

European Union (EU), United Kingdom (UK), and Switzerland (CH) T+1 Testing Plan

INDUSTRY TESTING PLAN FOR T+1

EU T+1 INDUSTRY COMMITTEE (IC), UK ACCELERATED
SETTLEMENT TASKFORCE (AST) AND SWISS SECURITIES POST-
TRADE COUNCIL T+1 TASK FORCE (SWISSPTC)

Letter from the Chairs

In December 2025, the UK Accelerated Settlement Taskforce and the EU T+1 Industry Committee jointly created a Testing & Readiness Workstream to develop a European industry-wide Testing and Readiness plan in preparation for our joint move to T+1 on 11 October 2027.

Given the high degree of cross market participation between the EU, UK and CH, a significant proportion of participants expressed the need to implement unified T+1 programmes rather than establishing separate plans for each jurisdiction. That, combined with the similarity of our post-trade/pre-settlement processes, meant that a single programme covering the three ecosystems would be of significant benefit, which reflects the jointly agreed pan-European migration.

The Testing and Readiness Workstream has considered the recommendations set out in the respective T+1 final reports and created a coordinated plan for all European market participants and critical third parties, including Financial Market Infrastructures.

It is a well-established metric that post implementation, participants will have approximately 20% of the currently available processing time to complete the same range and volume of tasks as they do under T+2. To ensure a smooth and successful transition, firms must automate, streamline processes and make use of all available settlement efficiency tools.

This Testing and Readiness plan outlines the general scope and principles of industry-wide testing and the business readiness activities each stakeholder should consider in preparing for the T+1 transition, irrespective of their geographic location and we highly commend it to all market participants.

But T+1 readiness extends beyond testing alone. The success of your transition depends on each participant having timely and well- controlled processes from trade execution through to settlement. This plan will help you test your compliance both individually and as part of the settlement chain.

There are three key messages to take away from this document:

1. Automation is a key success factor,
2. Your readiness is dependent upon the readiness of the settlement chain of which you are a part,
3. Start testing now!

Finally, we would like to thank all members of the Testing and Readiness Workstream for the diligence and efficiency with which they have completed their task. It is much appreciated.

Andrew Douglas, Chair UK T+1 Accelerated Settlement Taskforce (AST)

Giovanni Sabatini, Chair EU T+1 Industry Committee (IC)

Florentin Soliva, Chair Swiss Securities Post Trade Council T+1 Task Force (swissSPTC)

Participation across the value chain

EU-UK-CH Co-chairs at Industry level

- Andrew Douglas, Chair UK T+1 Accelerated Settlement Taskforce (AST)
- Giovanni Sabatini, Chair EU T+1 Industry Committee (IC)
- Florentin Soliva, Chair Swiss Securities Post Trade Council T+1 Task Force (swissSPTC)

The T+1 Testing Task Force (TF) and its related Sub-Groups (SGs) benefited from input from a broad range of market participants across the value chain, including authorities (as observers), market infrastructures, intermediaries, industry associations and buy-side firms.

T+1 Testing TF Co-chairs	T+1 Testing SGs Co-leads	T+1 Testing Secretariat
Alex Chow (J.P. Morgan)	Emma Miles (Euroclear)	Grégory Steinkuhler (ECSDA)
Charles Pugh (Euroclear)	Paolo Carabelli (Euronext Securities)	Sarah Yoon (Forvis Mazars)
Ivan Nicora (Euroclear)	Tony Holland (ISLA)	

Authorities (as observers)	
ECB	ESMA

Firms		
Aberdeen Group	Deutsche Börse Group	Morgan Stanley
Bank of America	DTCC	Nasdaq
Barclays	DWS Group	Natixis
Brown Brothers Harriman	EquiLend	Peel Hunt
BlackRock	Eurex Clearing	PwC
BNP Paribas	Euroclear	RBC
BNY	Euronext Clearing	SIX Group
BTIG	Euronext Securities	SSimple
Capco	EY	State Street
Cboe	Fidelity Investments	Swift
Cecabank	Flow Traders	Tata Consultancy Services
Citi	HSBC	UBS
Clearstream	J.P. Morgan	UniCredit
Columbia Threadneedle Inv.	KPMG	Vanguard
Danske Bank	LCH Group	Wiener Börse
Delta Capita	MessageLabs	Winterflood Securities
Deutsche Bank	Mizuho Financial Group	WTS Hansuke

Trade associations		
AFME	ECSDA	ICMA
AGC	EFAMA	ISLA
EACH	FESE	ISSA
EBF	FIA-EPTA	

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Section 1: Principles

When developing and reviewing the requirements for T+1 industry testing, a series of guiding principles was determined to anchor the report in a realistic and practical testing framework, while ensuring that the essential needs of the industry are appropriately addressed.

1. Industry testing should start now

The EU UK T+1 Testing Taskforce and the swissSPTC T+1 Taskforce note that many Testing Providers have test environments that can be leveraged today as business-as-usual (BAU). As firms make changes or opt-in to existing functionalities, they should leverage these environments and should not wait for 2027 where possible.

Whilst the report notes specific testing windows where Testing Providers are strongly recommended to open test environments, the EU UK T+1 Testing Taskforce and the swissSPTC T+1 Taskforce are of the view that a large part of testing can start now. *Section 2 Scope and Testing Logistics* outlines the testing timeline and logistical framework for the planned industry testing.

Financial Market Intermediaries (FMIs) and Testing Providers are encouraged to communicate the logistics of accessing their test environment at the earliest possible opportunity.

2. Each firm's testing plan will be specific to their firm

The testing scenarios and methodologies outlined in this document are not exhaustive. The EU UK T+1 Testing Taskforce and the swissSPTC T+1 Taskforce have outlined high-level trade flows to indicate to Testing Providers the areas in which firms may wish to test, and link to more specified scenarios in some areas, such as corporate events, but have opted against a strict, mandated list of test scenarios given each firm's testing requirements will be different.

The exact design and execution of a firm's testing plan will be specific to that firm.

3. Readiness extends beyond testing – De-risking the transition

The EU UK T+1 Testing Taskforce and the swissSPTC T+1 Taskforce note that readiness for T+1 settlement does not start or finish at the testing phase. Firms should assess their readiness for T+1 and improve their processes now. *Section 3 De-risking the transition* encourages firms to conduct an internal gap analysis against their metrics, with a view to firms upscaling their processes and tools in order to improve their own metrics well in advance of T+1 settlement go-live on 11 October 2027.

It is important that all FMIs and firms should ensure their T+1 readiness around changed message distribution timings.

4. An aligned approach

The EU UK T+1 Testing Taskforce and the swissSPTC T+1 Taskforce have also considered the complexity of the European markets, with many interconnected FMs operating across many jurisdictions. In the publication of this report, we have sought to create a plan that is applicable across all jurisdictions within the EEA¹, UK and CH to enable homogeneity in testing where possible.

¹ The EEA includes the 27 EU Member States and 3 non-EU States (Iceland (IS), Liechtenstein (LI), Norway (NO)). Please note that although LI is an EEA State, its T+1 transition is managed under the CH model given LI stocks are listed in CH and SIX provides the infrastructure. For the purposes of this document, where “CH” is referenced, LI is inferred, and where “EU” is referenced, EU Member States, as well as IS and NO are inferred.

Section 2: Scope and Testing Logistics

Achieving T+1 readiness

Moving to T+1 is a journey that started in 2024, many changes will be implemented ahead of the go-live of 11 October 2027. It is the responsibility of each firm to understand the transition plans of their service providers and FMIs and to define their own planning in accordance.

Achieving T+1 readiness requires progress on three key pillars:

- 1) First and foremost, T+1 is about ALL firms upscaling their processes and tools to run the full transaction cycle within the compressed timeline of T+1. This requires firms to:
 - a. optimise their internal processes (including their interactions with their agents (e.g., custodian, broker... etc.), as well as
 - b. leverage at scale tools that are available in the market to facilitate T+1 settlement, for example some FMIs already offer partial settlement and hold & release.
- 2) Secondly, to support firms with their readiness, we have created the opportunity for all FMIs and Testing Providers to be available at the same time to allow firms to test across multiple markets and/or across the transaction chain, during specific windows through the T+1 industry testing period.
- 3) Finally, T+1 is also about getting ready for the new Operational Day² in the EU (including the new Settlement Optimisation Gating Event).

² New operational day refers to the “standardised operational timetable” per Section 3 of the [High-Level Roadmap to T+1 Securities Settlement in the EU](#). Please note from a UK perspective, there is no new operational day other than the specific changes UK CSD are making such as extension of input timing from 21h00 GMT to 22h00 GMT available from 15 June 2026.

Within the pillars, we have identified five streams to be considered whilst defining your T+1 readiness plan:

Pillar	Stream & Purpose	Description	Testing timeline
1	<p>A- Firms optimise internal processes</p> <p>B- Firms leverage existing FMI solutions</p> <p>C- Firms leverage new FMI solutions</p>	<p>Any testing of changes to enhance internal operational processes and technology to effectively operate within a shortened settlement processing window (cf. Section 3 De-risking the transition)</p> <p>Any testing of changes required to leverage existing FMI functionality (e.g., partial settlement) (cf. Section 3 De-risking the transition)</p> <p>Any testing of changes required for new or enhanced functionality released by an FMI (cf. Section 3 De-risking the transition)</p>	<p>Available now <i>blue period</i></p> <p>Available now <i>blue period</i></p> <p>FIMs will make available environments to test their changes as soon as practicable. Where possible within the <i>blue period</i></p>
2	D- Market-wide testing	All Testing Providers will be available to support Firms with their testing (cf. Section 4 Trade Flows and the Testing Model)	<i>Five testing windows</i>
3	E- New EU Operational Day	Opportunity to test EU's new Operational Day, incl. the new Settlement Optimisation Gating Event	FMI will make available environments to test their changes as soon as practicable. Where possible within the <i>green period</i>

T+1 Industry Testing Period

Our key message is, “*begin preparation NOW, implement automation and testing of upscaled tools and processes NOW*”. It is important to ensure that firms’ readiness is progressed in 2026, in order to dedicate 2027 to testing their ability to run the full transaction lifecycle according to the compressed timeline of T+1, during the 5 market-wide testing windows available during 2027, as well as the new Operational Day in the markets where relevant.

Readiness in 2026 is also important with a number of recommendations and changes to regulation³ that require completion during 2026 in some cases. Additional changes, such as the TARGET-2 Securities (T2S) Operational Day (first settlement on 14 June 2027), will also be implemented ahead of the 11 October 2027 deadline. It is the responsibility of each firm to understand the transition plan of their service providers and FMIs and to define their own planning in accordance.

Firms, Users, FMIs and Testing Providers

This report is intended for all market participants across the settlement value chain, including asset managers, brokers, custodians, and FMIs. To ensure clarity and consistency, the following terminology is used throughout the document:

- “Firms” refers broadly to all market participants that will be required to undertake T+1 industry testing.
- “Users” refers specifically to direct participants of FMIs.
- “FMIs” is used when the recommendation or responsibility applies explicitly to Financial Market Infrastructures.
- “Testing Providers” refers to organisations that offer T+1 test environments or testing services to support firms in conducting their required T+1 readiness and industry testing activities.

Within the T+1 Industry Testing Period (current to Friday 1 October 2027 - **blue period**), FMIs and Testing Providers should communicate clearly to their Users when test environments and functionalities will be available. The detailed testing schedule and functionality available, including STP, remains at the discretion of each Testing Provider.

Likewise, the availability of production-like timing and the new operational day during the **green period** remains at the discretion of each FMI and Testing Provider. FMIs and Testing Providers should communicate clearly to their Users when test environments and functionalities will be available.

³ For instance: ESMA’s proposed amendments to the Regulatory Technical Standards (RTS) on Settlement Discipline requires inter alia firms to perform allocations and confirmation processing by 23:00 CET on trade date by 7 December 2026 (cf. Final Report no. ESMA74-2119945926-3430, dated 13 October 2025). Similarly, the UK AST Recommendations recommends firms to perform allocation and confirmation processing by 23:59 UK Time on trade date by 31 December 2026. Allocations and confirmation processing activities are critical within the preparation phase to T+1 as they are the basis for speeding up activities in a shortened settlement cycle.

FMI and Testing Providers are encouraged to make test environments available for the duration of the **blue** and **green periods** and at a minimum, during the **five testing windows** outlined below.

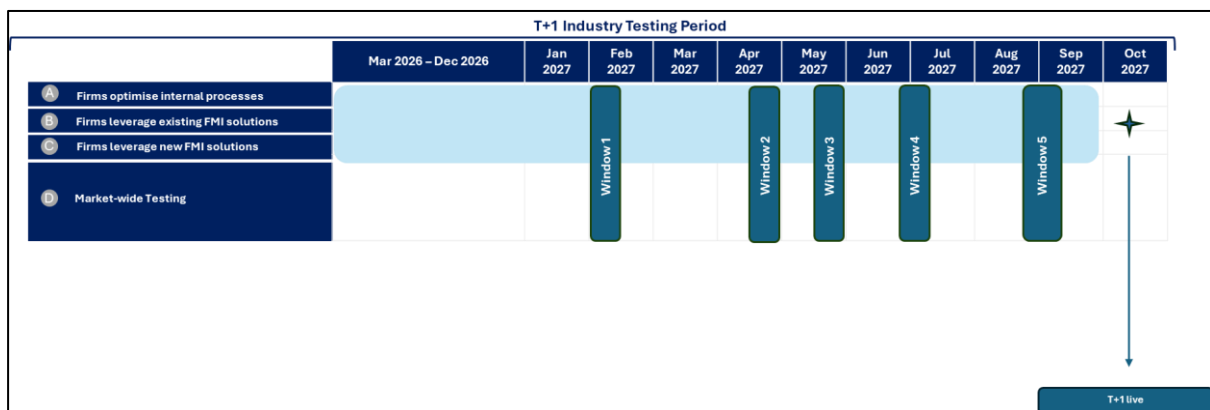
It is also expected that Users of FMIs should inform their underlying clients on T+1 testing requirements and, where those clients wish to participate, coordinate engagement and testing schedules accordingly.

Testing Providers are encouraged to make testing accessible to all firms and avoid any barriers to access test environments where possible.

UK and CH Timeline

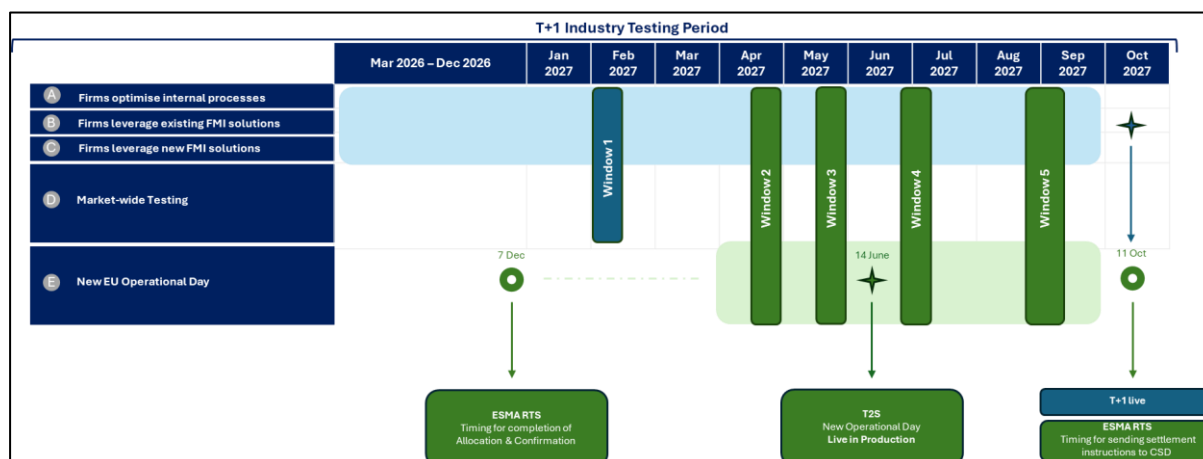
From a CH market perspective, there is no change to the operational day. For the UK the proposed timing changes relate to system opening times and do not generally impact the settlement day (apart from the permanent split of the close of DvP and FoP settlement windows which already occasionally occurs for operational purposes). As such, they do not require testing by firms. Therefore, in the UK and CH firms are impacted by Pillars 1 and 2 only. To facilitate Pillar 1 the T+1 Industry Testing Period has already commenced, as illustrated below by the **blue period**. Firms should leverage this opportunity immediately, to implement and test their upgrades as identified in Pillar 1. Firms are strongly encouraged to leverage this **blue period** to test with FMIs and other firms as part of BAU (including for CH national / domestic arrangements) testing arrangements.

Additionally, firms may wish to take part in market wide testing. There are five windows where all Testing Providers are expected to be available at the same time to allow firms to test across the transaction chain (including national and cross-border). The Testing windows are the same across the EU, UK and CH.



EU Timeline

In addition to the UK and CH timeline described above which also applies to the EU, the EU will implement a new Operational Day and Settlement Optimisation Gating event. Therefore, a dedicated testing period, **green period**, will be made available from Monday 5 April to Friday 1 October 2027. This will give firms the opportunity to test that their processes are adapted to run as per the new Operational Day as per Pillar 3, Stream E.



The dates shown above for the application of certain of the T+1 related amendments proposed by ESMA to the RTS on Settlement Discipline⁴ and for T2S new Operational Day changes are for illustrative purposes only, to show that changes may occur ahead of the final transition date, 11 October 2027. It is the responsibility of each firm to understand the transition plan of their service providers and FMIs and to define their own planning in accordance. Noteworthy also, while T2S Operational Day changes will become effective on T2S side for first settlement on 14 June 2027, the functionality will remain available for testing throughout the **green period** to allow firms to continue to test ahead of the final transition date.

Test Windows Dates

The Testing window dates remain the same across the EU, UK and CH. Where the EU differs is the new Operational Day. EU FMIs making changes to their Operational Day are strongly encouraged to provide live-timing during windows 2 to 5 where possible. The availability of live-timing and the new Operational Day remains at the discretion of each FMI and Testing Provider. FMIs should communicate clearly to their Users when test environments and functionalities will be available.

⁴ These proposed amendments are still pending endorsement by the European Commission, scrutiny by the European Parliament and Council, and publication in the Official Journal of the EU, which is expected by Q3 2026.

Window	Dates - 2027	Purpose
1	1 to 12 February	<ul style="list-style-type: none"> All FMIs are available for testing This will be BAU testing conditions (but not necessarily live-timing)
2	19 to 30 April	<ul style="list-style-type: none"> All FMIs are available for testing - FMIs supporting the new Operational Day can provide live timing⁵, if appropriate and feasible <p>The availability of live-timing and the new Operational Day remains at the discretion of each FMI and Testing Provider. FMIs should communicate clearly to their Users when test environments and functionalities will be available</p>
3	17 to 28 May	
4	28 June to 9 July	
5	23 Aug to 10 Sept	

At the time of publication, a request has been submitted to T2S to confirm whether the proposed testing periods can be made available and therefore the testing periods above may be subject to change.

⁵ Live-timing definition: live timing is a testing condition where the operational day is prod-like run in the test environments whereas on standard release testing days the sequencing and timing is compressed.

Section 3: De-risking the transition

Alongside the EU T+1 IC, UK AST and swissSPTC recommendations and new legal and regulatory requirements⁶, a key way for firms to prepare for T+1 Settlement will be in self-review.

In discussion within the EU UK T+1 Testing Taskforce and the swissSPTC T+1 Taskforce, many firms have started the discussion both internally and with their clients and stakeholder bases to “de-risk the transition”.

More practically, de-risking the transition involves a firm conducting an internal gap analysis against its transition to T+1 settlement, making the requisite changes and seeing their readiness for T+1 increase. These improvements could include internal process or technology improvements, adoption of external solutions, the opt-in to existing tools such as auto-partial settlement, and more. Should firms wish to test internal changes, they should be leveraging test environments today as outlined in the [blue period](#) in *Section 2 Scope and Testing Logistics*.

De-risking the transition is key across the full value chain and will be especially relevant to firms that are not direct FMI participants (Users) and are less likely to be involved in testing against FMIs.

One way in which a firm can gauge its readiness will be in assessing processing rates, both internally and against industry metrics. In providing the industry metrics below, we encourage firms to source their own data and consider a gap analysis of:

1. How and what is achieved today on T+1, can be achieved by Trade date (T)

By T+1 transition date, a firm should consider what it achieves by T+1 today in key metrics such as timing of settlement instruction and settlement matching rates, compared to what should be achieved by T.

e.g., a firm sends 80% of trade instructions on T and 98% by T+1, what steps do they need to take to achieve 98% by T by the transition date of October 2027.

2. What the firm achieves versus the industry average

Firms may find it useful to compare their statistics to the industry average. Even if firms are above average, firms will need to engage with clients and counterparts to improve behaviours.

As an example, if a firm is above average in instruction submission timing, but below average in settlement matching, they may need to apply additional focus to their settlement matching flows and processes, engaging with counterparts in the process.

⁶ In particular, [UK Draft Statutory Instrument](#) and [ESMA's proposed amendments to the RTS on Settlement Discipline](#) (pending endorsement by the European Commission and scrutiny by the European Parliament and Council)

3. What the firm needs to do to strive for 100% instruction submission and matching according to the relevant market timings (EU – 23:59 CET on T; UK – 05:59 UK Time on T+1)

While there are inherent complexities in the trade life cycle that prevent firms from consistently achieving 100% instruction submission and matching on T, including factors such as cross-market time-zone differences, firms should strive to meet this. They can leverage the T+1 transition to assess gaps in process, automation, timeliness or stakeholder dependencies.

At an industry level, the anticipation is that these key metrics will improve as we move towards T+1 go-live date, given the solutions that firms of all sizes will be employing.

Lessons learnt from the US

On 31 January 2024, Depository Trust & Clearing Corporation (DTCC) published a report⁷ noting an affirmation rate by 9PM on T as of December 2023 of 69% and setting a target affirmation for go-live by May 2024.

The affirmation process in the US has been roughly compared to the allocation and confirmation processing within European markets.

The report was important in demonstrating the progress towards T+1 readiness but also highlighting the remaining work required across the industry to achieve a successful transition. This work contributed to a good affirmation rate and settlement efficiency levels by the May 2024 T+1 go live.

“Under today’s T+2 timeline, approximately 90% of all trades are affirmed by 11:30 AM ET on T+1, the current affirmation cutoff.

To maintain the current level of post-trade settlement when T+1 is implemented – and more importantly to avoid a potential increase in trade fails – DTCC recommends the industry ensure at least 90% of trades are allocated, confirmed and affirmed by 9:00 PM ET on T, a target also supported by the US T+1 Industry Steering Committee”

⁷ [DTCC T1 Affirmation Report](#)

Key metrics

We have looked to publish 4 key metrics:

- 1. Timing of allocation & confirmation processing transmission by T, T+1 and T+2**
Should be completed ASAP and no later than 23:00 CET (EU) or 23:59 UK Time (UK)
- 2. Timing of settlement instruction input by T, T+1 and T+2**
For the EU this should be submitted to Central Securities Depositories (CSDs) by 23:59 CET on T and for the UK 05:59 UK Time on T+1
- 3. Settlement matching % achieved by T, T+1 and T+2**
Settlement instructions must be matched between counterparties before settlement can occur
- 4. Settlement efficiency as of intended settlement date (ISD)**
Settlement must be completed by T+1 (T+2 today)

Sourcing key metrics

We note that for allocation and confirmation processing (key metric one), there are a variety of transmission methods that can be used and therefore there is not one industry source for data. Accordingly, whilst our metrics template includes allocation and confirmation processing to encourage firms to assess their own data in this area, we have left the industry value as “N/A”. Should pre-match providers make publicly available their metrics, we will update our report to link back to them as an indicative value of one method for transmitting allocations and confirmation processing.

For settlement data (key metrics two to four), a request has been made to the European Central Securities Depositories Association (ECSDA), to provide an aggregated view of markets across Europe, but is not available in time for the publishing of this report.

Once available, this report will be updated with those Europe-wide statistics in the below tables, along with the methodology used. If appropriate and subject to availability, more granular data may be attached within the appendix of this report for further review.

For now, the following table currently contains September 2025 metrics from the UK as sourced from the UK AST website for equities⁸. Of this information:

- The data relates to bilateral Delivery (DEL) transactions only
- Only matched transactions are considered
- Only transactions dealt on a T, T+1 or T+2 basis are considered
- Transactions with a Trade Date of between first and last day of each month are included
- The transaction was not cancelled before ISD

⁸ [UK AST Resources](#)

- For the Instruction Submission and Instruction Matched data, transactions against CCPs have been excluded (these are 100% centrally matched and would skew the datasets)
- Given market differences, the UK metrics are as of 05:59 UK Time on T+1, which may not directly compare to the data from other CSDs or individual firms, which are more likely to be as of end of day.

The majority of UK fixed income statistics are driven by UK Gilts, which already operate on a T+1 settlement cycle. As such, they do not provide a representative view of broader European fixed income markets and have therefore been excluded from the below table.

EQUITIES

Process		EU, UK & CH Consolidated Industry Average as of end of			Each individual firm to complete		
		T	T + 1	T + 2	T	T + 1	T + 2
Allocations & Confirmation processing		N/A	N/A	N/A			
Settlement Instructions (SIs) Submission		91.50%*	99.00%*	99.80%*			
CSD Matching Rates		86.60%*	98.40%*	99.70%*			
Settlement Rates	Value Volume	N/A N/A	N/A N/A	94.39%* 94.55%*	N/A N/A	N/A N/A	

FIXED INCOME

Process		EU, UK & CH Consolidated Industry Average as of end of			Each individual firm to complete		
		T	T+1	T+2	T	T+1	T+2
Allocations & Confirmation processing		N/A	N/A	N/A			
Settlement Instructions (SIs) Submission		TBC	TBC	TBC			
CSD Matching Rates		TBC	TBC	TBC			
Settlement Rates	Value Volume	N/A N/A	N/A N/A	TBC TBC	N/A N/A	N/A N/A	

How to use this table

As part of the preparation towards T+1 Settlement, we invite firms to consider their own statistics.

We do not expect firms to share these metrics with external stakeholders, industry bodies or otherwise, but to consider them internally with a view to improving those metrics. As part of this exercise, firms may need to engage with their stakeholders. Depending on the firm, this could involve engaging with custodians, settlement agent banks, counterparties, vendors, investment managers or more. Firms may also find it beneficial to consider these metrics from a per-market, per-product or per-stakeholder perspective.

***This represents September 2025 data for the UK only. A request has been made for a pan-European view of equivalent data (including UK and CH), and this table will be updated once available.**

Steps to de-risking the transition

Steps to achieve a good level of preparedness for EU, UK and CH T+1 Settlement will differ across firms. Each firm will have its own set of considerations that should be assessed per market, per product type and per trade flow. Ultimately it is for a firm to assess what it needs to do to be ready.

Accordingly, the EU UK T+1 Testing Taskforce and the swissSPTC T+1 Taskforce note a non-exhaustive set of considerations on the subsequent table, and re-highlight the information contained within the below reports and invite firms to refer back to these documents for further information.

- **The UK Accelerated Settlement Taskforce – Final Implementation Plan**
- **EU T+1 Industry Committee - The High-Level Roadmap to T+1 Securities Settlement in the EU**
- **The EU T+1 Handbook**
- **Output of the UK, EU and CH sub-workstreams**

Metric	Area	Action
Instruction Submission	Allocation and confirmation processing timings against counterparties	<ul style="list-style-type: none"> • Consider internal metrics of allocations and confirmation processing and review timings
	Exception management processes	<ul style="list-style-type: none"> • Consider settlement instruction exception review processes and resolution timings • Consider infrastructure around identifying and resolving settlement instruction exceptions
	Pre-settlement flows and tools	<ul style="list-style-type: none"> • Consider processes, flows and tools for pre-settlement activities – e.g., sanctions checks, risk controls and client-specific approvals
	Market, product or process specific dependencies for timing of settlement instructions	<ul style="list-style-type: none"> • Assess whether your timings are better or worse for a specific market, product (e.g., fixed income) or process (e.g., securities lending) • Consider whether particular flows have an upstream dependency
	Settlement Instruction Automation	<ul style="list-style-type: none"> • Consider age of settlement instructions that require manual processing or break Straight Through Processing (STP)
	Stakeholder dependencies	<ul style="list-style-type: none"> • Consider stakeholder dependencies against more timely settlement instructions • Consider instruction submission timings across stakeholder sets (e.g., custodians, counterparties, instructing entities)

Metric	Area	Action
Matching	Exception management processes	<ul style="list-style-type: none"> Consider settlement matching exception review processes and resolution timings Consider infrastructure around identifying and resolving settlement matching exceptions
	Market, product or process specific dependencies for settlement matching	<ul style="list-style-type: none"> Assess whether your timings are better or worse for a specific market, product (e.g., fixed income) or process (e.g., securities lending) Consider whether particular flows have an upstream dependency
	Standard Settlement Instruction (SSI) exchange	<ul style="list-style-type: none"> Assess processes for storing, updating and communicating SSIs
	Stakeholder dependencies	<ul style="list-style-type: none"> Consider stakeholder dependencies against more timely settlement instructions Consider settlement matching rates across stakeholder sets (e.g., custodians, counterparties, instructing entities)

Metric	Area	Action
Settlement Efficiency	Settlement efficiency tools:	<ul style="list-style-type: none"> Consider availability of settlement efficiency tools (e.g., if reliant on an intermediary) Consider opting into this tool where available
	- Auto-partial settlement	
	- Hold and partial release	
	- Allegement	
	Market, product or process specific dependencies for settlement matching	<ul style="list-style-type: none"> Assess whether your timings are better or worse for a specific market, product (e.g., fixed income) or process (e.g., securities lending) Consider whether particular flows have an upstream dependency
Inventory Management	<ul style="list-style-type: none"> Assess the robustness of liquidity forecasts and settlement-day position management controls to ensure adequacy under shortened settlement timelines 	
New market changes	<ul style="list-style-type: none"> Consider impact of changes to CSDs Operational Day and Settlement Optimisation Gating Event 	

Section 4: Trade Flows and the Testing Model

Trade Flows and Potential Testing Touch points

The industry-wide testing scenarios were developed using the principles in *Section 1 Principles*. Recognising that testing needs vary by firm, the EU UK T+1 Testing Taskforce and the swissSPTC T+1 Taskforce prioritised the development of high-level trade-flow scenarios that underpin the T+1 industry testing plan.

As the relevant testing touchpoints were being defined, ‘end-to-end’ testing was highlighted as a way to verify that trade flows operate correctly from execution through to settlement. However, while test environments between Trading Venues and Central Counterparties (CCPs) are often interconnected, this alignment rarely extends to CCPs and CSDs. When combined with the differences in market infrastructures across jurisdictions, these limitations mean that full end-to-end STP testing may not be possible in every market.

For the testing scenarios identified by the EU UK T+1 Testing Taskforce and the swissSPTC T+1 Taskforce, firms should consider undertaking bilateral testing with selected counterparties — peer-to-peer testing — whether with other business lines within the same group or trusted external trading partners. This can help validate the real-world exchange and processing of bilateral trade messages, confirm expected processing timelines, and identify practical issues that may not surface through internal testing alone. It is the responsibility of each firm to identify appropriate testing partners.

There is also a clear industry focus on validating critical post-trade functions such as allocation processing, trade confirmations, and reconciliation workflows, to confirm their readiness and resilience under a shortened settlement cycle.

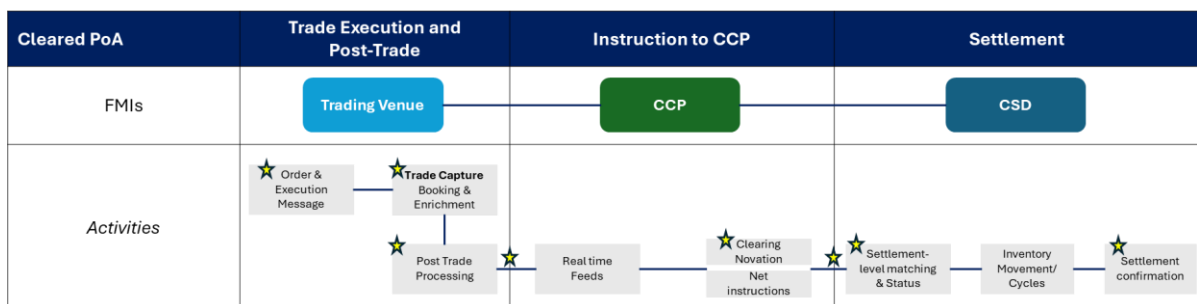
Furthermore, achieving T+1 readiness extends beyond formal testing activities and includes the evaluation of operational metrics on the speed and effectiveness with which firms can resolve breaks and resubmit settlement instructions. A range of these that firms can refer to have been identified in *Section 3 De-risking the transition*.

Taking the above considerations into account, EU UK T+1 Testing Taskforce and the swissSPTC T+1 Taskforce have identified the testing scenarios presented below. Each scenario is aligned to the FMIs relevant to the underlying trade flow, and the associated activities that firms may wish to test with those FMIs have also been identified. Stars (★) in the diagrams indicate areas where firms may wish to test with relevant FMIs. In addition to the simple trade flow scenarios, the importance of other associated functionality and processing is recognised within sections related to Securities Lending, Repos, Corporate Events and FX.

Trade Flow Scenario		Diagram
1	Cleared Power of Attorney (PoA)	
2	Cleared non-PoA	
3	Uncleared via Trading Venue / Platform (e.g., Sedex)	
4	Over The Counter (OTC)	
Other associated functionality and processing for Consideration		
5	Securities Lending	
6	Repos	
7	Corporate Events	
8	FX	

Scenario 1 – On-exchange (cleared trade using Power of Attorney (PoA))

This trade flow represents a trade executed on a trading venue and subsequently cleared through a CCP operating under PoA arrangement.



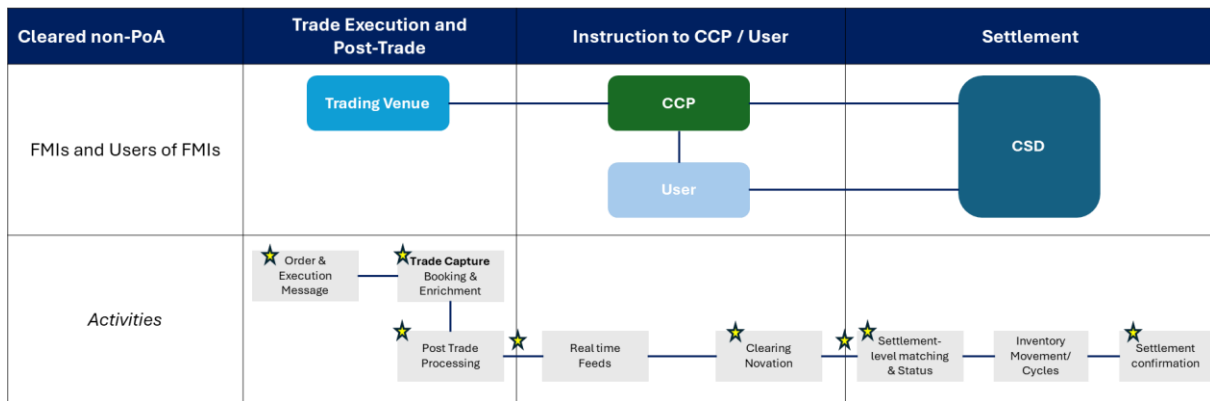
The following sets out the potential testing approach across identified touchpoints and indicates where reliance on other settlement-efficiency mechanisms may be required:

Process	Activities	Action
Trade Execution and Post Trade	Order and Execution Message	<ul style="list-style-type: none"> Timely and accurate transmission of order and execution messages to trading venues
	Trade Capture	<ul style="list-style-type: none"> Automation and STP of trade booking and enrichment

	Post Trade Processing	<ul style="list-style-type: none"> Consider the recommendations outlined in <i>Section 3 De-risking the transition</i>
	Trade venue to CCP flow (No change in existing connectivity between trading venue and CCP)	<ul style="list-style-type: none"> Consider if you require testing the trading venue to CCP flow. If required, contact your trading venue / third party post trade platform to ask if a “test” order / message could be sent and ask for confirmation of receipt from the CCP
Instruction to CCP	Clearing Novation and Net instructions	<ul style="list-style-type: none"> Ensure capacity to ingest, interpret, and act on CCP end-of-day reports (e.g., margin, open positions... etc.) within compressed timelines Implement intraday or real-time processing capabilities—moving away from batch or end-of-day cycles — to deliver timely access to gross trade and position data required for T+1 readiness and client reporting
Instruction to CSD / Settlement	CCP to CSD flow (No change in existing connectivity between CCP and CSD)	<ul style="list-style-type: none"> Consider if you require testing the CCP to CSD flow. If so, contact your relevant FMIs to enquire if a “test” settlement instruction could be sent and with confirmation of receipt and input from the CSD (please note whether this test could be performed “STP” should be confirmed with the relevant FMI)
	Settlement level matching and Status Settlement confirmation	<ul style="list-style-type: none"> Consider the recommendations outlined in <i>Section 3 De-risking the transition</i>

Scenario 2 – On-exchange (cleared trade without Power of Attorney)

This trade flow represents a trade executed on a trading venue and subsequently cleared through a CCP. However, as no PoA arrangement is in place, both the CCP and the participant submit settlement instructions to the CSD. Whilst the High-Level Roadmap to T+1 Securities Settlement in the EU (ST-03.9 – PoA Functionality) recommends the use of PoA functionality in all markets, this is currently not in place and may not become available by 11 October 2027. It is therefore important that firms understand the possible resultant impacts and consider what testing they require to undertake for this scenario.



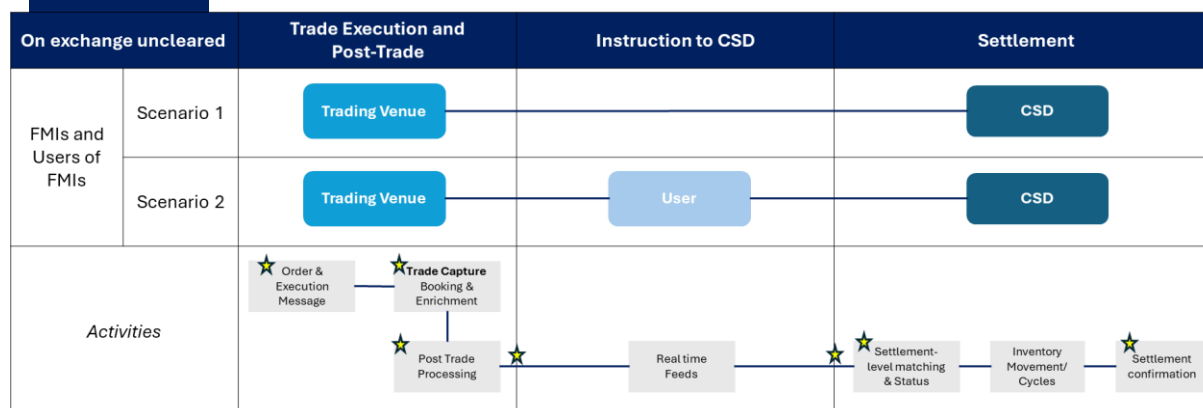
The following sets out the potential testing approach across identified touchpoints and indicates where reliance on other settlement efficiency mechanisms may be required.

Process	Activities	Action
Trade Execution and Post Trade	Order and Execution Message	<ul style="list-style-type: none"> Timely and accurate transmission of order and execution messages to trading venues
	Trade Capture	<ul style="list-style-type: none"> Automation and STP of trade booking and enrichment
	Post Trade Processing	<ul style="list-style-type: none"> Consider the recommendations outlined in <i>Section 3 De-risking the transition</i>
	Trade venue to CCP flow (No change in existing connectivity between trading venue and CCP)	<ul style="list-style-type: none"> Consider if you require testing the trading venue to CCP flow. If required, contact your trading venue / third party post trade platform to ask if a “test” order / message could be sent and ask for confirmation of receipt from the CCP
Instruction to CCP	Clearing Novation	<ul style="list-style-type: none"> Ensure capacity to ingest, interpret, and act on CCP end-of-day reports (e.g., margin, open positions... etc.) within compressed timelines Implement intraday or real-time processing capabilities—moving away from batch or end-of-day cycles—to deliver timely access to gross trade and position data required for T+1 readiness and client reporting CCPs are encouraged to promote the adoption of PoA arrangements to facilitate timely and efficient settlement
Instruction to CSD / Settlement	CCP to CSD flow (No change in existing connectivity between CCP and CSD)	<ul style="list-style-type: none"> Consider if you require testing the CCP to CSD flow. If so, contact your CCP to ask if a “test” settlement instruction could be sent and ask for confirmation of receipt and input from the CSD (please note whether this test could be

		performed “STP” should be confirmed with the relevant FMI)
	User to CSD Flow	<ul style="list-style-type: none"> Consider if you require testing the User to CSD flow. If so, contact your CCP and CSD to facilitate a “test” settlement instruction.
	Settlement level matching and Status	<ul style="list-style-type: none"> Consider the recommendations outlined in <i>Section 3 De-risking the transition</i>
	Settlement confirmation	

Scenario 3 – On-exchange (uncleared trades)

This trade flow represents a trade executed on a trading venue that is settled directly by the trading venue, or alternatively, the participant submits the settlement instruction to the CSD.



The following sets out the potential testing approach across identified touchpoints and indicates where reliance on other settlement efficiency mechanisms may be required:

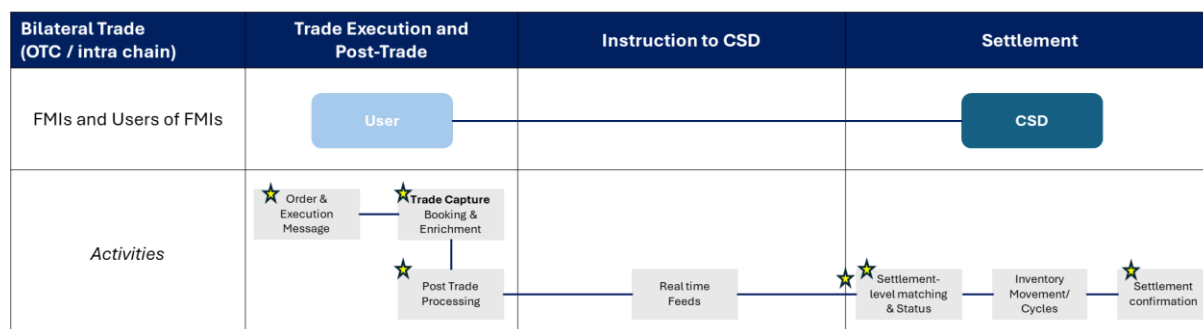
Process	Activities	Action
Trade Execution and Post Trade	Order and Execution Message	<ul style="list-style-type: none"> Timely and accurate transmission of order and execution messages to trading venues
	Trade Capture	<ul style="list-style-type: none"> Automation and STP of trade booking and enrichment
	Post Trade Processing	<ul style="list-style-type: none"> Consider the recommendations outlined in <i>Section 3 De-risking the transition</i>
	Trade venue to CSD flow <i>(No change in existing connectivity between trading venue and CSD)</i>	<ul style="list-style-type: none"> Consider if you require testing the trading venue to CSD flow. If required, contact your trading venue / third party post trade platform to ask if a “test” order / message could be sent and ask for confirmation of receipt from the CSD

Instruction to CSD	Real time feeds (No change in existing connectivity between trading venue /Users and CSD)	<ul style="list-style-type: none"> Consider the recommendations outlined in <i>Section 3 De-risking the transition</i> Implement intraday or real-time processing capabilities - moving away from batch or end-of-day cycles - to submit settlement instructions to CSDs For settlement instructions sent through settlement agents (e.g., custodians or agent banks), ensure timely instruction generation and submission to meet the agent's internal cut-offs so that the subsequent transmission to the CSD occurs within required deadlines
Settlement	Settlement level matching and Status	<ul style="list-style-type: none"> Consider the recommendations outlined in <i>Section 3 De-risking the transition</i>

Scenario 4 – Bilateral / Over-the-Counter (OTC) (uncleared trades)

This trade flow represents a bilateral trade flow. It is a trading arrangement in which two counterparties execute, allocate, confirm and settle a trade directly, without the intermediation of a CCP. This covers both standalone trades and those that form part of a wider chain leading to an on-exchange trade.

While regulation defines the T+1 scope in relation to on-exchange trades, prevailing market conventions mean that bilateral trades are expected to migrate to the same T+1 settlement cycle.



The following sets out the potential testing approach across identified touchpoints and indicates where reliance on other settlement efficiency mechanisms may be required:

Process	Activities	Action
Trade Execution	Order and Execution Message	<ul style="list-style-type: none"> Review internal bilateral trade flow to identify processes that require adjusting for a T+1 environment

and Post Trade		<p>For example, voice-brokered bilateral activity. Firms using telephone-based execution channels (e.g., Bloomberg VCON), should ensure trades are captured and ingested automatically as manual processes create delays and introduce operational risk.</p> <ul style="list-style-type: none"> Review possible efficiency in the chain linking the ultimate seller of the asset with the ultimate buyer through an on-exchange trade flow
	Trade Capture	<ul style="list-style-type: none"> Consider if any internal ancillary data processing required for client trading (e.g., credit control, sanction checking... etc.) can occur efficiently (ideally in real time) to ensure it does not impact timely settlement instruction for the relevant deadlines/gating event
	Post Trade Processing	<ul style="list-style-type: none"> Consider the recommendations outlined in <i>Section 3 De-risking the transition</i>
Instruction to CSD	Real time feeds (No change in existing connectivity between Users and CSD)	<ul style="list-style-type: none"> Implement intraday or real-time processing capabilities - moving away from batch or end-of-day cycles - to submit settlement instructions to CSDs For settlement instructions sent through settlement agents (e.g., custodians or agent banks), ensure timely instruction generation and submission to meet the agent's internal cut-offs so that the subsequent transmission to the CSD occurs within required deadlines Consider the recommendations outlined in <i>Section 3 De-risking the transition</i>
Settlement	Settlement level matching and Status	<ul style="list-style-type: none"> Consider the recommendations outlined in <i>Section 3 De-risking the transition</i>

Scenario 5 – Securities Lending

The scenarios above focus on cash-market trades; however, the transition to T+1 will have broader implications. Processes such as securities lending will also be substantially affected by the shift to T+1 settlement and may require tailored testing considerations.

Given the diversity of the functionality used by firms to support securities lending activity, it is very difficult to produce a single testing recommendation. However, the EU UK T+1 Testing Taskforce and the swissSPTC T+1 Taskforce strongly recommends that firms that undertake securities lending consider all the lifecycle events for their own business model and process flows to achieve the various deadlines (e.g., recall, return deadlines... etc.).

To assist firms with their consideration of what changes are required and therefore what might require to be tested the International Securities Lending Association (ISLA) have published a 'Menu of Options' ([EU & UK T+1 Testing | ISLA Best Practice Handbook - ISLA](#)) for securities lending that comprehensively covers the various areas in which firms may see changes and suggests possible testing that firms may wish to undertake with counterparties.

Scenario 6 – Repos

Similarly, the processing of repos will also be significantly affected by the shift to T+1 settlement and may require tailored testing considerations. This is especially true for the EU repo market, the majority of which still settles on a T+2 basis today. With EU bond markets moving to a shorter settlement cycle, the EU repo market will therefore have to adapt. In the UK, the impacts on the gilt repo market will be less significant, with gilts already on a T+1 standard settlement cycle for many years, but repo will still be an important component in the overall testing framework for UK institutions.

Given the complex nature of repo activities and the holistic assessment required, it is not possible to define a single, standardised testing recommendation for the industry. However, the EU UK T+1 Testing Taskforce and the swissSPTC T+1 Taskforce strongly advise all firms to review their current liquidity and inventory management models to ensure they can meet T+1 settlement timelines.

From an EU perspective, a key focus of testing is expected to be on the operation of the new settlement optimisation gating event, which will be introduced by all relevant EU CSDs (T2S and non-T2S) in the late morning in order to address concerns about intraday liquidity impacts from the move to T+1.

This will be particularly impactful from a repo perspective given the expectation that a significant part of the EU repo market may shift to T+0 settlement. While the availability of the new gating event should help firms to synchronise settlement and maintain current levels of settlement efficiency, taking advantage of the new setup will require a considerable rethink of firms' settlement optimisation and liquidity management process.

As part of the analysis, firms will have to consider that the use of the gating event identifier will be a unilateral choice which means that the gating event will likely have an impact on firms irrespective of whether they plan to actively use the new gating event or not. This also means that cross-industry collaboration and testing of the new setup will be important to avoid any disruption and to ensure a smooth transition to T+1.

Additional guidance on the use of the gating event is still being discussed. This will include industry best practice on the usage of the new gating event for bilateral trades, as well as

further guidance on CCP-cleared transactions, reflecting ongoing discussions with CCPs and their users on a common approach towards the new gating event for cleared transactions. In terms of timing, it is also worth noting that the new structured field that firms can use to flag instructions for settlement in the gating event will be available with the next International Organisation for Standardisation (ISO) Standards Release in November 2026.

Scenario 7 – Foreign Exchange (FX)

An important function that is related, but ancillary, to the settlement of securities transactions is the use of FX to facilitate market settlement in a currency different to that in which the client settles with its broker. The EU UK T+1 Testing Taskforce and the swissSPTC T+1 Taskforce understand that the Continuous Linked Settlement (CLS) operational timeline (see Appendix) is not expected to change with the implementation of T+1 in the EU, UK and CH. Firms should therefore ensure that they are aware of any cut offs set out by relevant FMIs, including custodians (see Appendix) and that they are able to integrate their FX operations, and all functions associated with the trading and settlement of FX into a T+1 securities settlement environment, noting the global goal of reducing FX settlement risk.

Scenario 8 – Corporate Events

The move to T+1 might only change one data point within corporate event processing — the convergence of the ex-date and record date. However, when combined with the compressed post-trade and pre-settlement timeframe, this will require firms to adapt their corporate event processes and undertake any necessary testing.

In defining the corporate event testing approach, the EU UK T+1 Testing Taskforce and the swissSPTC T+1 Taskforce identified the most common corporate events as the most appropriate focus for testing. Many of the rarer or more complex corporate events share underlying components with these common corporate events, making them adequately covered through this approach.

FMIs are therefore, recommended to support testing of the following three key events:

- 1. A Cash Distribution;**
- 2. A Stock Distribution; and**
- 3. An event that will result in a transformation of open transactions.**

These events will enable firms to test market claims processing, including reverse market claims, transformation processing and their internal position and outturn management.

To support such testing the FMIs will require to set up the necessary static data in their test environments and publicise the ISINs and relevant dates that will be used.

Due to the complexity of corporate events, the EU UK T+1 Testing Taskforce and the swissSPTC T+1 Taskforce is dependent on the work of the Advisory groups on Market Infrastructures on issues related to Securities and Collateral Corporate Events Group (AMI-SeCo CEG) and the UK AST Corporate Actions Working Group. The examples of possible

test requirements (e.g., agreed ISINs [common to several markets where possible], relevant dates... etc.) will be published either as an appendix to a future version of this EU UK CH T+1 Testing Plan or as a link to a relevant website.

Further Information to be provided

1. T2S confirmation on testing window availability

We have been in active discussion with the Eurosystem on the availability of the T2S test environment. Whilst we anticipate that the windows listed in the document will be available during the times, we are awaiting final confirmation.

2. De-risking the transition – Europe-wide settlement data

A request has been made to ECSDA to co-ordinate the collection of Europe-wide metrics for timing of settlement input, CSD matching rates and settlement rates. These may come after publication and the report will be updated on receipt.

3. De-risking the transition – Allocation and Confirmation Processing data

Conversations are ongoing on the availability of Europe-wide metrics for allocation and confirmation processing input in the de-risking the transition section. Should pre-settlement providers make this data publicly available, the report may be updated to link to this data as an indicative value of one method for transmitting allocations and confirmation processing.

4. Testing Flows – Corporate Action

The AMI-SeCo CEG group, which has also taken the lead on corporate action impact for the EU T+1 Committee are discussing and hope to finalise a set of Corporate Action testing scenarios. These may be added as an appendix post publication.

5. The EU Gating Event

Full specification and applicability of the EU settlement optimisation gating event will emerge only after publication of the report. Should the SFT optimisation taskforce develop testing scenarios for this function, they will be linked to the report post-publication.

6. Testing coordination

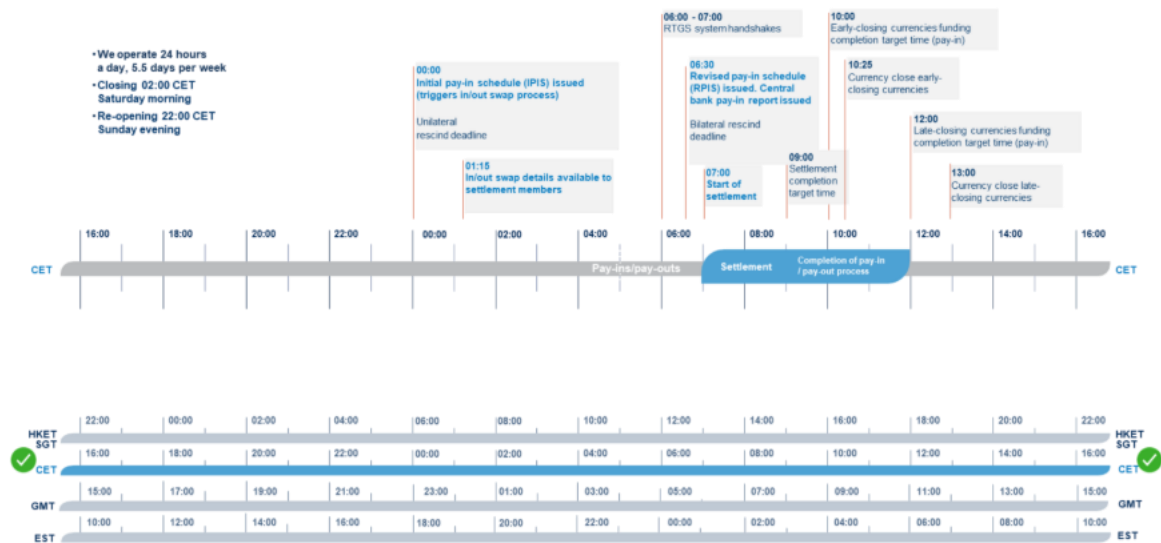
For the US T+1, testing was co-ordinated by Securities Industry and Financial Markets Association (SIFMA), DTCC, Deloitte and the Investment Company Institute (ICI). Given the range of different FMI and bodies across Europe, there are no straightforward comparative bodies to which this would fall to. Such a group could co-ordinate static data, testing windows, testing results and more. The mechanics of how testing governance might operate and who might be involved will be determined by the EU T+1 IC, UK AST, and swissSPTC.

Appendix

FX Timelines

The diagrams below illustrate the current CLS operational timeline, along with the cut-off times that firms must adhere to under both T+2 and T+1 settlement cycles. As CLS has not indicated any forthcoming changes to these timelines, firms should assume that the cut-off times shown below will remain applicable under T+1.

CLS operational timeline



Asset managers cite a varied range of custodian cut-off times

Percentage of respondents who provided timing

