the ISO element Securities Transaction Type to distinguish between a Change of Controlling Participant and a Portfolio Transfer.• Change of Controlling Participant [COCP]• Portfolio Move [PORT]
<p>2 Market feedback seeks clarification on how corporate actions and existing sub-positions, such as takeover and collateral, will be treated during portfolio transfers?</p>	<ul style="list-style-type: none">• Corporate Actions such as Takeover and Collateral will be covered in Drop 5

02 - Business Design Input Summary

02 - Business Design Working Group Summary

Summary of agreed outputs from relevant Business Design activities

Relevant BDWG Documents

[February 2026 BDWG](#)

[November 2025 BDWG](#)

Business Design Complete

Holding Adjustments

- ASX presented proposals in relation to the lock balances, reason codes and additional fields for ETFs
- Further feedback is welcome in relation to the finalised list of reason codes

Corporate Action Elections – Takeovers & Buybacks

- ASX presented the high-level workflow for takeovers and buybacks, including how these align to ISO standard workflows

Topics requiring further discussion

Corporate Action Disbursement Notifications

- The transmission of additional information in relation to Corporate Actions will be discussed further in the April BD WG

Corporate Action Elections – Rights/SPPs

- Corporate Action Elections for Rights & SPPs will be presented in an upcoming ISO WG, alongside further business design

Corporate Action Elections – Dividends & DRP Standing Instructions

- Corporate Action Elections for Dividends, standing DRPs and Bank Account notifications will be discussed further in the April BD WG

02 - ISO Design Working Group Objectives and Outputs

The primary focus of this working group is to finalise the message structure for the remaining new and changed Release 2 Drop 4 features.

Objectives

- Seek feedback on proposed new and changed message Workflows and Processes for
 - Corporate Action Elections– Option Instructions
 - Portfolio Transfer – Business Validation Summary and sese.023 and sese.025 messages
 - Holding Adjustments – New Transaction Basis, Proprietary Code Lists & Optional codes

Outputs

- Summary of the session and any applicable actions prepared for the Technical Committee
- Capture market feedback on
 - Corporate Action Elections
 - Portfolio Transfer
 - Holding Adjustment additions to Dec ISO WG feedback requests.

03 – Corporate Action Elections (Option Instructions)

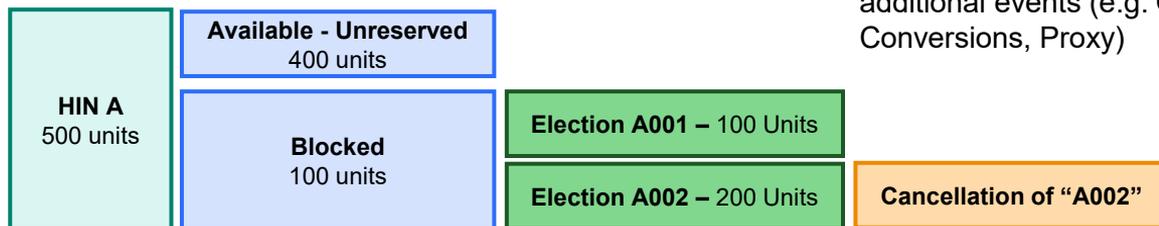
03 – Option Instructions - Overview

Overview

Overview

- **Option Instructions (or Elections)** are a unified ISO20022 process that allow for investors to communicate their preferences for optional and mandatory with choice events. The key to these elections are the **Corporate Action Event Id** and **Option Number**
- The current process for Takeovers, Buybacks and Reinvestment Offers very closely align to this process.

Example:



Proposal

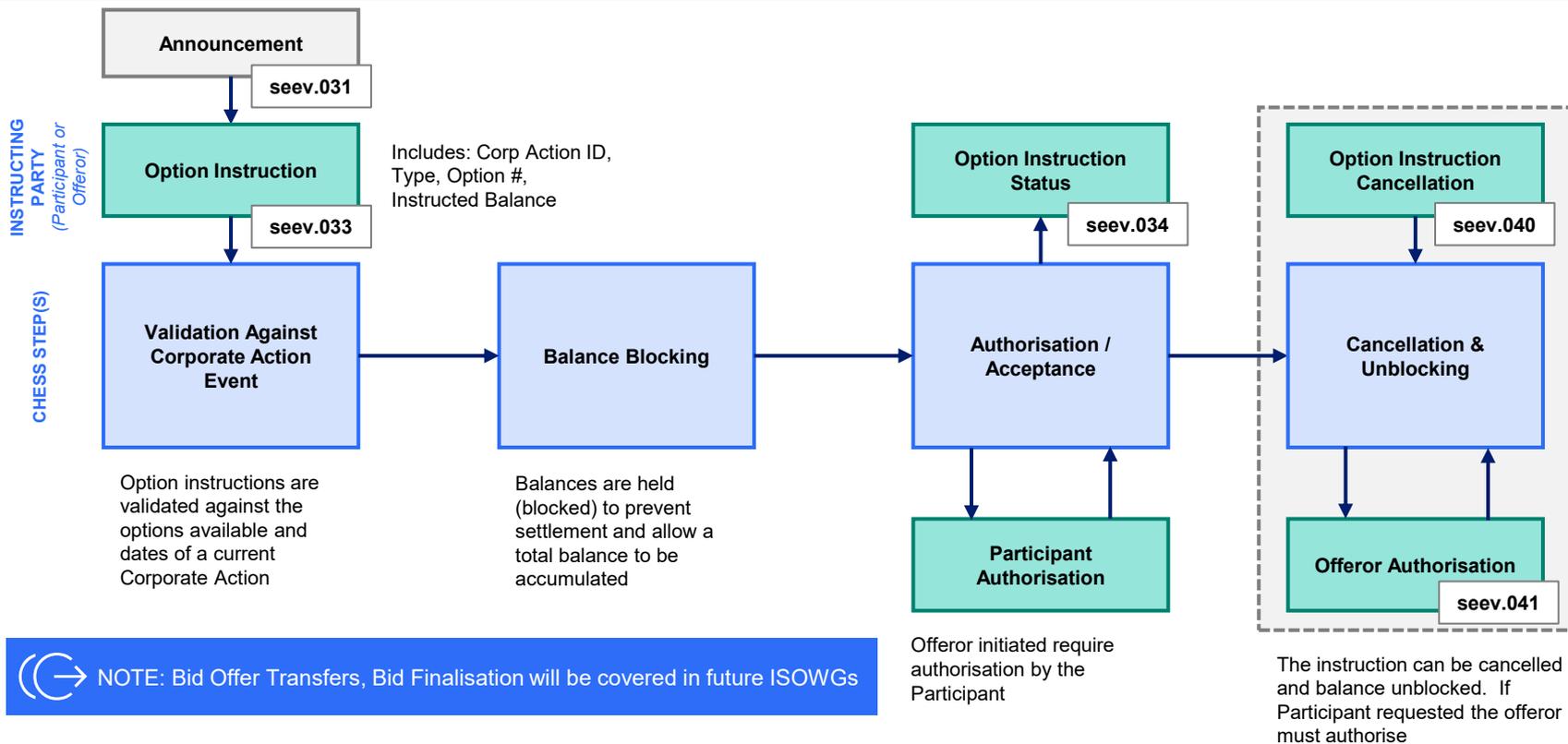
ASX proposes extending the existing takeover functionality to create a unified process to support:

- Takeovers (existing) **Covering Today**
- Buybacks (existing)
- Reinvestment Offers (existing)
- Rights issues (*new*)
- Share Purchase Plans (*new*)
- Dividends with choice (*new*)

In the future this service could be further extended to cover additional events (e.g. Option Exercises, Calls, Note Conversions, Proxy)

03 - High Level Process (Takeover / Buyback / Reinvestment)

The existing election process for Takeovers & Buybacks closely aligns to the ISO-standard option instruction workflow



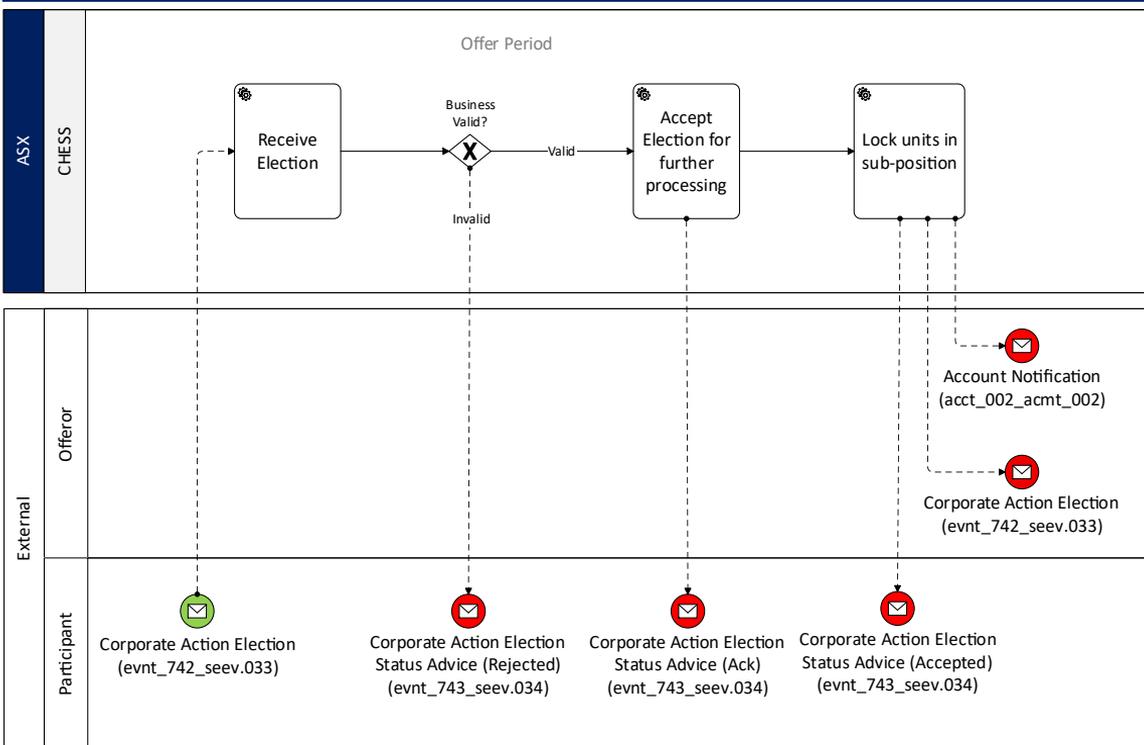
03a – Participant Initiated Election

Planned Workflow

Participant submits an election via seev.033:

- If valid, CHES locks instructed quantity of units in sub-position
- CHES informs the status of the election back to the Participant via seev.033
- CHES informs offeror of the election via seev.033
- Multiple elections increase the locked quantity
- Any reversals or quantity changes need to use the process of cancellation and re-election.

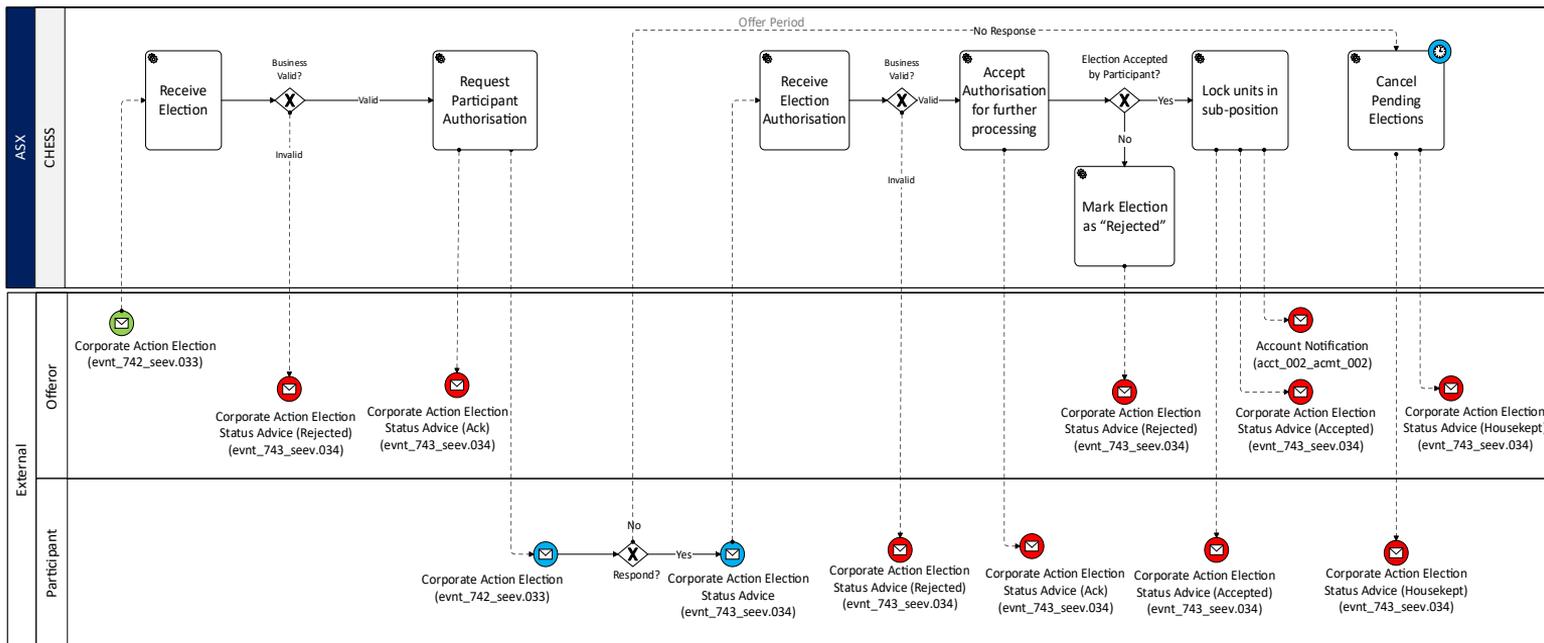
TEND/ BIDS/ OTHR Election – Participant Initiated



03b – Offeror Initiated Election

Planned Workflow

TEND/ BIDS/ OTHR Election – Offeror Initiated



- Offeror initiated elections need Participant approval before units are blocked
- Any approval requests not responded to are housekept by CHES
- Any reversals, rejections or quantity changes need to use the process of cancellation and re-election.

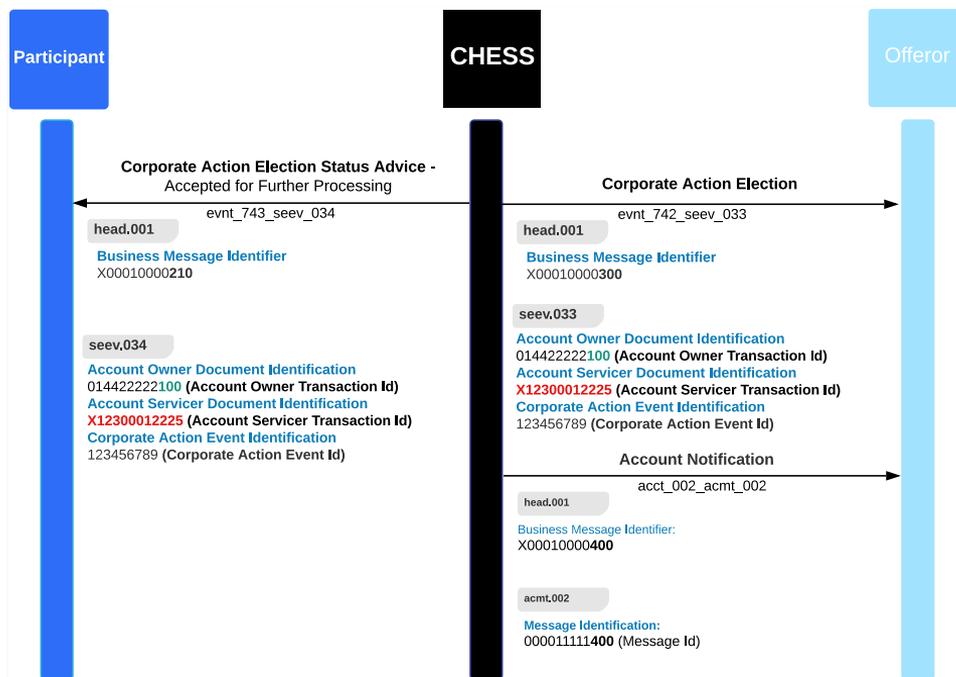
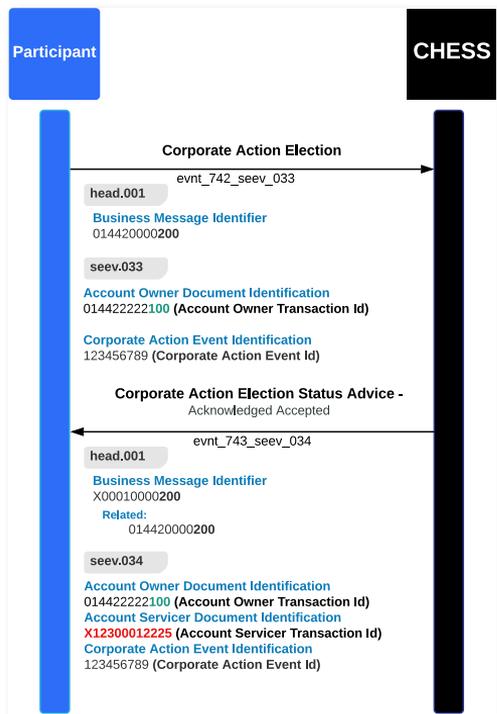
03 – Corporate Action Election

Message Summary

Msg Type	EIS Numbers	ISO 20022 Base Message	ASX Message ID "Business Service"	Previous CHES R
Request	704, 711, 031, 036	seev.033 Corporate Action Instruction	evnt_742 Corporate Action Election	Changed
Status Advice	032, 035, 038, 701, 704 706, 710, 720, 432, 082	seev.034 Securities Settlement Transaction Status Advice	evnt_743 Corporate Action Election Status Advice	Changed from: comm_809_admi_007 to: evnt_743_seev_034 Distinct Portion Indicator removed
Notification	512, 546	acmt.002 Account Notification	acct_002 Account Notification	No change

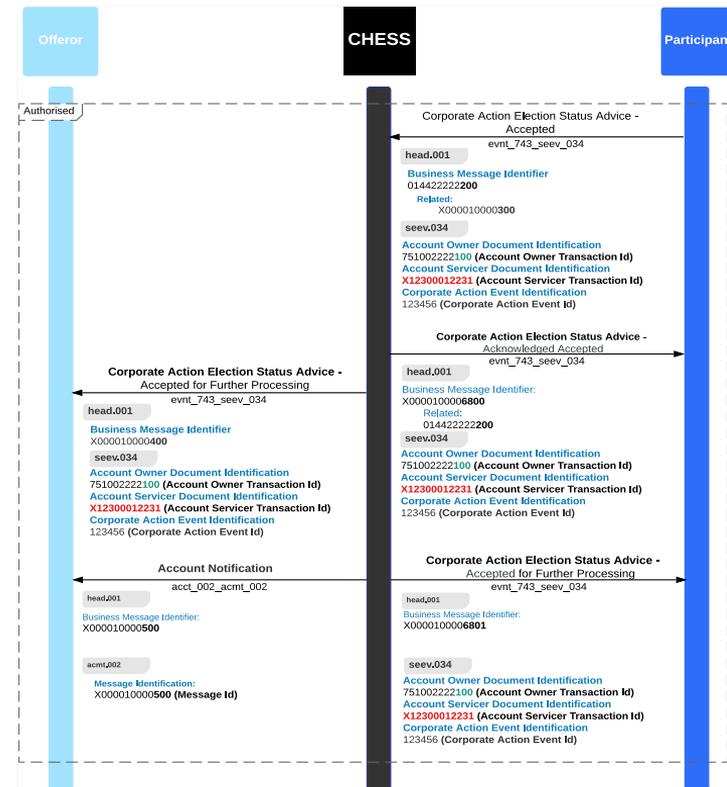
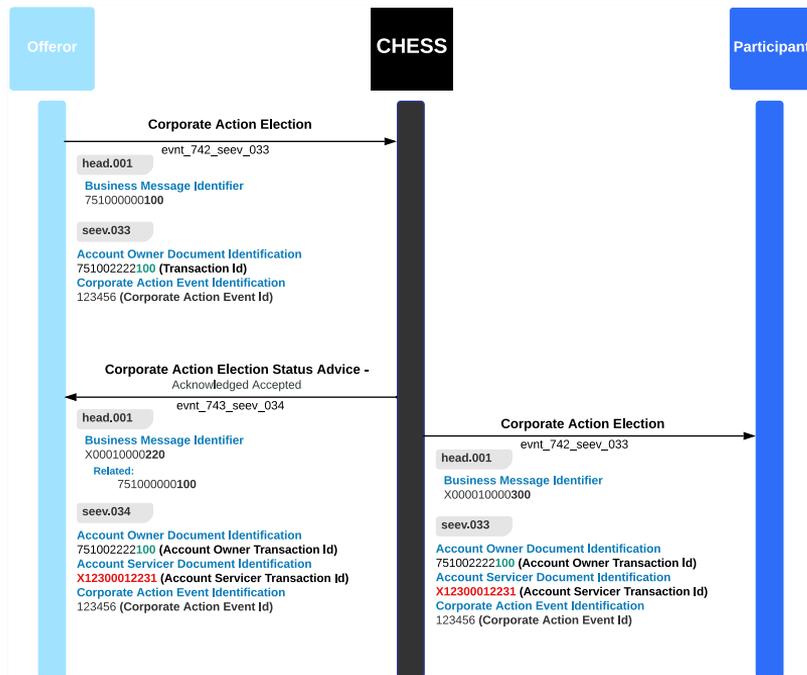
03 – Corporate Action Election

UML – Participant initiated Corporate Action Election



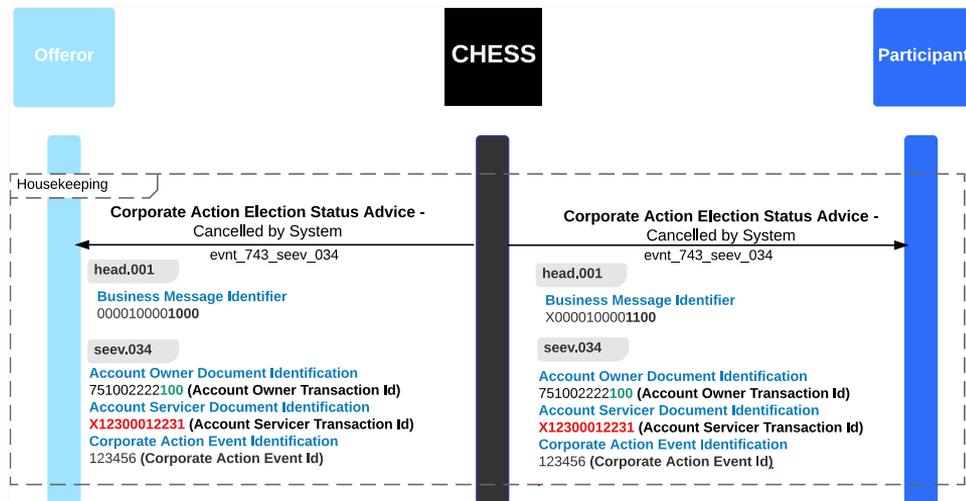
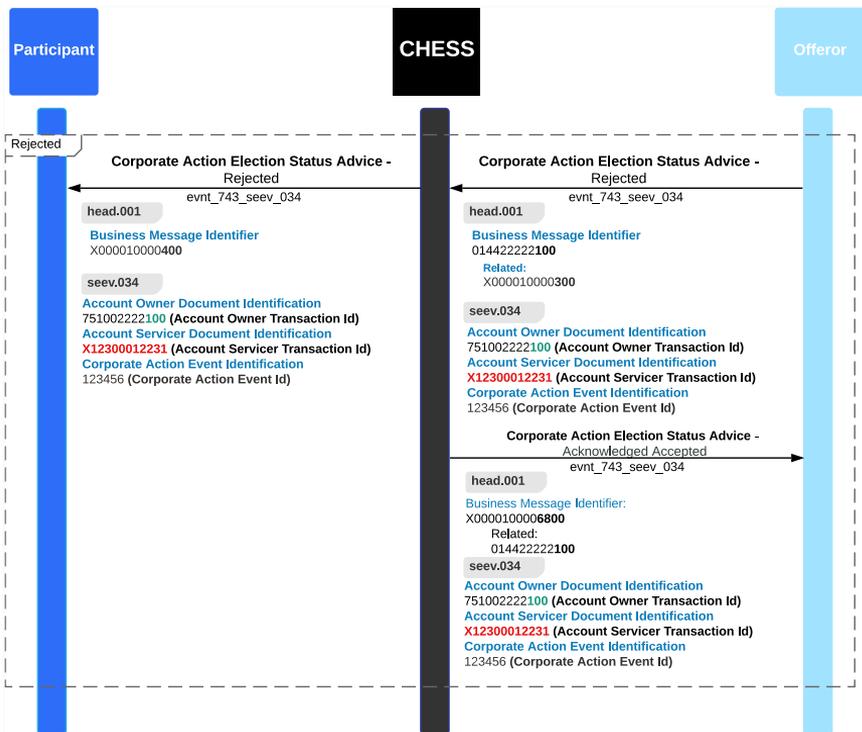
03 – Corporate Action Election

UML – Offeror initiated Corporate Action Election - Accept



03 – Corporate Action Election

UML – Offeror initiated Corporate Action Election – Reject/Housekeeping



03 – Corporate Action Election

Base Message: [seev.033](#) ASX Message ID: [evnt_742](#)

Base Message: [seev.034](#) ASX Message ID: [evnt_743](#)

Corporate Action Instruction V14 (seev.033.001:14)		
Other Document Identification	1	2
Identification	1	1
Account Servicer Document Identification	1	1
Account Owner Document Identification	1	1
Corporate Action General Information	1	1
Corporate Action Event Identification	1	1
Event Type	1	1
Code	1	1
Other Event [OTHR]		
Repurchase Offer [BIDS]		
Tender [TEND]		
Underlying Security	1	1
Account Details	1	1
Corporate Action Instruction	1	1
Option Number	1	1
Option Type	1	1
Code	1	1
Cash [CASH]		
Cash And Security [CASE]		
Security [SECU]		
Securities Quantity Or Instructed Amount	1	1

Document Identification

Repeating Group

- Account Owner Transaction Id
- Account Servicer Transaction Id

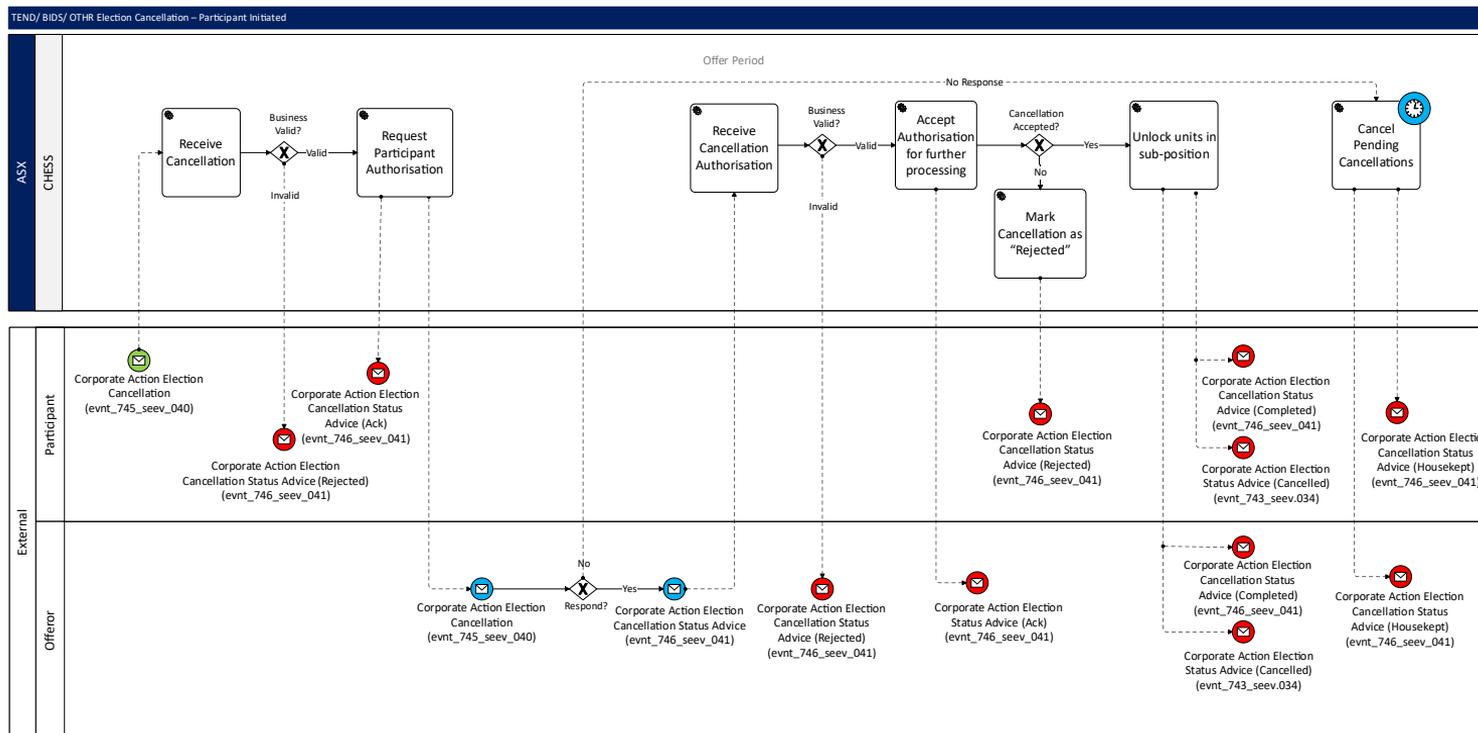
Instruction Processing Status

- Acknowledged Accepted
- Accepted
- Accepted for Further Processing
- Rejected
- Cancelled

Corporate Action Instruction Status Advice V16 (seev.034.001:16)		
Other Document Identification	1	2
Identification	1	1
Account Servicer Document Identification	1	1
Account Owner Document Identification	1	1
Corporate Action General Information	1	1
Instruction Processing Status	1	2
Corporate Action Instruction	0	1
Option Number	1	1
Number	1	1
Option Type	1	1
Code	1	1
Cash [CASH]		
Cash And Security [CASE]		
Security [SECU]		
Safekeeping Account	0	1
Financial Instrument Identification	0	1
Status Quantity	0	1

03 – Participant Initiated Election Cancellation

Planned Workflow

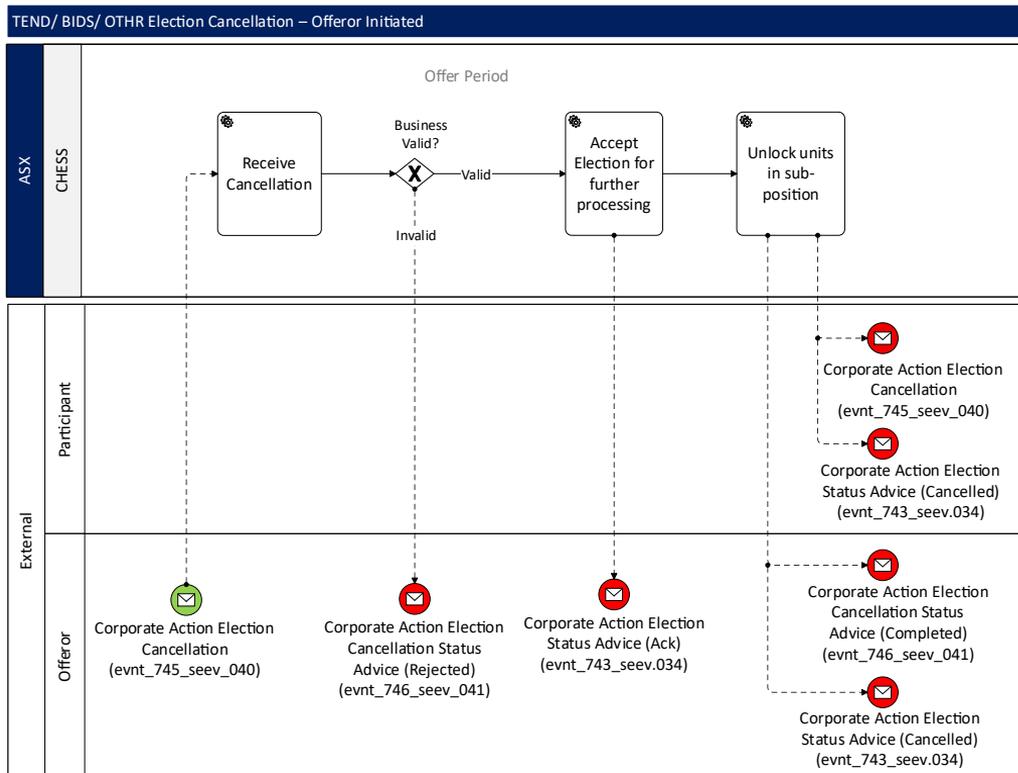


- Participant initiated cancellations need Offeror approval before units are unblocked
- Any approval requests not responded to are housekept by CHES.

03 – Offeror Initiated Election Cancellation

Planned Workflow

- Offeror initiated cancellation can be used for reversal or rejection of any previous election.
- These do not need Participant authorisation.



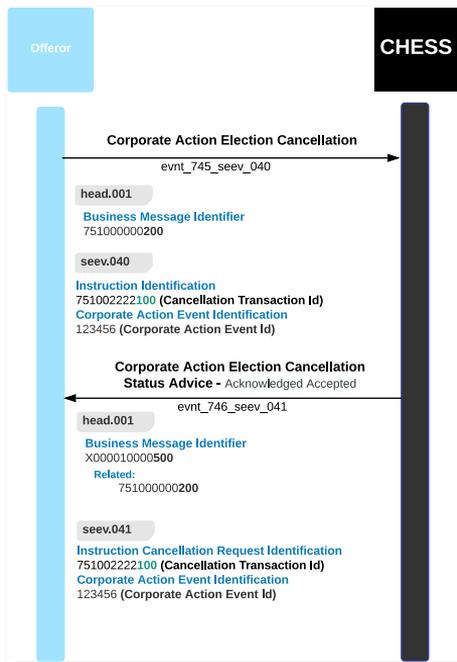
03 – Corporate Action Election Cancellation

Message Summary

Msg Type	EIS Numbers	ISO 2022 Base Message	ASX Message ID "Business Service"	Previous CHES R
Request	085 702 707 092	seev.040 Corporate Action Instruction Cancellation Request	evnt_745 Corporate Action Election Cancellation Request	Changed
Status Advice	086 703 038 706 705 088	seev.041 Corporate Action Instruction Cancellation Request Status Advice	evnt_746 Corporate Action Election Cancellation Status Advice	Changed

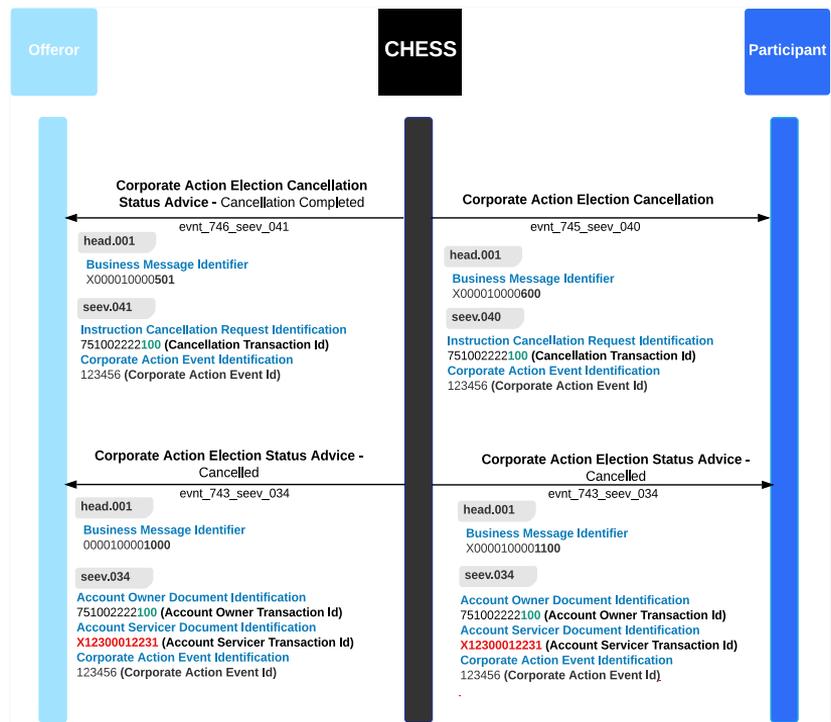
03 – Corporate Action Election Cancellation

UML – Offeror initiated Bid Cancellation



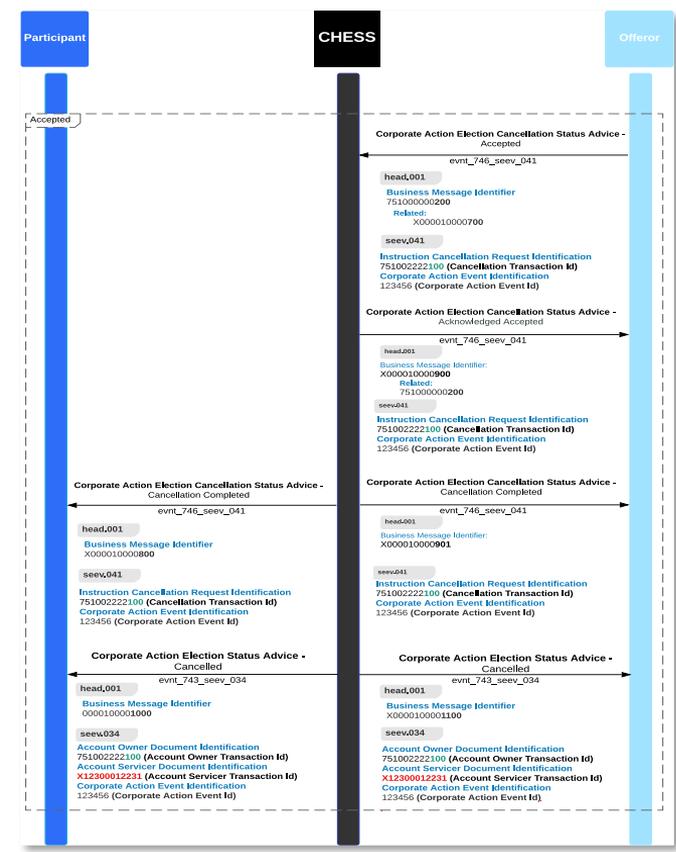
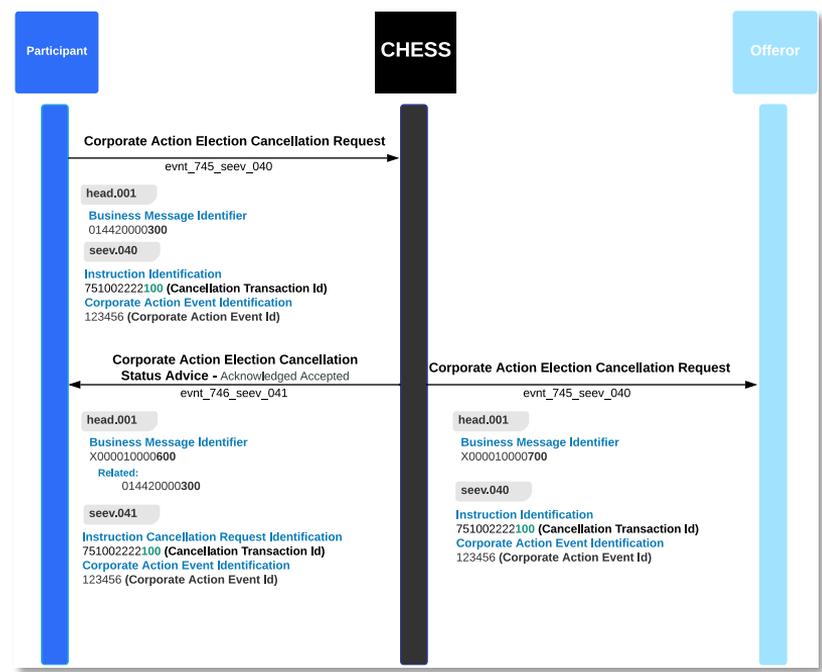
Cancellation Transaction Id

Account Owner Transaction Id of the Corporate Action Election



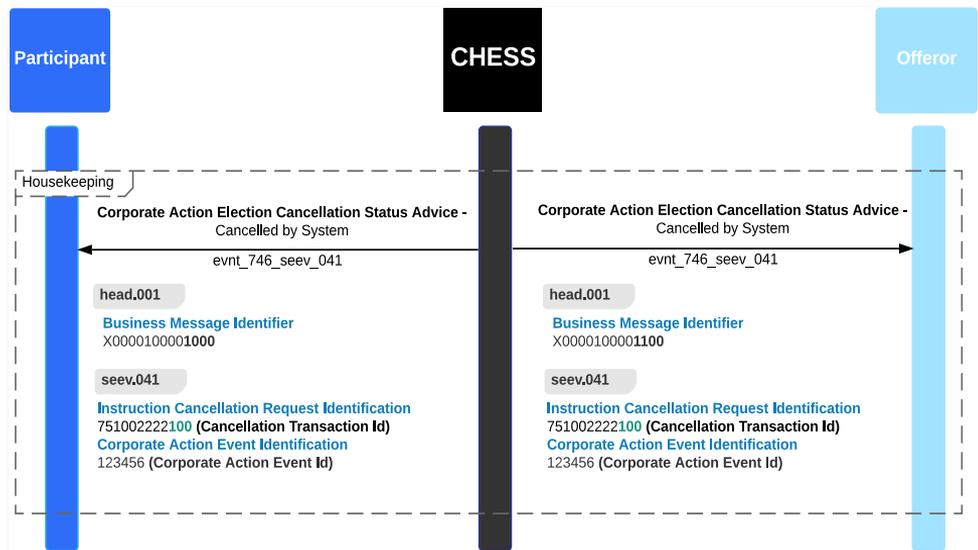
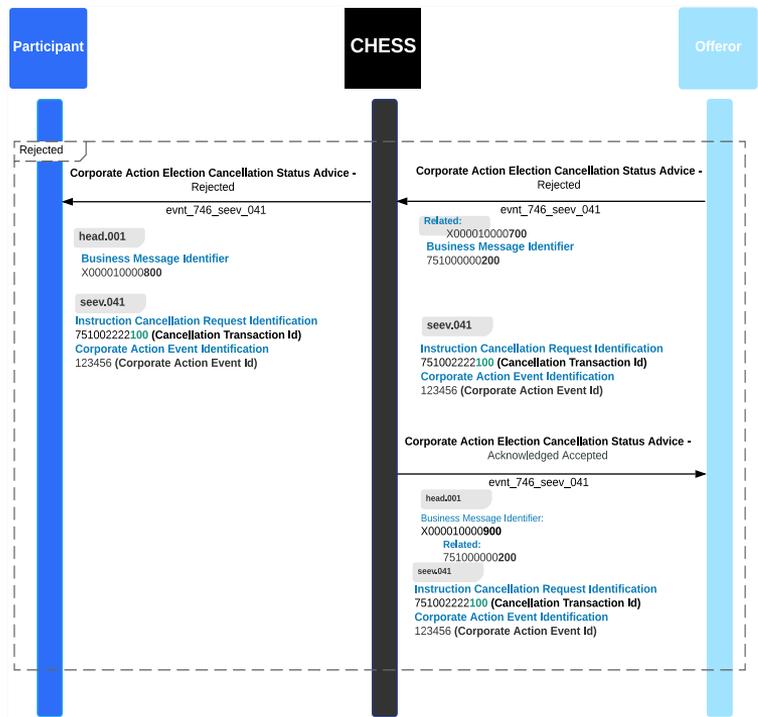
03 – Corporate Action Election Cancellation

UML – Participant initiated Bid Cancellation – Accept



03 – Corporate Action Election Cancellation

UML – Participant initiated Bid Cancellation – Reject / Housekeeping



03 – Corporate Action Election Cancellation

Base Message: seev.040 ASX Message ID: evnt_745

Base Message: seev.041 ASX Message ID: evnt_746

Corporate Action Instruction Cancellation Request V13 (seev.040.001.13)			
>	🔗	Instruction Identification	1 1
∨	🔗	Corporate Action General Information	1 1
	☰	Corporate Action Event Identification	1 1
>	🔗	Event Type	1 1
>	🔗	Financial Instrument Identification	1 1
>	🔗	Account Details	1 1
∨	🔗	Corporate Action Instruction	1 1
>	🔗	Option Number	1 1
>	🔗	Option Type	1 1
>	🔗	Instructed Quantity	1 1
>	🔗	Additional Information	1 1

Corporate Action Instruction Cancellation Request Status Advice V15 (seev.041.001.15)			
∨	🔗	Instruction Cancellation Request Identification	1 1
	☰	Identification	1 1
∨	🔗	Corporate Action General Information	1 1
	☰	Corporate Action Event Identification	1 1
>	🔗	Event Type	1 1
>	🔗	Instruction Cancellation Request Status	1 1

Instruction Cancellation Request Status

- Acknowledged Accepted
- Accepted
- Rejected
- Cancellation Completed
- Cancelled By System

Instruction Cancellation Request Identification

- Account Owner Transaction Id of Corporate Action Election

04 – Portfolio Transfer

04a – Partial Portfolio Transfer

Portfolio Transfer Details

ISOWG_D010

ASX to revert with an update on whether outstanding settlement instructions are affected by Portfolio Transfer

ISOWG_D11

ASX to revert with an update on whether Sub-positions move with a Portfolio Transfer

Scenario 1 – Partial Failure (PARC)

1. Portfolio Transfer Request

- Participant submits a Portfolio Transfer request (*hold_220_sese.023*)
 - Security Code: **NONREF**
 - Quantity: **0**

2. Initial Acknowledgement

- CHESSE responds with (*hold_221_sese.024*)
 - Processing Status: Acknowledged / Accepted

3. Batch Processing Outcome

- Business validation fails for **some** security codes

4. Transfer Confirmation

- CHESSE sends Portfolio Transfer Confirmation (*hold_222_sese.025*)
 - Security Code: NONREF
 - Quantity: 0
 - Partial Transfer Indicator: PARC**

5. Holding Balance Report

- CHESSE sends a Holding Balance Report (*rptg_604_semt.002*)

Note: In case of a partial transfer, rejection messages are not sent for the securities that were rejected

Scenario 2 – Full Failure

1. Portfolio Transfer Request

- Participant submits a Portfolio Transfer request (*hold_220_sese.023*)
 - Security Code: **NONREF**
 - Quantity: **0**

2. Initial Acknowledgement

- CHESSE responds with (*hold_221_sese.024*)
 - Processing Status: Acknowledged / Accepted

3. Batch Processing Outcome

- Business validation fails for **all** security codes

4. Final Acknowledgement

- CHESSE sends **final status update** via (*hold_221_sese.024*)
 - Processing Status: Acknowledged / Accepted
 - Settlement Status: Failing

04b – Partial Portfolio Transfer

Base Message: sese.023 and sese.025

ASX Message ID: hold_220, hold_222

✓	✉	Securities Settlement Transaction Confirmation V12 (sese.025.001.12)		
>	✓	Transaction Identification Details	1	1
✓	✉	Additional Parameters	0	1
✓	☰	Partial Settlement	0	1
	✓	<input type="radio"/> Partially Confirmed [PARC]		
✓	✉	Settlement Parameters	1	1
✓	✉	Securities Transaction Type	1	1
✓	☰	Code	1	1
	✓	<input type="radio"/> Portfolio Move [PORT]		
✓	✉	Proprietary	1	1
✓	☰	Identification	1	1
	✓	<input type="radio"/> Change Of Controlling Participant [COCP]		

ISOWG_D010

ASX to revert with an update on whether outstanding settlement instructions are affected by Portfolio Transfer

ISOWG_D11

ASX to revert with an update on whether Sub-positions move with a Portfolio Transfer

Partial Transfer (hold_222_sese.025)

Partially Confirmed [PARC] - This is applicable only for Portfolio Transfer. This indicates that **ONLY** a partial transfer has been effected for Unilateral & Bilateral Portfolio Transfer

Transaction Basis (hold_220_sese.023, hold_222_sese.025)

Characterizes a movement of securities:

- **Portfolio Move [PORT]** - Unilateral & Bilateral Portfolio Transfer
- **Change of Controlling Participant [COCP]** - For Change of Controlling Participant



NOTE: Updated from Dec ISOWG message presentation

05 – Holding Adjustments update

05 - Holding Adjustment flow

Overview and Context

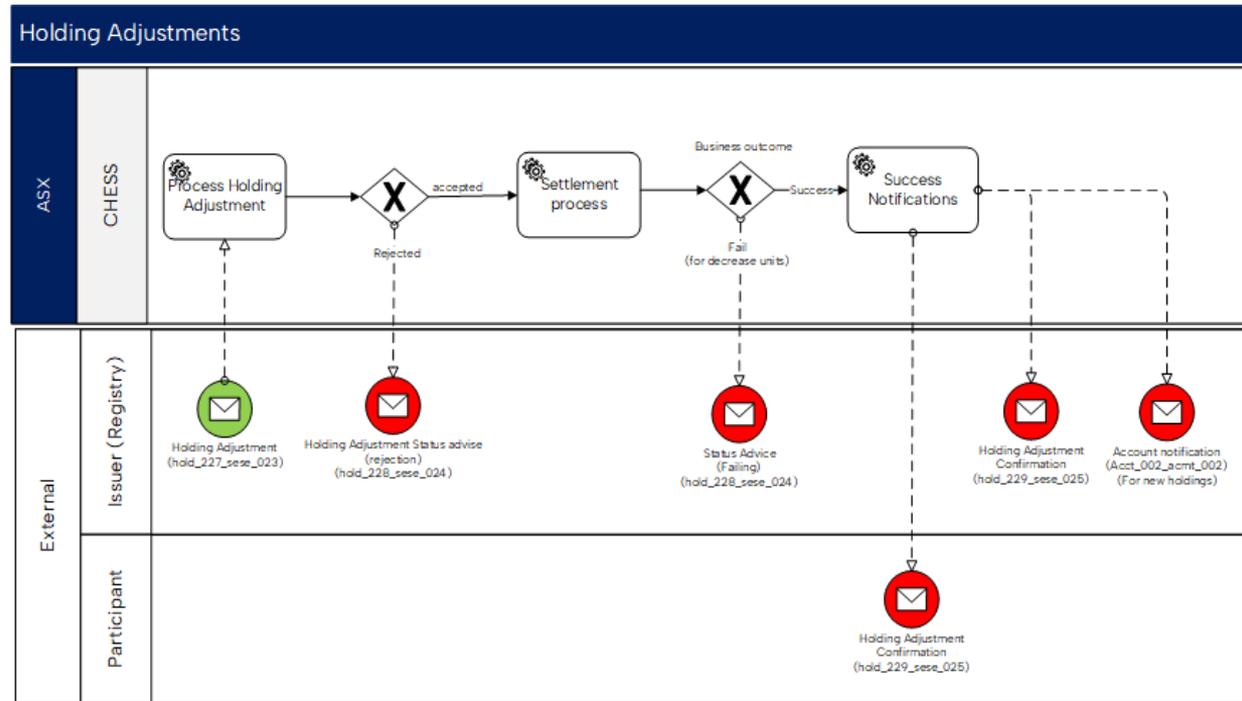
- CHES enables Issuers (Registries) to **increase or decrease investor's available holding balances** on the CHES sub-register
- CHES performs internal validation and processing
- For each Holding Adjustment If a Holding Adjustment is **rejected**, the Registry is notified via a **Status Advice**
- Accepted requests are processed for **settlement**
 - Failure to decrease available holdings will result in status advice (failure)
 - For Settlement confirmations, **Holding Adjustment Confirmation** is sent to both the **Participant** and the **Registry**
 - Where a **new holding is created** in CHES, an additional **Account Notification** is sent to the **Registry**.

ISOWG_D01

ASX to review the need for the Holding Adjustment Status Advice - hold_228_sese_024

ISOWG_D02

ASX to add Account Notifications to the Holding Adjustment Flowchart



Refer slide 12 for more information on Rejection messages in relation to the structure of proposed ISO Messages

05 – Holding Adjustment

Base Message: [sese.023](#) and [sese.025](#)

ASX Message ID: [hold_227](#) and [hold_229](#)

▼	✉	Securities Settlement Transaction Instruction V12 (sese.023.001:12)		
	☰	Transaction Identification	1	1
	>	☞ Settlement Type And Additional Parameters	1	1
	>	☞ Trade Details	1	1
	>	☞ Financial Instrument Identification	1	1
	>	☞ Quantity And Account Details	1	1
	▼	☞ Settlement Parameters	1	1
	▼	☞ Securities Transaction Type	1	1
	▼	☰ Code	1	1
		<input type="radio"/> Corporate Action [CORP]		
		<input type="radio"/> Exchange Traded Funds [ETFT]		
		<input type="radio"/> Issuance [ISSU]		
		<input type="radio"/> Mark Down [MKDW]		
		<input type="radio"/> Mark Up [MKUP]		
		<input type="radio"/> Placement [PLAC]		

New Transaction Basis

Characterises a movement of securities

- CORP: Corporate Action related with mandatory Corporate Action Event ID
- ETFT: ETF related transactions
- ISSU: Issuance of new securities
- MKDW: Decrease of Units for other reasons
- MKUP: Increase of Units for other reasons
- PLAC: Primary market facility usage

05 – Holding Adjustment

Base Message: sese.023 and sese.025

ASX Message ID: hold_227 and hold_229

Securities Settlement Transaction Instruction V12 (sese.023.001.12)			
☰	Transaction Identification	1	1
>	☞ Settlement Type And Additional Parameters	1	1
∨	☞ Trade Details	1	1
>	☞ Settlement Date	1	1
>	☞ Trade Transaction Condition	0	1
☰	Settlement Instruction Processing Additional Details	1	1
>	☞ Financial Instrument Identification	1	1
>	☞ Quantity And Account Details	1	1
∨	☞ Settlement Parameters	1	1
∨	☞ Securities Transaction Type	1	1
>	☰ Code	1	1

New Proprietary Code List HoldingAdjustmentReason_ASX_1

Supplementary Reason codes to complement the Transaction basis code

Reason Codes (CORP)	Usage
DRIP	Allotments for DRP plan
DVSC	Allotments for scrip dividends
DVOP	Allotments for dividends with options
BONU	Bonus issue and distribution in specie
RHDI	Rights issue allotment
EXRI	Rights exercises
PRIO	Priority (non pro-rata) issue and share purchase plans
PPMT	Call allotments
EXWA	Warrant rollovers
CONV	Note conversions
MRGR	Scheme / merger
TEND	Takeovers
BIDS	Buybacks
OTHR	Reinvestment offer
SPLR	Reconstruction – split
SPLF	Reconstruction – consolidation

(MKUP / MKDW)	Usage
CORR	Increase/decrease for error correction
DIVE	Divestment
FORF	Forfeiture
EXER	All exercises (option, warrant, etc)
CONV	All conversions and rollovers (notes, etc)
EXPI	All security expiries (options lapse, etc)

“Holding Adjustment Reason codes” were presented in the February 4, 2026, BDWG. Please refer to appendix of the BDWG slide deck for a mapping to the existing reason code list. The final list will be further refined with the input from the market.

05 – Holding Adjustment

Base Message: [sese.023](#) and [sese.025](#)

ASX Message ID: [hold_227](#) and [hold_229](#)

✓	✉	Securities Settlement Transaction Instruction V12 (sese.023.001.i2)		
	☰	Transaction Identification	1	1
	>	☞ Settlement Type And Additional Parameters	1	1
	>	☞ Trade Details	1	1
	>	☞ Financial Instrument Identification	1	1
	>	☞ Quantity And Account Details	1	1
	>	☞ Settlement Parameters	1	1
✓	☞	Other Business Parties	0	1
	✓	☞ Investor	1	1
	✓	☞ Identification	1	1
	>	☰ Any BIC	1	1
	>	☞ Proprietary Identification	1	1
	✓	☞ Name And Address	1	1
	☰	Name	1	1
	>	☞ Address	0	1
	☰	Safekeeping Account	0	1
	☰	Processing Identification	0	1

New additional fields that can **optionally** be used in the case of ETFs allotments / redemptions and the Primary Market Facility to provision the ability to transmission underlying client information.

Investor :

Identification

Choice between:

- BIC
- Proprietary Identification: UIC
- Name and Address

Optional **Safekeeping Account**

Processing Identification: Placeholder for ETF Reason Code.

06 - Next Steps

06 – Next Steps

Feedback requested

MyStandards documentation: [ASX ISO 20022 Working Group](#)

- Community:
 - ASX ISO 20022 Working Group
- Collections:
 - ASX_AU_CHS_evnt_ISO_WG_R2D5
 - ASX_AU_CHS_hold_ISO_WG_R2D4
 - ASX_AU_CHS_acct_ISO_WG_R2D4

Further details (attached to Message Definitions in MyStandards)

- Sample .xml to illustrate message structure

ASX Message Id	ISO Base Message
evnt_742	seev.033
evnt_743	seev.034
evnt_745	seev.040
evnt_746	seev.041
acct_002	acmt.002
hold_220	sese.023
hold_227	sese.023
hold_229	sese.025



ASX requests your ISO Working Group feedback to be provided through MyStandards by **12 March 2026**
 Feedback will be addressed at the next scheduled ISO Working Group to be held 17 March 2026

07 - Forward Engagement Plan

07 - Completed ISO Design WG Activity

#	Activity	Topic(s) Covered	Date	ISO WG Document	Status
1	ISO Design Working Group	Working Group kick off	29 October 2024	29 October 2024	Completed
2	ISO Design Working Group	Account related messages and holding reports (TSBL & HBAL)	10 December 2024	10 December 2024	Completed
3	ISO Design Working Group	Release 2 Drop 1	18 February 2025	18 February 2025	Completed
4	ISO Design Working Group	Remaining Release 2 Drop 1 functionality	20 March 2025	20 March 2025	Completed
5	ISO Design Working Group	TFN / ABN Notification, Trade Registration, Netting & Settlement Instruction Cancellation	9 April 2025	9 April 2025	Completed
6	ISO Design Working Group	Release 2 Drop 2 functionality	21 May 2025	21 May 2025	Completed
7	ISO Design Working Group	Batch settlement (confirmations, reschedules and failures)	19 June 2025	19 June 2025	Completed
8	ISO Design Working Group	Functionality related to drop 2 and 3	24 July 2025	24 July 2025	Completed
9	ISO Design Working Group	Payment Facility Management and Batch Settlement Payments	19 August 2025	19 August 2025	Completed
10	R2 Drop 1 User Technical Documentation	Release 2 Drop 1 User Technical Documentation	29 August 2025	Release 2 Drop 1 Documentation	Complete
11	ISO Design Working Group	SRN Enquiry, Transfers & Conversions and Holding Net Movement Report for Issuers	18 September 2025	18 September 2025	Complete
12	ISO Design Working Group	Holding Net Movement Report, Corporate Actions – Claims, Position Realignment of Netted Novated Fails, Participant Reconciliation	14 November 2025	14 November 2025	Complete

07 - Completed ISO Design WG Activity

#	Activity	Topic(s) Covered	Date	ISO WG Document	Status
13	R2 Drop 2 User Technical Documentation	Release 2 Drop 2 User Technical Documentation	Document Publication	Release 2 Drop 2 Documentation	Complete
14	ISO Design Working Group	Holding Adjustments (Settlement & Corporate Actions), Change of Controlling Participant / Portfolio, Batch Settlement: Funds Failure, Closeout, Exceptions	09 December 2025	09 December 2025	Complete
15	Release 2 Drop 5	Corporate Actions – Elections, Holding Adjustments, Portfolio Transfer	Working Group	25 February 2026	Complete

07 - Proposed ISO Design WG Forward Plan - 2026

#	Activity	Proposed Topic(s)	Activity Type	Proposed Date	Status
16	R2 Drop 3 User Technical Documentation	Release 2 Drop 3 User Technical Documentation	Document Publication	Q1 2026	Planned
17	Release 2 Drop 5	Release 2 Drop 5, Batch Settlement : Funds Failure, Exceptions	Working Group	25 March 2026	Planned
18	R2 Drop 4 User Technical Documentation	Release 2 Drop 4 User Technical Documentation	Document Publication	June 2026	Planned
19	Release 2 Drop 5	Release 2 Drop 5	Working Group	29 April 2026	Planned
20	Release 2 Drop 5	Release 2 Drop 5 (if required)	Working Group	28 May 2026	Planned
21	R2 Drop 5 User Technical Documentation	Release 2 Drop 5 User Technical Documentation	Document Publication	September 2026	Planned

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



Questions

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