

BBSW Assessment vs IOSCO Principles for Financial Benchmarks (2026)

June 2026



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Introduction

In July 2013, the International Organisation of Securities Commissions (IOSCO) published the Principles for Financial Benchmarks, setting standards for organisations administering financial benchmarks. They are intended to promote the reliability of benchmark determination and address governance, quality and accountability mechanisms.

Effective 1 July 2019, ASX Benchmarks Pty Limited (ASX Benchmarks) was granted an Australian Benchmark Administrator Licence (ABAL) by ASIC to administer the Bank Bill Swap Rate (BBSW) under Part 7.5B of the Corporations Act 2001 (Cth) (Administrator). The Administrator must comply with the obligations imposed by the Corporations Act, the ASIC Financial Benchmark (Administration) Rules 2018 and any directions issued by ASIC.

As Administrator, ASX Benchmarks holds primary responsibility for, without limitation:

- The calculation of BBSW
- Determination and application of the BBSW Methodology
- Publication of BBSW

BBSW is the primary short-term rate used in Australian financial markets for the pricing and valuation of Australian dollar securities and as a lending reference rate. The BBSW rate is calculated for 1, 2, 3, 4, 5 and 6 month tenors using a tiered waterfall calculation methodology comprising the primary, secondary and tertiary layers.

Document purpose

The purpose of this document is to provide market participants, regulators and other interested stakeholders with a comprehensive and transparent assessment of BBSW against the IOSCO Principles for Financial Benchmarks. This assessment sets out how the Administrator meets each of the IOSCO Principles in the design, governance, determination, publication and oversight of BBSW. It reflects the current BBSW methodology, conventions and control framework, including enhancements implemented since the prior IOSCO compliance assessment completed in 2022. The document is intended to:

- Support regulatory supervision and ongoing licence obligations under the Australian Benchmark Administration framework;
- Provide stakeholders with visibility over the robustness, integrity and governance of BBSW; and
- Demonstrate alignment with international best practice as articulated in the IOSCO Principles for Financial Benchmarks.

This assessment has been prepared using the most current BBSW documentation and processes as at April 2026, including the December 2025 updates to the BBSW Conventions and Methodology.

Key documentation

BBSW is supported by a set of documents that together govern its methodology, data inputs, governance and accountability, and underpin compliance with the IOSCO Principles for Financial Benchmarks. These include:

- [BBSW Conventions and Methodology](#): Defines the BBSW calculation framework, including the waterfall methodology, Rate Set Window, Prime Bank conventions, fallback procedures and publication standards;
- [BBSW Trade and Trade Reporting Guidelines](#): Sets out obligations for Prime Banks, Approved Trading Venues (ATVs) and market participants in relation to trade reporting for eligible instruments;
- [BBSW Conflicts Handling Policy](#): Describes how actual, potential and perceived conflicts of interest associated with the administration of BBSW are identified, managed and disclosed;
- [ASX Conflicts Management Policy](#): Group-wide policy establishing conflict governance arrangements applicable to ASX Benchmarks;
- [ASX Benchmarks Complaints Policy](#): Provides the formal mechanism for stakeholders to raise complaints relating to benchmark determinations, methodology application or other Administrator decisions; and
- ASX Transition Policy and Procedure: Sets out the framework for managing material changes to, or the potential cessation of, benchmarks administered by ASX Benchmarks (available by email request to Benchmarks@asx.com.au),

collectively herein referred to as the BBSW Documentation.

The Administrator notes that capitalised terms utilised in this document which aren't otherwise defined have the meaning given to them in the applicable BBSW Documentation, as the context requires.

Certain internal governance and control documents, including the BBSW Control Framework, are made available to regulators on request. All publicly available documentation is accessible via the ASX website and is subject to periodic review, governance approval and stakeholder consultation where applicable.

Self-assessment

IOSCO Principles	How ASX Benchmarks / BBSW complies
Principle 1 – Governance – Overall Responsibility of the Administrator: The Administrator should retain primary responsibility for all aspects of the Benchmark determination process. For example, this includes: a) Development: The definition of the Benchmark and Benchmark Methodology; b) Determination and Dissemination: Accurate and timely compilation and publication and distribution of the Benchmark; c) Operation: Ensuring appropriate transparency over significant decisions affecting the compilation of the Benchmark and any related determination process, including contingency measures in the event of absence of or insufficient inputs, market stress or disruption, failure of critical infrastructure, or other relevant factors; and d) Governance: Establishing credible and transparent governance, oversight and accountability procedures for the Benchmark determination process, including an identifiable oversight function accountable for the development, issuance and operation of the Benchmark.	ASX Benchmarks retains primary responsibility for all aspects of the BBSW benchmark determination process, including: - Defining BBSW and the BBSW Methodology - Collation of data inputs from Approved Trading Venues (ATVs) - Timely and accurate determination, publication and distribution of BBSW - Ensuring transparency over significant decisions affecting the determination, publication and distribution of BBSW - Establishing credible and transparent governance procedures for the BBSW determination process The governance framework is documented across several key instruments: BBSW Conventions and Methodology (updated 19 December 2025): The December 2025 version of the Conventions continues to articulate the waterfall methodology, operational rules, Prime Bank Conventions and governance structures. The document confirms the three-layer waterfall (Primary: VWAP/Weighted LSR; Secondary: NBBO (National Best Bid and Offer); Tertiary: five-stage Fall-Back) remains in effect. BBSW Control Framework: An internal document made available to regulators upon request, defining roles and responsibilities across all ASX business units involved in the determination process. Benchmarks Oversight Steering Group: An internal multi-disciplinary group (Legal, Business Development, Operations, Enterprise Risk & Compliance, Technology, Clearing Risk Oversight) providing governance and oversight of BBSW and SOFIA. BBSW Advisory Committee: An external committee comprising Prime Banks, buy-side investors. ASIC, RBA, AFMA and the Australian Securitisation Forum also attend as Observers, providing ongoing input on the Conventions and Methodology.
Principle 2 – Governance – Oversight of Third Parties: Where activities relating to the Benchmark determination process are undertaken by third parties - for example collection of inputs, publication or where a third party acts as Calculation Agent - the Administrator should maintain appropriate oversight of such third parties. The Administrator (and its oversight function) should consider adopting policies and procedures that: a) Clearly define and substantiate through	ASX Benchmarks maintains responsibility for oversight of all third parties involved in the benchmark determination process. Key arrangements include: - Service Level Agreements (SLAs) with each Approved Trading Venue (ATV) governing data provision obligations, oversight requirements and performance standards - Periodic ATV attestations of compliance with SLA obligations - Internal ATV performance monitoring procedures - Annual attestations of compliance with the BBSW Trade and Trade Reporting Guidelines by Prime Banks and ATVs under 'Specified Contributor Attestation of Compliance'

appropriate written arrangements the roles and obligations of third parties who participate in the Benchmark determination process, as well as the standards the Administrator expects these third parties to comply with; b) Monitor third parties' compliance with the standards set out by the Administrator; c) Make Available to Stakeholders and any relevant Regulatory Authority the identity and roles of third parties who participate in the Benchmark determination process; and d) Take reasonable steps, including contingency plans, to avoid undue operational risk related to the participation of third parties in the Benchmark determination process. This Principle does not apply in relation to a third party from whom an Administrator sources data if that third party is a Regulated Market or Exchange.	• Prime Bank Conventions (Appendix D of the December 2025 BBSW Conventions) governing the selection of Prime Banks and their ongoing obligations, including two-way market-making during the Rate Set Window The December 2025 Conventions note that the Rate Set Window operates between 8:30am–10:00am AEST/AEDT. All Eligible Trades occurring during this window must be reported to the Administrator via an ATV in accordance with the BBSW Guidelines.
Principle 3 – Governance – Conflicts of Interest for Administrators: To protect the integrity and independence of Benchmark determinations, Administrators should document, implement and enforce policies and procedures for the identification, disclosure, management, mitigation or avoidance of conflicts of interest. Administrators should review and update their policies and procedures as appropriate. Administrators should disclose any material conflicts of interest to their users and any relevant Regulatory Authority, if any.	ASX has comprehensive policies for identification, disclosure, management, mitigation and avoidance of conflicts of interest, including: • ASX Conflicts Management Policy (publicly available at asx.com.au/about/corporate-governance), subject to periodic review • Conflicts of interest remain a standing agenda item at the Benchmark Oversight Steering Group and BBSW Advisory Committee meetings • BBSW Conflicts Handling Policy published online, setting out examples of how perceived or actual conflicts are managed • The BBSW Control Framework documents internal procedures pertaining to conflicts • ASX Benchmarks maintains segregation of reporting lines as articulated in the BBSW Control Framework • Group-wide coverage under ASX Code of Conduct and ASX Anti-Bribery and Corruption Policy
Principle 4 - Control Framework for Administrators: An Administrator should implement an appropriate control framework for the process of determining and distributing the Benchmark. The control framework should be appropriately tailored to the materiality of the potential or existing conflicts of interest identified, the extent of the use of discretion in the Benchmark setting process and to the nature of Benchmark inputs and outputs. The control framework should be documented and available to relevant Regulatory Authorities, if any. A summary of its main features should be Published or Made Available to Stakeholders. This control framework should be reviewed periodically and updated as appropriate	ASX maintains an appropriate and documented control framework covering all aspects of the BBSW determination and distribution process. Key features include: • The BBSW Control Framework is an internal document updated annually and made available to relevant Regulatory Authorities upon request • ASX Benchmarks employs active surveillance to identify potential pricing issues, consistent with the obligations in Section 7.1 of the December 2025 BBSW Conventions and Section 2.5 of the BBSW Trade and Trade Reporting Guidelines • BBSW relies on ATV-reported trades, necessitating ongoing surveillance activity to maintain data integrity • Personnel involved in the determination process are subject to ASX Code of Conduct, Anti-Bribery and Corruption Policy, Fraud Control Policy and Whistleblower Protection Policy • An effective whistleblowing mechanism is in place as outlined in Section 4 of the BBSW Control Framework

Principle 5 - Governance – Internal Oversight: Administrators should establish an oversight function to review and provide challenge on all aspects of the Benchmark determination process. This should include consideration of the features and intended, expected or known usage of the Benchmark and the materiality of existing or potential conflicts of interest identified. The oversight function should be carried out either by a separate committee, or other appropriate governance arrangements. The oversight function and its composition should be appropriate to provide effective scrutiny of the Administrator. Such oversight function could consider groups of Benchmarks by type or asset class, provided that it otherwise complies with this Principle. An Administrator should develop and maintain robust procedures regarding its oversight function, which should be documented and available to relevant Regulatory Authorities, if any. The main features of the procedures should be Made Available to Stakeholders.	ASX Benchmarks maintains a robust oversight function through two complementary committees: Benchmarks Oversight Steering Group: An internal multi-disciplinary group responsible for governance and oversight of the BBSW determination process. Reviews design, monitoring metrics, issues and risks monthly. BBSW Advisory Committee: An external committee with representation from Prime Banks, investors and issuers. RBA, ASIC, AFMA and Australian Securitisation Forum act as observers. The Committee provides ongoing guidance on the BBSW Conventions and Methodology and serves as the primary forum for methodology feedback from market participants. Conflicts of interest reporting is a standing agenda item for both committees. Further, the ASX Benchmarks Complaints Policy provides a formal mechanism for stakeholders to raise complaints relating to benchmark determinations, methodology application or other Administrator decisions; and where applicable, complaints made under this policy are reviewed by ASX's internal Benchmarks Oversight Steering Group. This policy also provides an escalation pathway to ASX's regulator, ASIC in case the complainant is not satisfied with ASX Benchmark's response.
Principle 6 – Quality of the Benchmark – Benchmark Design: The design of the Benchmark should seek to achieve, and result in an accurate and reliable representation of the economic realities of the Interest it seeks to measure, and eliminate factors that might result in a distortion of the price, rate, index or value of the Benchmark. Benchmark design should take into account the following generic non-exclusive features, and other factors should be considered, as appropriate to the particular Interest: a) Adequacy of the sample used to represent the Interest; b) Size and liquidity of the relevant market (for example whether there is sufficient trading to provide observable, transparent pricing); c) Relative size of the underlying market in relation to the volume of trading in the market that references the Benchmark; d) The distribution of trading among Market Participants (market concentration); e) Market dynamics (e.g., to ensure that the Benchmark reflects changes to the assets underpinning a Benchmark).	The BBSW methodology has been developed and refined through extensive engagement with stakeholders via the BBSW Advisory Committee and is updated to ensure it remains a reliable representation of the economic reality of the unsecured short-term funding market. As reflected in the December 2025 BBSW Conventions, the waterfall calculation methodology comprises: • Primary Layer 1.1 – VWAP Methodology: volume-weighted average of Eligible Trades during the Rate Set Window (8:30am–10:00am AEST/AEDT) • Primary Layer 1.2 – Weighted LSR Methodology: applied where Eligible Trades fall on multiple maturity dates within a tenor; this was introduced to increase use of transaction data without compromising integrity • Secondary Layer – NBBO Methodology: National Best Bid and Best Offer average mid-point, derived from Prime Banks' two-way markets over three sample periods • Tertiary Layer – Five-stage Fall-Back Methodology: triggered if neither Primary nor Secondary layers can form a rate The December 2025 Conventions also note that if the VWAP/WLSR rate is more than 1.5 basis points from the NBBO rate, the calculation progresses to the NBBO layer under specific criteria. This further strengthens the methodology's robustness in certain market conditions. Key metrics are regularly monitored and presented to both the Oversight Steering Group and the BBSW Advisory Committee.
Principle 7 - Quality of the Benchmark – Data Sufficiency:	Data sufficiency and transactional anchoring The data used to construct BBSW is sufficient to accurately and reliably represent the cost of short-term unsecured bank funding. The Benchmark is grounded in an active market and is constructed using

The data used to construct a Benchmark should be based on prices, rates, indices or values that have been formed by the competitive forces of supply and demand (i.e., in an active market) and be anchored by observable transactions entered into at arm's length between buyers and sellers in the market for the Interest the Benchmark measures. This Principle recognizes that Bona Fide observable transactions in active markets provide a level of confidence that the prices or values used as the basis of the Benchmark are credible. Principle 7 does not mean that every individual Benchmark determination must be constructed solely from transaction data. Provided that an active market exists, conditions in the market on any given day might require the Administrator to rely on different forms of data tied to observable market data as an adjunct or supplement to transactions. Depending upon the Administrator's Methodology, this could result in an individual Benchmark determination based predominantly, or exclusively, on bids and offers or extrapolations from prior transactions.

The Principle also recognizes that various indices may be designed to measure or reflect the performance of a rule-based investment strategy, the volatility or behaviour of an index or market or other aspects of an active market. The Principle also does not preclude the use of non-transactional data for indices that are not designed to represent transactions and where the nature of the index is such that non-transactional data is used to reflect what the index is designed to measure. For example, certain volatility indices, which are designed to measure the expected volatility of an index of securities transactions, rely on non-transactional data, but the data is derived from and thus anchored in an actual functioning securities or options market.

data that reflects competitive forces of supply and demand. In particular, BBSW is:

- Transaction-anchored, relying on observable, bona fide transactions entered into at arm's length between buyers and sellers for genuine business purposes; and
- Representative of active market conditions, providing confidence in the integrity of the price discovery process.

The primary calculation layer for BBSW is based on Eligible Trades in Prime Bank paper (bank-accepted bills and negotiable certificates of deposit) reported to ASX Benchmarks during the Rate Set Window. Detailed obligations on traders, issuers, investors and Approved Trading Venues (ATVs) in relation to trade reporting and data integrity are set out in the BBSW Trade and Trade Reporting Guidelines.

Transparency and governance of data sufficiency

To support transparency and ongoing oversight of data sufficiency, ASX Benchmarks monitors the availability and use of transactional data across all BBSW tenors. The table below provides a summarised assessment of data sufficiency for the two-year period from **1 January 2024 to 31 December 2025**.

The data underlying this assessment is reviewed:

- **Monthly** by the BBSW Oversight Steering Group (internal governance forum); and
- **Quarterly** by the BBSW Advisory Committee (external industry forum).

BBSW Tenor	Transaction-based formation	NBBO -based formation	Average Daily Eligible Volume
1M	42%	58%	\$214.25m
2M	53%	47%	\$279.02m
3M	86%	14%	\$507.73m
4M	37%	63%	\$188.42m
5M	23%	77%	\$221.03m
6M	89%	11%	\$820.78m

Note: Transaction-based tenor formation indicates that the primary calculation layer (Eligible Trades in Prime Bank NCDs) was sufficient to determine the published BBSW tenor. Where, on a given publication date, the primary calculation layer was unable to set a tenor, BBSW was determined using the secondary calculation layer, based on executable best bid and offer prices in Prime Bank NCDs sourced from Approved Trading Venues (NBBO-based formation).

ASX Benchmarks notes higher transaction-based tenor formation in 3-month and 6-month tenors. Transaction-based tenor formation in these tenors is a focus for ASX Benchmarks and the industry reflecting their extensive use in derivatives markets, including listed interest rate futures (3-month) and cleared interest rate swaps.

ASX Benchmarks notes that transaction-based formation for the 1-month, 4-month 5-month tenors remain lower in comparison. Transaction-based formation across these tenors, as with all BBSW tenors, remains an area of active review and industry engagement through both the BBSW Oversight Steering Group and the BBSW Advisory Committee, with ongoing consideration of measures that may

	support improved transactional activity. To facilitate this review, detailed data is shared with each group on the underlying inputs to BBSW enable informed review and recommendations on methodology. Use of the secondary calculation layer (NBBO-based formation) Notwithstanding variations in transactional activity by tenor, ASX Benchmarks notes that the secondary calculation layer has been designed and implemented in accordance with the IOSCO Principles for Financial Benchmarks. Overall, BBSW remains anchored in an active market for Prime Bank NCDs characterised by observable, bona fide and arm's-length transactions. These characteristics provide the necessary pre-conditions under IOSCO for the use of executable bids and offers to determine benchmark rates on occasions when transactional data is insufficient on a particular publication date. <u>ASX Benchmarks notes that under either the Primary or Secondary calculation layer, the rate remains anchored to observable bank bill market pricing and continues to represent the underlying interest the benchmark is intended to measure.</u> Tertiary layer (Fallback) The fallback methodology has not been used during the two-year assessment period.
Principle 8 – Quality of the Benchmark – Hierarchy of Data Inputs: An Administrator should establish and publish or make available clear guidelines regarding the hierarchy of data inputs and exercise of Expert Judgment used for the determination of Benchmarks. In general, the hierarchy of data inputs should include: a) Where a Benchmark is dependent upon Submissions, the Submitters' own concluded arms-length transactions in the underlying interest or related markets; b) Reported or observed concluded Arm's-length Transactions in the underlying interest; c) Reported or observed concluded Arm's-length Transactions in related markets; d) Firm (executable) bids and offers; and e) Other market information or Expert Judgments	The hierarchy of data inputs is clearly documented in the December 2025 BBSW Conventions. The waterfall prioritises: • Primary: arm's-length concluded transactions in the underlying interest (VWAP/Weighted LSR) • Secondary: firm executable bids and offers (NBBO) • Tertiary: Five-stage Fall-Back Methodology incorporating more discretionary inputs only when market conditions make the primary and secondary layers inoperative. Expert Judgment is addressed in Section 2.5 of the BBSW Final Stage Methodology and Code of Conduct (Appendix C of the December 2025 Conventions). The framework ensures that Expert Judgment is only deployed within a structured, documented and auditable context.
Principle 9 – Quality of the Benchmark – Transparency of Benchmark Determinations: The Administrator should describe and publish with each Benchmark determination, to the extent reasonable without delaying an Administrator publication deadline: a) A concise explanation, sufficient to facilitate a Stakeholder's or Market Authority's ability to understand how the determination was developed, including, at a minimum, the size and liquidity of the market being assessed (meaning the number and volume of transactions submitted), the range and average volume and range and average of price, and indicative	ASX Benchmarks publishes each BBSW rate determination across six tenors (1–6 months). Transparency is achieved through: • Daily publication of BBSW (with 24-hour delayed volume data) via the ASX website. • Publication of eligible daily volume and VWAP range for each tenor. • Identification of the calculation methodology used for each tenor communicated to daily email subscribers. • BBSW rounded to four decimal places and published by 10:30am AEST/AEDT as per Section 3.5 of the December 2025 Conventions.

percentages of each type of market data that have been considered in a Benchmark determination; terms referring to the pricing Methodology should be included (i.e., transaction-based, spread-based or interpolated/extrapolated); b) A concise explanation of the extent to which and the basis upon which Expert Judgment if any, was used in establishing a Benchmark determination	
Principle 10 – Quality of the Benchmark – Periodic Review: The Administrator should periodically review the conditions in the underlying Interest that the Benchmark measures to determine whether the Interest has undergone structural changes that might require changes to the design of the Methodology. The Administrator also should periodically review whether the Interest has diminished or is non-functioning such that it can no longer function as the basis for a credible Benchmark. The Administrator should Publish or Make Available a summary of such reviews where material revisions have been made to a Benchmark, including the rationale for the revisions.	ASX Benchmarks continually monitors and assesses market conditions to determine whether the BBSW methodology remains appropriate. This is achieved through: • Monthly presentation of monitoring metrics to the internal Benchmark Oversight Steering Group and quarterly to the external BBSW Advisory Committee. • Annual review of the BBSW Conventions, BBSW Guidelines and Prime Bank Conventions as set out in Section 9.0 of the December 2025 Conventions, incorporating consideration of underlying market size, liquidity and dynamics; methodology effectiveness; and overall benchmark integrity • Publication of consultation papers for any proposed material changes to the methodology The December 2025 Conventions represent the most recent output of this process, with the Weighted LSR refinement (1.5 bps NBBO cross-check) constituting a methodology enhancement since the 2022 IOSCO compliance self-assessment.
Principle 11 – Quality of the Methodology – Content of the Methodology: The Administrator should document and Publish or Make Available the Methodology used to make Benchmark determinations. The Administrator should provide the rationale for adopting a particular Methodology. The Published Methodology should provide sufficient detail to allow Stakeholders to understand how the Benchmark is derived and to assess its representativeness, its relevance to particular Stakeholders, and its appropriateness as a reference for financial instruments.	The full BBSW methodology is publicly available in the December 2025 BBSW Conventions. The document provides sufficient detail for stakeholders to understand benchmark derivation and assess its representativeness and appropriateness, including: • Section 4.1: BBSW Calculation Waterfall (VWAP, Weighted LSR, NBBO, and five-stage Fall-Back) • Appendix C: Final Stage Methodology and Code of Conduct • Appendix D: Prime Bank Conventions The calculation waterfall layer used for each determination is communicated to subscribers via the daily BBSW spreadsheet and published with a 24-hour delay on the ASX website.
Principle 12 – Quality of the Methodology – Changes to the Methodology: An Administrator should Publish or Make Available the rationale of any proposed material change in its Methodology, and procedures for making such changes. These procedures should clearly define what constitutes a material change, and the method and timing for consulting or notifying Subscribers (and other Stakeholders where appropriate, taking	As per Section 8.0 of the December 2025 BBSW Conventions, any material change to the BBSW methodology requires: • Formal industry-wide consultation • Consultation with the BBSW Advisory Committee • Administrator internal review and approval • Advance notice via market notice and publication of draft documentation on the ASX website, generally at least one calendar month prior to implementation The December 2025 Conventions define a 'Material Change' to include changes to publication approach, calculation methodology, Rate Set Window timing, approved tenors, and the BBSY bid/ask spread.

into account the breadth and depth of the Benchmark's use) of changes. Those procedures should be consistent with the overriding objective that an Administrator must ensure the continued integrity of its Benchmark determinations. When changes are proposed, the Administrator should specify exactly what these changes entail and when they are intended to apply. The Administrator should specify how changes to the Methodology will be scrutinised, by the oversight function. The Administrator should develop Stakeholder consultation procedures in relation to changes to the Methodology that are deemed material by the oversight function, and that are appropriate and proportionate to the breadth and depth of the Benchmark's use and the nature of the Stakeholders.	
Principle 13 – Quality of the Methodology – Transition: Administrators should have clear written policies and procedures, to address the need for possible cessation of a Benchmark, due to market structure change, product definition change, or any other condition which makes the Benchmark no longer representative of its intended Interest. These policies and procedures should be proportionate to the estimated breadth and depth of contracts and financial instruments that reference a Benchmark and the economic and financial stability impact that might result from the cessation of the Benchmark. The Administrator should take into account the views of Stakeholders and any relevant Regulatory and National Authorities in determining what policies and procedures are appropriate for a particular Benchmark. These written policies and procedures should be Published or Made Available to all Stakeholders.	The ASX Transition Policy and Procedure covers the scenario of cessation of BBSW and is proportionate to the estimated breadth and depth of contracts and financial instruments referencing the benchmark. In accordance with Section 5 (Stakeholder Awareness) of the ASX Transition Policy and Procedure, ASX Benchmarks: • Encourages participants to maintain robust fall-back provisions in contractual documentation to address cessation of, or material change to, BBSW. • Advises stakeholders to be aware that external factors beyond ASX Benchmarks' control may necessitate material changes to the benchmark. ASX Benchmarks maintains a statement on its public website encouraging participants to have robust fall back arrangements written in to relevant contractual documentation to address the cessation of or Material Change to the BBSW benchmark. Further to this: • ISDA's IBOR Fallbacks framework includes AUD BBSW, specifying a compounded-in-arrears AONIA fallback plus a spread adjustment triggered on cessation, giving derivatives referencing BBSW a robust contractual fallback. • A BBSW-referencing Floating Rate Note or Asset-Backed Security issued on or after 1 December 2022 must contain robust fallback provisions to be RBA repo-eligible.
Principle 14 – Quality of the Methodology – Submitter Code of Conduct: The Administrator should develop guidelines for Submitters ("Submitter Code of Conduct"), which should be available to any relevant Regulatory Authorities, if any and Published or Made Available to Stakeholders. The Administrator should only use inputs or	ASX Benchmarks maintains a Submitter Code of Conduct for the scenario in which BBSW is required to be determined on a submissions basis. This is documented in the BBSW Final Stage Methodology and Code of Conduct at Appendix C of the December 2025 BBSW Conventions. In addition, ASX Benchmarks undertook an industry-wide firedrill of the BBSW Final Stage Methodology in March 2026 to test the operational effectiveness, governance arrangements and Submitter obligations under a simulated submissions-based determination scenario.

Submissions from entities which adhere to the Submitter Code of Conduct and the Administrator should appropriately monitor and record adherence from Submitters. The Administrator should require Submitters to confirm adherence to the Submitter Code of Conduct annually and whenever a change to the Submitter Code of Conduct has occurred. 26 The Administrator's oversight function should be responsible for the continuing review and oversight of the Submitter Code of Conduct.	The firedrill was conducted in accordance with the Final Stage Methodology and Code of Conduct set out in Appendix C of the December 2025 BBSW Conventions and involved: • Participation by Prime Banks acting through their nominated and approved submitters and approvers; • Coordination with ASIC, including a simulated notice under the ASIC Financial Benchmark (Compelled) Rules 2018; and • Execution of submission, calculation and governance steps consistent with documented Final Stage procedures. The exercise provided additional assurance that Submitters are able to comply with the Submitter Code of Conduct under stressed market scenarios and that relevant roles, responsibilities and escalation processes are clearly understood. Observations from the firedrill were reviewed by ASX Benchmarks and form part of ongoing oversight of the Submitter Code of Conduct through the BBSW Oversight Steering Group and BBSW Advisory Committee.
Principle 15 – Quality of the Methodology – Internal controls over Data Collection: When an Administrator collects data from any external source the Administrator should ensure that there are appropriate internal controls over its data collection and transmission processes. These controls should address the process for selecting the source, collecting the data and protecting the integrity and confidentiality of the data. Where Administrators receive data from employees of the Front Office Function, the Administrator should seek corroborating data from other sources.	ASX Benchmarks collects BBSW input data from external sources (ATVs and Prime Banks) and has appropriate internal controls in place, including: • Legally binding ATV Agreements specifying obligations for timely, accurate and consistent data provision • Prime Bank Conventions governing data reporting requirements in connection with trading in Bank Paper • BBSW Trade and Trade Reporting Guidelines setting out obligations for trade reporting agents (ATVs) and reporting entities • Security controls protecting the confidentiality of data transmitted to ASX Benchmarks Section 3.1 of the December 2025 Conventions notes that the Administrator's system ignores all ATV prices from previous days (stale data removal), with ATV screens required to be cleared by 8:30am each Business Day. An audit log of all ATV data inputs is maintained in accordance with Section 3.2. Note: An independent audit review completed in Q1 2026 identified a minor exception relating to access restrictions over a BBSW validation spreadsheet. This did not impact the integrity of published BBSW rates. This has since been remediated through strengthened access controls and this supports a "Fully Implemented" assessment for this item.
Principle 16 – Accountability – Complaints Procedure: The Administrator should establish and Publish or Make Available a written complaints procedures policy, by which Stakeholders may submit complaints including concerning whether a specific Benchmark determination is representative of the underlying Interest it seeks to measure, applications of the Methodology in relation to a specific Benchmark determination(s) and other Administrator decisions in relation to a Benchmark determination.	The ASX Benchmarks Complaints Policy is publicly available and covers complaints relating to: • Whether a specific benchmark determination is representative of the underlying Interest • Application of the Methodology to a specific determination • Pricing and fee structures for access to a specific benchmark • Other Administrator decisions in relation to a benchmark determination Complaints may be lodged through the ASX customer feedback portal. Disputes specifically about BBSW may be directed to ASX Benchmarks Pricing as detailed in the policy. Section 7.0 of the December 2025 Conventions additionally references the BBSW Error Log and the intraday refix procedures (Section 5.0), which allow for post-publication amendment where a material error is

	identified. The refix cut-off is 10:20am AEST/AEDT, with publication of amended rates by designated deadlines.
Principle 17- Audits: The Administrator should appoint an independent internal or external auditor with appropriate experience and capability to periodically review and report on the Administrator's adherence to its stated criteria and with the Principles. The frequency of audits should be proportionate to the size and complexity of the Administrator's operations. Where appropriate to the level of existing or potential conflicts of interest identified by the Administrator (except for Benchmarks that are otherwise regulated or supervised by a National Authority other than a relevant Regulatory Authority), an Administrator should appoint an independent external auditor with appropriate experience and capability to periodically review and report on the Administrator's adherence to its stated Methodology. The frequency of audits should be proportionate to the size and complexity of the Administrator's Benchmark operations and the breadth and depth of Benchmark use by Stakeholders.	BBSW is subject to independent audits on a biennial basis. These audits are measured against the IOSCO Principles for Financial Benchmarks 2013. ASX Benchmarks holds an Australian Benchmark Administrator Licence (ABAL) granted by ASIC effective 1 July 2019, and is subject to ongoing ASIC supervision under Part 7.5B of the Corporations Act 2001. Note: ASX's internal audit function completed an independent review of BBSW specifically vs the IOSCO Principles for Financial Markets in Q1 2026. The broad outcomes from this review are included in the assessment summary of this document.
Principle 18 – Accountability – Audit Trail: Written records should be retained by the Administrator for five years, subject to applicable national legal or regulatory requirements on: a) All market data, Submissions and any other data and information sources relied upon for Benchmark determination; b) The exercise of Expert Judgment made by the Administrator in reaching a Benchmark determination; c) Other changes in or deviations from standard procedures and Methodologies, including those made during periods of market stress or disruption; d) The identity of each person involved in producing a Benchmark determination; and e) Any queries and responses relating to data inputs. If these records are held by a Regulated Market or Exchange the Administrator may rely on these records for compliance with this Principle, subject to appropriate written record sharing agreements.	In accordance with group-wide ASX policy, all written records regarding BBSW rate determinations are retained by ASX Benchmarks for a period of at least seven years (exceeding the five-year minimum under IOSCO Principle 18). This is implemented under the following ASX policies: • ASX Data Management Policy • ASX Data Retention Policy • ASX Data Handling Procedures Records include all market data and ATV/Prime Bank inputs, expert judgment exercises, deviations from standard procedures, identities of determination personnel, and queries/responses relating to data inputs. ASX Benchmarks maintains records of all communications relating to the instruction and approval of manual publication of BBSW, which may be required in the event of a market or operational incident. Manual publication is conducted using approved and robustly tested back-up processes. ASX Benchmarks has prioritised enhancements to further automate and standardise the collation of audit information relating to this process.
Principle 19 – Accountability - Cooperation with Regulatory Authorities:	ASX Benchmarks maintains up-to-date documentation for BBSW, which can be made readily available to relevant Regulatory Authorities. ASX provides information to ASIC and the RBA subject to Corporations Act requirements, and to any other regulators as required.

Relevant documents, audit trails and other documents subject to these Principles shall be made readily available by the relevant parties to the relevant Regulatory Authorities in carrying out their regulatory or supervisory duties and handed over promptly upon request.	Under the co-operative arrangement with ASIC (letter dated 25 June 2019), ASX Benchmarks has agreed protocols for the provision of information including audit trails and control framework documentation. The Control Framework and BBSW Error Log are available to ASIC upon request under this arrangement.
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Assessment Summary

IOSCO Principles	ASX Benchmarks assessment	ASX Benchmarks – Internal Audit (Independent Assessment – 2026)
Principle 1 – Governance – Overall Responsibility of the Administrator	Fully implemented	Compliant
Principle 2 – Governance – Oversight of Third Parties	Fully implemented	Compliant
Principle 3 – Governance – Conflicts of Interest for Administrators	Fully implemented	Compliant
Principle 4 - Control Framework for Administrators	Fully implemented	Compliant
Principle 5 - Governance – Internal Oversight	Fully implemented	Compliant
Principle 6 – Quality of the Benchmark – Benchmark Design	Fully implemented	Compliant
Principle 7 - Quality of the Benchmark – Data Sufficiency	Fully implemented	Compliant
Principle 8 – Quality of the Benchmark – Hierarchy of Data Inputs	Fully implemented	Compliant
Principle 9 – Quality of the Benchmark – Transparency of Benchmark Determinations	Fully implemented	Compliant
Principle 10 – Quality of the Benchmark – Periodic Review	Fully implemented	Compliant
Principle 11 – Quality of the Methodology – Content of the Methodology	Fully implemented	Compliant
Principle 12 – Quality of the Methodology – Changes to the Methodology	Fully implemented	Compliant
Principle 13 – Quality of the Methodology – Transition	Fully implemented	Compliant
Principle 14 – Quality of the Methodology – Submitter Code of Conduct	Fully implemented	Compliant
Principle 15 – Quality of the Methodology – Internal controls over Data Collection	Fully implemented	Broadly implemented - Identified minor exception relating to access restrictions over a BBSW validation spreadsheet. This did not impact the integrity of published BBSW rates and has since been remediated through strengthened access controls.
Principle 16 – Accountability – Complaints Procedure	Fully implemented	Compliant
Principle 17- Audits	Fully implemented	Compliant
Principle 18 – Accountability – Audit Trail	Fully implemented -Enhancement noted regarding manual publication.	Compliant
Principle 19 – Accountability - Cooperation with Regulatory Authorities	Fully implemented	Compliant