

CHES Replacement Technical Committee Minutes

9 July 2025 Meeting

At the 9 July 2025 meeting, the Technical Committee Agenda and the Actions were:

AGENDA AND KEY TOPICS DISCUSSED

- Welcome, open actions and feedback
- CHES Project status
- CHES Release 1 Build and Test update
- Working group updates
- CHES Release 2 Drop 1 ISO design changes
- Pricing considerations for the CHES Project
- Forward engagement for 2025

AGREED ACTIONS

There was one new action raised at the July 2025 meeting for the Technical Committee.

- ASX to provide Technical Committee members with an overview of decisions made in its Working Groups

There was one new action raised for the ISO Working Group.

- ASX to review how ISO message changes are currently presented in the ISO Working Group and determine how it can further clarify these changes to Participants

Minutes from the meeting are attached.

Action Items Raised in Meetings

Item number #	Action	Due date	Status	Owner
2025 July (1)	ASX to provide Technical Committee members with an overview of decisions made in its Working Groups	Ongoing	Open	ASX
2025 June (1)	ASX to determine whether industry participants would be required to attest to CHESS Release 1 rollback plans	Ongoing	Open	ASX
2025 April (1)	ASX to consider how it could provide further transparency on changes to ISO Design for Technical Committee members to track changes being proposed in the ISO Working Group	July 2025	Closed	ASX
2025 May (1)	ASX to provide the final list of optional and mandatory functionality in advance of submission to the Business Committee meeting.	June 2025	Closed	ASX
2025 March (1)	ASX to consider including a pulse survey question on the operating model between the Technical Committee and the Working Groups	May 2025	Closed	ASX
2025 February (1)	ASX to assess the feasibility to use BICs as the primary method of identification for the CHESS project	April 2025	Closed	ASX
2025 February (2)	ASX to provide a 3-month forward engagement plan of the Technical Committee and Working Groups covering the key topics to be discussed	March 2025	Closed	ASX
2024 December (1)	ASX to provide additional information on how participant cohorts responded in the consultation for the Release 2 implementation approach	February 2025	Closed	ASX
2024 December (2)	ASX to provide a schedule on when the scope objectives that require further engagement will be taken back to the Technical Committee and Business Committee in 2025	February 2025	Closed	ASX
2024 November (1)	ASX to consider further industry engagement at the ESPPSC to discuss participant viewpoints on payment channels	February 2025	Closed	ASX
2024 August (1)	ASX to clarify the ability to access CHESS through an AWS end point	February 2025	Closed	ASX

Agenda

CHESS Replacement Technical Committee

Date	Wednesday, 9 July 2025
Time	2:00pm – 4:00pm
Location	Microsoft Teams Meeting

Agenda items	Timing
1. Welcome, Open Actions, Feedback	15 mins
2. CHESS Project Status	15 mins
3. CHESS Release 1 Build and Test update	10 mins
4. Working group updates	15 mins
5. CHESS Release 2 Drop 1 ISO design changes	15 mins
6. Pricing considerations for the CHESS Project	15 mins
7. Forward Engagement for 2025	5 mins

CHESS Replacement Technical Committee Members

Company	Representative	Title	Delegate / Apology
ASX	Tim Whiteley	Technical Committee Chair and Project Director, CHESS Replacement Project	
Observer	Paul Rayson	Business Committee Chair	Apology

Clearing and Settlement Participants

Company	Representative	Title	Delegate / Apology
ABN AMRO CLEARING	Matthew McMahon	Head of Operations	
AUSIEX	Ashish Jha	Director, Solution Delivery Management	
BANK OF AMERICA	Monika Ahrens	Project Manager	
BNP PARIBAS	Wayne Murphy	Project Manager	
CITI	Lyall Herron	Program Manager	
CMC	Jamie Driscoll	Program Lead - Back Office Implementation	Apology
COMMSEC	Ryan Jones	Crew Technical Lead	Mick Thompson
FINCLEAR SERVICES	Nikki Gleisner	Senior Business Analyst/Client Relationship Manager	
GOLDMAN SACHS	Simon Wyss	COO, Australia/ New Zealand Engineering	
HSBC	Simon Siluk	Senior Product Manager	Apology
INTERACTIVE BROKERS	Darren Halse	Managing Director	Apology
J.P. MORGAN	Miriam Wu	Direct Custody Product Manager – Australia and New Zealand	
MACQUARIE GROUP	Paul Bragg	Operations Analyst	
MORGAN STANLEY SECURITIES	Rebecca Collins	Executive Director	
MORGAN STANLEY WEALTH	Andrew Sime	Executive Director	Apology
MORGANS	Daniel Spokes	Director, Client Support Services	Apology
NAB	Rodd Kingham	Head of Investment Service (WealthHub Securities)	
THIRD PARTY PLATFORM	Adam von Giese	Chief Operating Officer, Third Party Platform	

UBS	Scott Hanlon	Head of Operations, Executive Director	Apology
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Third Party Software Vendors

Company	Representative	Title	Delegate / Apology
BROADRIDGE	Danielle Gerace	Head of Client Service Australia	Anilkumar Wali
COMPUTERSHARE	Leanne Bailey	Senior Business Analyst	
FINCLEAR	Craig Gray	Head of Product for Settlement & Clearing systems	
FNZ	Nick Clarke	Head of Product Management – Capital Markets	Wendy Snoek
SECURITEASE	David Hinkley	General Manager	

AMOs

Company	Representative	Title	Delegate / Apology
ASX TRADE	Christos Giogkarakis	Head of Equities Trading Technology	Preyas Raval
CBOE	Ben Phillips	VP – Chief Operating Officer APAC	
NSX	Richard Atkins	Market Operations & Technology	
SYDNEY STOCK EXCHANGE	Stuart Guinness	Director Regulatory Affairs / Company Secretary	

Share Registries

Company	Representative	Title	Delegate / Apology
AUTOMIC GROUP	Richard Kennedy	Senior Software Engineer	
BOARDROOM	Joshua Barton	Project Manager of Major Projects	
COMPUTERSHARE	Cate Gilbert	Technical Specialist – Special Project Support	
MUFG PENSION AND MARKET SERVICES	Blanca Valle	Senior Technical Business Analyst - Corporate Markets	

Observers

Company	Representative	Title	Delegate / Apology
AFMA	Damian Jeffree	Senior Director of Policy	
AIRA	Ian Matheson	Chief Executive Officer	Apology
GIA	Simon Pordage	Brand Ambassador for Governance Institute of Australia & Company Secretary for ANZ)	Apology
SIAA	Judith Fox	Chief Executive Officer	Michelle Huckel

Auditors

Company	Representative	Title	Delegate / Apology
ASIC	Derek Scott	Senior Specialist, Market Infrastructure Markets	
ASIC	Nick Hughes	Technology and Delivery Consultant	
ASIC	Liang Chen	Analyst, Market Infrastructure	
RBA	Nick Rowbotham	Acting Manager, Domestic Supervision and Resolution, Payments Policy Department	
RBA	Simon Truong	Lead Analyst, Domestic Supervision and Resolution, Payments Policy Department	
ERNST & YOUNG	Roberto Fitzgerald	Partner, Financial Services	
ERNST & YOUNG	Juan Carlos Martin de los Santos	Director, Technology Risk	

ASX Management Representatives

Company	Representative	Title	Delegate / Apology
ASX	Andrew Jones	General Manager, Equities	Apology
ASX	Ashley D'Souza	Senior Manager, Equities	
ASX	Chris Boyes	Senior Product Manager, Securities & Payments	
ASX	Clive Triance	Group Executive, Securities & Payments (Project Sponsor)	Apology
ASX	Jason Genford	Head of Technology Delivery	
ASX	Mark A. Kaplan	Accenture (SI)	
ASX	Peter Jessup	Release 1 Product Owner (SI Business Lead)	
ASX	Russell Eyre	Enterprise Architect, Securities and Payments	
ASX	Steven Hannan	Senior Manager, Stakeholder Engagement, Equities	
ASX	Triona Quinlan	General Manager, Technology Delivery	

AGENDA ITEM 1: Welcome, Actions and Feedback

The Chair welcomed members and delegates to the 9 July 2025 meeting.

The Chair reminded members of their obligations under Competition Law and encouraged active participation, noting the purpose of the Committee was for stakeholders to provide input and feedback.

The meeting attendance was recorded and is reflected in the tables provided. The 4 June 2025 Committee minutes were approved and are now available on the CHESS project website.

An overview of the agenda was provided before the Chair proposed to close one of the two open actions from the 4 June 2025 meeting:

Item number #	Action	Discussion
2025 June (1)	ASX to consider how it could provide further transparency on changes to ISO design for Technical Committee members to track proposals in the ISO Working Group	ASX was finalising its proposed rollback approach for CHESS Release 1 and anticipated to provide an update at the July Implementation and Transition Working Group and August Technical Committee meetings
2025 April (1)	ASX to consider how it could provide further transparency on changes to ISO design for Technical Committee members to track proposals in the ISO Working Group	Open action was closed . A summary overview of Drop 1 ISO design changes was provided in agenda item 5

Member discussion

A member queried when ASX would discuss the 18 June 2025 Business Committee open action regarding the approach to finalise the optional or mandatory determination of non-batch DVP and corporate action elections functionality. The ASX General Manager, Equities, Securities and Payments responded that ASX's approach was expected to be taken forward to the August Technical Committee meeting, and to the Q3 2025 Advisory Group and Business Committee meetings for consideration.

A member commented that a significant pre-analysis work was being performed to understand the changes in the ISO messages presented at the ISO Working Groups and requested whether ASX could provide additional clarity on these changes in the Working Group material to support Participants with pre-analysis. The Chair recorded an ISO Working Group open action for ASX to review how ISO message changes are currently presented and determine how it can further clarify these changes to Participants.

AGENDA ITEM 2: Project Status

The ASX General Manager, Technology Delivery provided key updates on the CHES Project's delivery and risks, noting that:

- The AMO Readiness phase commenced as planned, providing AMOs with additional features including security integration, reference data integration, and an uplift in performance to enable performance testing.
- 6 known issues and their workarounds were listed in the Known Issues Log. 4 relate to negative test scenarios, 1 is an existing known issue and 1 required input from the AMOs. The known issues were expected to be fixed via a July patch release.
- The CHES Project Release 1 Cutover Approach was published on 26 June 2025 and technical dress rehearsals were expected to commence in late-July 2025.
- Operational acceptance testing commenced, including coverage for incident managementplaybooks and disaster recovery.
- Functional business specification documentation for CHES Release 2 Drop 1 were signed-off and BaNCS build had commenced as planned.
- The project risk on the delays in reference data integration testing impacting AMO Readiness was to be closed as this was mitigated.

Member discussion

A member requested additional information on whether the project status for CHES Release 1 would be updated given commencement of the AMO Readiness phase. The ASX General Manager, Technology Delivery advised that the project status would be assessed internally mid-July 2025 and an update is expected to be provided at the August Technical Committee meeting.

A member queried where Participants could find further information on the specifications for CHES Release 2 Drop 1. The ASX Senior Product Manager, Equities, Securities and Payments advised that the high-level scope of CHES Release 2 Drop 1 could be located in Appendix C of the presentation material. Further information on specifications could be located in the Drop 1 User Technical Specifications expected to be issued in late-August 2025.

AGENDA ITEM 3: CHES Release 1 Build and Test Update

The ASX Head of Technology Delivery provided an update on industry activity for the CHES Release 1 AMO Build and Test phase noting that:

- The ITE environment has remained available and stable for industry testing throughout June 2025
- AMOs and AMO Software Providers successfully transmitted all remaining messages for all available accreditation scenarios and were expected to complete the remaining build following the AMO Readiness release
- From July 2025 onwards, industry readiness tracking is anticipated to transition from reporting on testing activity and coverage to tracking readiness for upcoming mandatory test phases measured by an agreed set of industry readiness criteria.
- Proposed readiness metrics and timing expectations that determine an Organisation's industry readiness status is anticipated to be presented in the AMO Build & Test forum and I&T WG for consideration prior to reporting

Member discussion

A member sought for additional information on whether the readiness metrics would be used as indicators to trigger industry checkpoints on Project progress. The ASX Head of Technology Delivery responded that the readiness metrics would be used to determine whether there are any risks in relation to the readiness for CHES Release 1 and whether any mitigation measures would be required if risks had been identified.

AGENDA ITEM 4: Working Group Updates

a) Implementation & Transition Working Group

The ASX Head of Technology Delivery provided an overview of the key items discussed at the 26 June I&T Working Group (IT WG) focussing on:

- The proposed schedule of AMO non-functional and assisted testing activities including, performance testing and testing for graceful reconnections.
- The publication of the Clearing Regression guide in late-June 2025 and the planned approach for Clearing Regression integrated testing in AMO Customer Test Environments an
- Clearing Participant feedback expressing interest to perform their own validation at scale during parallel testing for CHESS Release 1. To enable this, ASX proposed to provision message files to Clearing Participants in a csv format on request.

The ASX Head of Technology Delivery noted that three IT WG open actions relating to testing deferred settlements, environment resets and the approach to throttling AMO volumes were closed at the June IT WG meeting. The open actions relating to CHESS Release 1 roll back and parallel testing were expected to be addressed in the July IT WG meeting.

Member discussion

No member feedback was recorded.

b) Business Design Working Group

The ASX Senior Product Manager, Equities, Securities and Payments provided an overview of the upcoming Business Design Working Group (BDWG) meetings. It was noted that:

- A Business Design Working Group meeting was not held for the month of June 2025
- CHESS Release 2 Drop 3 sessions we're going to split it in two, with the first session to be held on 10 July focussing on settlement, reporting and cash corporate actions and the second session to be held on 18 August focussing on issuer sponsor processes and payments.
- A Payment Provider Docus Group was expected to be held on 7 August to deep dive on their payment processes The ASX Senior Product Manager, Equities, Securities and Payments advised that a Technical Committee member had raised an open action on the timing of fail notifications in batch for discussion at a future BD WG meeting and invited the member to provide further input. The member responded that the query was raised to address the fact settlement failures would no longer be communicated to Participants before the settlement batch completes raising a risk that settlement amounts may materially increase without the Participant's knowledge prior to the batch payment being requested.

Member discussion

No member feedback was recorded.

c) ISO Design Working Group

The ASX Senior Manager, Equities Post Trade provided the following key updates from the 19 June ISO Design Working Group (ISO WG) meeting:

- Workflows relating to batch settlement, which included confirmations and failures, and the rescheduling process.
- It was confirmed that condition codes and basis of quotation would be populated on the trade confirmation notification which is the equivalent of the EIS 164 message. The draft message was available in MyStandards for review.
- The next ISO WG meeting was expected to be held on the 24th of July focusing on CHESS Release 2 Drop 3 functionality.

Member discussion

No member feedback was recorded.

AGENDA ITEM 5: CHESS Release 2 Drop 1 ISO Design Changes

The ASX Senior Manager, Equities Post Trade provided an overview of the ISO Design changes for CHESS Release 2 Drop 1 noting the 4 key scope items, the 13 ISO base messages used to support the 8 workflows or functions, and the 14 ISO messages used for the Drop 1 functionality.

The ASX Senior Manager, Equities Post Trade further noted that the next level of detail on the CHESS Release 2 Drop 1 design changes was expected to be provided in the User Technical Documentation release expected in late-August 2025.

The Chair advised that an overview of ISO Design changes was expected to be provided in line with each remaining Drop to support Technical Committee members with planning activities and in assessing the level of work required for the Project overall as a result of the changes.

Member discussion

No member feedback was recorded.

AGENDA ITEM 6: Pricing considerations for the CHESS Project

The ASX General Manager, Equities, Securities and Payments provided an overview of the pricing considerations for the CHESS Project. It was noted that

- As part of the work on Release 2 of the CHESS Project, there will be a body of work to map the functionality in the new system to the existing functionality in the current system from a billing messaging perspective. Any new optional services will also be mapped and priced with reference to the new Pricing Policy.
- ASX will then consult on this mapping exercise for market feedback. ASX anticipates that this work will commence in 2027, in preparation for the 2029 go-live of Release 2.
- The key focus at this stage of the Project was to ensure that the system for CHESS Release 2 was built effectively and efficiently from a workflow and messaging perspective.

Member discussion

A member sought additional information on whether ASX could consider including a cost recovery mechanism with Participants to finalise the remaining corporate actions scope items. The ASX General Manager, Equities, Securities and Payments responded that the corporate action scope items were an example of a new service that benefits some Participants more than others. The ASX General Manager, Equities, Securities and Payments further noted the importance of fair pricing to avoid disadvantaging Participants who don't benefit directly.

A member queried whether settlement messaging pricing would be "like for like" or if ASX would consider incorporating incentives to improve settlement efficiency. The ASX General Manager, Equities, Securities and Payments advised that the base pricing approach was anticipated to be "like for like", however, ASX remained open to adjusting pricing to encourage better outcomes and ensure fairness across all users.

A member queried whether the removal of updated balance information in settlement messages which subsequently requires systems to perform more frequent balance inquiries will be considered when determining pricing. The ASX General Manager, Equities, Securities and Payments responded that Participants were not expected to be disadvantaged however noted that ASX had not finalised its analysis. The ASX Senior Product Manager, Equities, Securities and Payments further noted that the design of settlement messages was being refined and would be discussed further in the upcoming Business Design Working Group.

AGENDA ITEM 8: Forward Engagement Plan

The ASX CHESS User Relationships Manager provided an overview of the 3-month forward engagement plan and noted that two Business Design Working Groups were expected to be held in August, the Payment Provider Focus Group and CHESS Release 2 Drop 3 deep dive.

Member discussion

Some members requested whether ASX could provide a decision register to assist Participants in tracking potential decisions made at the Working Groups given the length of Project. The Chair responded that design or scope related decisions have been tracked via Technical Committee and Business Committee endorsement to the ASX Clearing and ASX Settlements

Board for consideration. The Chair further noted that ASX would determine how it could report on other industry discussion or engagement related output that could be considered as a Working Group decision. An open action was record for ASX to provide Technical Committee members with an overview of decisions made in its Working Groups (2025-07-01)

AGENDA ITEM 9: Observer Feedback

The Independent Observer noted that the meeting logistics were excellent and that the content was presented very clearly in general. The Independent Observer acknowledged ASX's openness to feedback and the broader Technical Committee for their respectful and constructive communication

The Independent Observer noted that the numbers that supported the CHESS Release 2 Drop 1 ISO design changes have been slightly adjusted and expected this to be reflected in the publication documentation. The Independent Observer suggested for ASX to continue to provide overviews of ISO design changes as the Project progresses to provide a high-level view of the quantum of changes.

The meeting closed at 3:00PM.

Signed as a correct record of the meeting.



Chair

6 August 2025

Date