

CHESS PROJECT CHESS REPLACEMENT TECHNICAL COMMITTEE

2 JUNE 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: 701 290 49#
 - 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.

Agenda

01 Welcome, Open Actions & Feedback Noting

Project Updates

02 CHES Release 1 Post Implementation Update Noting

03 CHES Release 2 Project Update Discussion

04 CHES Release 2 Software Provider Build and Test Update Discussion

Additional Focus Areas

05 Working Group Updates Discussion

06 Corporate Action Elections Functionality Update Discussion

07 H1 2026 Pulse Survey Results Noting

08 Forward Engagement and AOB Discussion

01 – Welcome, Open Actions & Feedback

01 - Open Actions

As at 26 May 2026

#	Action	Raised	Update	Status
TC_05	ASX to provide Technical Committee members with an overview of its proposed solution design outcomes and key considerations for new corporate action elections functionality	6 May 2026	Proposed solution design outcomes and ASX considerations submitted to Technical Committee members on 20 May. Further update to be provided at the 2 June Technical Committee meeting. Refer to agenda item 6	Open

02 – CHES Release 1 Post Implementation Update

02 – CHESS Release 1 Post Implementation Update

CHESS Release 1 Post Implementation Update

- The Project completed its cutover post implementation review (**PIR**) exercise for CHESS Release 1 in late-May 2026. Refer to slide 10 for the PIR outcomes
- The CHESS Release 1 Build and Test Forum concluded following the session held on 14 May 2026
- No external facing changes were required for the second warranty release which was deployed over the 23-24 May weekend. The key internal changes have been to improve resource allocation for the FIX gateway and to improve data quality for reporting purposes
- The assessment of the exit criteria required to transition from Hypercare to BAU support continues to target early-June 2026.

02 – CHESS Release 1 PIR outcomes



Overall outcome

Cutover was well-prepared, well-governed, and well-executed, with minimal impact providing strong confidence in the cutover operating model.

- ✓ Cutover executed smoothly and completed ahead of plan
- ✓ Only one issue identified impacting AMOs, captured through PIR
- ✓ No material disruption to AMO operations.



What worked well

- ✓ Microsoft Teams-based communication was effective before, during, and after cutover
 - ✓ Lead-in activities (readiness checks, briefings, rehearsals) landed well with AMOs
- ✓ Clear escalation paths and decision-making throughout execution
- ✓ End-to-end governance framework worked as intended
- ✓ Strong visibility and tracking of AMO readiness for cutover
- ✓ Confidence gained that governance can scale for future releases
- ✓ The Release 1 cutover operating model is planned be used as a baseline for Release 2.



Issues raised during cutover and key learnings

- Single AMO-impacting issue identified and resolved quickly
 - Issue was well understood, controlled, and resolved
 - No systemic or repeated AMO impacts identified.

A number of minor adjustments to refine the cutover run-sheet, improve communication across teams and streamline validation activities were logged as learnings for internal ASX processes for future events.

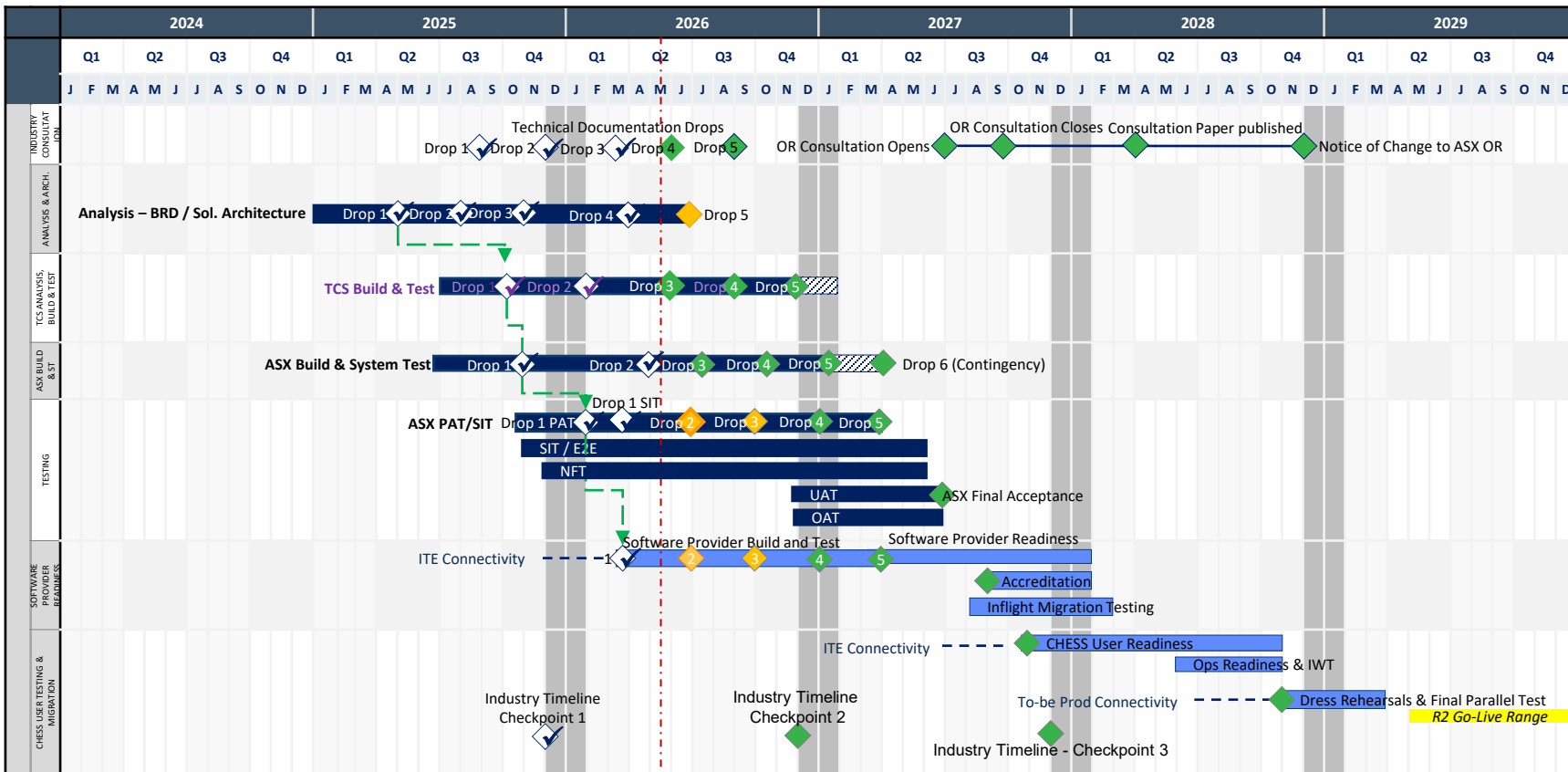
Hypercare exited from Stage 1 having met the exit criteria as planned. Hypercare Stage 2 on track to exit early June

03 – CHES Release 2 Project Update

03a – CHES Release 2 Update

03a – CHES Release 2 Indicative Project Timeline – May 2026

High level overview of the indicative timeline



03a – CHES Release 2 Project Update

Drop 1 (Accounts, Holdings & Account Transfer)

- Software providers continue to connect to the CHES Release 2 Industry Test Environment (**ITE2**) and complete Drop 1 build and test activities. Refer to slide 22 for further information on industry progress.

Drop 2 (Settlement Instructions, Settlement & Pass-Through Investor Data)

- ASX testing for Drop 2 commenced in April 2026 due to previous focus on CHES Release 1
- Additional testing resources have been allocated to Drop 2 and the scope items related to clearing have been moved from Drop 2 to Drop 3
- Drop 2 is targeted to be delivered to ITE2 by late-June 2026 to support continued software provider build and test activities.

Drop 3 (Clearing Upgrade, Payments, Issuer Sponsored & Registry Processes)

- Verification and validation activities for the BaNCS build for Drop 3 were completed in early-May 2026 with all core end-to-end flows successfully demonstrated. BaNCS build for Drop 3 is targeted to be completed by late-May 2026
- Drop 3 testing may commence later than anticipated due to prioritisation on Drop 2 testing placing the Drop 3 ITE2 delivery date of September 2026 at risk.

03a – CHES Release 2 Project Update

Drop 4

- Drop 4 analysis activities are expected to be completed in late-May 2026 and commencement of Drop 4 build activities are targeted for June 2026
- Drop 4 User Technical Documentation continues to target June 2026 for publication.

Other key updates

- The Project is exploring using the planned contingency Drop (Drop 6) to maintain the ITE delivery.

03b – CHES Release 2 Project Risks

03b – Project Risks and Issues

Area	Description	Mitigation	Residual Exposure	Status
Delivery	Condensed timeframes to complete Drop 2 delivery and testing may impact ITE2 Go-Live date of June 2026	<ul style="list-style-type: none"> Review other project priorities to determine if any activity can be deferred 	Medium	Open
Delivery	Prioritisation of Drop 2 may impact Drop 3 ITE2 Go-Live date of September 2026	<ul style="list-style-type: none"> Review Drop 3 scope to determine if any items can be moved Assess project allocation required to support Drop 3 testing 	Medium	Open
Delivery	Industry Readiness schedule delays could impact major milestones including Go-Live	<ul style="list-style-type: none"> ASX to provide industry with technical documentation and deliver features into ITE iteratively per the published roadmap ASX to facilitate industry timeline checkpoints yearly to determine if critical milestones are at risk or can not be achieved Industry to proactively raise risks to ASX relating to their delivery including if timelines are at risk due to competing organisational priorities 	Medium	Open

03c – CHESs Release 2 Scope & Roadmap

03c – CHES Release 2 Scope Roadmap

	Drop 1	Drop 2	Drop 3	Drop 4	Drop 5	Drop 6*
Feature Scope	<ul style="list-style-type: none"> Participant and Registry/issuer Setup Accounts and holdings Unilateral non-batch instructions Account and holding balance reporting 	<ul style="list-style-type: none"> Settlement instructions Batch settlement (excluding payments) Pass-through investor data 	<ul style="list-style-type: none"> Trade registration & netting Batch Payments Issuer sponsored processes Cum entitlement balance and holding movement reporting Claims and adjustments Corporate actions tranche A (cash) 	<ul style="list-style-type: none"> Change of controlling Participant & portfolio transfer Holding adjustments Batch exceptions (including default management and backout) RITS batch integration Corporate actions tranche B (securities) SWIFT for Payment Providers (↕) 	<ul style="list-style-type: none"> ETO/CMM collateral Daily margin advice Offer administration facility Corporate action elections without payment Corporate action elections with payment Corporate actions tranche C (remaining) RITS RTGS integration 	<ul style="list-style-type: none"> Bug fixes and CRs (↕) Additional ASX internal operational and business processes (↕)
User Journeys	<ol style="list-style-type: none"> Participants can test the full account lifecycle (create & update, lock and cancel) Participants can perform simple transfers between accounts they administer Registries and Participants can receive account and holding balance reports 	<ol style="list-style-type: none"> Participants can match and schedule settlement instructions Participants can settle instructions in a daily batch (excluding payment provider and payment services flows), including unit failure Participants and Registries can test pass through investor data 	<ol style="list-style-type: none"> Participants can receive market trades in ISO 20022, novate, net and schedule for settlement Payment providers can manage payment facilities and authorise funds for batch payments Participants and Registries can test issuer sponsored flows Participants and Registries can receive corporate action and holding movement reporting Participants obligations are adjusted to account for fails and adjustments Participants can reserve balances and specify trust amounts 	<ol style="list-style-type: none"> Participants can perform change of controlling Participant and portfolio transfers Registries can process corporate actions including performing holding adjustments Participants and Payment Providers can test remaining batch settlement processes (such as, backout, cancellation and close-out) 	<ol style="list-style-type: none"> Participants can lodge non-cash collateral and ETO cover and adjust margin Participants and Registries can test takeovers, buybacks and bank account communications Participants and Registries can test option elections without payment (DRP/BSP) Participants and Registries can test option elections with payment (Rights, SPPs) Participants can test non-batch payment processes 	To be determined
Status	<ul style="list-style-type: none"> Technical documentation published Drop 1 Software Provider Build & Test phase commenced 30 March 2026 	<ul style="list-style-type: none"> Technical documentation published 	<ul style="list-style-type: none"> Technical documentation published 	<ul style="list-style-type: none"> Technical documentation expected to be published in June 2026 	<ul style="list-style-type: none"> Industry engagement in progress via BDWG and ISO WG 	To be determined

03c – Release 2 Change Requests

ASX ID	Area	Description	Target Delivery Drop	Status
CRA-3828	Accounts	Restrict Registration details to prevent special characters <, >,	Drop 3	Planned
CRA-3800	Connectivity	Support SWIFT channel for payment providers	Drop 4	Planning
CRA-4028	Settlement Instructions	Addition of new settlement instruction fields – Trade Amount, Executing Broker Amount, Consumption Tax	To be determined	Under Assessment
CRA-4101	Novation	No longer incorporate crossings and information trades from net broker obligations	To be determined	Under Assessment
CRA-4102	SRN Enquiry Validations	Revise the validation criteria for SRN Enquiries	To be determined	Under Assessment

Blue denotes an update since last presented

04 – CHESS Release 2 Software Provider Build and Test Update

04 - Software Provider Readiness Dashboard

All Software Providers progressing with connectivity and messaging activities. Focus remains on completing AMQP connectivity by end of May 2026 and commencing Drop 1 message testing

ITE2 Connectivity – Participant & Registry Software Providers

- 19/24 Software Providers have completed network connectivity activities and have been issued Test Kits
- 17 Software Providers have successfully connected their AMQP queues
- Remaining Software Providers actively engaged and progressing through connectivity activities
- We are planning to engage Payment Provider Software Providers to commence connectivity activities in preparation for Drop 3.

Drop 1 ISO Message Testing

- 17 Software Providers sent successful ISO Messages (CTS have been working with SPs to resolve issues to receive successful responses).

Observations

- Focus remains on completing AMQP connectivity for remaining Software Providers (SPs), and to commence transmitting conformant Drop 1 messages
- Initial testing from SPs continues to include non-conformant or non-Drop 1 messages, which may result in no response messages received.

Software Provider (SP) Readiness Metric	Impacted Milestone	Measure	On Track (Start measuring)	At Risk (if not completed)	Requires Remediation (if not completed)	Status
SP Readiness self-assessment	Overall timeline	Software Provider to indicate how they are tracking to milestone metrics	<i>Software Provider to regularly indicate status through bilateral meetings / ad-hoc communications*</i>			Ongoing
CHESS R2 ITE2 Access Form submitted	ITE2 Open	Completed Access Form received to enable network access and CHESS Test Kit creation	10-Dec-25	27-Feb-26	27-Mar-26	Complete
Successfully connected to ITE2	ITE2 Open	SP certificates installed, successful AMQP connection & CHESS UI access validated; ready to commence build and test phase	27-Feb-26	30-Apr-26	29-May-26	In Progress
Drop 1: Commence testing ISO messages	Software Provider Build & Test	Commence testing by transmitting Drop 1 ISO messages	30-Mar-26	29-May-26	31-Jul-26	In Progress

Software Providers	Milestones – As of 25 May 2026			
	Engagement	ITE2 Form Submitted	Connected to ITE2 (AMQP)	Commence Drop 1 Messages
SP1		Complete		
SP2		Complete	Complete	Commenced
SP3		Complete	Complete	Commenced
SP4		Complete		
SP5		Complete	Complete	Commenced
SP6		Complete		
SP7		Complete	Complete	Commenced
SP8		Complete	Complete	Commenced
SP9		Complete		
SP10		Complete	Complete	Commenced
SP11		Complete	Complete	Commenced
SP12		Complete	Complete	Commenced
SP13		Complete		
SP14		Complete	Complete	Commenced
SP15		Complete		
SP16		Complete	Complete	Commenced
SP17		Complete	Complete	Commenced
SP18		Complete	Complete	Commenced
SP19		Complete		
SP20		Complete	Complete	Commenced
SP21		Complete	Complete	Commenced
SP22		Complete	Complete	Commenced
SP23		Complete	Complete	Commenced
SP24		Complete	Complete	Commenced

Risk	Rating
Industry Materialised Schedule Risks	

*The number of Software Providers are subject to change

*Software providers are requested to notify ASX if their own program of work status declines to a level where they assess there is a risk in failing to meet milestone metrics.

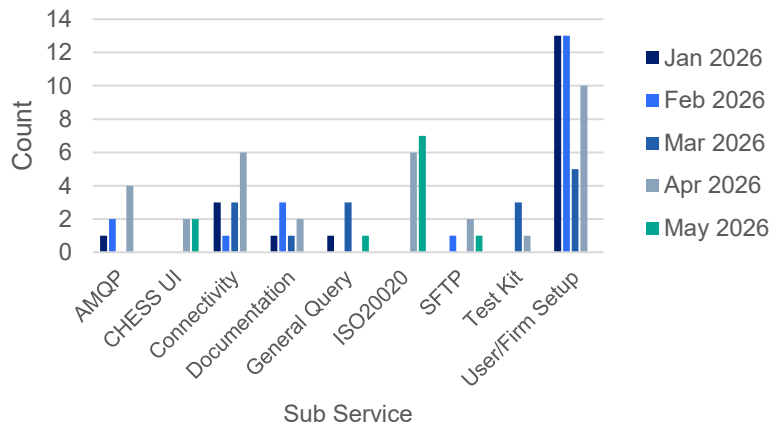
04 – ITE2 Support Requests

Summary of Technical + Operational / Functional Queries – Year to Date

Technical Support

- Case volumes have increased inline with expectations, reflecting that most software providers are now connected to ITE2. Enquiries are transitioning from onboarding to messaging and workflow-related topics
- The Customer Technical Support team is currently managing 6 active cases, primarily relating to malformed or missing workflow messages.

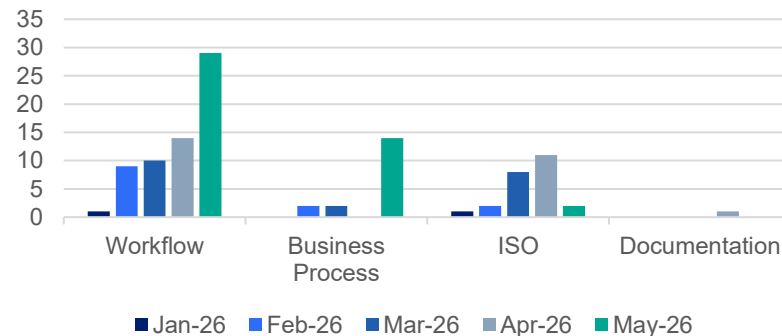
Technical Cases



Operational Support

- Case volumes increasing significantly in May, in line with the increasing number of software providers undertaking build and test activities for ITE2
- Queries to date have continued to focus on clarifying business workflows and ISO message applications to date.

Functional / Operational Cases



05 – Working Group Updates

05a – Implementation & Transition Working Group (I&T WG)

05a – I&T WG Summary

21 May Implementation & Transition Working Group

Relevant I&T WG Documents

[IT WG Presentation Material](#)



Next Implementation &
Transition Working
Group 25 June 2026

CHES Release 1 Post Implementation Review

- ASX provided an overview of the CHES Release 1 post implementation review outcomes (refer to slide 10)
- ITWG members commented on the effectiveness of the communication processes during the cutover activities.

CHES Release 2 ITE Activity (Drop 1)

- See section 4 for detail

CHES Release 2 ITE Known Issue update in ITE

- 6 new known issues have been added to the known issue log. All discussed in detail including the impact and workaround.

CHES Release 2 Drop 2

- ASX noted that Drop 2 was expected to enable users to test bilateral settlement instruction processing including batch settlement, pass-through investor data and reporting
- ASX advised that clearing and market trade dependent functionality was expected to be deferred to Drop 3 as communicated in the 6 May Technical Committee meeting.

CHES Release 2 Drop 3

- ASX advised that Drop 3 was expected to introduce cash-based Corporate Action events enabling industry to commence end-to-end Corporate Action workflows. The calendar for these Corporate actions is intended to be published as part of Release Notes

CHES Release 2 Technical Documentation

- Updates provided on what has changed across CHES user technical documentation for Drop 1, 2 and 3. Links to change logs are available on CHES user technical documentation portal under “Change Tracking”.

05a – I&T Working Group Open Actions

As at 21 May 2026

#	Action	ASX Response	Raised	Presentation Date	Status
ITWG_30	R1 Cutover PIR	ASX to replay lessons learnt from R1 Cutover PIR	April 2026 I&T	June 2026 I&T	To be closed

05b – Business Design Working Group (BD WG)

05b – BD WG Summary

5 MAY BUSINESS DESIGN WORKING GROUP WAS MOVED TO 5 AUGUST

Relevant BD WG Documents

[BD WG Presentation Material](#)



Next BD Working
Group 3 June 2026

05b - Proposed Upcoming BDWG Sessions – 2026

Indicative schedule

#	Session	Topic(s)	Invitees	Proposed Date	Status
28	CHES UI & Connectivity	Deep dive overview of the CHES 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
30	Migration Scope Deep Dive (#2)	Continued industry discussion on data migration scope and approach	All	5 August 2026 (previously 5 May 2026)	Planned
31	Release 2 Additional Deep Dives	Topics requiring further discussion (e.g. ETFs, PMF, levies, hold/release, operational hours)	All	2 September 2026	Planned
32	Release 2 Additional Deep Dives	Agenda to be determined	All	7 October 2026	Planned
33	Release 2 Additional Deep Dives	Agenda to be determined	All	4 November 2026	Planned
34	Release 2 Additional Deep Dives	Agenda to be determined	All	2 December 2026	Planned

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

05b - Business Design Working Group – Open Actions

#	Action	Raised	Update	Status
BDWG_06	Consider the process of migrating accounts, including transformations and fields not available in current CHES	Feb 2025 BD WG	To be discussed in migration BD WGs proposed for Nov 2025 and May 2026	Open
BDWG_09	Consider the appropriate rules and privacy implications to allow the sharing of email and mobile number with Registries	Feb 2025 BD WG	To be considered as part of rules consultation	Open
BDWG_18	Consider the optionality, design and obligations in relation to mandatory settlement locks in the accumulation (ISOWG_J04, ISOWG_J05, ISOWG_J06)	Aug 2025 BD WG	ASX is evaluating whether this could be made optional for those who can manage this in their own systems	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 June 2026 BD WG	Open
BDWG_25	Consideration on how the CHES UI works alongside AMQP connectivity	Dec 2025 I&T WG	Additional information added into UTDS for Drop 1-3. Further deep dives on CHES UI scheduled for June 2026 BD WG	Open
BDWG_28	Confirm whether segregated margin accounts will be permitted from a legal and regulatory perspective	Mar 2026 BD WG	ASX to provide update in a future BD WG	Open

05c – ISO Design Working Group (ISO WG)

05c – ISO WG Summary

26 May
ISO Design
Working Group

Relevant IT WG Documents

[ISO WG Presentation Material](#)



Next ISO Working Group
24 June 2026

Objectives

Topic 1 – For Discussion

- Corporate Actions Elections
 - DRP
 - Bank Account

Topic 2 – For Discussion

- Holding Sub-positions and Corporate Actions Instructions Report

Capture / finalise MyStandards feedback from 29 April March 2026 onwards.

Outputs

- Summary of the session and any applicable actions prepared for the Technical Committee
- Capture and finalise forward plan incorporating market feedback on today's WG topics
- MyStandards Message collections:
 - ASX_AU_CHS_evnt_ISO_WG_R2D5
 - ASX_AU_CHS_rptg_ISO_WG_R2D5.

05c – ISO Design Working Group Open Actions

As at 26 May 2026

#	Action	ASX Response	Raised	Update	Status
ISOWG_A01	ASX to provide further clarification on Security Code & ISIN message workflows between different market cohorts	ASX response to the query on Slide 35	29 April 2026 ISOWG	26 May 2026 ISOWG	Closed 26 May WG
ISOWG_A02	To confirm whether there is a mechanism to accept bid elections or cancellations after an 'Offer' has been 'Closed' in CHES, particularly in scenarios where an extension to the 'Offer Period' is notified after hours on the 'Offer Close Date', after the 'Offer' has already been closed in CHES	'Bid Offerors' and 'Participants' are expected to submit bid elections or cancellations within the 'Offer Period'. Any extension to the 'Offer Period' is expected to be notified at least one day in advance of the prevailing Offer Close Date. In exceptional circumstances where a bid election or cancellation needs to be submitted after the 'Offer Period', this can be facilitated by contacting the ASX Operations team. ASX Operations will act upon such requests, subject to any applicable governing rules relating to late submissions	29 April 2026 ISOWG	26 May 2026 ISOWG	Closed 26 May WG
ISOWG_A03	ASX to confirm options request release units earlier than EOD for bid finalisation	All Bid Finalisation requests submitted by the Offeror will be scheduled for processing at one or more designated times each day, considering overall system performance and other critical high-volume processing activities Where a Bid Finalisation request requires on-demand processing outside these designated times, this can be facilitated by the ASX Operations team. ASX Operations will manage such requests in a way that does not adversely affect other critical high-volume processing activities	29 April 2026 ISOWG	26 May 2026 ISOWG	Closed 26 May WG

05c – ISO Design Working Group Open Actions - ISOWG_A01

Problem Statement for ISIN Only Change

- ISIN changes have been processed as Reference Data updates in current CHES
- An official corporate action is not created in current CHES for these use cases
- In CHES replacement, ISIN only changes will require updates to holdings and instructions which will need a Corporate Action in the system which we do not support today.

Solution

- To facilitate the ISIN change process, CHES will create a static Corporate Action ID value (999998), outside of the official Corporate Action process
- This value will be provided in the ISO messaging to support the identification of an ISIN only change.

Update on Security Code only changes

- Code-only changes are driven by reference data updates which will be processed at end of day
- A reda.007 notification will be sent at end of day, aligned with publication of updated reference data.

05c - Proposed ISO Design WG Forward Plan - 2026

Indicative schedule

#	Activity	Proposed Topic(s)	Activity Type	Proposed Date	Status
19	ISO Design Working Group	Corporate Actions Elections (DRP & Bank Accounts)	Working Group	26 May 2026	Planned
20	ISO Design Working Group	Remainder of Release 2 Drop 5	Working Group	24 June 2026	Planned
21	ISO Design Working Group	Placeholder for Drop 5 if required	Working Group	29 July 2026	Planned
22	R2 Drop 4 User Technical Documentation	Release 2 Drop 4 User Technical Documentation	Document Publication	June 2026	Planned
23	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

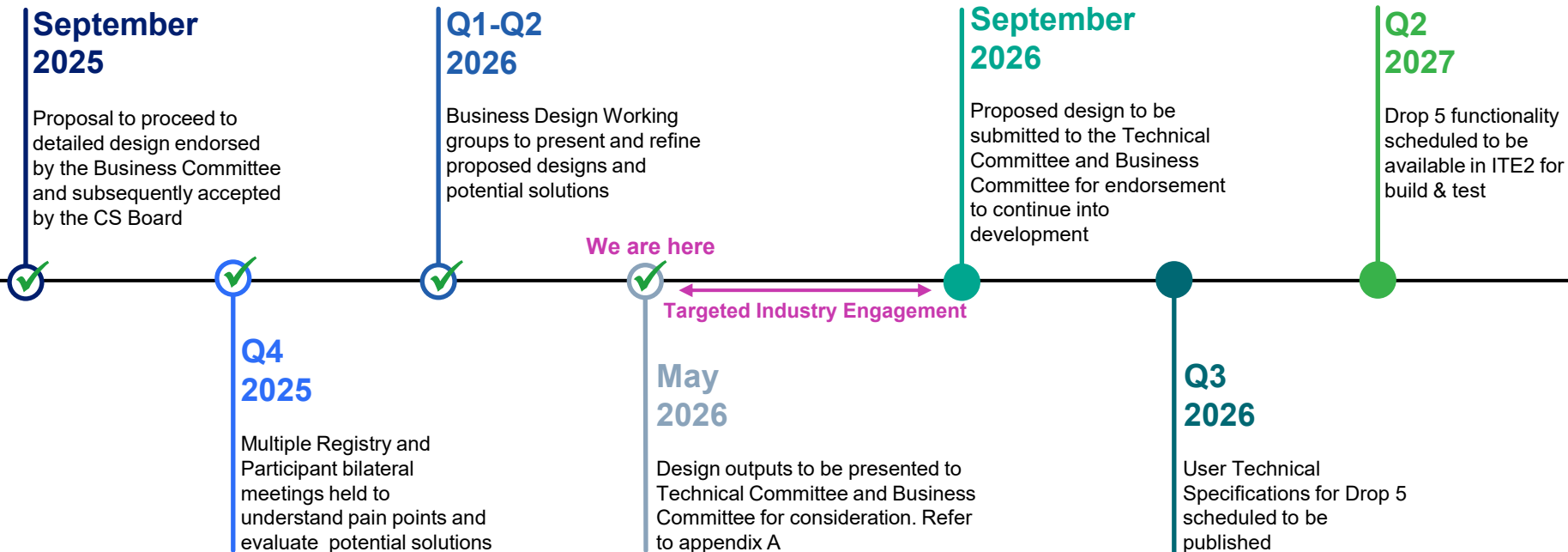
05c - ISO 20022 Message Change Log

As at 26 May 2026

Message Id	Workflows / Processes	Status	Summary of Changes
evnt_755_seev_033	Dividends Election	New	
evnt_756_seev_034	Dividends Election	New	
evnt_757_seev_040	Dividends Election	New	
evnt_758_seev_041	Dividends Election	New	
evnt_754_seev_042	Reports	New	
rptg_604_semt_002	Reports	Existing	<ul style="list-style-type: none">• Addition of Sub balance type: BLCA, COLI, MARG and PEND• Addition of Advice Reason as CHAN and PARI

6 – Corporate Action Elections Functionality

Engagement Process



07 – Industry Feedback on ASX’s Proposal

Feedback Themes	Feedback Summary	ASX Response
Solution design offering and take-up	<ul style="list-style-type: none"> Some Participant and Share Registry members requested additional detail on the proposed solution design offering - the key areas of interest were on the communication of beneficial owner information by CHESSE messaging, security code & ISIN changes and on acceptable alternate electronic arrangements Share Registry members sought additional information on the expected level of industry take-up for the solution design 	<ul style="list-style-type: none"> ASX plans to hold targeted engagement sessions on any outstanding queries on the solution design offering and on any potential unknown issues that could impede Participant take-up This includes an additional BDWG scheduled for 1 July 2026
CHESSE Release 2 timeline	<ul style="list-style-type: none"> Participant and Share Registry members queried whether the CHESSE Release 2 timeline was expected to be impacted due to implementation of new corporate action election functionality 	<ul style="list-style-type: none"> The delivery of corporate action election functionality has been considered as part of the CHESSE Release 2 Roadmap
Non-ASX industry forums	<ul style="list-style-type: none"> Industry Associations advised that ASX’s proposal would be presented and considered with their industry association members 	<ul style="list-style-type: none"> ASX can attend upcoming industry forums to support industry discussions and respond to member queries on corporate action elections functionality as required

7 – H1 2026 Pulse Survey Results

07 – Technical Committee Pulse Survey

For noting

For discussion

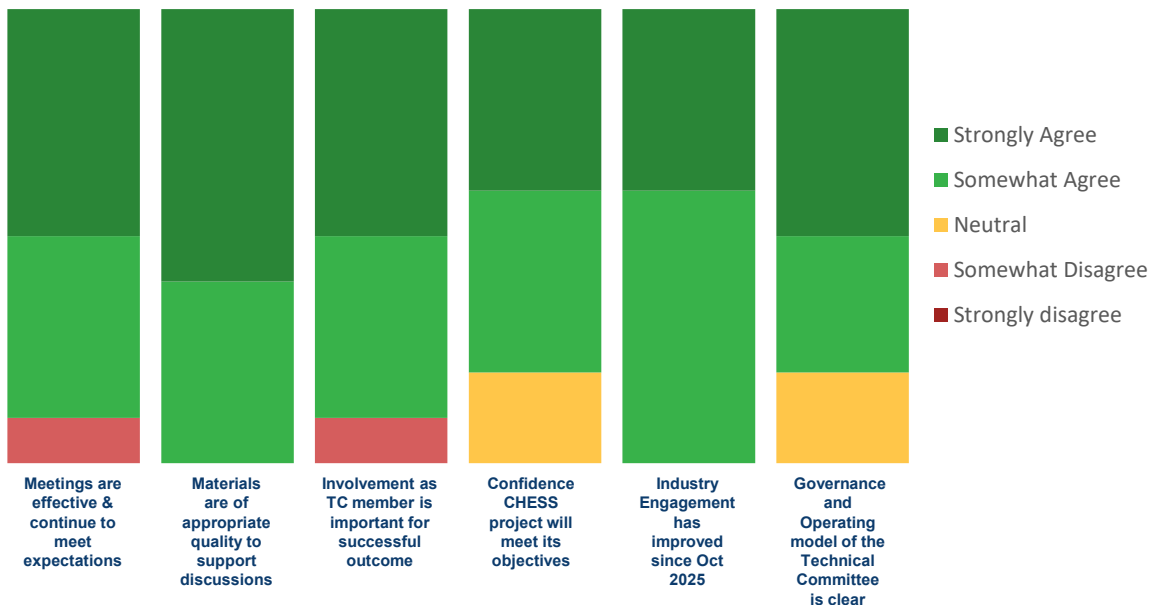
For recommendation

Pulse Survey Action Items

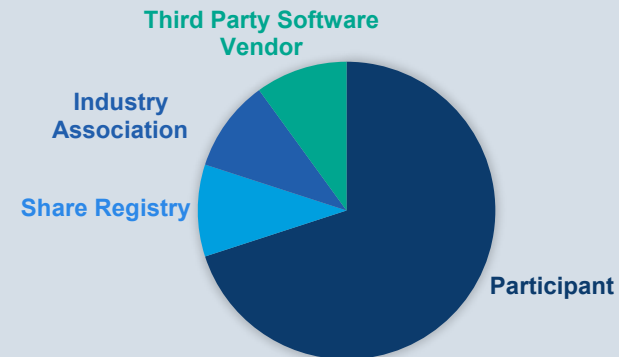
Insight Themes	Industry Feedback	ASX Response
Engagement	<ul style="list-style-type: none">• Most respondents advised that monthly TC sessions were the appropriate level of engagement• One respondent provided feedback that the current volume of engagement exceeded their needs, preferred more direct messaging on specific industry actions required given the key output required from Participants for CHES Release 1 was Clearing Regression attestation, and that meeting participation was concentrated to a small group of attendees	<ul style="list-style-type: none">• ASX will continue monthly TC engagement sessions and will shorten the meeting timeframe to 90 minutes from July 2026 onwards• ASX will continue to consider opportunities to enhance the clarity of requested industry actions• Participants are expected to have greater involvement in supporting the implementation of CHES Release 2 relative to CHES Release 1
Scope and future testing	<ul style="list-style-type: none">• One respondent provided feedback that the scope and requirements for the testing phases for CHES Release 2 needed to be finalised to help industry determine impact given other competing organisational priorities	<ul style="list-style-type: none">• ASX plans to provide technical documentation early as per the published Roadmap and facilitate annual timeline checkpoints to confirm if critical industry milestones are at risk or can not be achieved• Industry is requested to proactively engage with ASX early if their timelines are at risk due to competing organisational priorities• ASX is planning earlier engagement for Industry Test Phases that require more detail (E.g. Industry Parallel Test)

07 – H1 2026 Pulse Survey

Technical Committee - Engagement Effectiveness



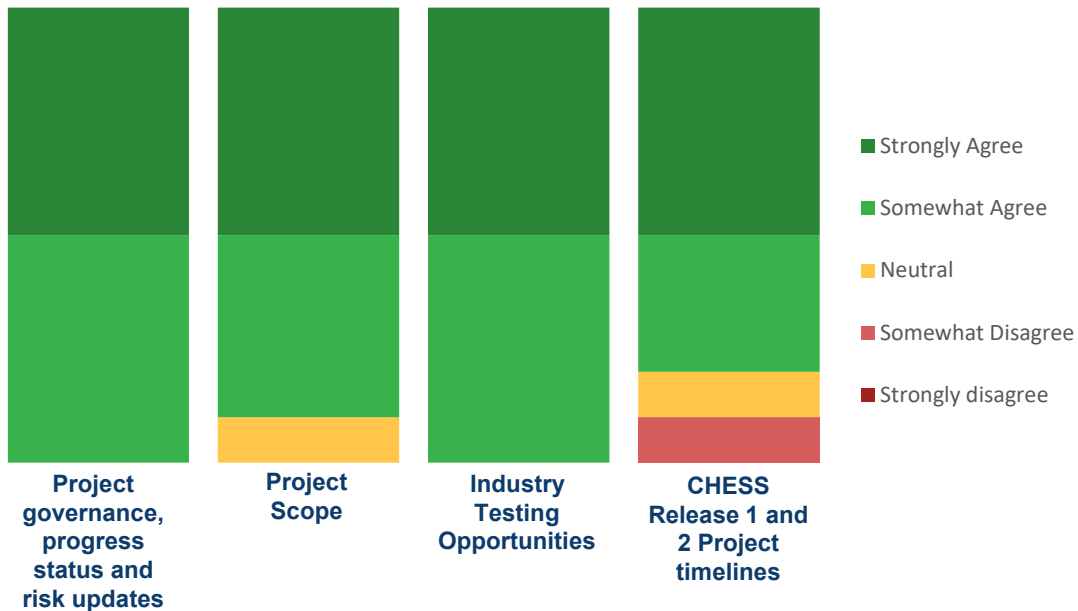
Participants by Cohort



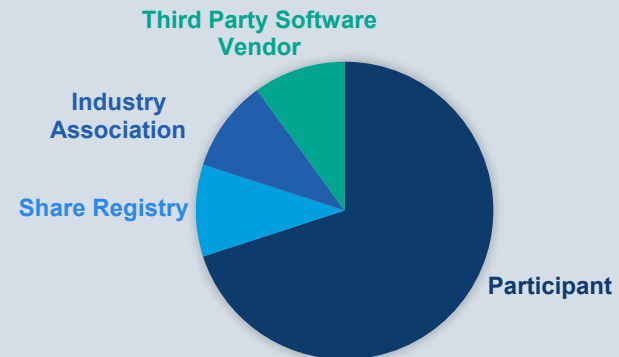
- 10 respondents
- A member provided feedback on the volume and effectiveness of current Technical Committee engagement (refer to slide 42)

07 – H1 2026 Pulse Survey

Technical Committee - Adequacy of Information



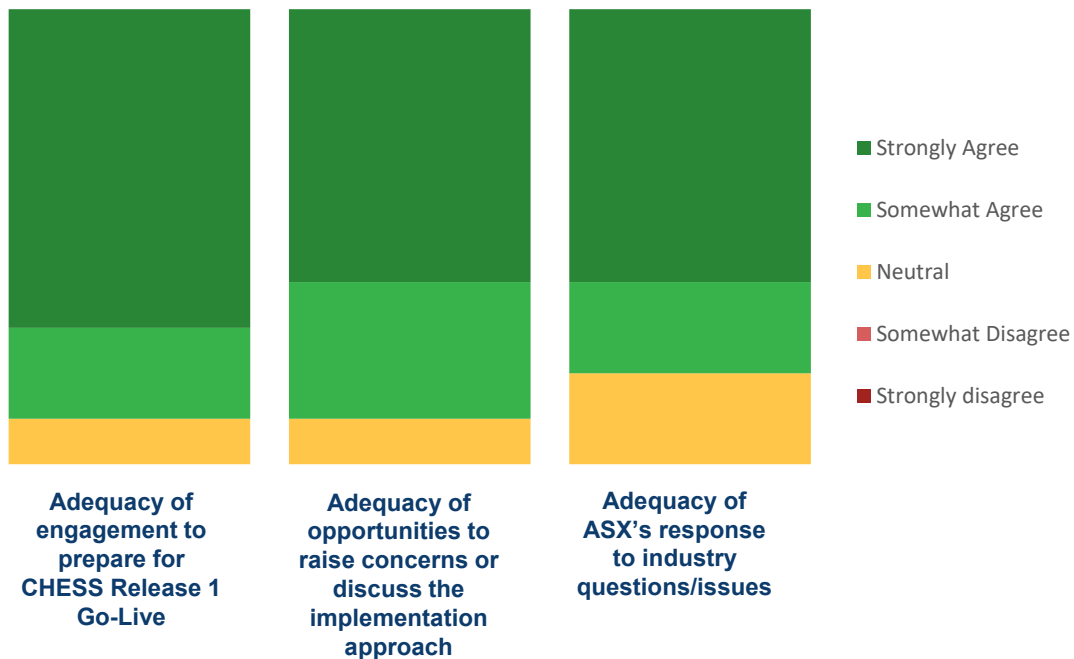
Participants by Cohort



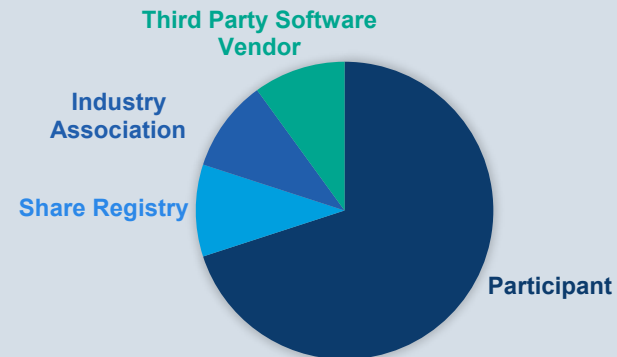
- 10 respondents
- A member advised that the scope and requirements for CHES Release 2 testing must be finalized as priority (refer to slide 43)

07 – H1 2026 Pulse Survey

CHES Release 1 Implementation – Industry Engagement



Participants by Cohort



- 10 respondents
- No qualitative feedback was provided on industry engagement for CHES Release 1 implementation

8 – Forward Engagement and AOB

08 – Indicative Forward Engagement Calendar - CY2026

	June 2026	July 2026	August 2026
Technical Committee	2 June – IN PERSON <ul style="list-style-type: none"> • CHES Release 2 Software Provider Build and Test Phase • Corporate Action Election Functionality • H1 2026 Pulse Survey Results • Working Group updates 	9 July <ul style="list-style-type: none"> • CHES Release 2 Software Provider Build and Test Phase • CHES Release 2 Drop 4 UTDs • Proposed Technical Committee Charter updates • Working Group updates 	6 August <ul style="list-style-type: none"> • CHES Release 2 Software Provider Build and Test Phase • Working Group updates
Implementation & Transition Working Group	25 June <ul style="list-style-type: none"> • Drop 2 Release Update • ITE2 Activity & Query Support Updates • Technical Documentation Update 	23 July <ul style="list-style-type: none"> • ITE2 Activity & Query Support Updates • Technical Documentation Update 	20 August <ul style="list-style-type: none"> • ITE2 Activity & Query Support Updates • Technical Documentation Update
Business Design Working Group	3 June <ul style="list-style-type: none"> • CHES UI & Connectivity 	1 July <ul style="list-style-type: none"> • Corporate Actions (inc. beneficial ownership schedules) 	5 August <ul style="list-style-type: none"> • Continued industry discussion on data migration scope and approach
ISO Design Working Group	24 June <ul style="list-style-type: none"> • CHES Release 2 Drop 4 UTDs • Remainder of CHES Release 2 Drop 5 	29 July <ul style="list-style-type: none"> • Placeholder for CHES Release 2 Drop 5 if required 	TBD

08 - Proposed Forward Plan - CY2026

For noting

For discussion

For recommendation

Technical & Business Committee 2026 Dates

Month	Date	Time
CHES Replacement Technical Committee		
July	Thursday 9 July	2pm - 4pm
August	Thursday 6 August	2pm - 4pm
September	Thursday 3 September	2pm - 4pm
October	Thursday 8 October	2pm - 4pm
November	Thursday 5 November	3pm - 5pm
December	Thursday 3 December	2pm - 4pm

Month	Date	Time
ASX Business Committee		
May	Wednesday 27 May	12pm – 2pm
September	Wednesday 16 September	12pm - 2pm
December	Thursday 10 December	4pm – 6pm



Questions



Observer Feedback

Appendix 1 – Corporate Action Elections Functionality Summary

Recap on new Corporate Action functionality

Background

The Business Committee endorsed ASX's proposal to proceed to detailed design for new Corporate Action Election functionality and to make certain features mandatory for respective stakeholder groups at the 17 September 2025 Business Committee (**BC**) meeting.

Between Q4 2025 and Q1 2026, ASX held two BD WGs, a Registries Focus Group, and multiple Registry and Participant bilateral meetings.

A proposed high-level design was presented at the April 2026 BD WG and feedback was incorporated. Further engagement at a detailed workflow level will continue through the ISO WGs.

An overview of the feedback received and ASX's considerations has been prepared for Technical Committee feedback prior to submission to the Business Committee for discussion at the 27 May 2026 Business Committee meeting.

Original Objectives & Problem Statement

3.2 Provide standardised straight through processing capability for Corporate Action elections and cost-effective associated payments

Problem: Lack of a standardised and cost-effective process to manage Corporate Action elections and payments for non-retail investors. Disparate methods including BPay, Registry portals, RTGS, email and fax.

3.3 Reduce operational risk in relation to DRP standing instructions

Problem: Lack of standardised straight through processing for DRP elections, manual processes and operational risk where standing instructions are removed or changed.

3.5 Provide standardised electronic transmission of Corporate Action distribution information to create opportunities for automation and process improvement

Problem: Lack of standardised electronic facility to notify Participants of detailed distribution or dividend breakdown information in a format that can be used to communicate distributions to underlying clients.

Industry Feedback Summary

Overall Feedback

Support remains strong from retail, institutional and custody

Participants. Benefits include risk reduction, reduction in manual / paper processes and opportunities for straight through processing.

Share Registries have provided feedback on the benefits to the proposal, particularly the reduction in manual operational processes. However, Share Registries have noted that the impact and the investment would be significant.

INDUSTRY THEMES

Elimination of manual processes

- Registries expressed that the benefits of the proposed solution would be subject to replacing existing manual processes. Other existing automated channels (e.g. BPAY) were generally considered acceptable
- Partial adoption would significantly dilute benefits and make the investment difficult to justify

Need for greater standardisation

- Broad recognition on the benefit of greater standardisation while noting that some Issuer-specific flexibility may still be required

Commercial viability and take up

- Registries and Participants expressed the need for clarity on pricing, volumes, and likely take-up before progressing beyond design
- Some concerns were raised that without sufficient take up, the solution may not be commercially viable given implementation and operational costs

DESIGN SPECIFIC THEMES

DRP elections are an important industry enhancement

- Portfolio administered investors where a high volume of paperwork is still required
- Reduction in risk for custodians, and potential to consolidate and simplify omnibus HINs
- Additional ability to manage DRP elections directly with broker as a retail value-add

Rights issue and SPP elections minimise risk and reduce friction

- Daily aggregate payments via CHES balances providing funds to issuer early, minimising the overhead and transaction fees
- Enabling elections at beneficial holder level provides opportunity to automate beneficial holder schedules (currently sent via email) via CHES messages

Communication of rights & SPP calculations for omnibus accounts reduces manual work

- Enabling the ability to communicate the outcomes of a rights or SPP event via CHES further reduces the manual processing

Comparison to Other Markets

Registry / Issuer

- mostly mandatory (practice / rules)

Participants

- standard
- sometimes mandatory (no alternative)

Manual alternatives

- none / minimal
- limited exceptions

Pricing

- Participant pays
- per instruction / bundled
- sometimes + custody bps

Market	Registry / agent obligation	Participant obligation	Manual alternatives	Pricing basis (participant pays)
DTCC (US)	Effectively mandatory (market practice)	Standard practice	Minimal for listed securities	Per instruction
Euroclear Bank	Standard ICSD practice (must notify)	Mandatory — no alternative	None	Per instruction + custody bps
Clearstream	Mandatory	Mandatory — no alternative	None	Per instruction + custody bps
CREST (UK)	Effectively mandatory	Standard practice (some bilateral)	Some residual manual cases	Integrated CREST fees
CCASS (HK)	Standard market practice	Standard practice	Limited (paper holders)	Bundled custody/activity fees
SGX CDP	Effectively mandatory	Standard practice	Minimal	Bundled fees
CDS - TMX Group (Canada)	Formally mandatory (CDS Rules)	Mandatory (CDS Rules)	Not permitted	Tiered per instruction

Note: Comparison conducted based on desktop research based on information available to ASX online at the time of writing.

Solution Design Outcomes

The solution proposes to offer:

- DRP standing and event specific instructions (full and partial)
- Elections for rights issues
- Elections for share purchase plans
- Daily aggregated RTGS payments from participant to Registry for rights issues and share purchase plans
- Communication of beneficial holder information on a per-election basis (generally applicable to share purchase plans)
- Communication of distribution calculations for elections made via CHES at a beneficial holder level.

This intends to automate the lifecycle for the events with the most risk (DRP) and friction (rights, SPPs) whilst offering a foundation that could be extended to other events in the future.

Delivery in Release 2

Support for DRP Standing Instructions and Corporate Action Elections with Payment are important features for CHES Release 2.

IMPLEMENTATION CONSIDERATIONS

- **Opportunity cost:** it would be challenging to implement these broad changes outside of a large transformation project such as CHES Release 2, given the scope of change across the market
- **Foundational features:** the new functionality provides a foundation for further Corporate Action efficiencies in the future
- **Strong Participant take-up:** is important to ensure there is a critical mass to make the solution viable given the potential implementation costs
- **Implementation options available:** in how this could be rolled out through the Release 2 test phases and operationalised in production to derisk the overall Release 2 delivery.

DESIGN CONSIDERATIONS

- **Message and workflow re-use:** DRP Elections are planned as an enhancement to an existing workflow (Holder Advice). Rights and SPPs are built around the same message sets as Takeovers & Buybacks
- **Simplified payment process:** a daily aggregate payment via RTGS is equivalent to existing payment processes whilst providing potential benefits of earlier movements of capital
- **Promotes end to end automation:** by supporting the transmission of beneficial holder information, and communication of distribution information
- **Opportunities for standardisation:** through assessing areas of the rule framework where there is currently friction (e.g. inconsistencies in scaleback calculation, ineligible shareholders).

Commercial Considerations

ASX is expected to consult on fee changes for CHES Replacement in 2027. Fees, including new corporate action services will be determined using the methodology in the [ASX Cash Equities Clearing, Settlement and Issuer Services Pricing Policy \(Pricing Policy\)](#).

Issuer Services fee schedule: [asx-issuer-services-schedule-of-fees](#)

Clearing & Settlement fee schedule: [asx-clearing-and-settlement-schedule-of-fees](#)

** Note: Any additional RTGS payment fees are not charged by ASX and are subject to each individual organisations banking arrangements. RITS charges a value-based fee to payer and payee, though most banks charge a flat fee (between \$20-50) to the payer per transaction. The solution has been designed to minimise the number of payments.*

Expected fees across the end-to-end process

	Current State Equivalent	Impact of new Functionality
Reference Data	<ul style="list-style-type: none"> ReferencePoint services (E34 and ISO 20022) licensed by ASX separately from CHES 	<ul style="list-style-type: none"> Richer information required by more organisations ASX considering potential for new licensing options for CHES users
Event Setup	<ul style="list-style-type: none"> Not currently chargeable for most events Offer administration facility fee charged to bidder (\$500 + \$1,500) Primary Market Facility (PMF) fee charged to issuer (\$7,500 plus bps over \$50m) 	<ul style="list-style-type: none"> No additional event charges are proposed for rights or SPPs
Payment Facility Setup	<ul style="list-style-type: none"> \$5 per facility (new / change) 	<ul style="list-style-type: none"> Not proposed to be chargeable to setup bank accounts for Issuers for Rights / SPPs
Elections	<ul style="list-style-type: none"> Holding advice (standing instructions) not chargeable Takeover acceptances \$0.35 paid by bidder 	<ul style="list-style-type: none"> DRP elections form part of part of holding advice Rights / SPP election messages may be chargeable to Participant equivalent to Takeover acceptances
Allocation of Rights	<ul style="list-style-type: none"> Currently \$2.50-0.50 per allocation 	<ul style="list-style-type: none"> Expected to be reviewed as part of fee consultation, accounting for allotment of non-renounceable Rights and removal of 421
Settlement	<ul style="list-style-type: none"> No current RTGS fee Batch settlement fees (101s) currently charged \$1.30 to create and \$0.30 for settlement Participant pays - Issuer pays for 101s created for PMF 	<ul style="list-style-type: none"> Expected to be reviewed as part of fee consultation, including consideration of RTGS fees in CHES*

Proposed Industry Approach and Next Steps

PROPOSED APPROACH

Support for DRP, Rights Issues and Share Purchase Plan elections should be considered:

- **Mandatory for Share Registries:** to support receipt of elections and beneficial holder information received via CHESS, and provide distribution information in response
- **Mandatory for Participants:** who do not currently have an acceptable electronic arrangement in place for their holders (e.g. BPay) - to use an electronic platform (such as CHESS*) to provide elections, communicate beneficial holder information and receive distribution information.

This approach aims to balance the need for all Issuers to support the new process for it to be beneficial to Participants, with the Registry feedback to ensure all existing manual operational processes are automated. **This is broadly consistent with the arrangements in other markets.**

The functionality will also be available via CHESS UI for low volume users.

NEXT STEPS

- Technical Committee members are invited to provide feedback for consideration by 26 May
- ASX will provide Business Committee members with a summary of the detailed design considerations and feedback, and ASX's proposed approach for discussion at the 27 May Business Committee meeting
- ASX will consider any following feedback received and revert to the Technical and Business Committee in Q3 2026 with a final proposal for acceptance to progress to the development phase.

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