



the ValueExchange



Prepared by



EU T+1 Industry Committee Readiness Survey

ValueExchange Key Findings



01

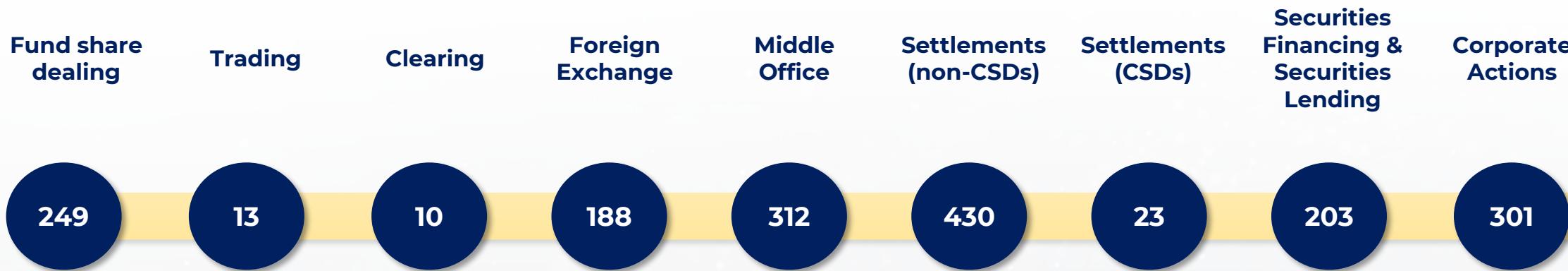
A uniquely complete view
of T+1



The most complete picture so far of how Europe plans to achieve T+1



Activities

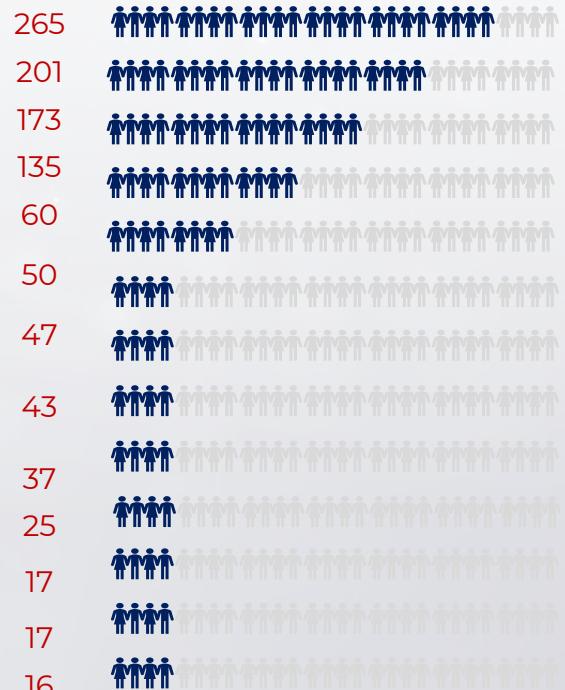


Countries

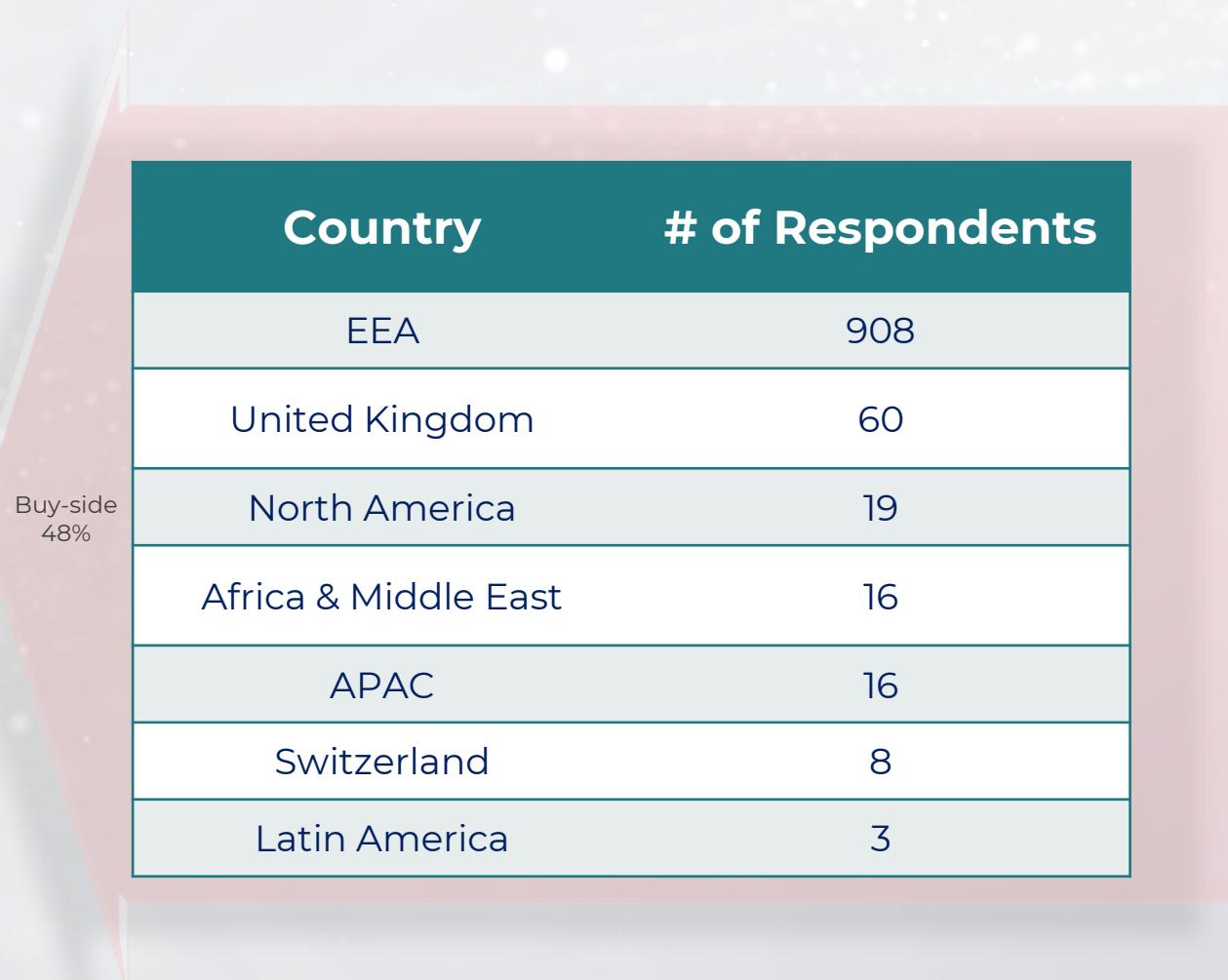
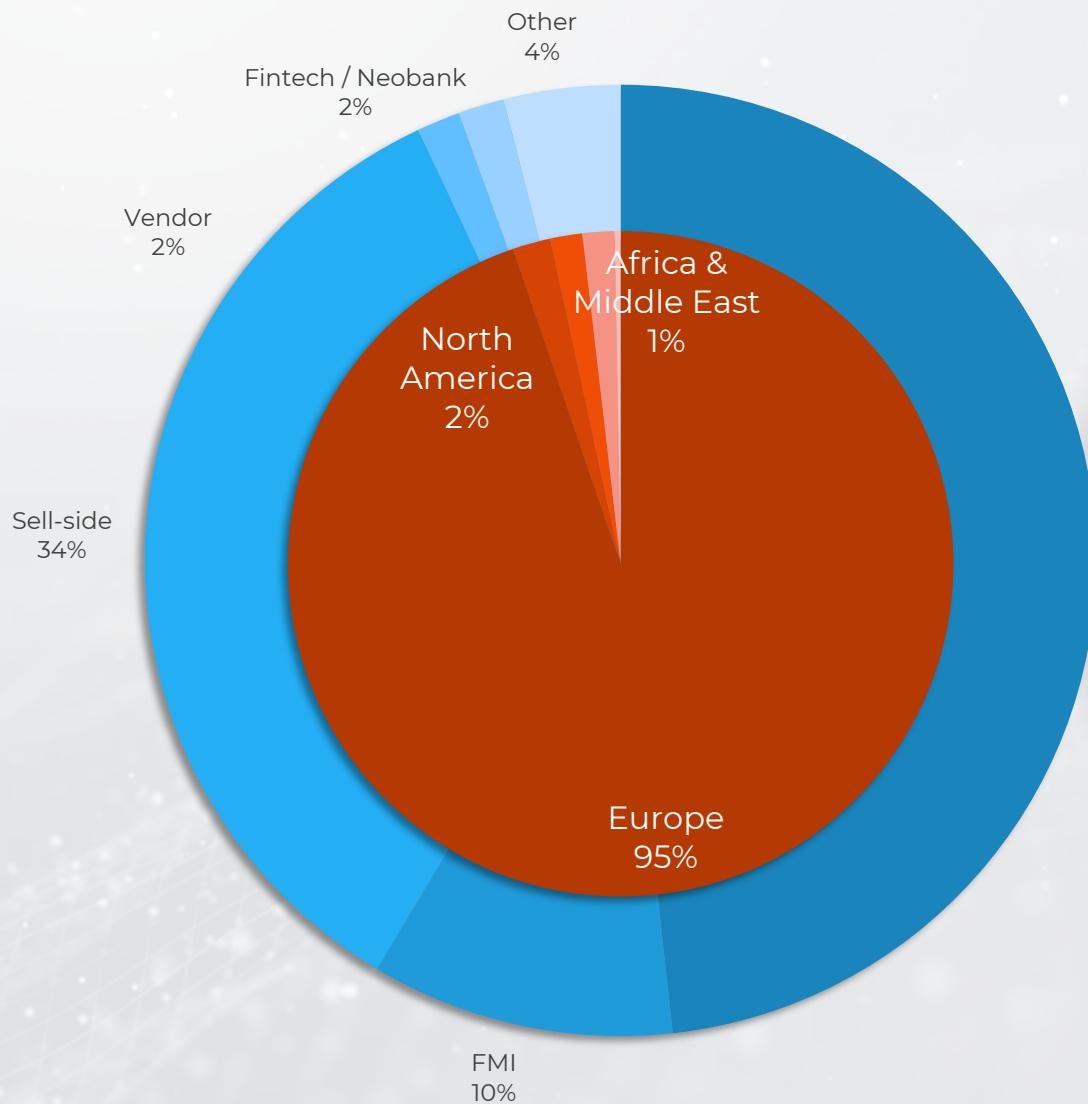


Segments

Asset / Investment manager	265
Investment bank / Broker / Prime broker	201
Custodian / Settlement agent	173
Private bank	135
Insurance company	60
CSD (including ICSD and NCBs when operating a Securities Settlement System)	50
Pension fund	47
Other	43
Exchange / MTF	37
CCP	25
Wealth manager	17
Fintech / Neobank	17
Technology company / Vendor / Outsourcer	16



And the markets the respondents operate / provide services in



02

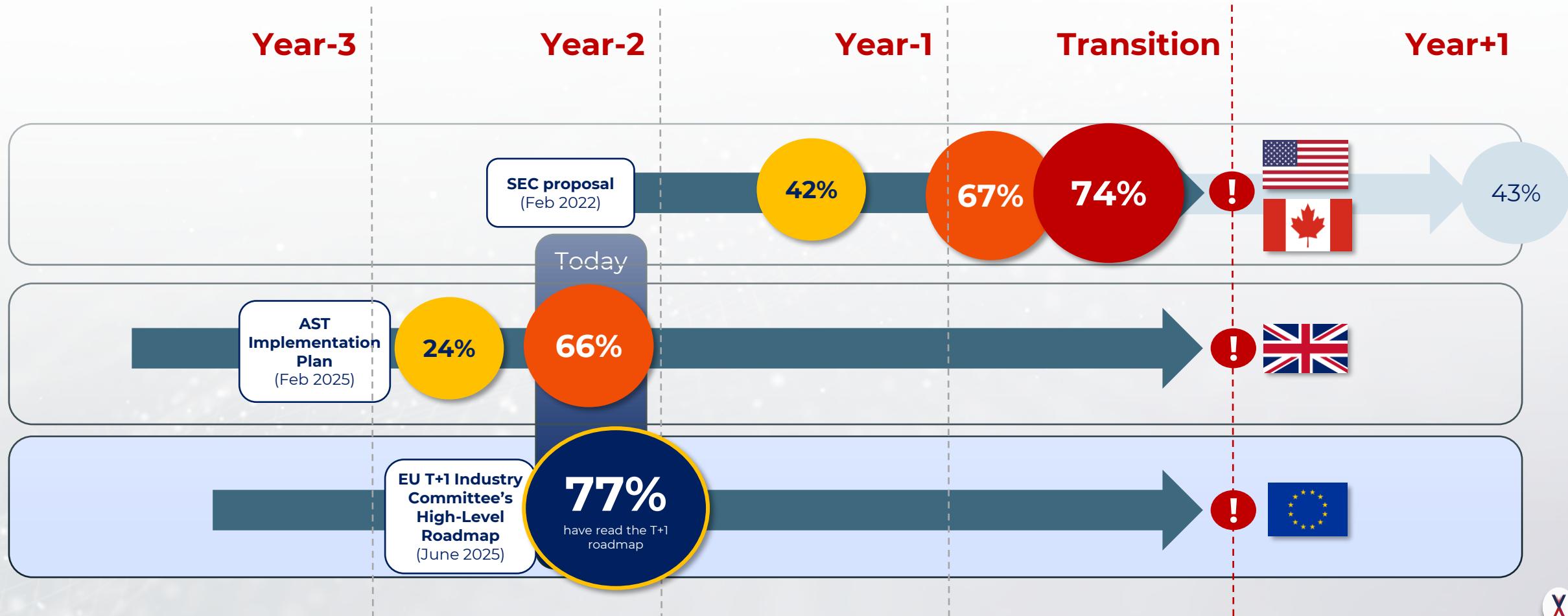
T+1 Engagement: leading the world



With 77% of firms actively engaged on T+1 in Europe, the industry is two years ahead



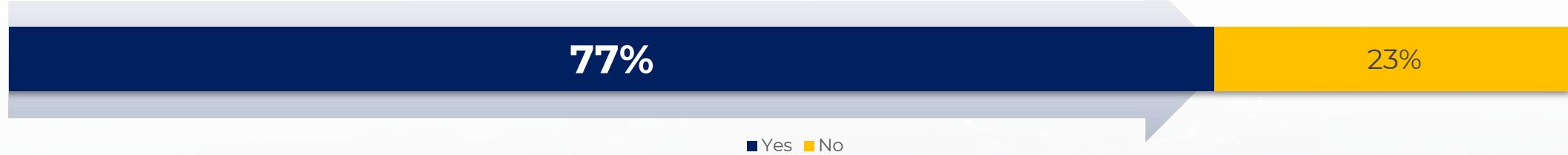
% of respondents actively preparing for T+1 by market and by year



77% have read the High-level Roadmap, with 23% of respondents still yet to engage



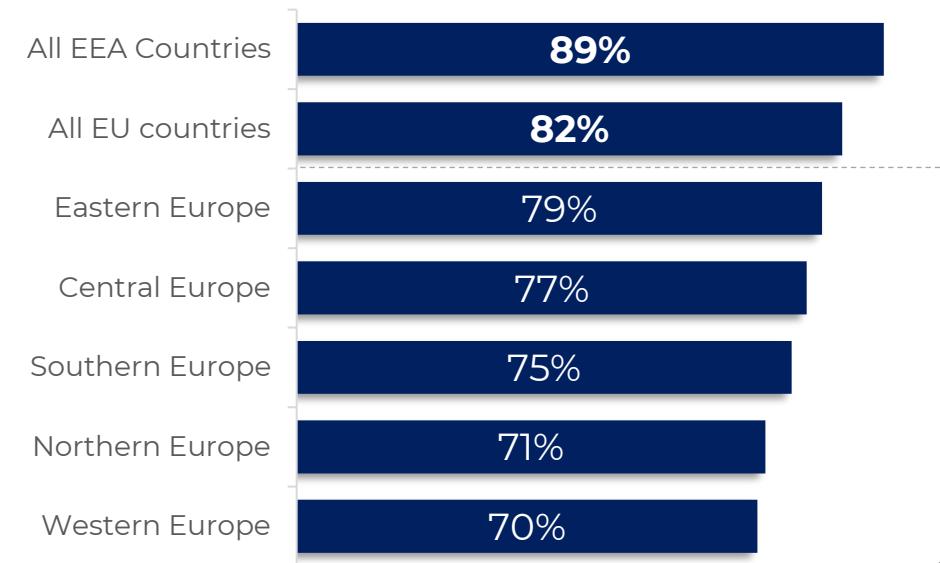
% of respondents who have read the EU T+1 High-level roadmap



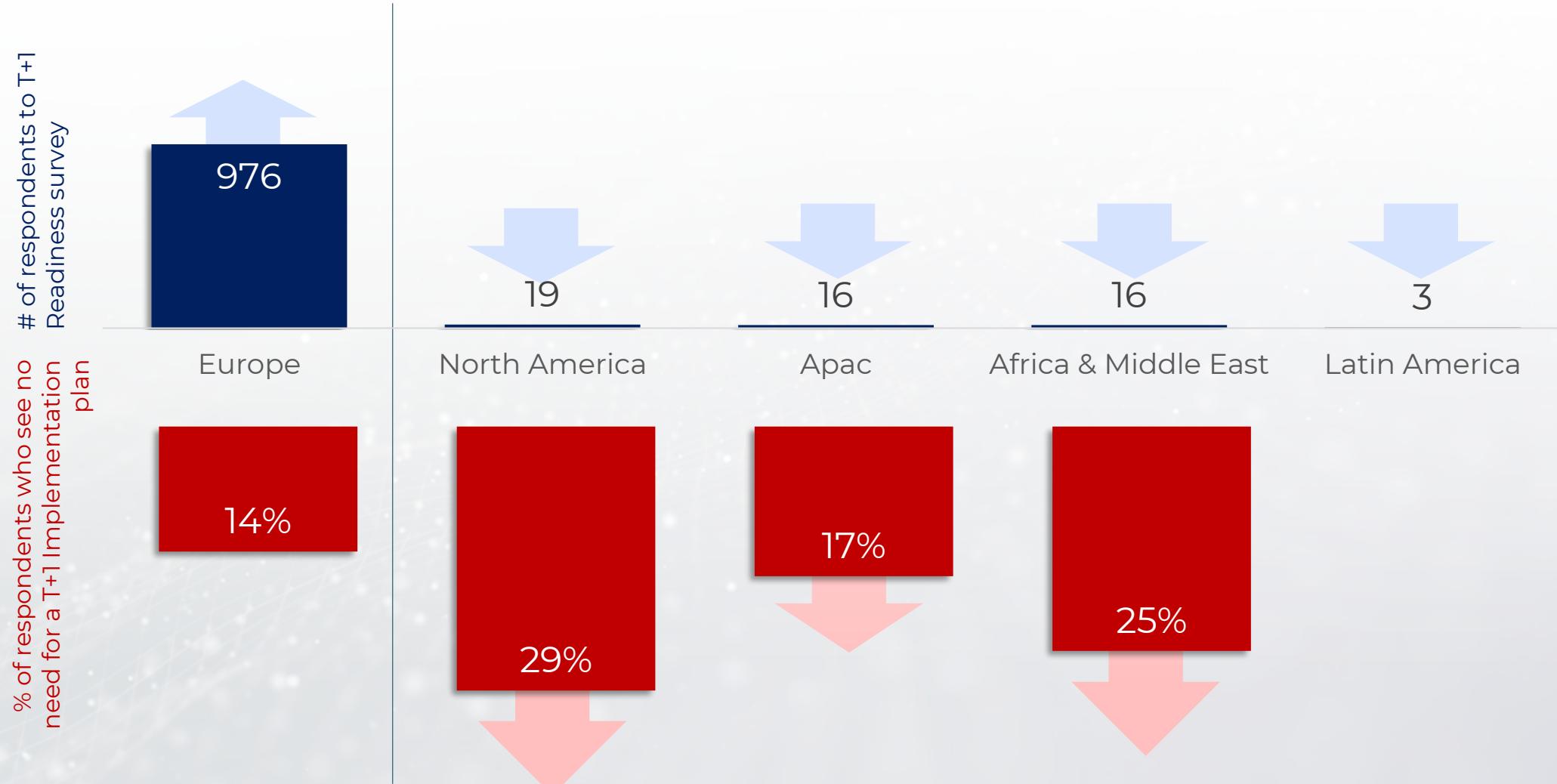
By Operating Region



By Regions / Countries Served



Engagement is concentrated in Europe today, with more progress possible in North America and Asia, with approximately 30% seeing no need to plan for T+1 in Europe



03

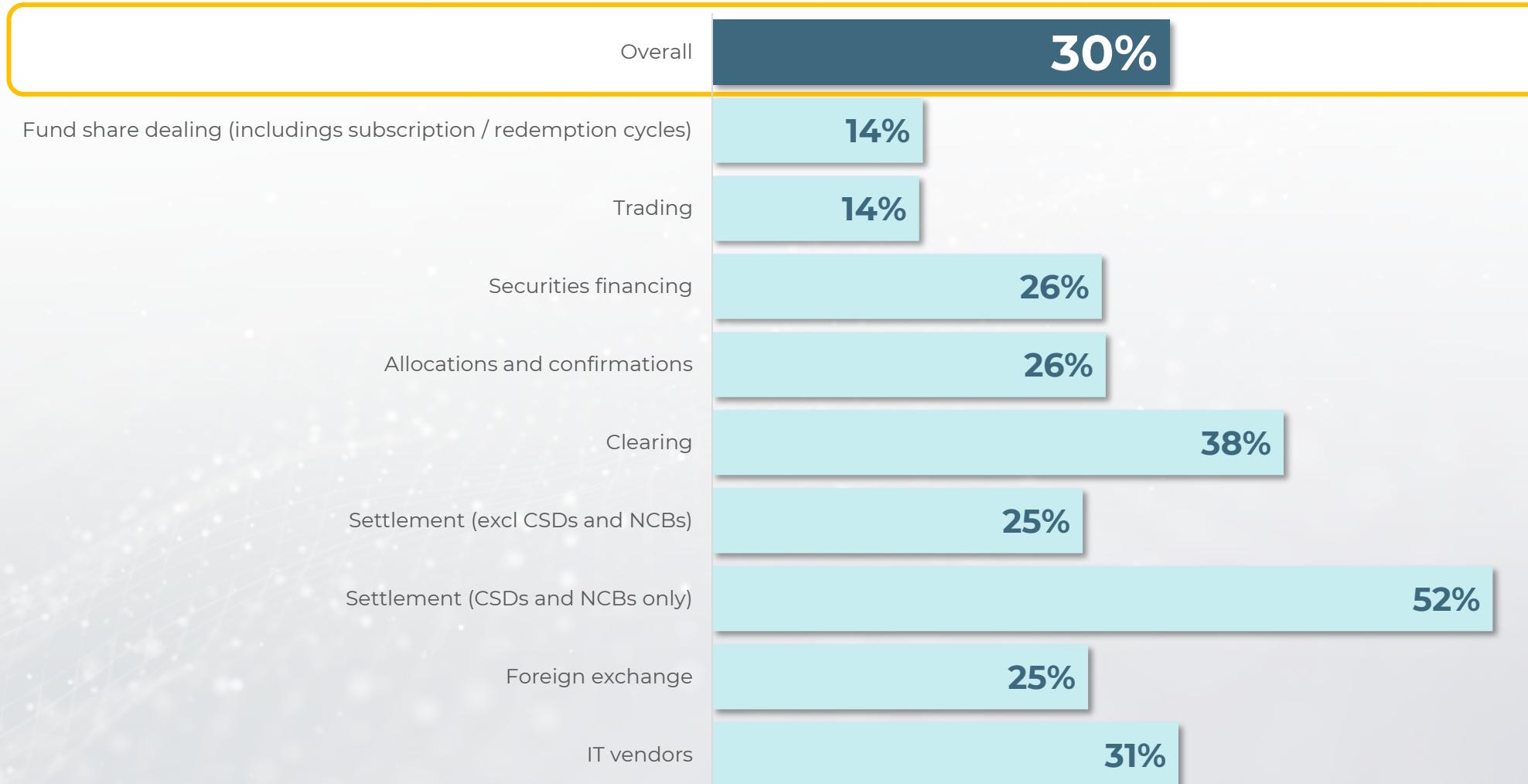
**T+1 in 2026: Is the industry
ready for a critical year?**



30% of the industry recommendations have already been implemented



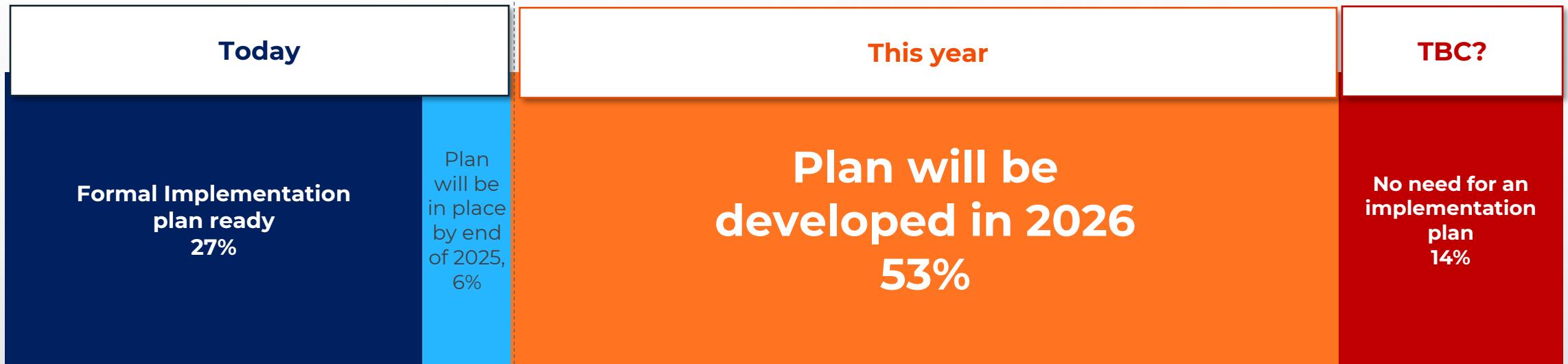
Percentage of firms that have already implemented recommendations



2026 is a key planning year: with 53% of implementation plans to be prepared this year



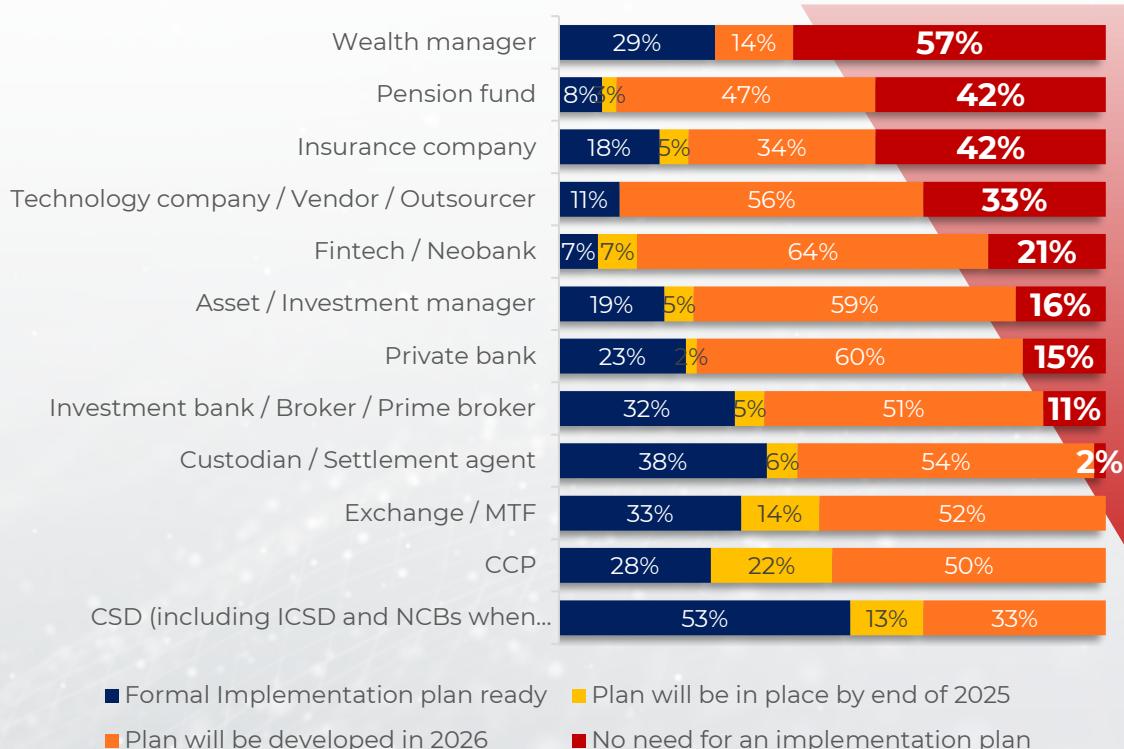
Outlook for firms to develop a formal implementation plan for the T+1 transition



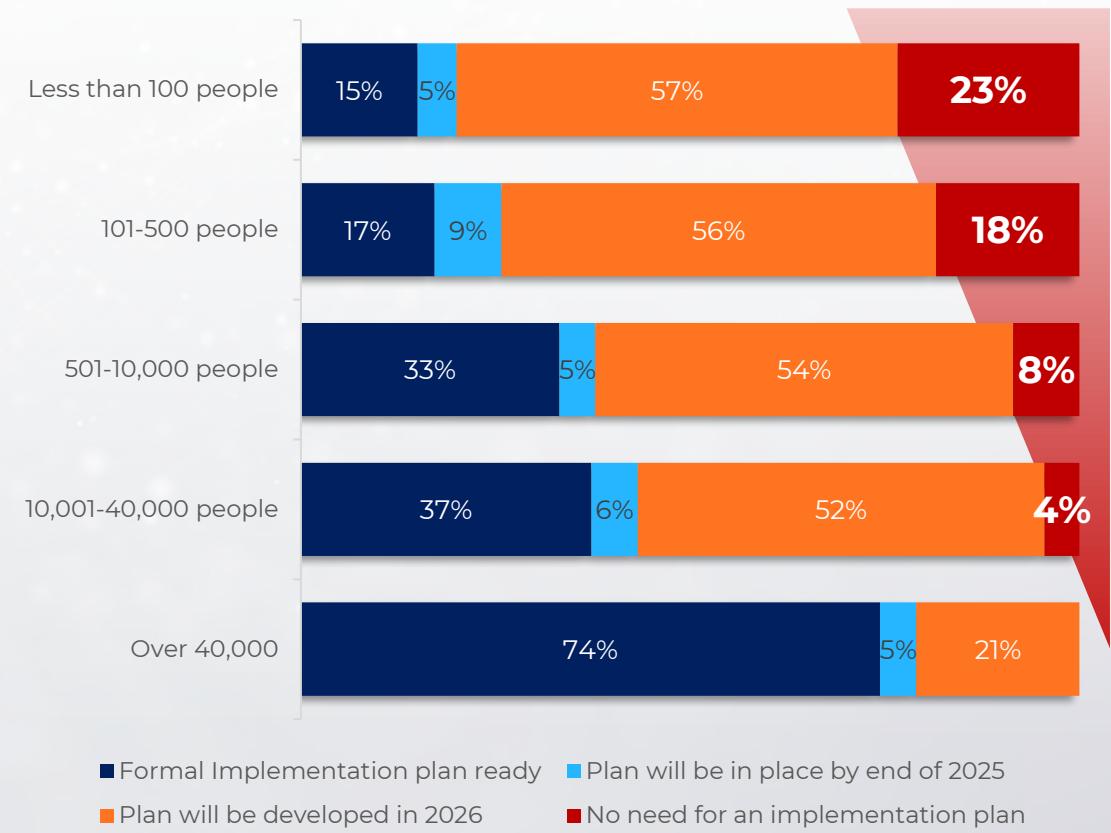
Up to 50% wealth managers and asset owners have a plan for their T+1 journeys



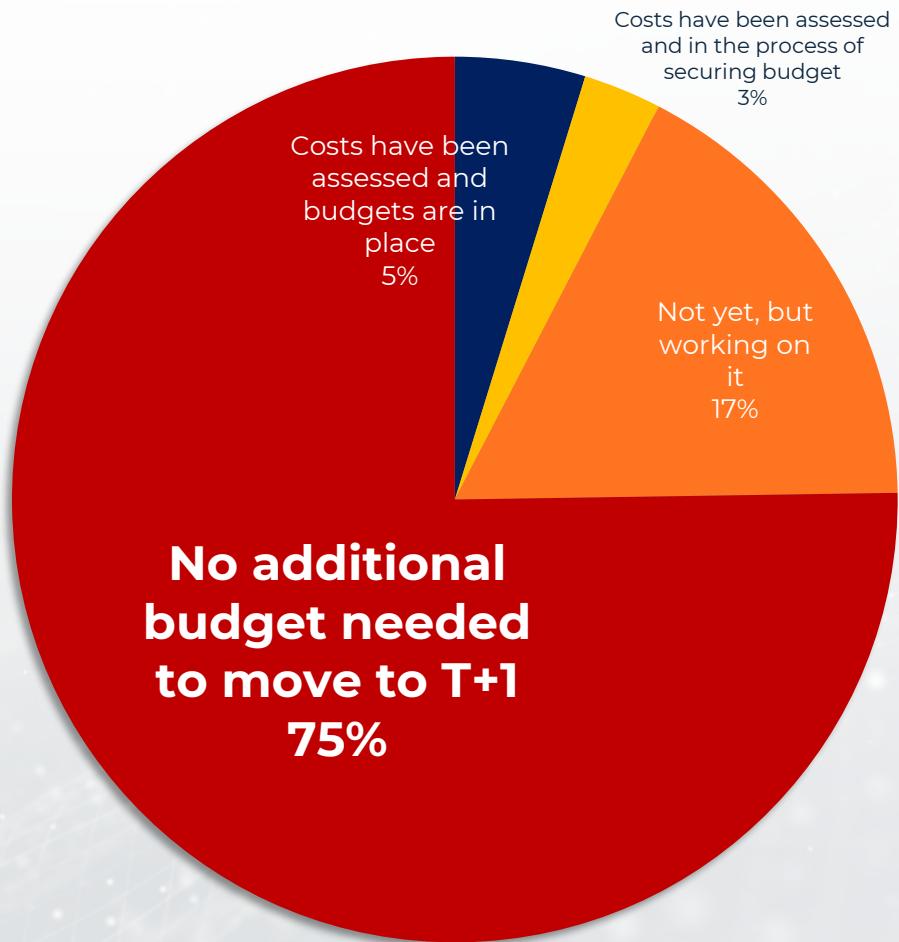
Outlook for firms to develop a formal implementation plan for the T+1 transition
(By # of staff per firm)



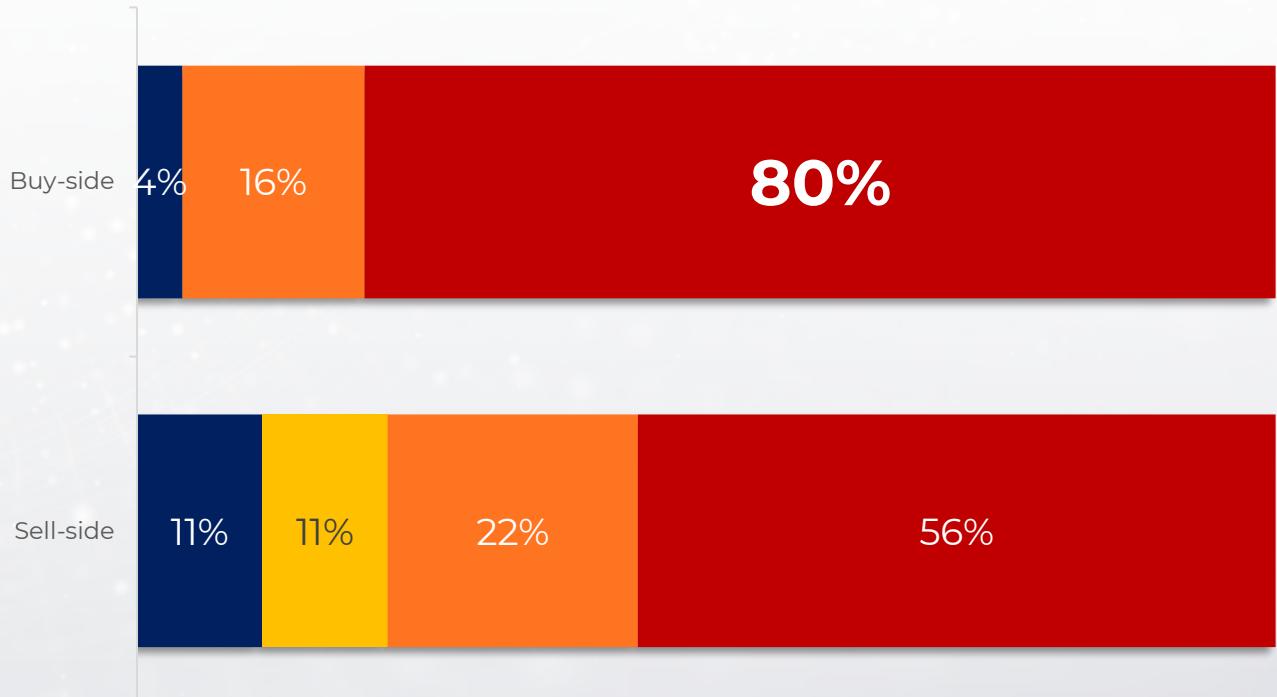
Outlook for firms to develop a formal implementation plan for the T+1 transition
(By # of staff per firm)



75% of respondents do not need additional budget to move to T+1 – rising to 79% on the buy-side. 31% of the sell-side are working on securing budgets



% of respondents who have assessed the cost implications of the EU T+1 transition and taken them into account in their budgeting for 2026 & 2027



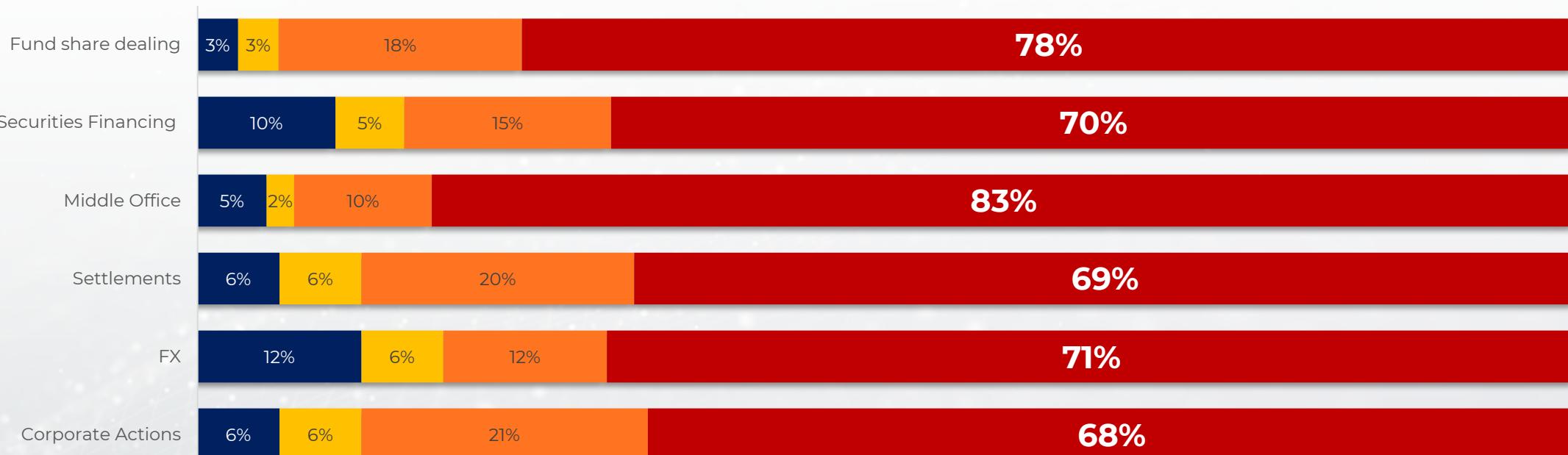
- Costs have been assessed and budgets are in place
- Costs have been assessed and in the process of securing budget
- Not yet, but working on it
- No additional budget needed to move to T+1



83% of Middle Office respondents do not need additional budget to move to T+1



% of respondents who have assessed the cost implications of the EU T+1 transition and taken them into account in their budgeting for 2026 & 2027



■ Costs have been assessed and budgets are in place

■ Not yet, but working on it

■ Costs have been assessed and in the process of securing budget

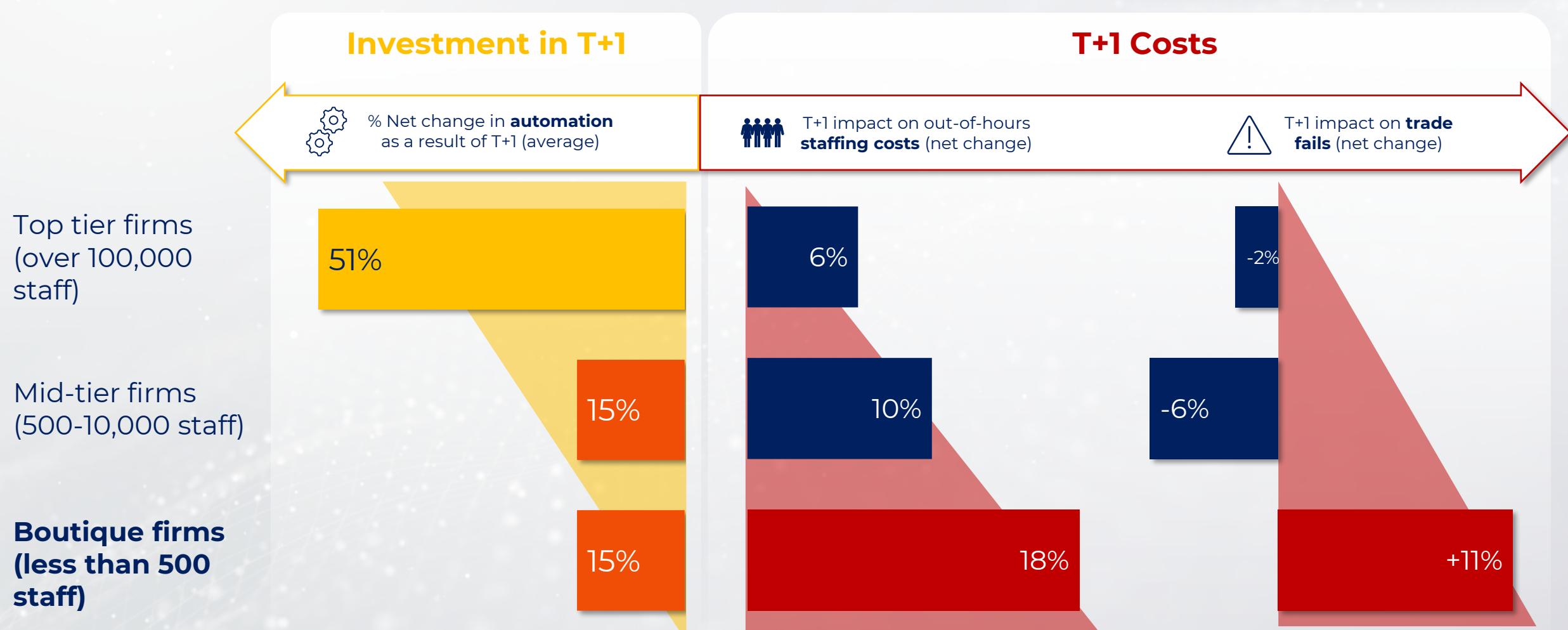
■ No additional budget needed to move to T+1



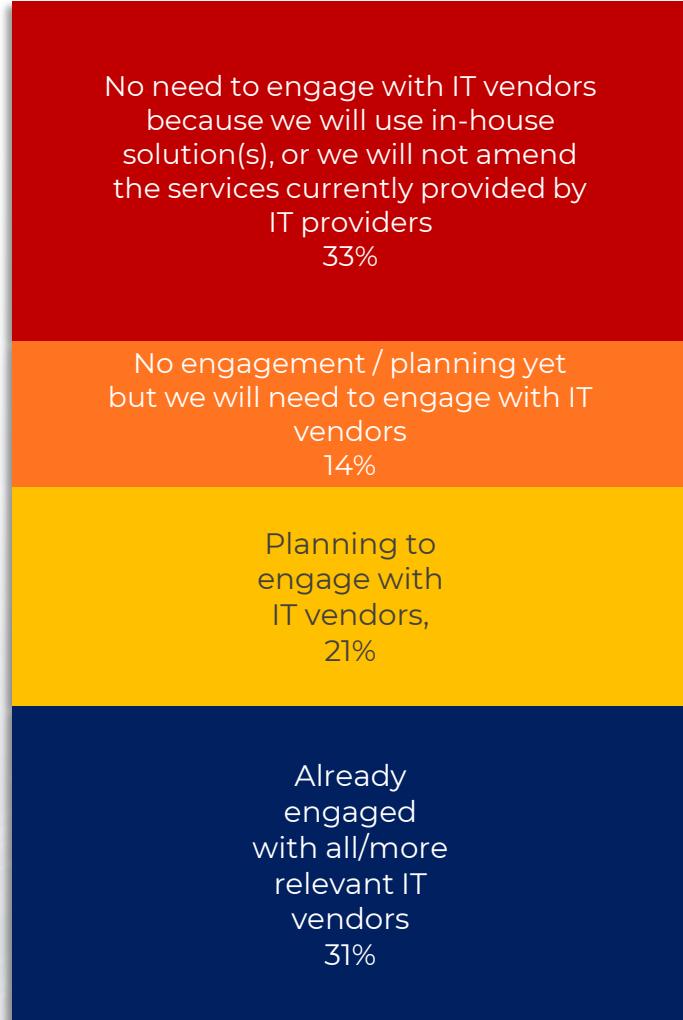
US debrief: Lack of automation drive headcount costs immediately following transition – especially amongst small firms



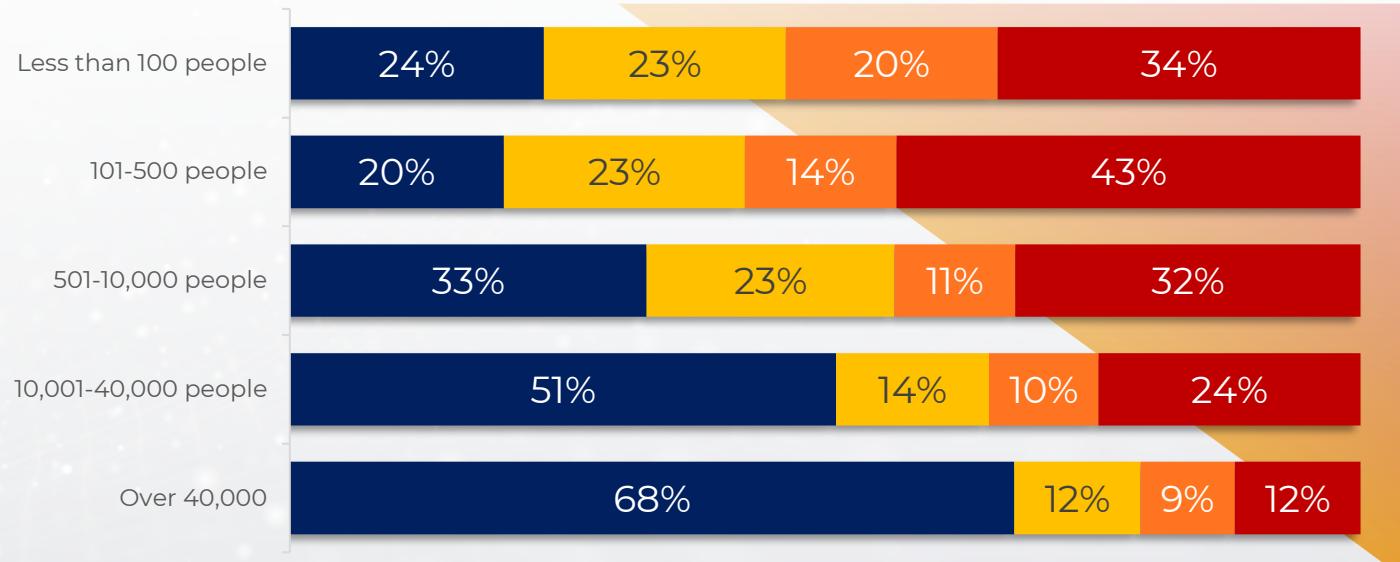
Supported by:



69% of respondents have not yet engaged with their IT providers on T+1, and just one in four smaller firms



% of respondents who have engaged or plan to engage with IT vendors for accommodating the changes required by T+1?



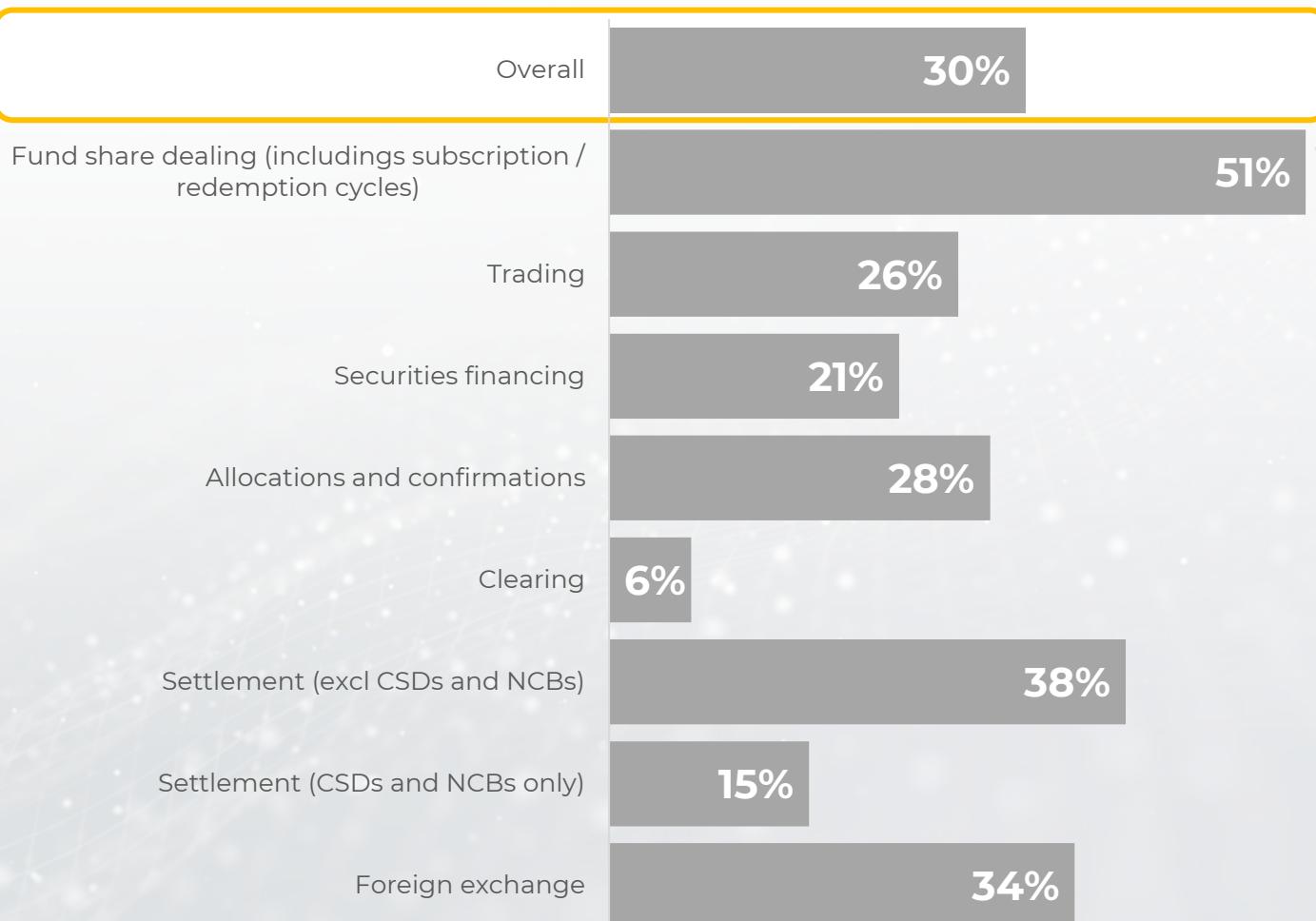
- Already engaged with all/more relevant IT vendors
- Planning to engage with IT vendors
- No engagement / planning yet but we will need to engage with IT vendors
- No need to engage with IT vendors because we will use in-house solution(s), or we will not amend the services currently provided by IT providers



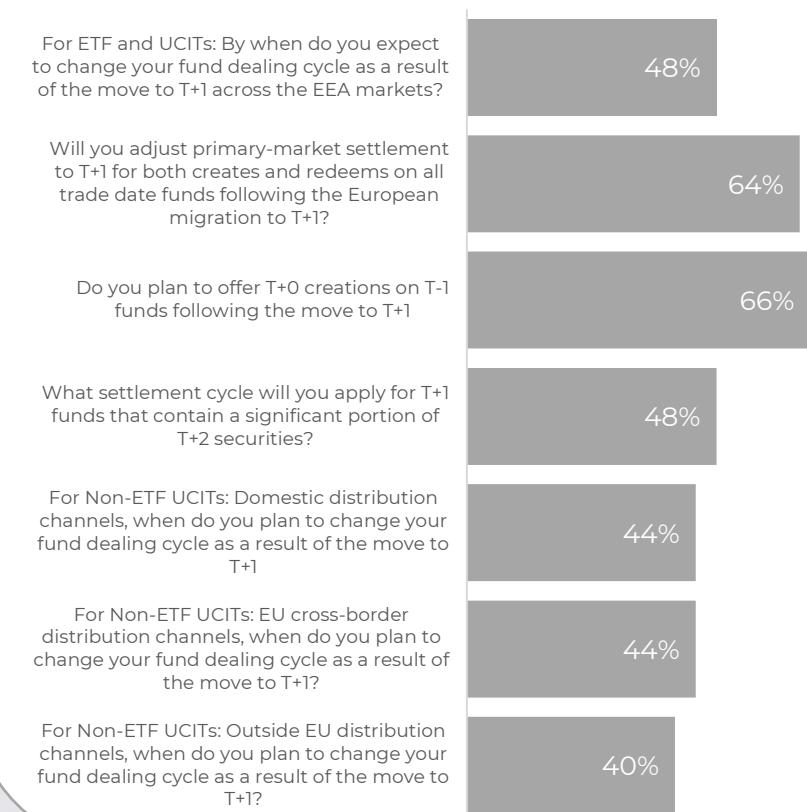
Whilst up to 70% of firms have a plan, 30% of firms don't know when (or if) they plan to implement recommendations



Percentage of firms that don't know when they will implement recommendations



Percentage of **asset management** firms that don't know when they will implement recommendations



30-40% of market participants are working through the settlement recommendations



Percentage of firms that don't know when they will implement recommendations

Use funding and position-forecasting tools to support timely settlement on intended settlement date (ISD) (Reference ST-01.5)

47%

Use / offer partial settlement and partial release functionality (Reference ST-03.2)

48%

Use and/or offer hold & release functionality (References ST-03.6 and ST-03.7)

36%

Use or offer auto-borrowing facilities (Market participants) (Reference ST-3.12)

41%

Use or offer auto-collateralisation facilities (Reference ST-3.10)

29%

Compress your end-of-day clearing process to ensure your cleared transactions are ready for settlement by 23:59 on T+0 (reconciliation, inventory management, record creation, release of settlement instructions) (CL-02)

44%

Populate the ISO "Transaction Type" identifier in your settlement instructions (e.g., TRAD, REPU, RVPO, SECL, SECB) (Reference ST-01.6)

36%

Report PSAF / SAFE (place of safekeeping) in the statement of holdings (Reference ST-01.4)

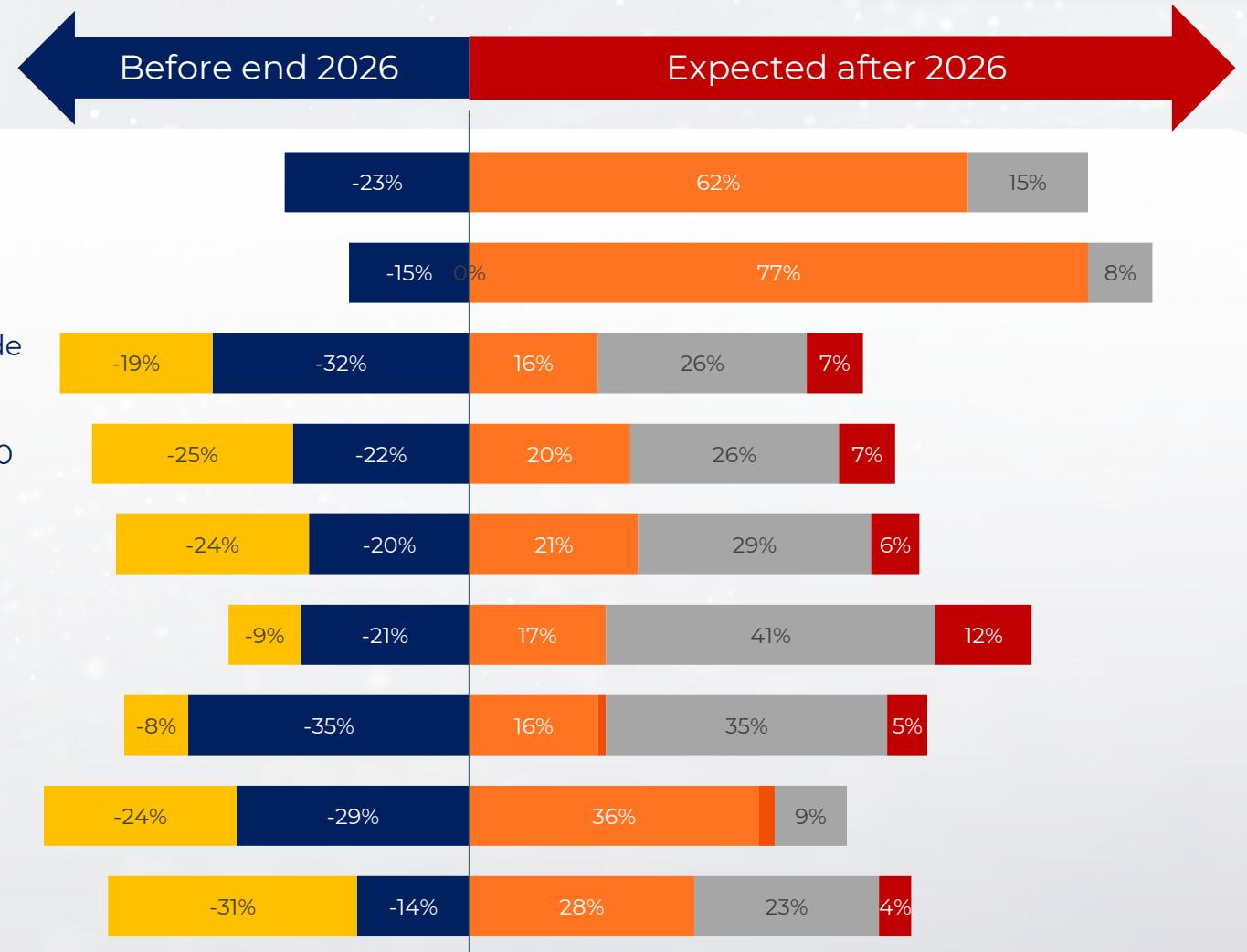
35%

Use or offer allegement functionality (Reference ST-03.8b)

41%



Up to 53% of 2026 deliverables are on track with securities lending same-day returns leading the way



■ Already completed

■ After 11th Oct 2027

■ By end of 2026

■ Not yet known

■ By 11th Oct 2027

■ Not to be implemented



04

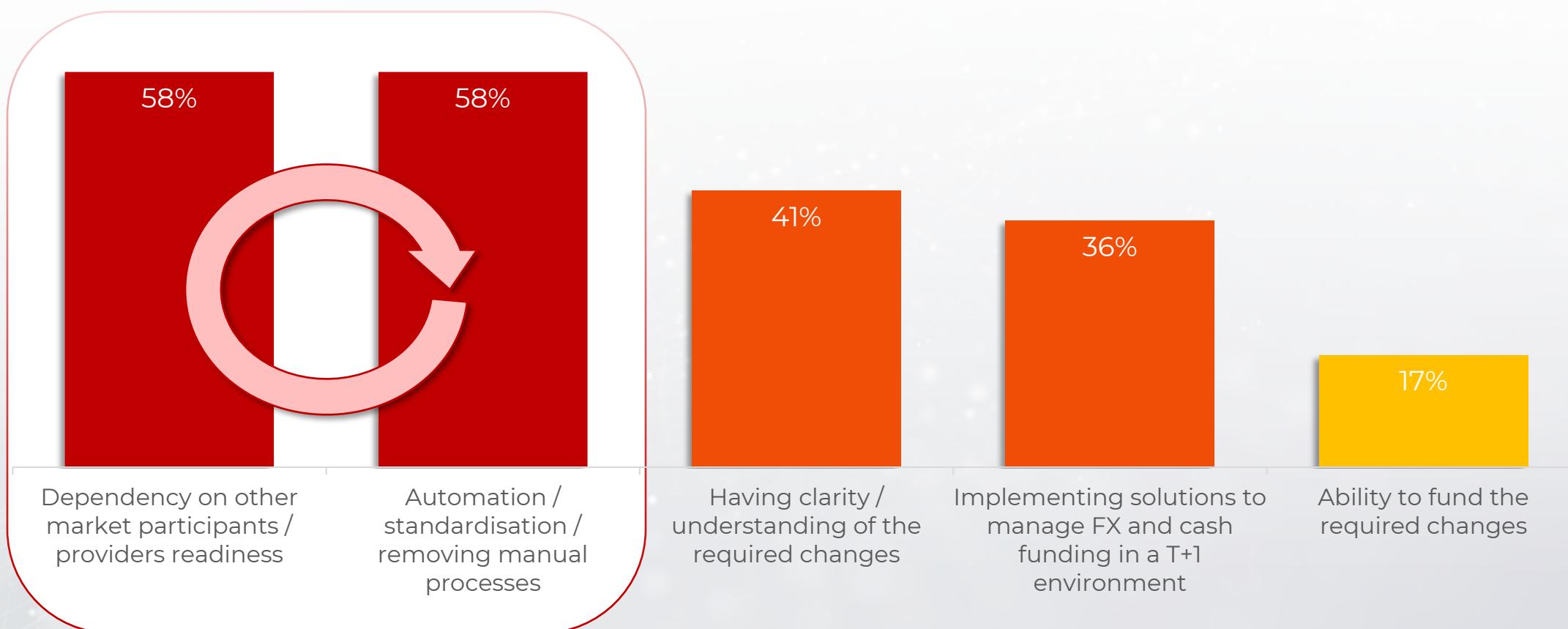
Preparing for T+1



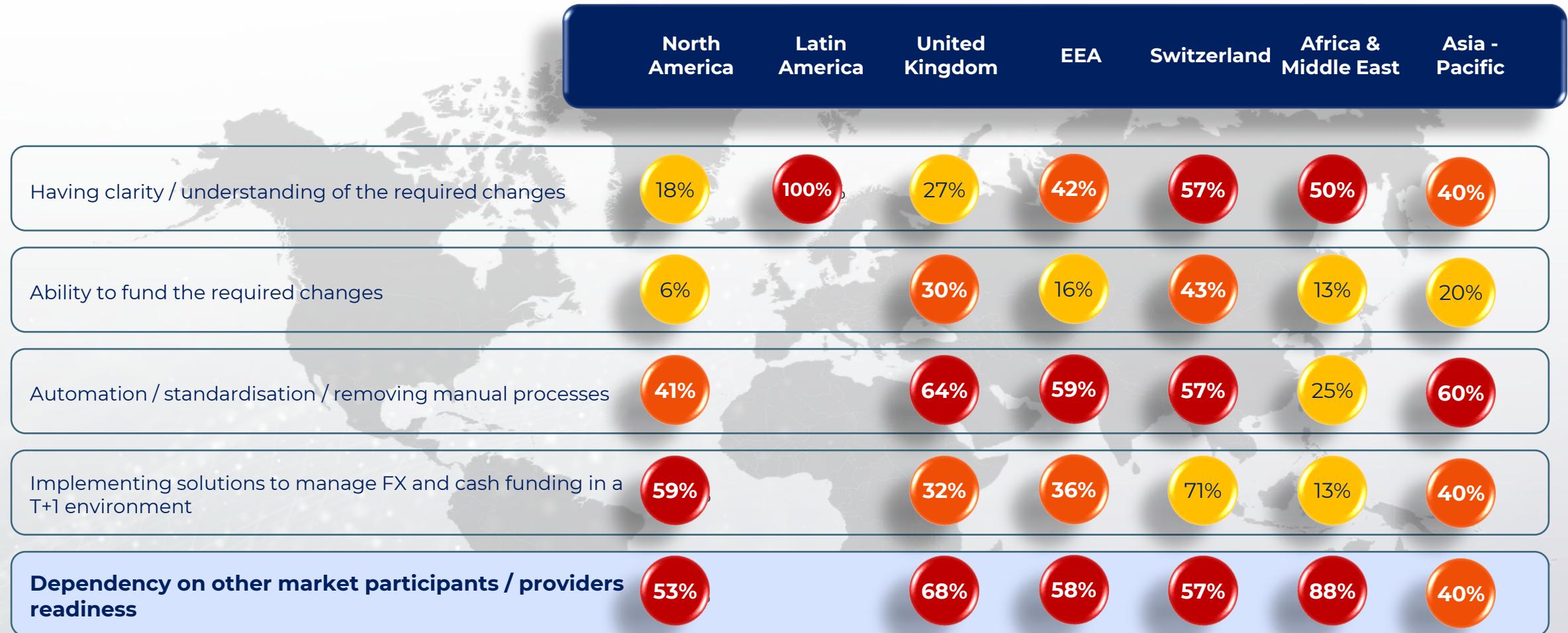
58% of respondents see two core challenges in T+1: their own automation and their ecosystem partners



% of respondents citing each category as a challenge in meeting T+1 requirements



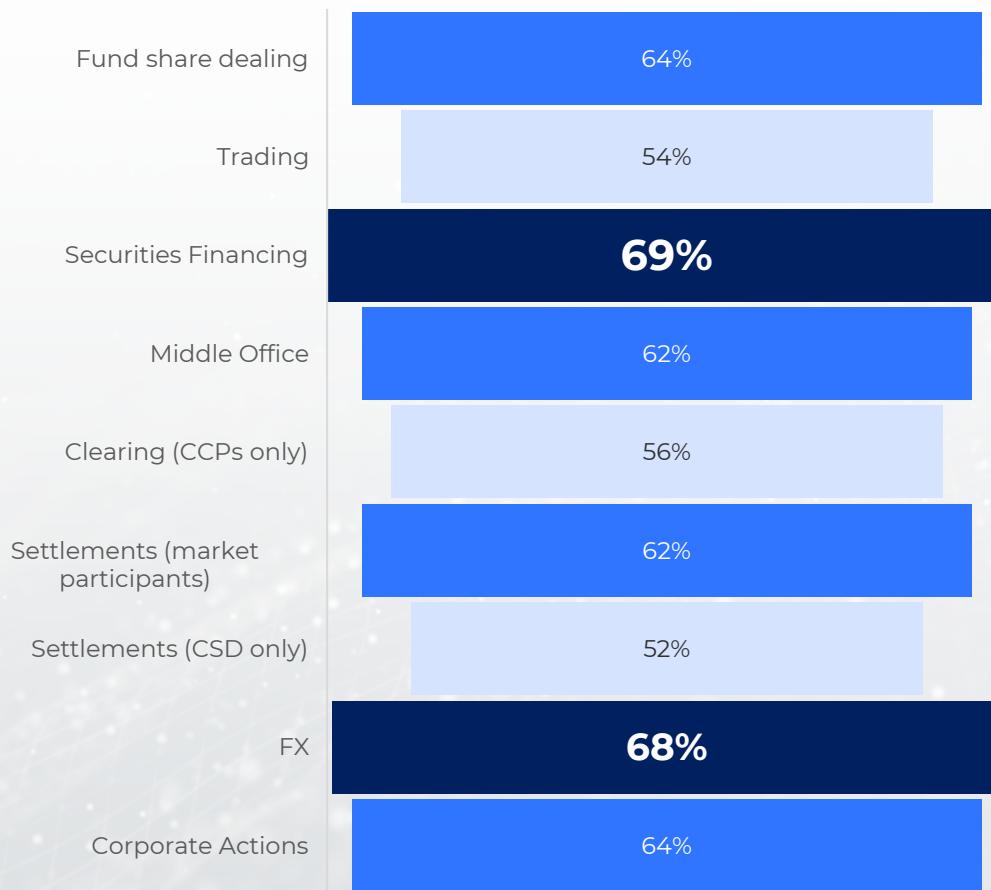
Dependencies on service providers are felt by more than 50% of respondents in almost every region



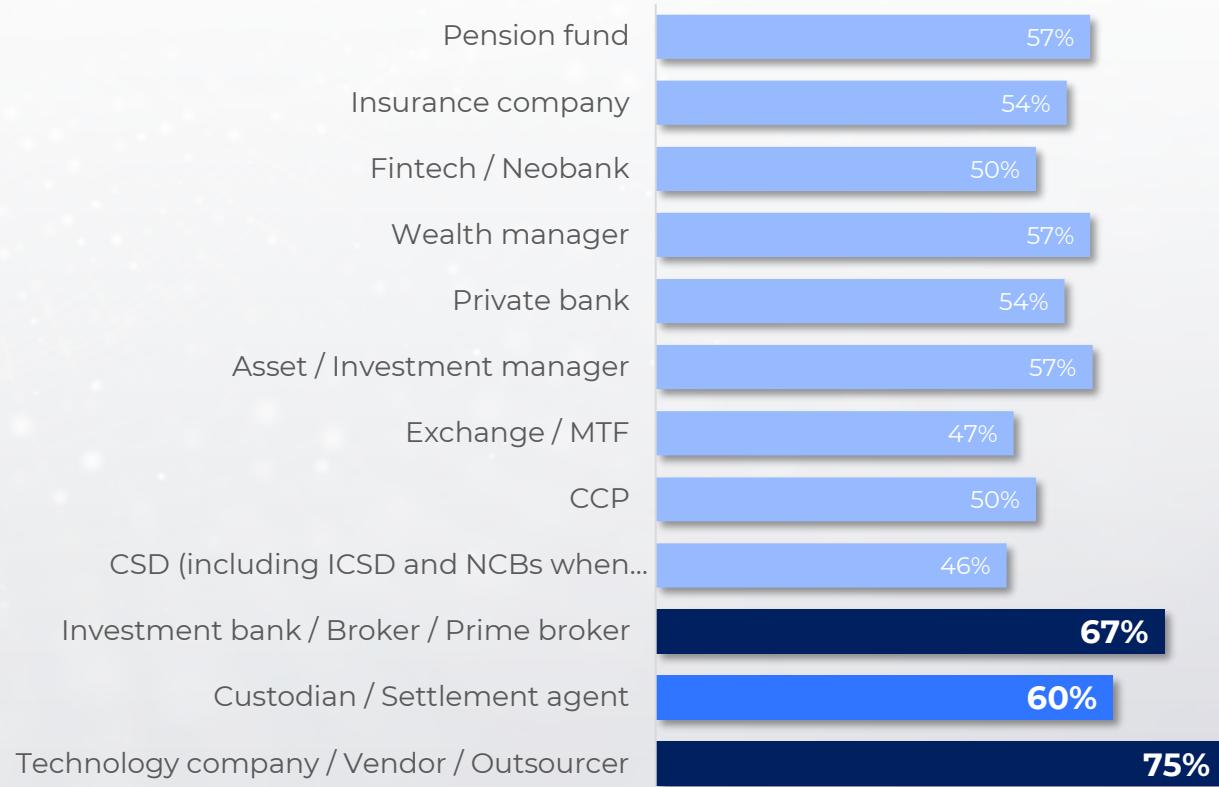
Over two-thirds of respondents see provider and counterparty readiness as challenges in securities financing and FX – most of all brokers and custodians



% of respondents citing their dependency on other market participants / providers readiness as a challenge in T+1 readiness (by activity)



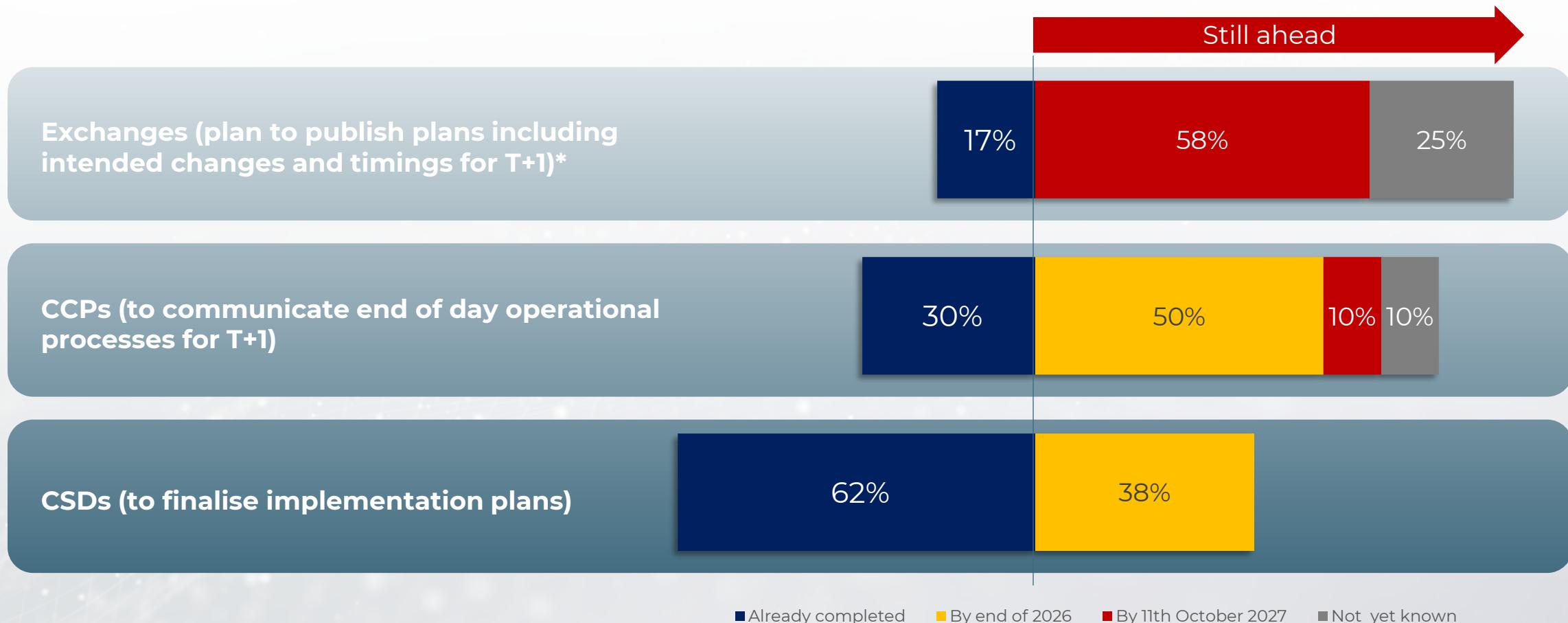
% of respondents citing their dependency on other market participants / providers readiness as a challenge in T+1 readiness



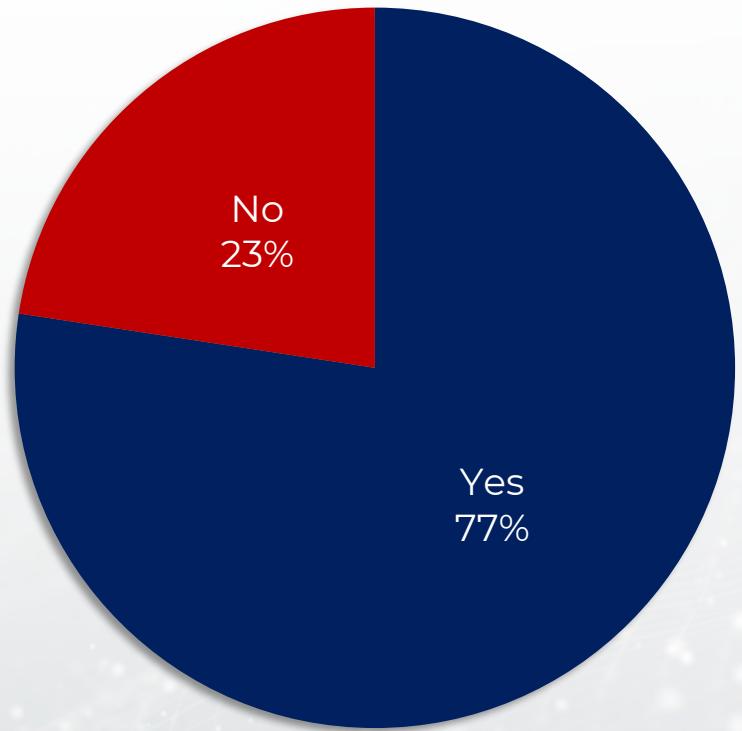
62% of CSDs have already completed their implementation plan while exchanges & CCP planning lies ahead



% of FMIs' T+1 activities already completed and ahead



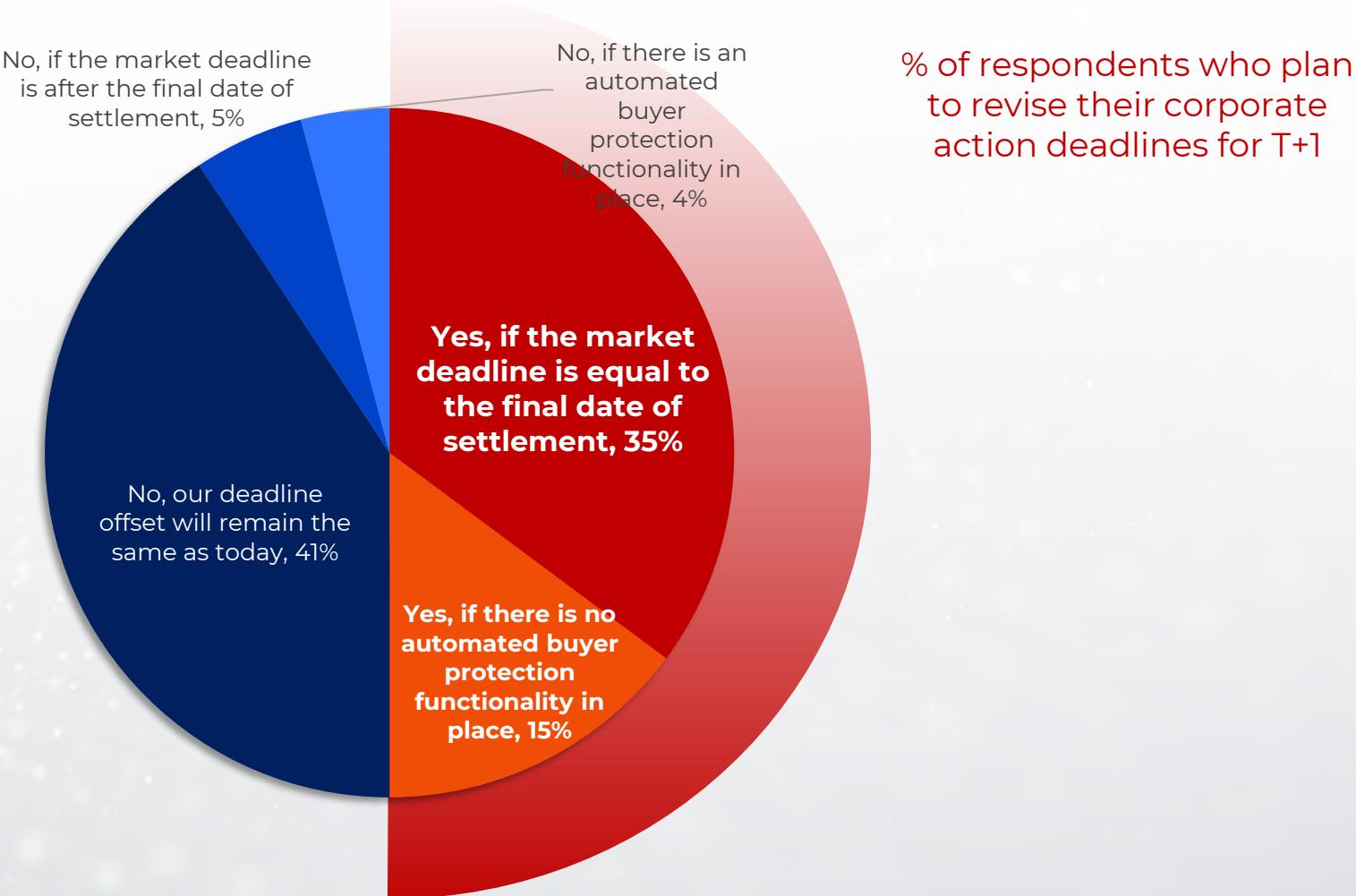
77% of respondents expect corporate action claims processes to be harmonized ahead of T+1



% of respondents expecting CSDs to fully harmonise their claims process ahead of T+1



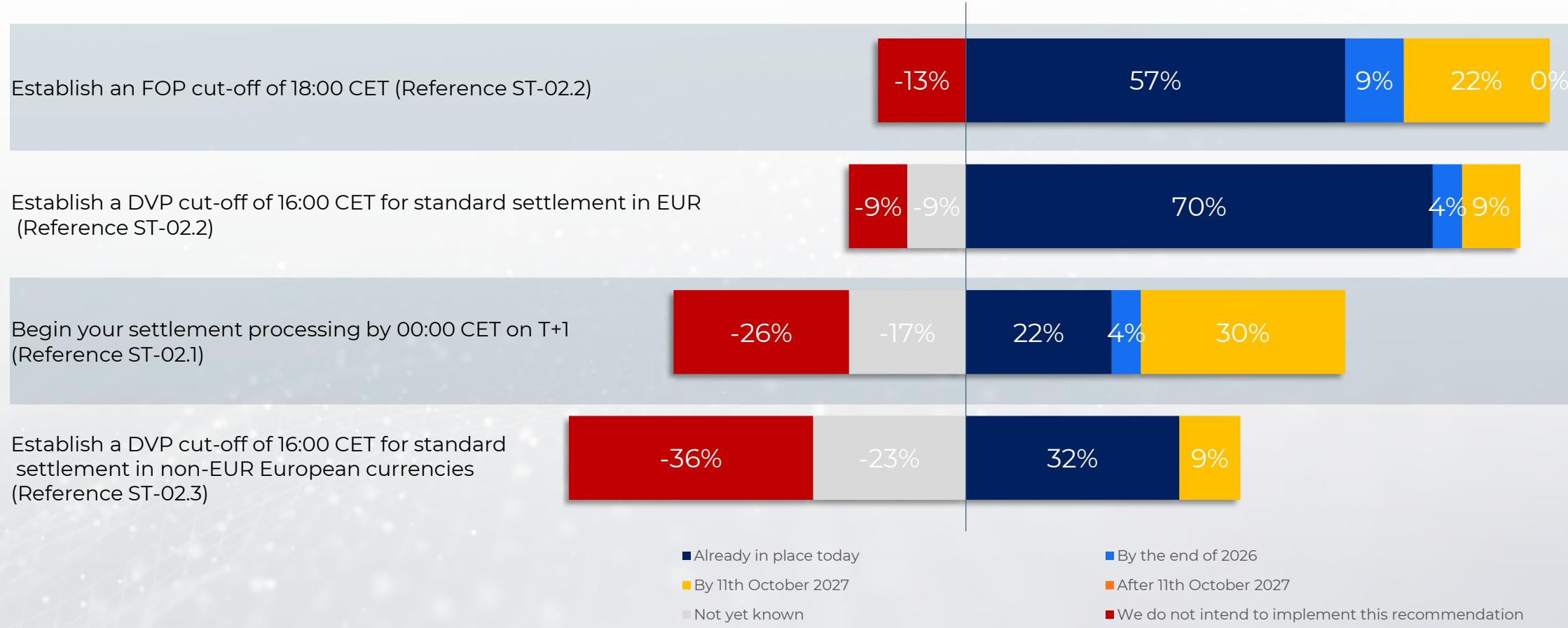
50% of respondents are expecting to have to revise their corporate action cut offs for T+1 – depending on market practice



Strong alignment on a 16.00 DVP cut-off in EUR for 83%. But up to 59% of CSDs do not plan to match the cut-offs recommended in the High-level Roadmap



% of CSD respondents by planned delivery time of each change



05



Is the industry automating?

Over two-thirds of wealth managers, banks and CCP see an automation challenge with T+1



% of respondents citing their ability to automate, standardize and remove manual processes as a challenge in T+1 readiness

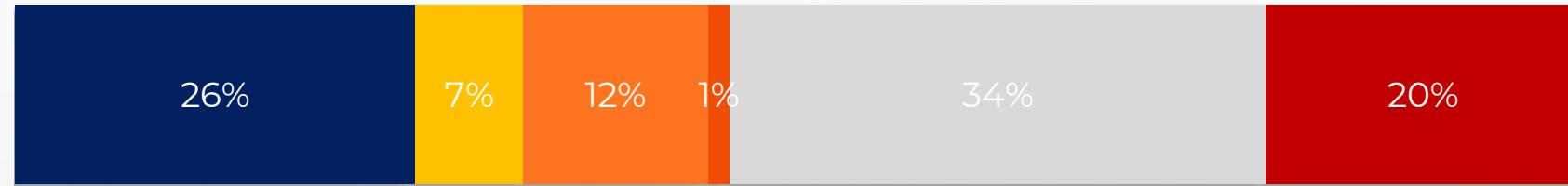


46% of respondents plan to implement key new processes in order to improve resource management

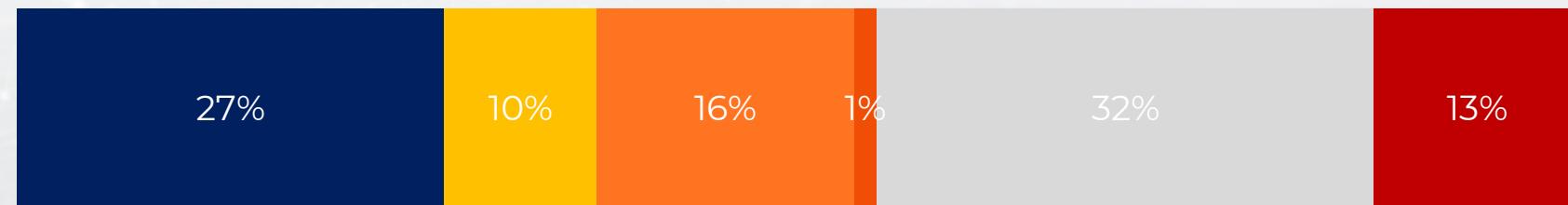


% of respondents planning to complete or implement changes in the following areas

Resource management



Instruction processing



■ Already implemented

■ By the end of 2026

■ By 11th October 2027

■ After 11th October 2027

■ Not yet known

■ We do not intend to implement this recommendation

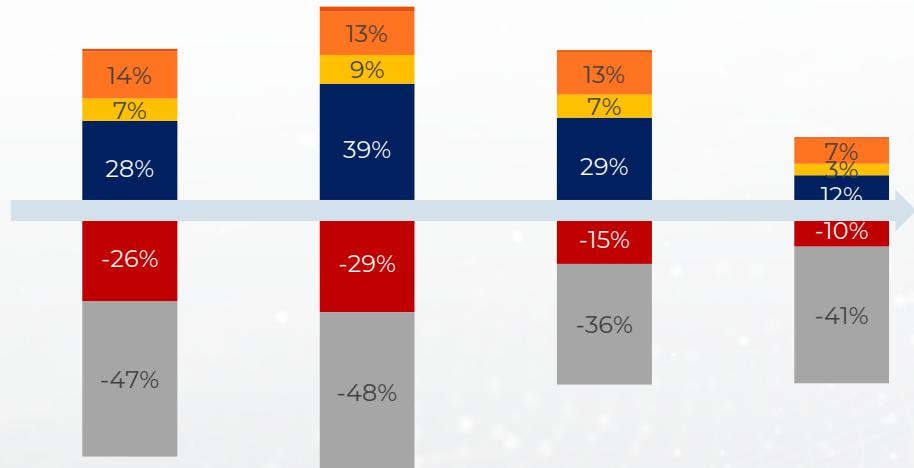


Over 50% of respondents have yet to decide on their plans for trade flow automation



■ Already implemented ■ By the end of 2026 ■ By 11th October 2027 ■ After 11th October 2027 ■ We do not intend to implement this recommendation ■ Not yet known

Resource management



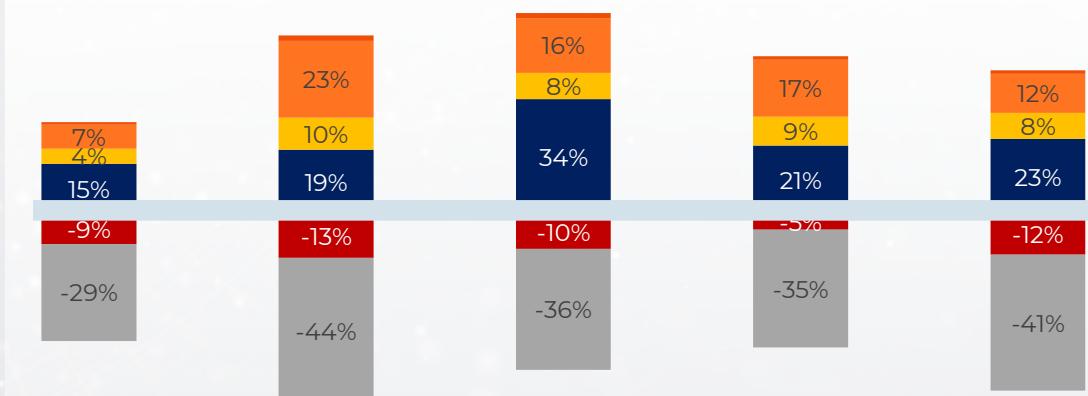
Use funding and position-forecasting tools to support timely settlement on intended settlement date (ISD) (Reference ST-01.5)

Use / offer partial settlement and partial release functionality (Reference ST-03.2)

Use or offer auto-borrowing facilities (Market participants) (Reference ST-3.12)

Use or offer auto-collateralisation facilities (Reference ST-3.10)

Instruction processing



Compress your end-of-day clearing process to ensure your cleared transactions are ready for settlement by 23:59 on T (CL-02)

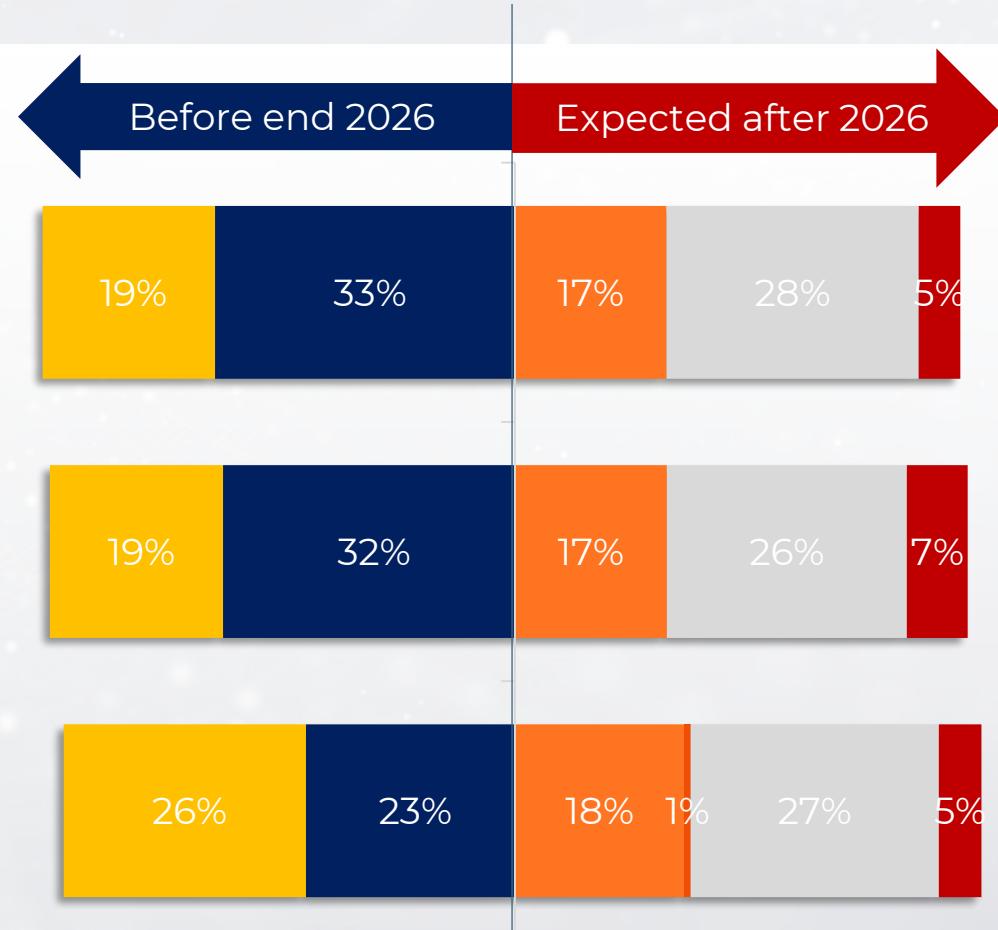
Populate the ISO "Transaction Type" identifier in your settlement instructions (e.g., TRAD, REPU, RVPO, SECL, SECBD) (Reference ST-01.6)

Report PSAF / SAFE (place of safekeeping) in the statement of holdings (Reference ST-01.4)

Use or offer allegement functionality (Reference ST-03.8b)



52% of respondents plan to automate their communication flows before 2027



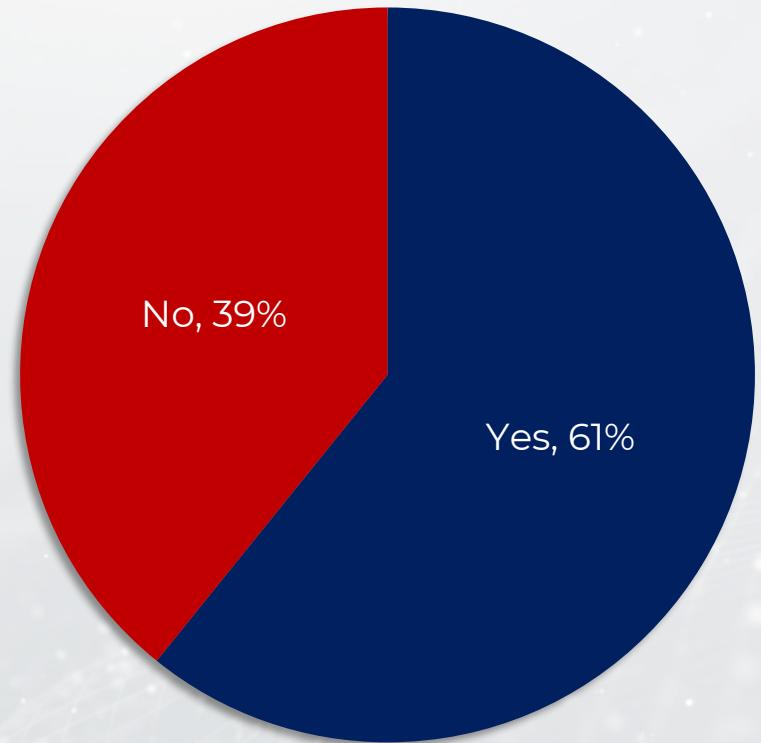
■ Already implemented
■ After 11th October 2027

■ By the end of 2026 (per the High Level Roadmap)
■ Not yet known

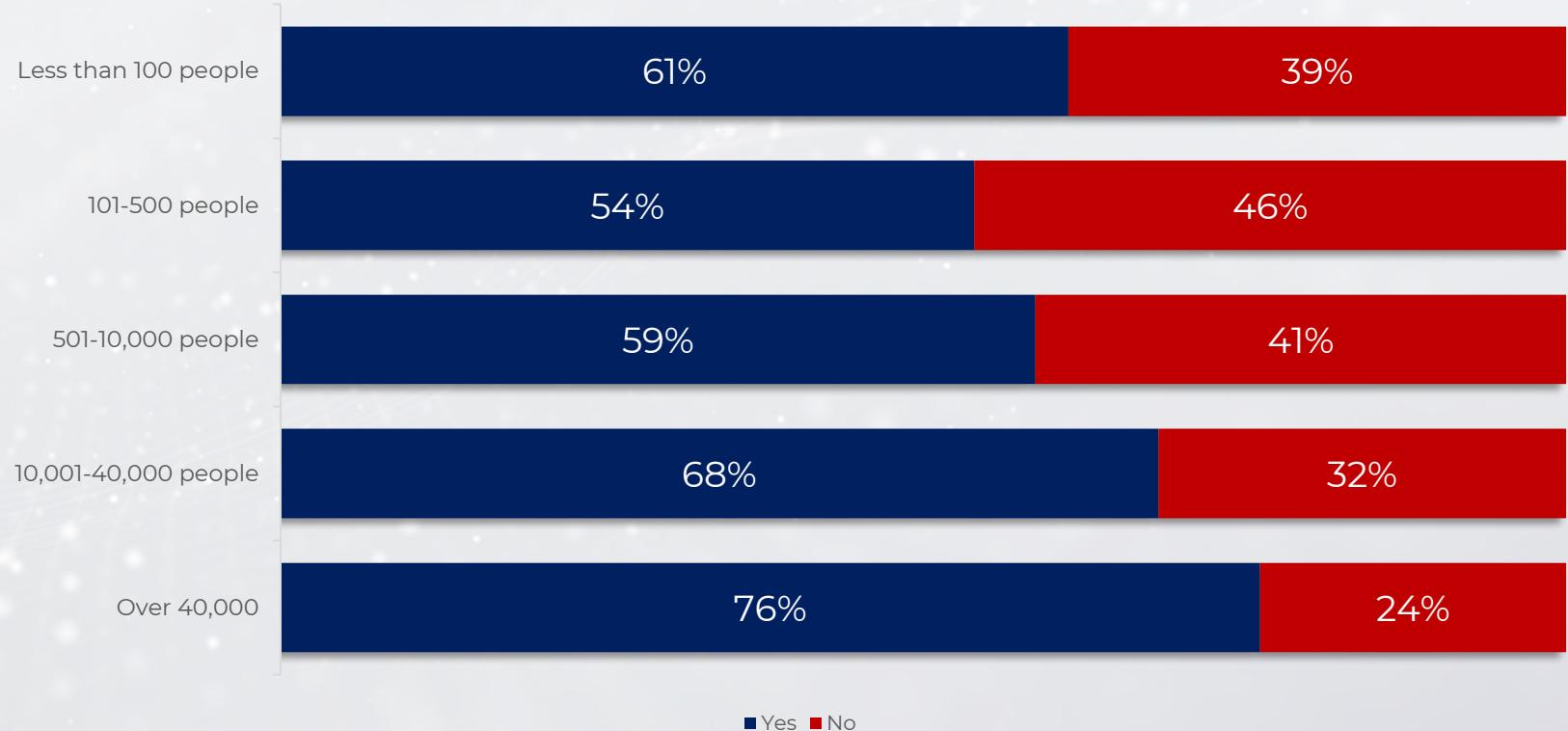
■ By 11th October 2027
■ We do not intend to implement this recommendation



Almost 40% of respondents have no plans to standardize their claims messaging – especially smaller firms



Plans to use ISO 20022 / Adjusted ISO 15022 messaging for market claims



Question: Will you be utilising the new ISO20022 SWIFT messaging for market claims for processing or the adjusted ISO15022 SWIFT messages once they are in production?



The European Securities Lending industry is more advanced than the US migration although up to 39% are still considering their approach



% of respondents by planning stages for Securities Finance trades

Accelerate the communication of your sale notifications to your lending intermediaries so that they are communicated as soon as possible after execution (i.e., to expedite any potential recalls within cut off times) (SF-03)



Adhere to the ERCC best practice guidelines for the termination of open repos (TR-04.4)



Automate the pre-matching of all Securities Lending instructions on Trade Date (including comparing standard settlement instructions (SSIs)) (MC-05.1 / MC-05.2)



Meet the recommended stock loan recall request deadline of 17:00 CET on T+0 (TR-04.1)



Implement same-day returns, where possible, (allowing borrowers to return securities on T+0 subject to clear communication with the lender, rather than waiting to return on T+1) (SF-04)



Meet the recommended stock loan return notification deadline of 15:00 CET (on the Intended Settlement Date / T+1) (TR-04.2)



Fully automated your securities lending recalls and return instruction flows using electronic messaging in accordance with ISLA best practice



Meet the recommended stock loan return settlement deadline of 15:30 CET (on the Intended Settlement Date / T+1) (TR-04.3)



■ Already implemented ■ By the end of 2026 ■ By 11th October 2027 ■ After 11th October 2027 ■ Not yet known ■ We do not intend to implement this recommendation



05

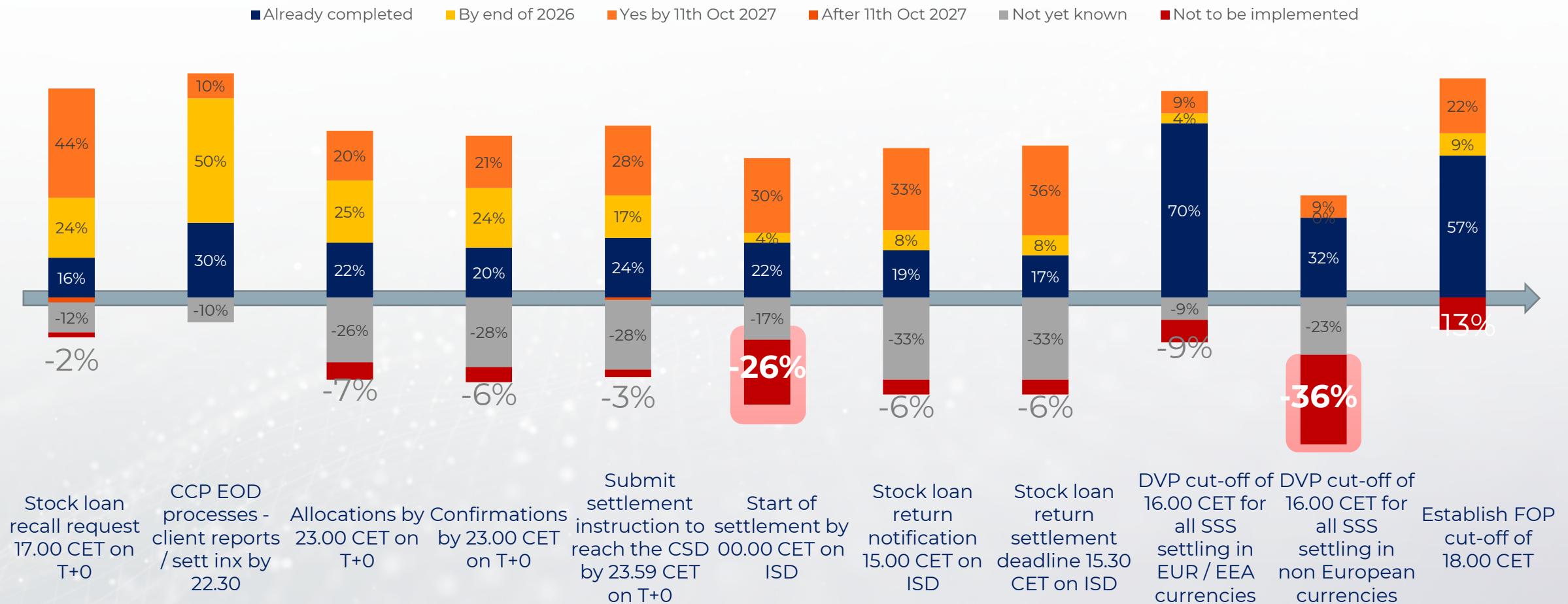
Likely Outcomes on 11th October 2027



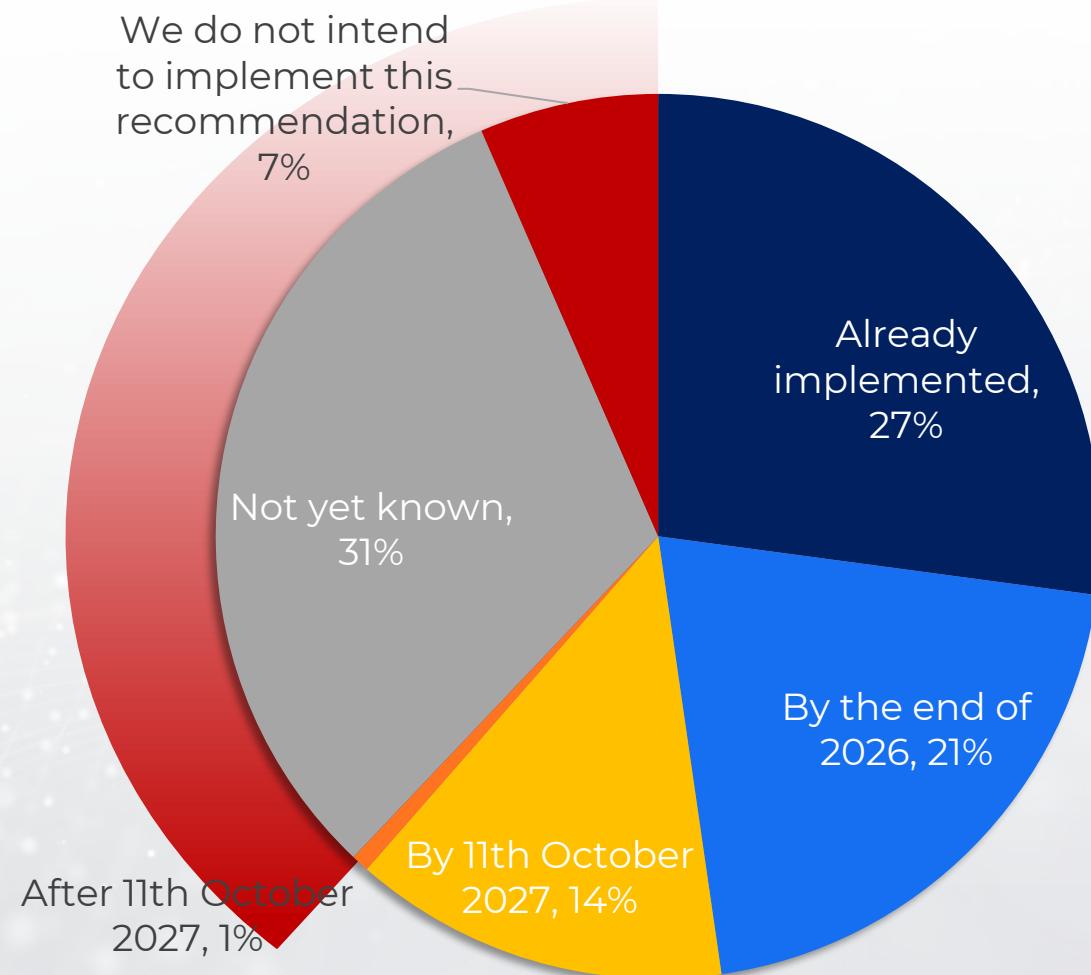
Up to 64% of respondents have plans to adhere to core processing timelines for T+1



Across the trade cycle: % of respondents' change plans per trade step, by time



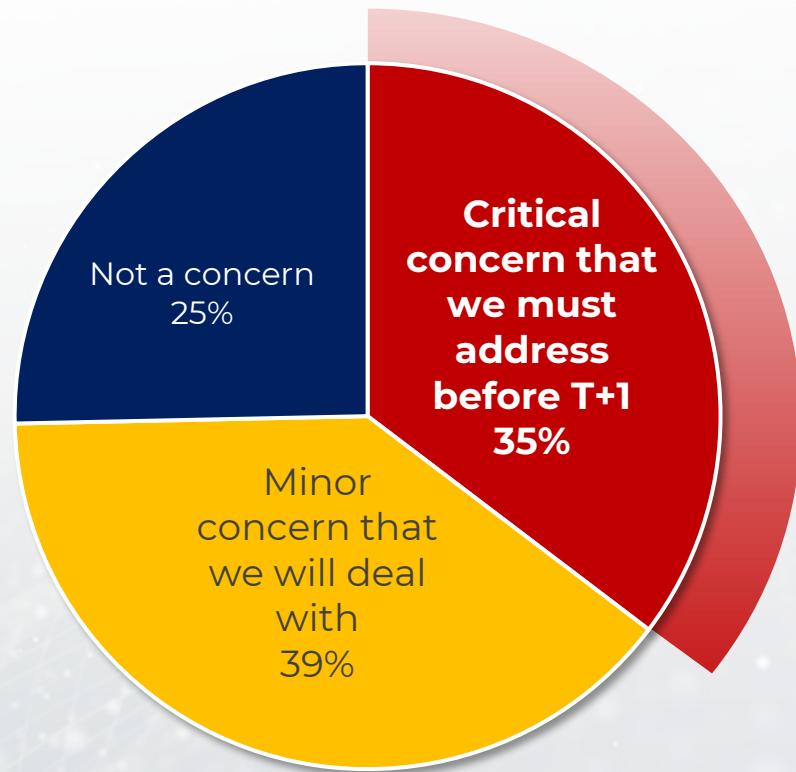
62% of respondents plan to implement PSETs ahead of T+1



35% see potential long-cash breaches as a critical concern – with larger fund managers most worried



% of respondents citing concerns around the impact of long-cash breaches in their funds, after T+1



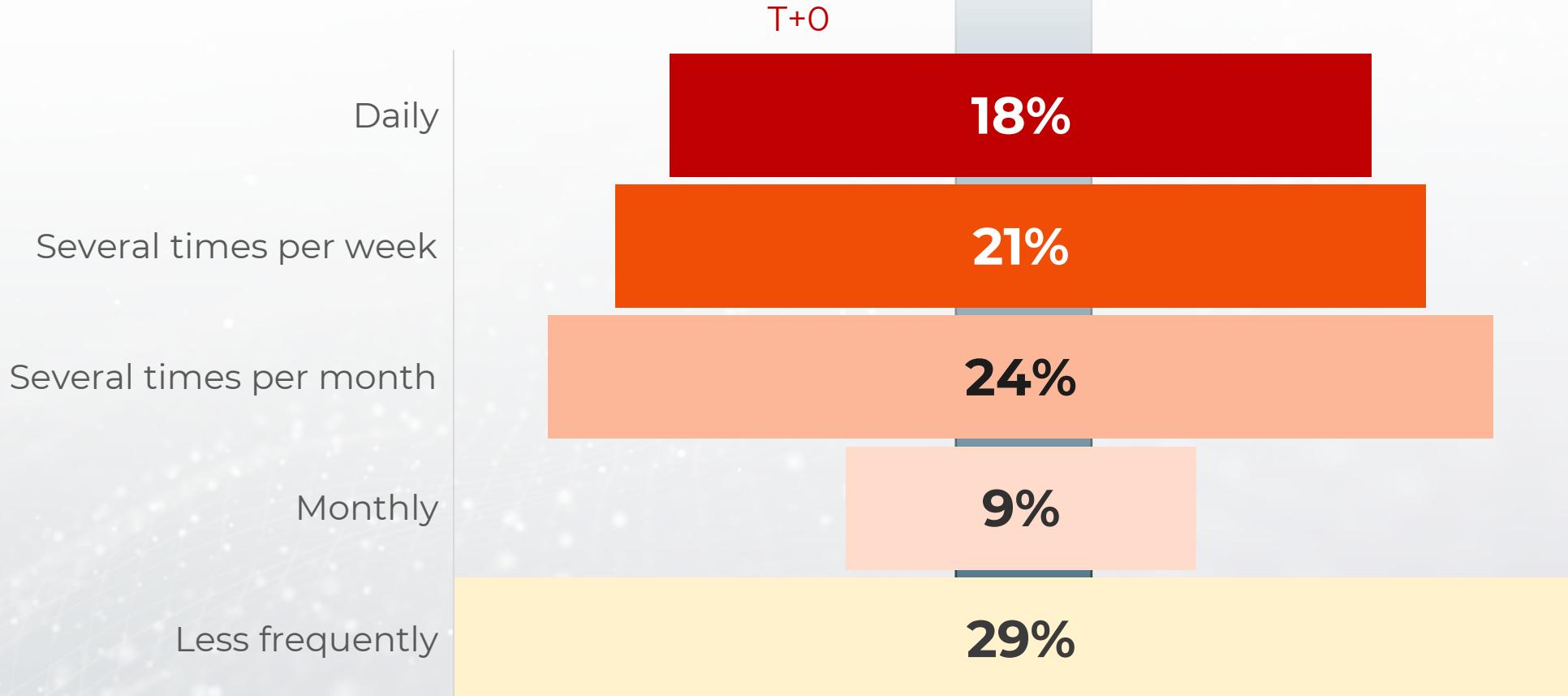
% of respondents citing concerns around the impact of long-cash breaches in their funds, after T+1 (by firm size)



39% of asset managers expect cash breaches to occur at least once a week in T+1



% of respondents expecting long cash breaches with ETFs running creations on T+0



T+1 Readiness Survey



Overview

Where are we today?

With 77% of firms actively engaged on T+1 in Europe, the industry is two years ahead

77% have read the High-level Roadmap, with 23% of respondents still yet to engage

Over 50% of respondents still have to define their T+1 plans in most European markets

North America and Asia appear not to be engaging, with approximately 30% seeing no need to plan for T+1 in Europe

T+1 in 2026: Is the industry ready for a critical year?

30% of the industry recommendations have already been implemented

2026 is a key planning year: with 53% of implementation plans to be prepared this year

Up to 50% wealth managers and asset owners have no plans for their T+1 journeys yet

75% of respondents do not need additional budget to move to T+1 – rising to 79% on the buy-side.

Whilst 69% of respondents have not yet engaged with their IT providers on T+1, only one in four smaller firms has engaged on T+1 so far

30% of firms don't know when (or if) they plan to implement recommendations

56% of respondents could be late in issuing allocations and confirms on T+0 by end 2026

Preparing for T+1

58% of respondents see two core challenges in T+1: their own automation and their ecosystem partners

Over 60% of respondents see provider and counterparty readiness as challenges in securities financing and FX

More than 70% of Exchange and CCP planning is still ahead

77% of respondents expect corporate action claims processes to be harmonized ahead of T+1

50% of respondents are expecting to revise their corporate action cut offs for T+1 – depending on market practice

Up to 59% of CSDs have no plans to match the recommended cut offs

Is the industry automating?

Over two-thirds of wealth managers, banks and CCP see an automation challenge with T+1

46% of respondents plan to implement key new processes in order to improve resource management

Over 50% of respondents are yet to decide on their plans for trade flow automation

52% of respondents plan to automate their communication flows before 2027

Almost 40% of respondents have no plans to standardize their claims messaging – especially smaller firms

The European Securities Lending industry is more advanced than the US migration with 39% still considering their approach

Likely Outcomes on 11th October 2027

64% of respondents plan to adhere to core processing timelines for T+1

62% of respondents plan to implement PSETs ahead of T+1

35% see potential long-cash breaches as a critical concern – with larger fund managers most worried

39% of asset managers expect cash breaches to occur at least once a week in T+1

T+1 – the Technical Workstreams view

Some of the survey headlines to shape the 2026 workstream agenda



Trading

48% of Exchange / MTF have implementation plans in place with the rest finalizing by end of 2026

Automation / Standardisation is a challenge for 41% of the 37 Exchange / MTFs who responded

60% of Asian firms are yet to turn awareness into action – the last region to act

Clearing

90% of CCPs so far expect to conclude client related processes by 22.30 CET by Oct 2027 with 80% by end of 2026

50% of CCP's have an implementation plan in place with final 50% by end 2026

Half of buy-side firms and 40% of smaller firms are expecting to see

Matching

51% of respondents are on target to adopt electronic exchange of allocations & confirmations

66% of firms will allocate & confirm by 23.00 CET as off 11th Oct 2027 but only 46% will hit the end of 2026 target

63% of Middle Office respondents see automation as biggest challenge

Settlement

69% of firm expect to send settlement instructions by 23.59 CET on T+0

27% of CSDs do not intend to start settlement by 00.00 CET on ISD,

87% of CSDs intend to offer partial settlement and 61% of participants intend to use it by 11th Oct 2027

Securities Financing

64% see automation as biggest challenge. However, there is progress e.g. triparty RQV automation (62%)

53% look set to meet the end 2026 deadline for same-day stock-loan returns

61% so far look set to settle stock-loan returns by 15.30 CET on ISD

Corporate Actions

77% expect CSDs to harmonise the process for raising market claims

64% of firms cite a dependency on others as their key corp action challenge

61% expect to use new SWIFT messaging for market claims & 52% for buyer protection

Fund Share Dealing

35% expressed critical concern around cash breaches but regulatory guidance is helping to resolve

28% of EU funds plan to change settlement cycles by 11th Oct 2027

80% of buy-side firms believe they do not need additional budget to move to T+1

FX

68% see dependency on others as their key challenge

25% of FX recommendations have already been implemented, with 25% expecting to be complete by 11th Oct

36% of all respondents (not just FX section) cite implementing solutions to manage FX as the key challenge



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Thank you!

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The ValueExchange



Empowering change-makers in the capital markets with expert-backed, statistical insights on the case for transformation

Leveraging our...

Hands-on experience

Over 25 years of practitioner experience in securities and capital markets

Expert community

An active and engaged community of industry leaders and changemakers across the globe

Unique industry data

Over five years of in-depth data on how and where the world is transforming its investment operations



... to empower changemakers with:

Concierge

Our personalized service to help you get the answers you need



Measure Impact

Specialist benchmarking insights to track the economic impact of your transformation in dollars and cents

Industry advocacy

Collaborative, industry-wide campaigns to make the case for transformation

Thought leadership

Tailored whitepapers, factsheets and webinars to help you make your case for transformation

And the markets the respondents operate / provide services in



of Respondents per market served

