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PREFACE

T+1 is a regulatory development that is part of a broader international movement towards accelerated settlement cycles, intended to enhance market efficiency, reduce systemic risk, and ensure alignment with global standards. The transition to T+1 settlement will take place on Monday 11 October 2027.

Euronext is fully committed to and capable of supporting shorter settlement cycles; the Group is on track to ensure readiness from an operational and a technical perspective. Euronext has constituted a dedicated, cross-business T+1 Settlement programme to ensure the successful execution of the initiative throughout the entire value chain.

In addition to securing its own readiness, the Group is working actively with regulators, authorities, clients and partners to ensure a seamless transition for all.

This document aims at providing an overview of frequently raised questions on the topic of T+1, covering general, business-specific and testing-related queries. Please note that this FAQ can be subject to updates; please refer to the document history table shared below.

Beyond being an active player in the successful transition to T+1, Euronext is committed to delivering on strategic opportunities that will serve a united, integrated, and strong European capital market, driving the growth of European companies and strengthening Europe's financial future. Find out more [here](#).

DOCUMENT HISTORY

VERSION NO.	DATE	AUTHOR	CHANGE DESCRIPTION
1.0	15/02	T+1 Programme – External Engagement	N/A
1.1	03/03	T+1 Programme – External Engagement	Addition of business-specific questions
1.2	30/07	T+1 Programme – External Engagement	General update of FAQ questions Addition of business-specific questions Addition of a section dedicated to testing questions

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What is T+1 securities settlement?

T+1 refers to the length of the settlement cycle. Under T+1, settlement takes place one day (+1) after trading (T). Currently the settlement cycle for transactions made on EU trading venues is set to T+2. The initiative at EU level to shorten the settlement cycle involves moving from the current T+2 model to a cycle in which the settlement of securities transaction, that is, the delivery of the securities, and cash, if applicable, from buyer to seller is completed on the business day immediately following the trade date (T+1).

Why is the EU moving to T+1?

The main drivers behind the move to T+1 are to reduce counterparty and market risk, enhance settlement efficiency, and bring European markets in line with other major global economies. The transition also supports the EU's broader objective of making its capital markets modern, competitive and attractive to global investors.

What changes are needed to support the migration to a T+1 environment?

The shift to T+1 requires adopting uniform electronic workflows for allocations and confirmations, automating standing settlement instructions (SSIs) and trade information, and reinforcing matching processes to quickly identify discrepancies. It also involves adjusting DvP (delivery-versus-payment) and FoP (free-of-payment) cut-off times, allowing CSDs to begin settlement at midnight on settlement day and expanding the use of tools that improve efficiency across the settlement chain.

Are the recommendations in the EU T+1 Roadmap mandatory?

No, the recommendations themselves are not legally enforceable. They follow an "Adhere or Explain" model, meaning that if a firm decides not to apply them, it should inform its stakeholders and outline the reasons behind that choice to help minimise negative impacts. However, the roadmap recommendations may become obligatory upon their incorporation into the Regulatory Technical Standards (RTS) developed by the European Securities and Markets Authority (ESMA). Once adopted by the European Commission, these RTS have binding legal effect across all EU member states, and firms will be legally required to comply with them.

What is the overall timeline for implementing T+1 changes at Euronext?

The implementation of T+1 settlement across the EU and EEA is set for 11th October 2027, as agreed by EU co-legislators.

The overall timeline for implementing T+1 changes is from Q3 2025 to the Go-Live in Q4 2027.

The work to successfully implement T+1 changes is structured across four parallel streams, each covering a different set of activities to reach full implementation. Together, these streams outline

a coordinated effort between the market infrastructure, regulatory bodies and clients throughout the transition, in particular:

1. The Coordination stream covers all governance and alignment activities at both European and national level:
 - Q3 2025 – Q4 2025: EU Working group
 - Q4 2025 – Q1 2026: EU Testing Task Force
 - Q1 2026 – Q4 2027: National Working Group
 - Q2 2027: T2S Release in test environment, including T+1 changes
 - Q2 2027: T2S Release in production environment, including T+1 changes
2. Clarification, development and testing:
 - Q3 2025 – Q1 2026: Scope clarifications
 - Q2 2026 – Q3 2026: Euronext development
 - Q3 2026 – Q1 2027: Euronext testing
 - Q2 2027 – Q4 2027: Client testing leading to Go-Live
3. Client Documentation and Rule Book. This stream focuses on coordinating the documentation required by clients:
 - ~~User Guidelines expected in Q2 2026~~ Client specifications were shared with clients on 30 June 2026 and are available in the usual client spaces. They will be progressively expanded, with further iterations planned in Q3 and Q4 2026 for Euronext Securities, to ensure participants receive timely and actionable guidance at each stage of the programme, including on specifications relating to corporate actions.
 - Rule Book expected in Q2 2027.
4. High-Level test strategy. This stream ensures all clients are prepared for the transition:
 - ~~Client Readiness Plan expected in Q2 2026.~~ The High-Level test strategy was shared with clients on 30 June 2026 and is available in the usual client spaces.

Which financial instruments and transactions are in the scope of the T+1 mandate?

The T+1 Mandate, conforming to the EU T+1 High-Level Roadmap, applies to transactions executed on an EU trading venue for transferable securities (such as cash equities, cash government bonds and ETFs) and settled in an EU-registered Central Securities Depository (CSD).

Which financial instruments and transactions are NOT in the scope of the T+1 mandate?

For transactions executed over-the-counter (OTC Trades), moving to T+1 is considered a "Market Convention". There is no legal mandate. However, the industry is strongly encouraged to adopt T+1 for these trades to maintain harmonisation.

An agreement was reached to exempt Securities Financing Transactions (SFTs) executed on trading venues from the mandatory T+1 settlement obligation. However, currently, many SFTs are already settled on T+1 or T+0.

How and when will external testing be conducted for Euronext clients?

In line with industry readiness, external testing is planned throughout 2027. Further details are available in the "Testing FAQ" section of this document.

What resilience measures are being introduced to mitigate risks such as fails or funding mismatches?

Measures being introduced at Euronext include:

- maximising the use of the Hold & Release functionality
- increasing the adoption of 'already matched' settlement instructions sent by a CCP with POA
- offering partial settlement by CSDs
- providing members with reports promptly following market closure.

What challenges has Euronext encountered in T+1 readiness efforts?

Key challenges include dependencies on:

- clients and counterparties
- readiness of custodians and settlement agents
- sufficient time for appropriate preparation
- execution of required internal system changes.

How will the changes be implemented in production at Euronext?

Changes will be introduced through configuration and operational updates within the existing CSD systems and T2S platform, where applicable. For the T2S platform, updates will follow the Eurosystem Change Request (CR) procedure, with CSDs and CCPs adjusting operational parameters (cut-offs, settlement batches, processing windows). Migration will occur during industry testing (2026–2027), coordinated under T2S governance, and activated in production before October 2027.

Additional changes will also be made to the CSD systems in order to allow proper management of key dates for Corporate Actions (see below).

For CSDs not operating under T2S, such as Euronext Securities Oslo and Euronext Securities Athens, separate changes will be implemented following the current release processes and in close dialogue with the markets.

How will T+1 impact corporate actions at Euronext?

The compressed timeline requires several key adjustments. The most visible change is that for distributions (such as dividends), the "ex-date" and "record date" will now fall on the same day.

While the EU Roadmap strongly recommends the automation of both buyer protection and market claims processing, this feature is not legally binding for the T+1 Programme.

Euronext Securities and all five of its CSDs (Athens, Copenhagen, Milan, Oslo and Porto) will not be implementing this functionality within the scope of T+1 readiness.

ECSDA has gathered data on potential Buyer Protection relevant events across a range of European markets, including large markets as well as smaller ones, to assess the practical scale of Buyer Protection activity. The figures indicate that volumes remain limited, and that actual Buyer Protection instructions arise only in a small number of residual cases across markets of different sizes. Based on these observed orders of magnitude, the data does not support an EU-wide accelerated implementation of automated Buyer Protection at this stage.

ECSDA is mindful of the implementation costs associated with such a service, which do not appear proportionate to the current volumes observed in EU markets. Euronext also continues to rely on market stakeholders to pursue further efforts aimed at reducing settlement fails.

It should be noted that the Automation of Buyer Protection represents an entirely new process, with no existing implementation across European markets, with the UK being an exception at this stage. Given the absence of a strict regulatory mandate and the novelty of the process, proceeding with implementation within the T+1 project timeline would create additional complexity.

Accordingly, the Euronext Securities CSDs will not be implementing this feature within the scope of the T+1 project.

From both Euronext's analysis and that of ECSDA, this decision does not pose an obstacle to the smooth transition of Euronext Securities' participants to T+1.

How is Euronext engaging with trading venues, clearing members, custodians, and CSDs?

Active alignment with T2S/(I)CSD frameworks is ongoing. Within Euronext, a dedicated governance programme has been established to coordinate across impacted business units.

In addition, Euronext has created dedicated user groups for jurisdictions where it operates CSDs (Denmark, Greece, Italy, Norway and Portugal) to coordinate the introduction of T+1 at national level.

What are the upcoming key strategic initiatives the EU T+1 Industry Committee is working on?

To ensure long-term efficiency and to address complex issues, the EU T+1 Industry Committee has established several task forces. Members of the Euronext T+1 programme and project governance are active participants of the EU T+1 Industry Committee and of several of its dedicated task forces.

In particular, the Industry Committee has established a task force focusing on Testing as of end of December 2025, with the aim of providing a framework for testing organisation by the end of Q1 2026. Euronext is fully involved and contributes to developing unified testing scenarios, methodologies, and readiness tools to support the transition. The testing task force is divided into three sub-groups, respectively covering:

1. Testing and logistics
2. Test flow designs
3. Actions to de-risk the transition and key metrics to follow.

[The EU T+1 Industry Committee, UK Accelerated Settlement Taskforce, and Swiss Securities Post-Trade Council released the joint testing plan for the EU, the UK and Switzerland at a launch event held on 25 March 2026 in London.](#)

[The Committee is also developing a range of guides and resources to support market participants in their transition to T+1. These resources can be accessed on the Committee's webpage.](#)

Will Euronext be ready in time for the switch to T+1?

Euronext is fully capable of supporting shorter settlement cycles and is on track to ensure readiness from an operational and a technical perspective. In addition to securing its own readiness, the Group is working actively with regulators, authorities, clients and partners to ensure a seamless transition for all. The Group has constituted a dedicated, cross-business T+1 Settlement Programme to ensure the successful execution of the initiative.

How is the transition to T+1 an opportunity for Euronext?

Euronext supports a shortening of the settlement cycle as it will make European markets more efficient through reduced capital and liquidity immobilisation throughout post-trade operations for market participants. T+1 demonstrates Euronext's ability to deliver seamless, cross-border solutions and operational excellence throughout the entire capital markets value chain.

What are the investments needed on Euronext's side?

Euronext has instituted a dedicated cross-business T+1 programme to ensure a seamless transition to T+1 across its value chain. It is investing in system upgrades for shorter cycles, including enhanced automation for intraday matching and allocations, extended settlement windows across its CSDs, and optimised Hold & Release functionality with POA instruction.

Does it make sense to transition to T+1 when there are already discussions around a transition to T+0?

Transitioning to T+1 makes sense as a practical, incremental step to reduce settlement risk and align with global standards, while early discussions on T+0 remain exploratory. It leverages proven infrastructure upgrades for a stable path to October 2027, helping the industry assess readiness for instant settlement — the widely accepted end goal. The move to T+1 is an incremental and manageable change that builds resilience without disrupting operations. Jumping directly from T+2 to T+0, on the other hand, would represent a structural rupture. T+1 acts as a crucial stepping stone, allowing market participants to modernise progressively and with a realistic assessment of the effort ahead.

T+1 PROGRAMME – BUSINESS FAQ

What are the direct T+1 impacts on issuers?

The direct impacts of T+1 for issuers are mainly related to corporate actions, as in a T+1 environment the ex-date and the record date will be on the same day. If the record date is not an open trading day, the ex-date would coincide with the next open trading day (see the question above on corporate action impacts).

However, no T+1 impact for issuers is expected regarding liquidity and shareholder analysis.

How does Euronext support issuers in meeting T+1 requirements?

Euronext is committed to providing issuers with timely information and the support they need to ensure a smooth and seamless transition to T+1. Issuers are therefore encouraged to contact their account manager if they have any specific questions regarding the move to T+1.

Will the transfer of shares to Euronext Securities impact the implementation of T+1?

The transfer of shares to Euronext Securities will not affect the implementation of T+1; instead, it offers an opportunity to go beyond simply supporting the T+1 migration.

Positioning Euronext Securities as the CSD of choice for European markets ahead of the T+1 migration will enable a smoother transition management. As the industry faces growing concerns over the fragmentation of CSDs in Europe and the complexity this creates for T+1 implementation, Euronext has specifically designed a solution to address and overcome these challenges.

Are margining, collateral, or default fund management being adjusted?

No adjustments are planned.

What changes are expected in the clearing processes if trading hours are extended to 22:00 CET?¹

- **Process timing and reporting:** Current processes remain unchanged; if trading hours extend to 22:00 CET, CCP reports will be produced at around 22:340 CET. Margin call processes remain unchanged.
- **POA service:** Provided when offered by the CSD; continued provision is planned.
- **Hold & Release functionality:** Already available across all markets.
- **Trading after hours:** Extending trading hours to 22:00 CET will shift EOD processes accordingly, with reports published at around 22:340 CET.
- **Other adaptations:** No further changes are foreseen.

¹ This question does not refer to MTS.

How will the new Gating Event introduced by the EU T+1 Industry Committee operate?

As part of the recommendations outlined in the High-Level Roadmap, the industry has aligned the introduction of a new Gating Event aimed at enhancing overall settlement efficiency. The mechanism is automatically triggered at 11:00 CET on the Intended Settlement Date (ISD) and applies to a defined perimeter of settlement instructions.

CCPs will adopt a harmonised approach to settlement under the Gating Event, aligned across all relevant CCPs to ensure consistency:

- The Gating Event flag will be applied exclusively to the start leg of CCP-cleared repo transactions intended for T+0 settlement and executed before 11:00 CET; all other cleared transactions will continue to be processed without this indicator.
- The existing CCP-netting process is not impacted and will continue to apply at the end of the day on ISD-1.
- Clearing Members will not be able to choose whether to apply the Gating Event indicator.

A new field, "Gating event indicator" (Y/N), will be added to the RS01 report.

Will all Euronext Securities CSDs support the Gating Event?

All Euronext Securities CSDs operating on T2S (Euronext Securities Copenhagen, Euronext Securities Milan and Euronext Securities Porto) will support the Gating Event. T2S has confirmed that it will introduce this into production in June 2027, ahead of the transition to T+1.

The Gating Event flag will be applied exclusively to the start leg of CCP-cleared repo transactions intended for T+0 settlement and executed before 11:00 CET.

What is Euronext Clearing's approach regarding settlement instruction shaping?

The EU T+1 Industry Committee recommends the automatic shaping of settlement instructions (TR-05) to improve settlement efficiency and liquidity management. By splitting large transactions into smaller instructions, shaping reduces risk of settlement failure and increases the likelihood of successful settlement. The recommended standard shape size is 50 million euros of nominal value, in line with repo and cash bond market best practices.

Euronext Clearing will implement the shaping functionality with shape size 50 million euros of nominal value, allowing its clients to choose whether to shape settlement instructions in the Fixed Income segment. Shaping will remain optional after the transition to T+1. One exception is the first leg of a same-day repo transaction, for which shaping will be mandatory (from T+1 go-live). This functionality is expected to be included in the 2026.R4 release. Non-adopters of shaping will be subject to limited message format changes, including a new "Shaping" indicator (Y/N) in the RS01 report.

Shaping will be available for client testing from November 2026.

The EU Roadmap recommends a 00:00 CET start for settlement systems. How does this apply to Euronext's CSDs?

The new T2S schedule has been recommended by the EU Roadmap and applies to CSDs operating on the T2S platform. Settlement processing for T2S CSDs is expected to begin at 00:00 CET, in line with the harmonised European timetable.

The recommendation on general alignment with T+1 is to align with the harmonised European framework where relevant. European harmonisation is anchored to the 00:00 CET deadline for T2S CSDs. Euronext's commitment as a leading global CSD network is to provide a seamless, cross-time-zone settlement service, which for non-T2S operations may require starting the day at a later time than the European standards.

In particular, Euronext's non-T2S CSD businesses, Euronext Securities Athens and Euronext Securities Oslo, operate outside T2S and follow different models.

Is there any relief planned for the CSDR cash penalty regime during the transition?

No. However, an agreement was made that gives the European Commission the power to suspend cash penalties temporarily if it detects a significant risk of a spike in settlements during the transition period.

What are the most critical deadlines in the proposed EU T+1 Operational Timetable?

- The roadmap outlines several key Gating Events with recommended deadlines (all times in CET):
 - On Trade Date (T):
 - 17:00: Deadline for stock loan recall notification requests
 - 23:00: Deadline for trade allocations and confirmations
 - 23:59: Deadline for submitting settlement instructions (SIs) to CSDs for the first night-time settlement cycles.
 - On Settlement Date (T+1):
 - 00:00: Start of settlement processing in securities settlement systems (SSS)
 - 16:00: Proposed harmonised DvP (delivery-versus-payment) cutoff time. A future extension to 17:00 is also being explored by the Committee to further enhance settlement efficiency, but it is an industry-wide assumption that a potential extension could be implemented after T+1 go-live
 - 18:00: Proposed harmonised FoP (free-of-payment) cutoff time.

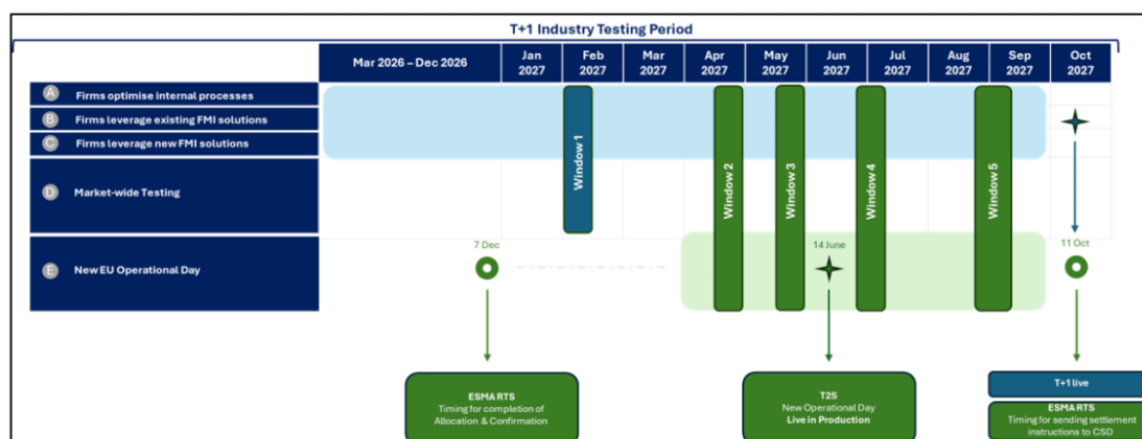
T+1 PROGRAMME – TESTING FAQ

What is the T+1 testing timeline for the industry?

As a first stage, the EU T+1 Industry Committee recommends that preparation for testing begin in 2026, with entities testing their internal systems and processes.

The second main phase consists of the five testing windows in 2027, as defined by the EU T+1 Industry Committee, during which all major financial market infrastructures and testing providers are invited to make their testing environments available.

The details of these testing windows can be found in the table below:



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

- In blue: General Industry Testing Period
- In green: Dedicated period to support testing of the new Operational Day and the Settlement Optimisation Gating event

Will Euronext be available to participate in the industry testing windows defined by the EU T+1 Industry Committee?

As a Group, Euronext will be available to test during the five industry testing windows:

- Testing window 1 will operate under standard business-as-usual conditions.
- From testing window 2 onwards, Euronext will be able to support end-to-end testing in T+1 conditions, on a dedicated set of common ISINs.

Please note:

- Early testing will be possible on the shaping functionality implemented by Euronext Clearing, which will be available for testing from Q4 2026.
- For Euronext Athens, the test environment will remain on a T+2 settlement cycle for windows 1 to 3, due to the migration of Athens' trading to Euronext's Optiq® platform in June 2027.

Has Euronext published documentation to support preparation for the industry-wide testing in 2027?

Euronext published a testing strategy and readiness plan on 30 June 2026. This document provides a high-level overview of the approach, working principles and timeline for Euronext's testing activities, to facilitate integration into participants' own readiness programmes ahead of the industry-wide testing scheduled to begin in 2027. The plan covers trading, clearing and settlement activities within Euronext's T+1 programme. This document will be supplemented in subsequent releases ahead of the beginning of client tests.

Clients can access this document through their usual client space.

What is Euronext's approach to supporting client readiness?

Euronext is committed to supporting its clients' readiness alongside its own regarding the changes the Group is implementing to prepare for T+1 settlement.

Participants will be able to confirm, via readiness self-declarations or light acceptance, the completion of testing activities relevant to their connectivity and operational model, and that their systems and processes are prepared to operate under a T+1 settlement cycle.

Throughout the testing period, Euronext's business units will provide dedicated support to participants should they require assistance in the conduct of their testing activities.

Should you have any queries, please contact:

T+1 Programme – External Engagement

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Alternatively, liaise with your usual client services points of contact.