T+1 COORDINATION COMMITTEE MEETING

EU T+1
INDUSTRY COMMITTEE

Chairman of EU T+1 Industry Committee, Giovanni Sabatini

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07 JULY 2025

AGENDA

01 UPDATE ON RECENT ACTIVITIES OF THE EU T+1 IC

02 RESULTS OF THE 2ND READINESS SURVEY

03 TESTING

04 NEXT STEPS: Q3-Q4 2026

05 AOB

1

UPDATE ON RECENT ACTIVITIES OF THE EU T+1 IC

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1 Gating Event

The Gating event guidance includes an FAQ section that explains the Gating Event and its key specifications. The FAQ section also explains progress on the two open questions noted above regarding CCPs, as well as the technical details of the Gating Event indicator. In addition, the document sets out clear best practices for market participants in terms of using the Gating Event, including an explanation and illustration of use cases for which the Gating Event has been designed and can be used, as well as scenarios for which the Gating Event should not be used as it may cause unnecessary settlement delays.

2 Handbook 2nd release

The EU T+1 Handbook is a comprehensive industry guide designed to help European financial market participants prepare for the transition to a T+1 securities settlement cycle, going live in October 2027 by translating the EU T+1 High-Level Roadmap into practical operational guidance. Second iteration of the document – released in June 2026 – incorporates updated and new content, with amendments marked in the document.

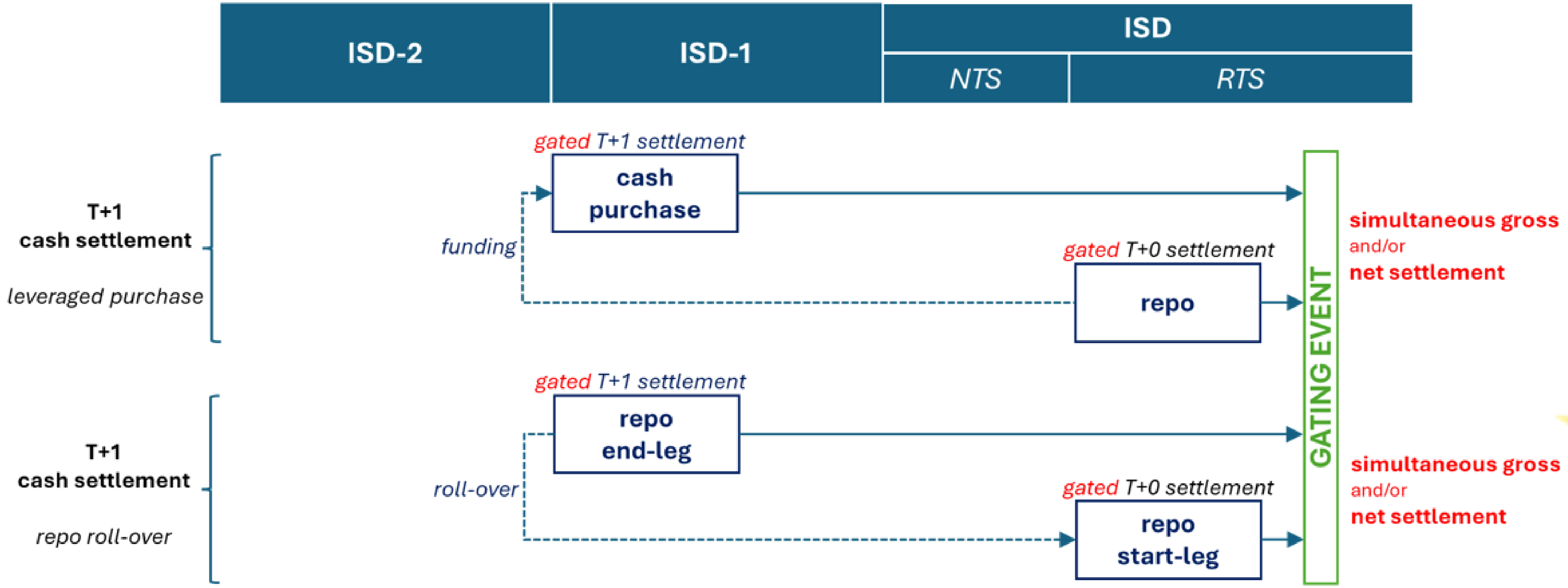
3 SSI additional guidance

The EU T+1 Industry Committee has published additional guidance to its (SSI) market practices. The guidance provides further clarity on SSI standards relating to the storage and exchange of SSIs between trading parties and/or their appointed intermediaries. A core element of the clarification is that there is a common European standard: The Financial Markets Standards Board (FMSB) taxonomies and templates for sharing SSIs are compatible with the European Economic Area's (EEA) requirements for pre-settlement storage and exchange requirements of SSI data (as previously advised in the EU T+1 SSI Taskforce's December 2025 guidance). This signifies alignment with the UK Accelerated Settlement Taskforce (AST), which recommended the same approach.

4 Checklist

The EU T+1 Industry Committee's checklist is a practical tool market participants can reference internally while preparing for the transition to a T+1 securities settlement cycle. It translates the EU T+1 High-Level Road Map recommendations and associated technical work into actionable considerations across the trade lifecycle. Firms applying the checklist should do so within the context of their specific operating model, activities, and market arrangements.

Gating event



Major Concerns:

- **Risk of inconsistent adoption**: The benefits of the Gating Event rely on its consistent and targeted use. Divergent interpretations of the recommended market practice, or use outside the intended scenarios, could reduce the effectiveness of the functionality, limit settlement optimisation benefits and create unintended impacts on settlement activity.

To address the concerns:

- **Testing**: Industry-wide testing to validate the correct and consistent use of the Gating Event across market participants and infrastructures.
- **Monitoring**: Ongoing monitoring of market adoption to identify divergent practices and unintended settlement impacts at an early stage.
- **Supervision**: Continued regulatory oversight to promote adherence to the agreed best practices and support consistent implementation across markets

2

RESULTS OF THE 2ND READINESS SURVEY

RESULTS OF THE 2ND READINESS SURVEY

The latest Industry Committee survey results were presented on 3 July at Banque de France, Paris at a dedicated event and indicates that the European market continues to make steady progress towards T+1 implementation. Awareness is high, implementation activity is increasing across the value chain, and market participants are moving from planning into execution.

The survey highlights that the key challenge is increasingly one of market coordination rather than individual firm readiness. Dependencies on counterparties, intermediaries, technology providers and service providers have emerged as the principal concern, reinforcing the importance of continued industry collaboration, timely delivery of 2026 milestones and coordinated testing to ensure a smooth and harmonised transition across the European market.

Next steps

- The EU T+1 Industry Committee will work on follow up surveys that will be less burdensome and more frequent
- The EU T+1 Industry Committee will continue to analyse the results to define possible follow up actions

Europe's T+1 journey in Q2 2026: a fresh snapshot

Activities

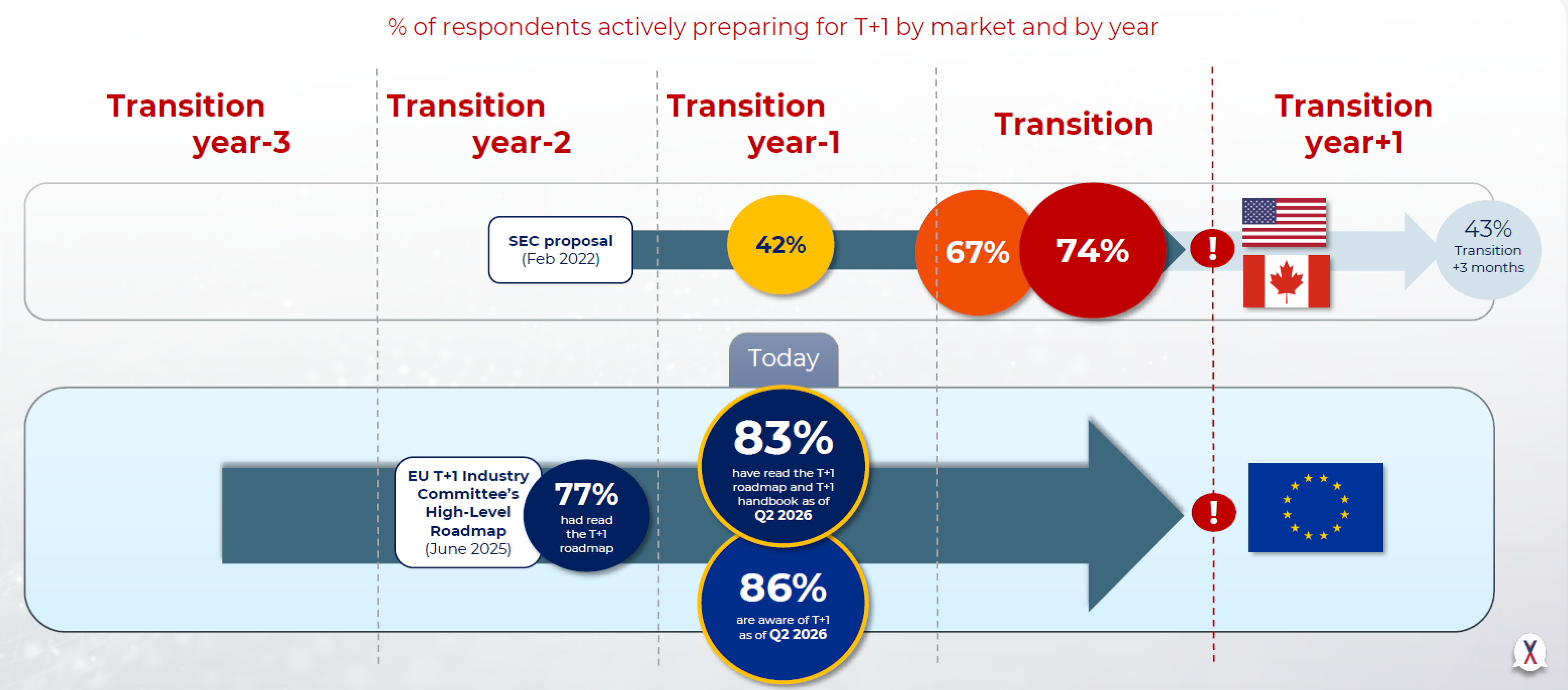
Fund share dealing	Trading	Clearing	Foreign Exchange	Middle Office	Settlements (non-CSDs)	Settlements (CSDs)	Securities Financing & Securities Lending	Corporate Actions
271	12	7	288	445	517	26	276	442

Countries

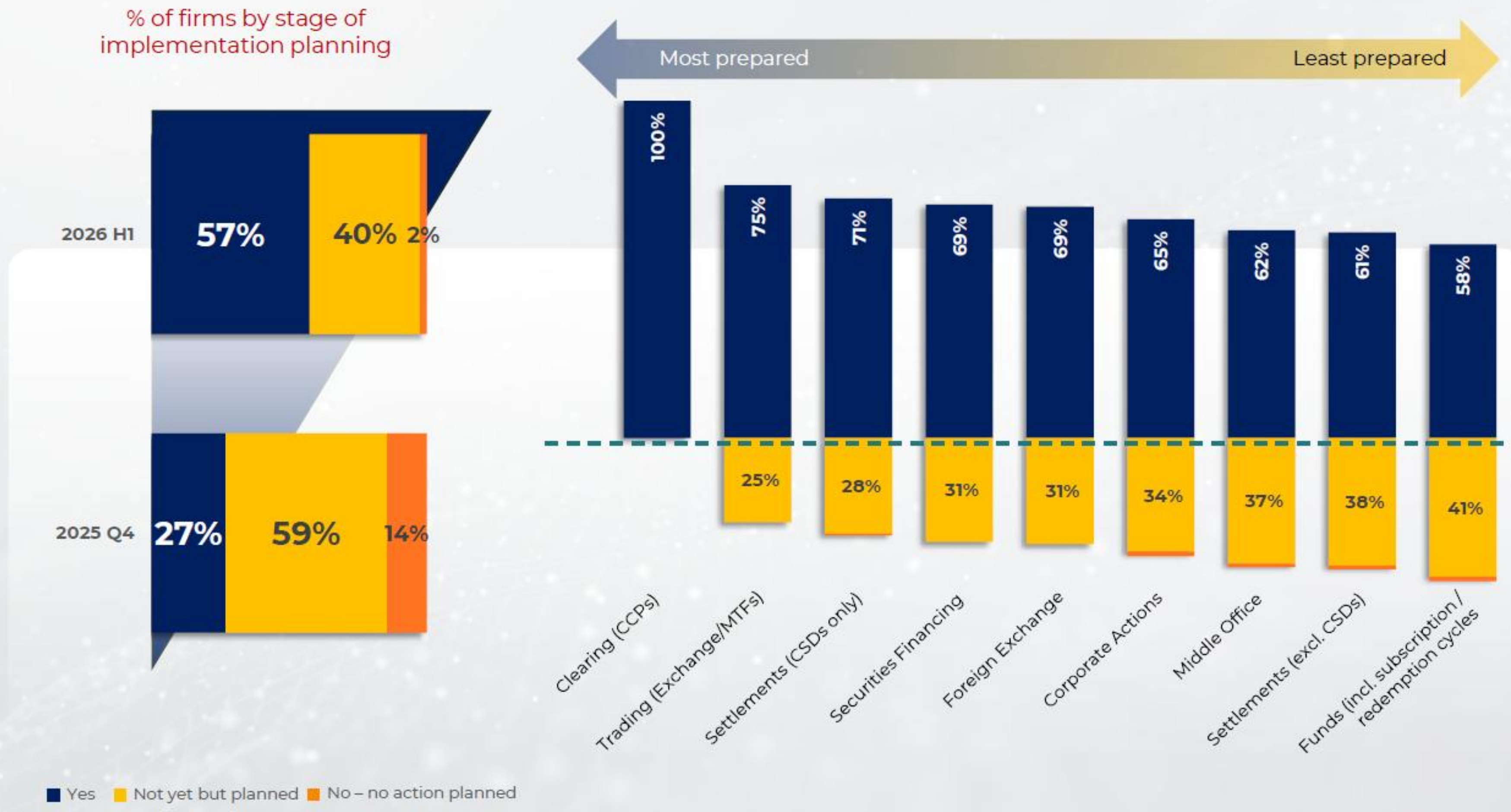
Segments

Asset / Investment manager	272
Investment bank / Broker / Prime broker	152
Private bank	148
Custodian / Settlement agent	130
Public bank	62
Insurance company	49
Pension fund	32
CSD	26
Wealth manager	21
Technology company / Vendor / Outsourcer	17
Exchange / MTF	13
Fintech / Neobank	9
CCP	7

With 83% of firms actively engaged on T+1 in Europe, industry engagement is still growing



Levels of planning have doubled in six months, with 58% now implementing their plans



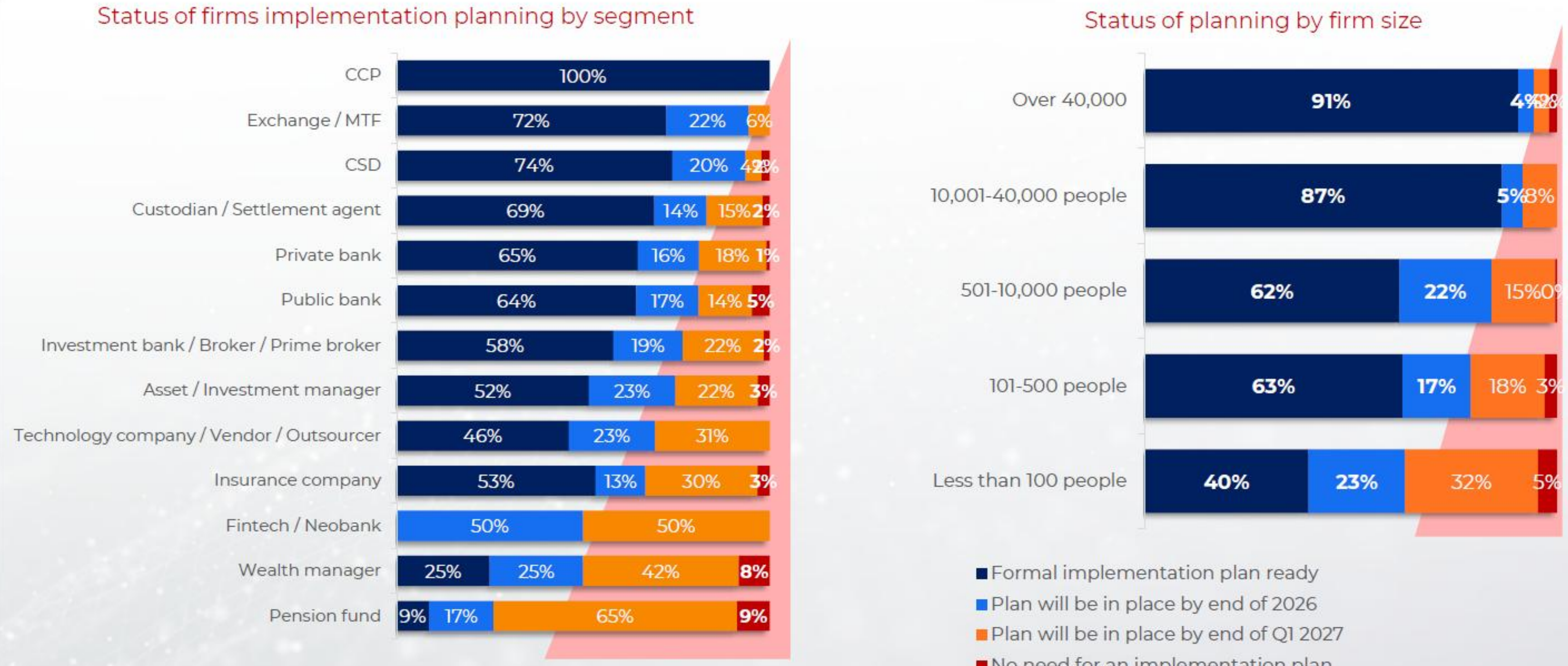
41% of firms engaged in fund share dealing have not yet developed their T+1 plans, mostly in Southern and Eastern Europe.

More than one in three firms is yet to develop a plan in Middle Office, Settlements, FX and Corp Actions.

Only 18% of North American respondents have a plan in place with 29% not planning to do so

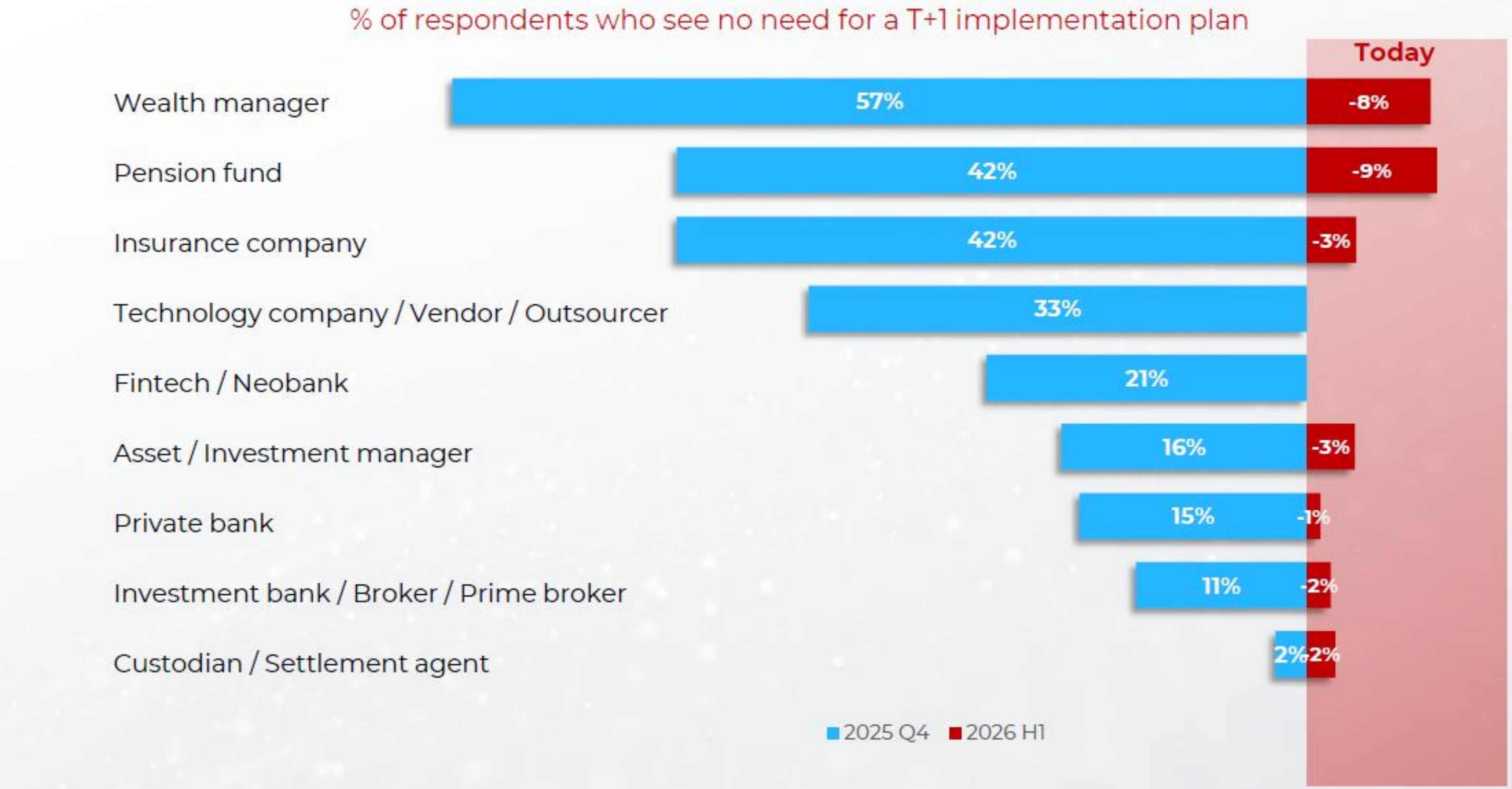
Question: Has your organisation developed a formal implementation plan for the transition to T+1 settlement?

Across the EEA up to 91% of firms have implementation plans in place



Question: Has your organisation developed a formal implementation plan for the transition to T+1 settlement?

The "no need to plan" problem is disappearing quickly as firm's understanding of the requirements grow



Acceptance of the need for T+1 planning is now almost 100% in all key segments.

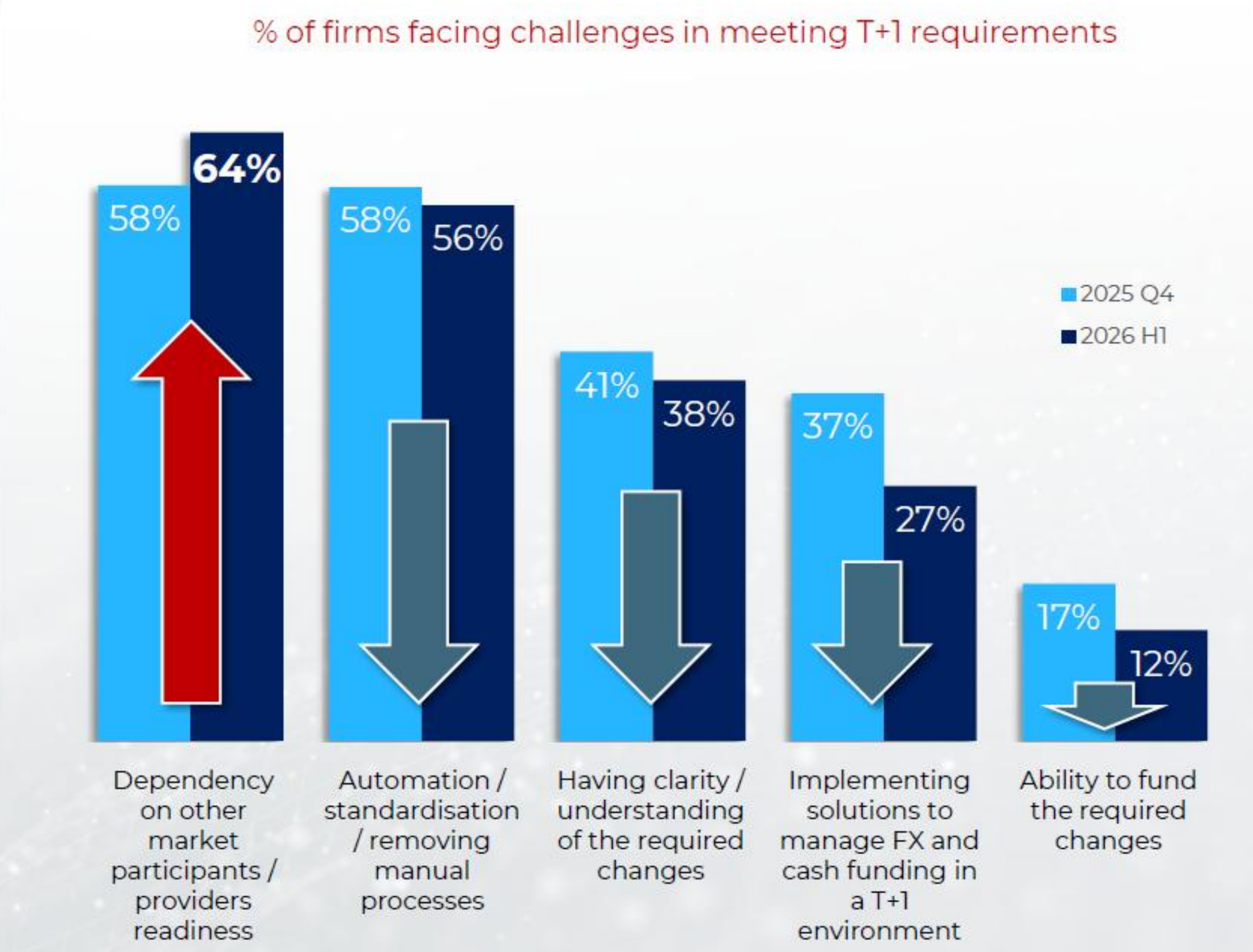
Less than one in ten wealth managers now believe they do not need to implement anything.

Only 5% of North American firms now believe they do not need a plan which is down from 29% in Q4 2025.

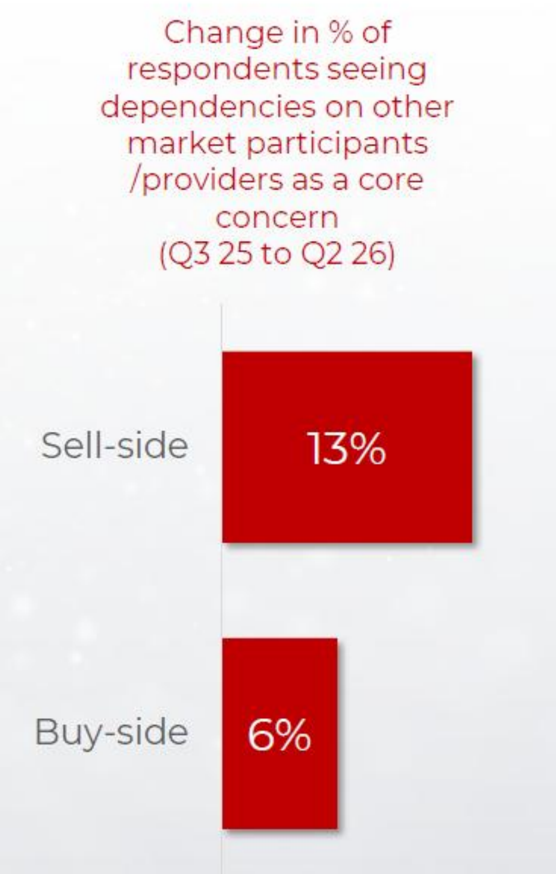
Does this mean that firms are firmly on the implementation path?

Question: Has your organisation developed a formal implementation plan for the transition to T+1 settlement?

64% of firms now cite counterparty and vendor dependencies as a core concern for T+1 –rising by 6%



Question: Which challenges do you anticipate in meeting the T+1 settlement cycle requirement?



Concerns around clarity, automation, costs and FX funding are easing as we progress our implementation and get closer to transition date.

Yet the dependency on others is growing for the sell side (+13%) and buy side (+6%).

Tier 1 firms are increasingly concerned by their counterparty dependencies (+23%)

Good readiness signals from 37%. But 53% of firms are pending more information from their intermediaries

With 24% yet to receive guidance is a lack of information going to be a readiness bottleneck?

Preparation is key; can a client / counterparty be ready when they are still awaiting information from intermediaries? This is a key risk for 50%

Lack of preparation is only a concern for 14% showing that all in all momentum is high

Question: Focusing on dependencies: Do you feel that you have sufficient information from your intermediaries to meet the T+1 settlement cycle requirements? ? / Focusing on dependencies: Do you feel that your clients/counterparts are actively preparing or ready to meet the T+1 settlement cycle requirements?

Only up to 40% of the settlement intermediaries have high confidence in their client's readiness

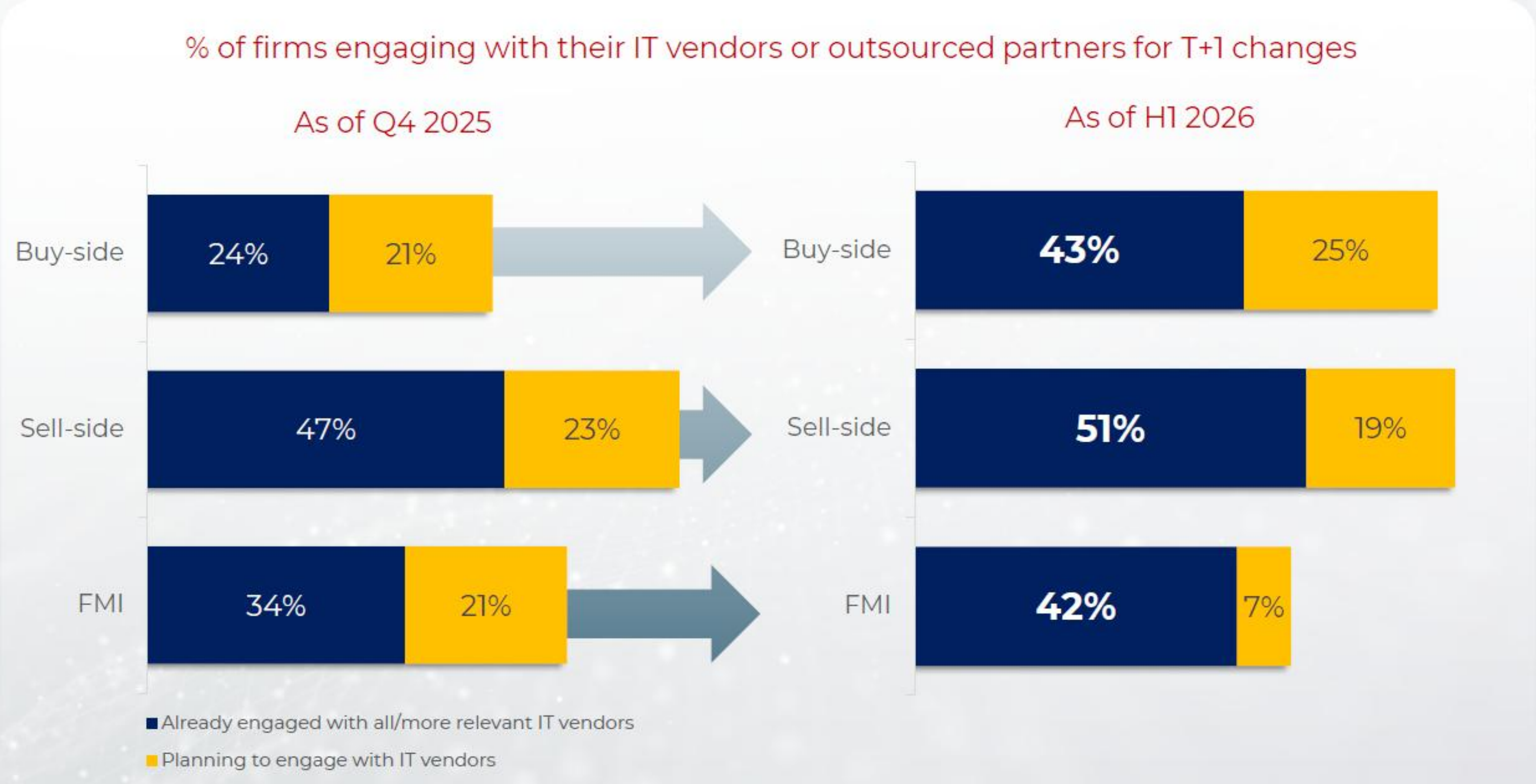
The buy-side are, overall, more optimistic than the sell-side and FMIs

Only 25% of brokers have confidence in their clients or counterparts' preparations with custodians similarly concerned at 32%

Is this a communication issue? Or the outcome of a lack of information?

Question: Focusing on dependencies: Do you feel that your clients/counterparts are actively preparing or ready to meet the T+1 settlement cycle requirements?

Firms are increasing their engagement with IT vendors, especially amongst the buy-side



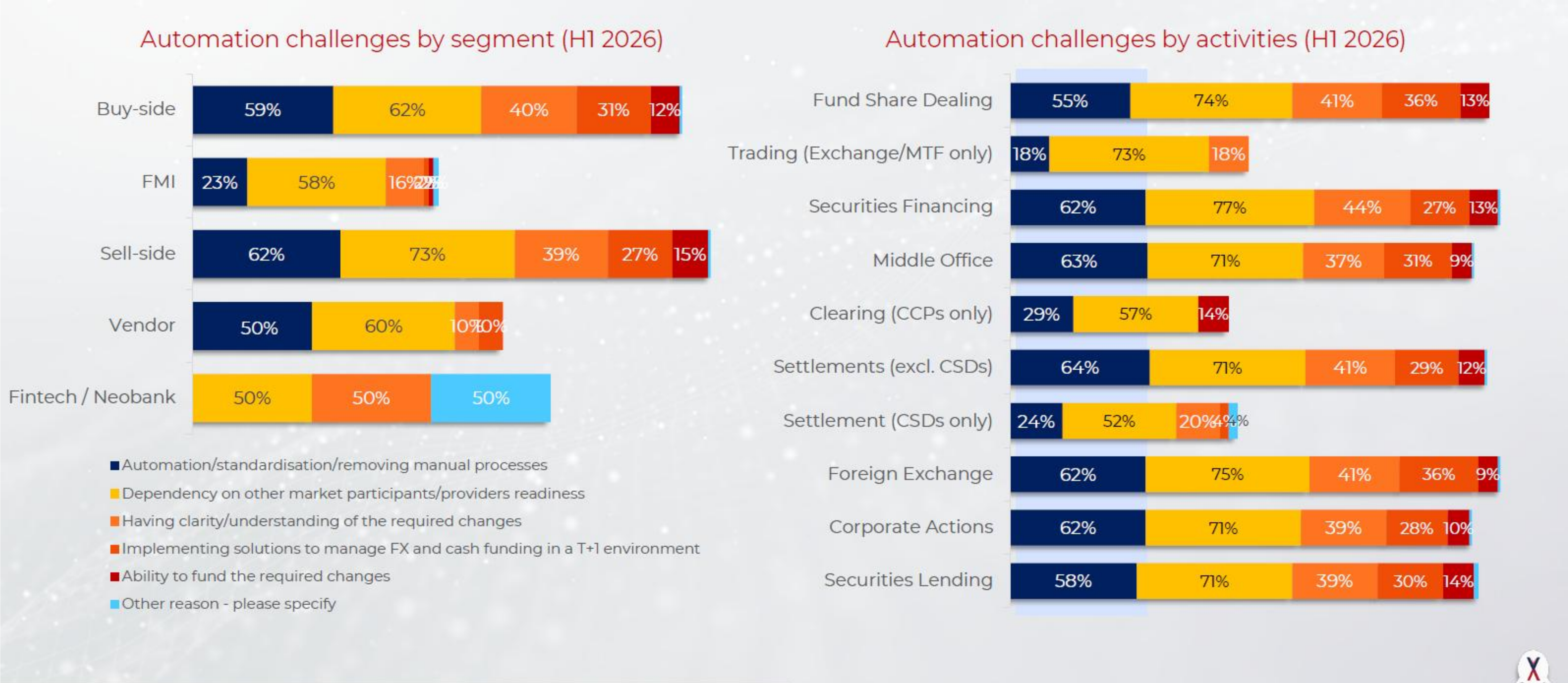
Question: Are you planning to engage, or have you already engaged, with IT or platform vendors/middle/back-office service providers for accommodating the changes required by T+1?

General trend is positive with firms now considering their IT and service provider dependencies

The buy-side's 19% leap indicates progress; they have a better understanding of the requirements and who can assist their implementation

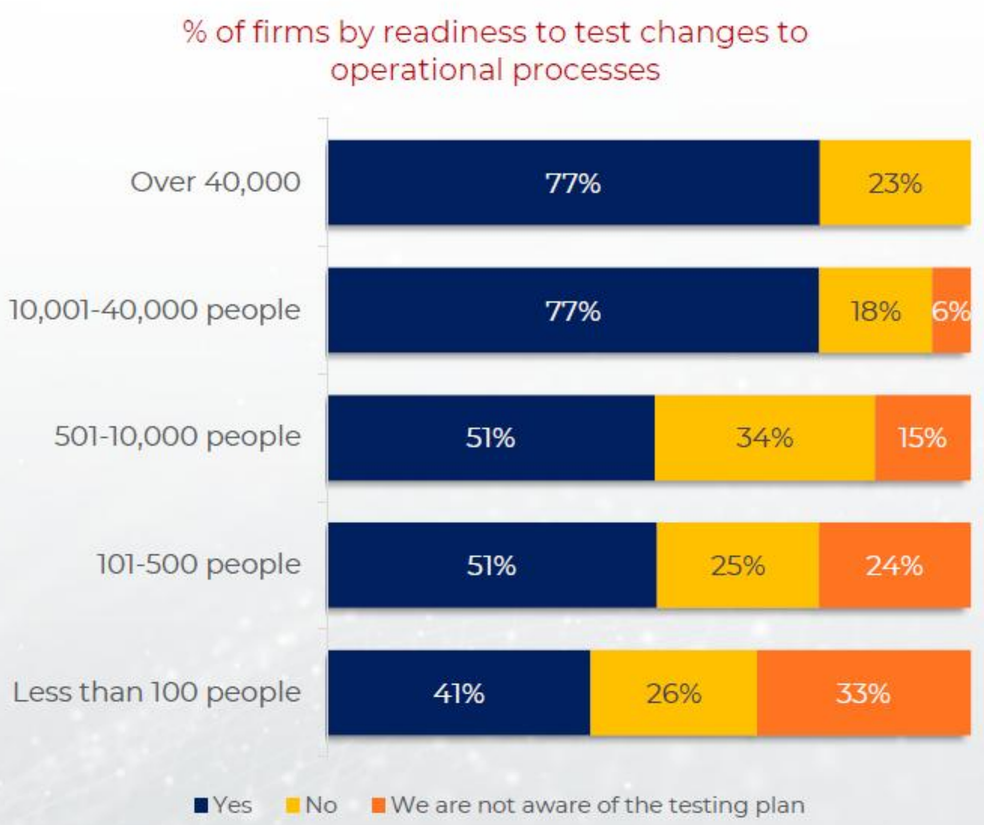
Sell-side engagement shows steady progress whilst the CSDs 10% increase indicates progress which could also benefit their participants

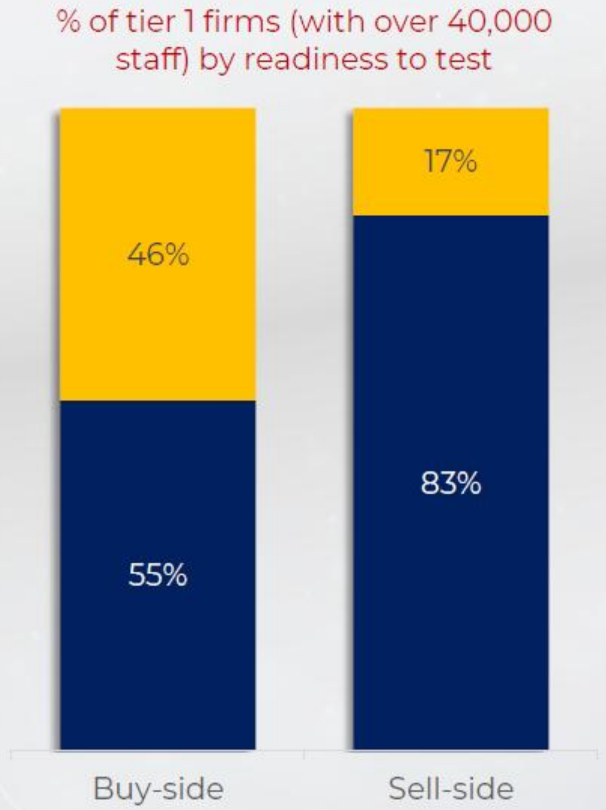
Automation is still a challenge across the industry for up to 73% of market participants



Question: Which challenges do you anticipate in meeting the T+1 settlement cycle requirement?

77% of tier one firms are ready to test today but are the firms they transact with?





High levels of planning from the largest firms notably from the sell-side at 83%.

Up to 39% are not aware of the testing plan. Or is this a timing issue? Is this an engagement or communication issue?

Question: Has your organisation sufficiently advanced its development plans to be in the position to commence testing changes or enhancements to operational processes (e.g. implementing existing FMI functionalities – e.g. partial settlement, hold & release etc)?

3 TESTING

TESTING

To support effective coordination across the European market, the EU T+1 Industry Committee is exploring a set of governance arrangements aimed at clarifying responsibilities, facilitating information sharing and supporting alignment across local and pan-European initiatives.

1

Mapping exercise

A mapping exercise would help identify where the primary responsibility sits, for example with local market infrastructures, NCAs, local T+1 committees or trade associations, and where the EU T+1 Industry Committee could provide support, particularly where coordination is required across several EU markets or across EU market

2

Role of EU T+1 IC

The EU T+1 Industry Committee could act as a pan-European coordination forum, supporting the consolidation and dissemination of information across markets, facilitating alignment and providing a mechanism for escalation and discussion of issues requiring broader industry coordination.

TESTING - TEMPLATE

3

Template

A draft coordination template, shown in the next slide has been developed to:

- Map T+1-related activities across local, pan-European and cross-jurisdictional (EU–UK–CH) levels
- Clarify responsibilities
- Identify where coordination may be required
- Provide a structured framework for organising testing activities, information sharing, industry engagement and progress reporting across the different layers of the market ecosystem

TESTING TEMPLATE

Theme		WHAT	WHERE (*market coverage*)			WHO		
	Optional activities	**Description**	**Individual local market**	**EU**	**across EU - UK - CH**	**Individual local market**	**EU**	**across EU - UK - CH**
A- Organising tests at FMI level								
	Organising	Agree on testing set up (eg. define ISIN to be used ; dates when test environments are available ; set up of corporate event to be tested ; etc)	Primary responsible	Support, if coordination is required across a # (or all) of EU markets	Support, if coordination is required across EU - UK - CH	eg. NCA , local T+1 Committee, local FMIs, trade assocs, etc	eg. EU T+1 IC Coordination TF	
	Managing	Manage matters that require coordination across multiple stakeholders (eg. test scenarios involving multiple FMIs within one local market ; cooordinating testing of the new gating event across multiple EU markets)	Primary responsible	Support, if coordination is required across a # (or all) of EU markets	Support, if coordination is required across EU - UK - CH			
B- Sharing information								
	Collating	Collect testing-related info from FMIs : on logistics to access their test environment ; on availability dates and what can bested when ; on securities set-up and corresponding static data [eg. for corporate action testing] ; on tools available to enhance T+1 settlement ; on list of changes recommended for testing ; evolution of metrics ; etc	Primary responsible	Consolidate info across EU markets in one place ...	Consolidate info across EU - UK - CH in one place ...			
	Disseminating	Share info collected to users	Primary responsible	... to disseminate at pan-EU level	... to disseminate across EU - UK - CH			
C- Hosting industry discussion and question collation								
	Organising Industry calls	Organisation of industry testing calls	Primary responsible	Not feasible	Not feasible			
	Collating questions	Act as a first port of call for practical questions and clarifications	Primary responsible	Not feasible	Not feasible			
D- Reporting on testing progress								
	Assessing testing progress	Collate feedback from firms on testing (high level only ; no-name basis)	Primary responsible	Provided through Value eXchange (VX) surveys + leverage metrics	Provided through VX surveys + leverage metrics			
	Supervisory checkpoints	Review of testing with / by supervisory authorities	Primary responsible	... to discuss status with pan-EU regulators (eg. ESMA, ECB)	... to discuss status with regulators at EU - UK - CH level, if need be			

4

NEXT STEPS: Q3-Q4 2026

NEXT STEPS: Q3-Q4 2026 (1/2)

Transition Week

Ad Hoc Horizontal TF

1 An ad hoc Horizontal Task Force will be established by the EU T+1 Industry Committee to oversee transition week readiness and address cross-industry issues that require coordinated action. The Task Force will identify emerging risks, facilitate information sharing, escalate market-wide concerns and support timely decision-making during the transition period.

Handbook

2 The Committee is looking into publishing a dedicated Transition Week Handbook providing practical guidance to market participants on activities to be performed before, during and immediately after the migration weekend.

Monitoring the transition Week

3 The EU T+1 Industry Committee is considering monitoring transition week through a light-touch survey conducted with the support of ValueExchange.. The objective is to provide the Committee with a consolidated cross-industry view of market conditions and support information sharing across the value chain.

Settlement Efficiency

Common Metrics ad KPI

4 Drawing on the experience of the UK Accelerated Settlement Taskforce (AST), the EU T+1 Industry Committee is exploring the definition of a common set of metrics and key performance indicators to support industry readiness and implementation monitoring. A harmonised framework could help market participants assess progress against key milestones, promote consistency in readiness reporting across the value chain and provide greater transparency on overall market preparedness ahead of the transition.

NEXT STEPS: Q3-Q4 2026 (2/2)

Communication

Q&A

5

The EU T+1 Industry Committee will continue to respond to questions and requests for clarification from market participants, updating the FAQ section of the EU T+1 website as new topics emerge. This will help promote a common understanding of market practices and provide additional guidance where required to support a consistent implementation of T+1 across the industry.

Events

6

The EU T+1 Industry Committee will continue to support industry preparedness through a programme of events and webinars:

- Gating Event Webinar (September 2026): Planned industry webinar dedicated to the Gating Event, focusing on implementation considerations, market practices and participant questions.
- "One Year to Go" Industry Event (October 2026): Planned industry event marking one year until the transition to T+1 in October 2027, providing an opportunity to review progress, discuss priorities and reinforce industry readiness.
- Ongoing Engagement: Continued webinars, presentations and industry discussions to provide updates on key T+1 workstreams and address emerging implementation topics.

Monitoring and Testing

Monitoring

7

The EU T+1 Industry Committee will continue to monitor industry readiness and implementation progress through periodic market surveys conducted in collaboration with ValueExchange. Going forward, the surveys are expected to be shorter and more targeted, focusing on key readiness indicators and areas requiring additional attention. A further survey is currently envisaged for October/November 2026 (timing to be confirmed) and will provide an updated view of market preparedness while supporting ongoing coordination efforts ahead of the transition to T+1.

Testing

8

The EU T+1 Industry Committee will leverage the outcomes of the mapping exercise to identify and establish a network of relevant contacts across local markets, industry associations, FMIs and regulatory bodies. This would provide the foundation for a pan-European coordination framework, supporting information sharing, facilitating alignment on key implementation topics and providing a mechanism for the discussion and escalation of issues requiring broader industry coordination.

5

AOB

THANK YOU