



Prepared by



EU T+1 Industry Committee Readiness Survey (Q2 2026)

ValueExchange Key Findings
(June 2026)

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



01

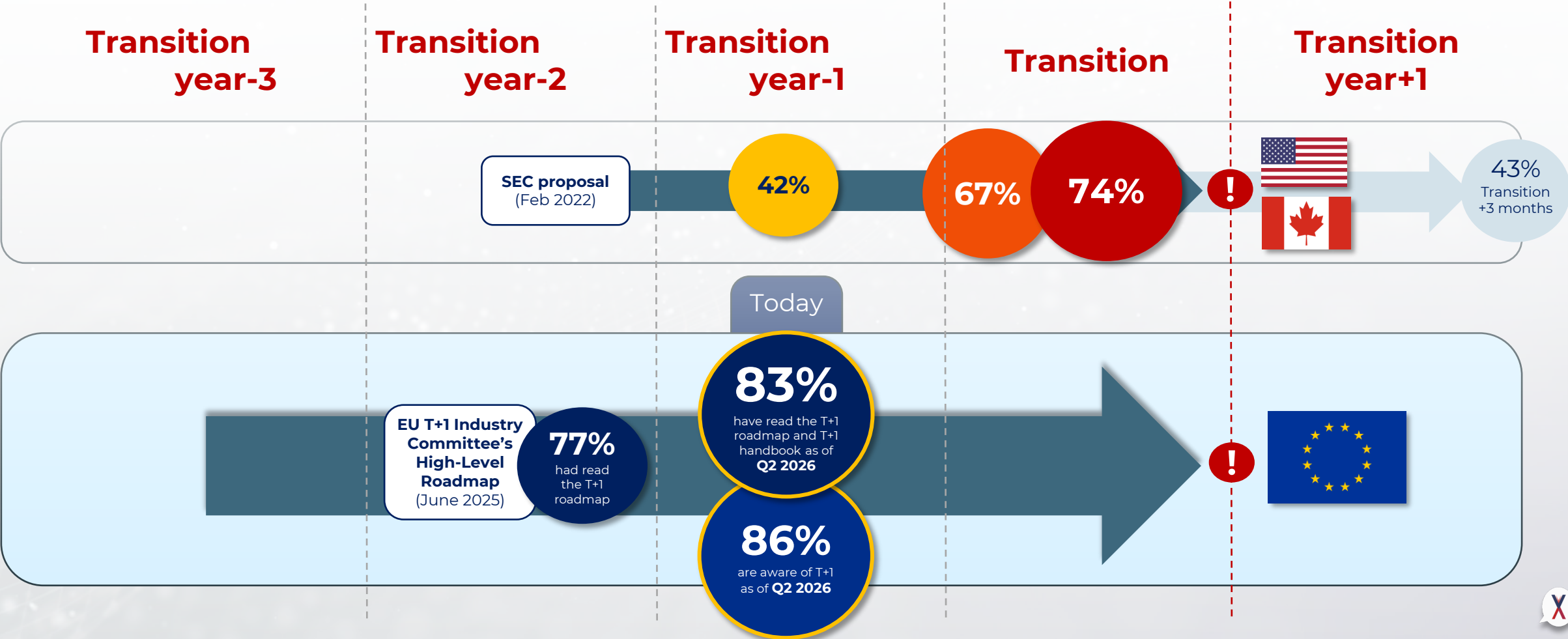
Implementation status



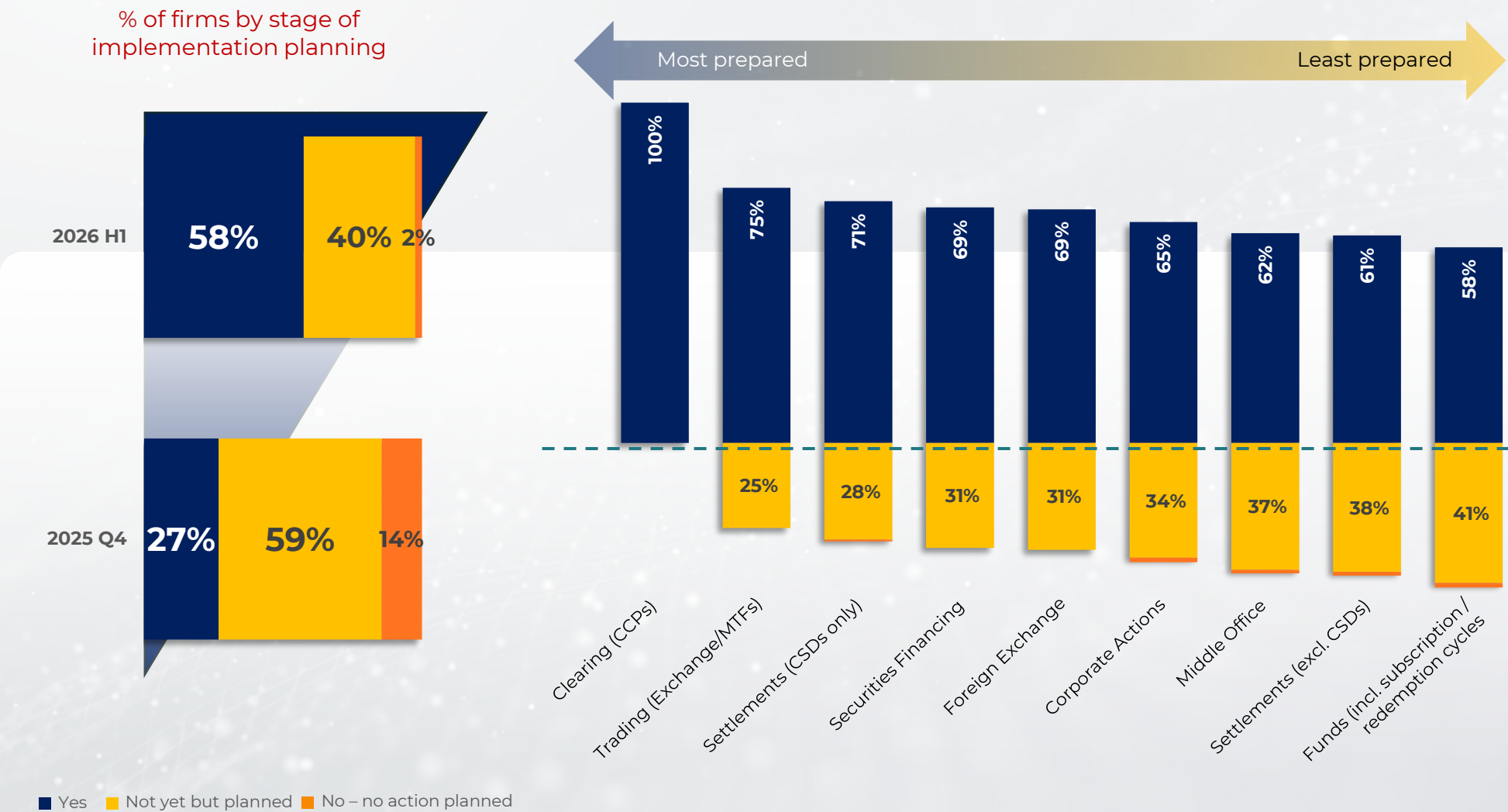
With 83% of firms actively engaged on T+1 in Europe, industry engagement is still growing



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



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



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

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

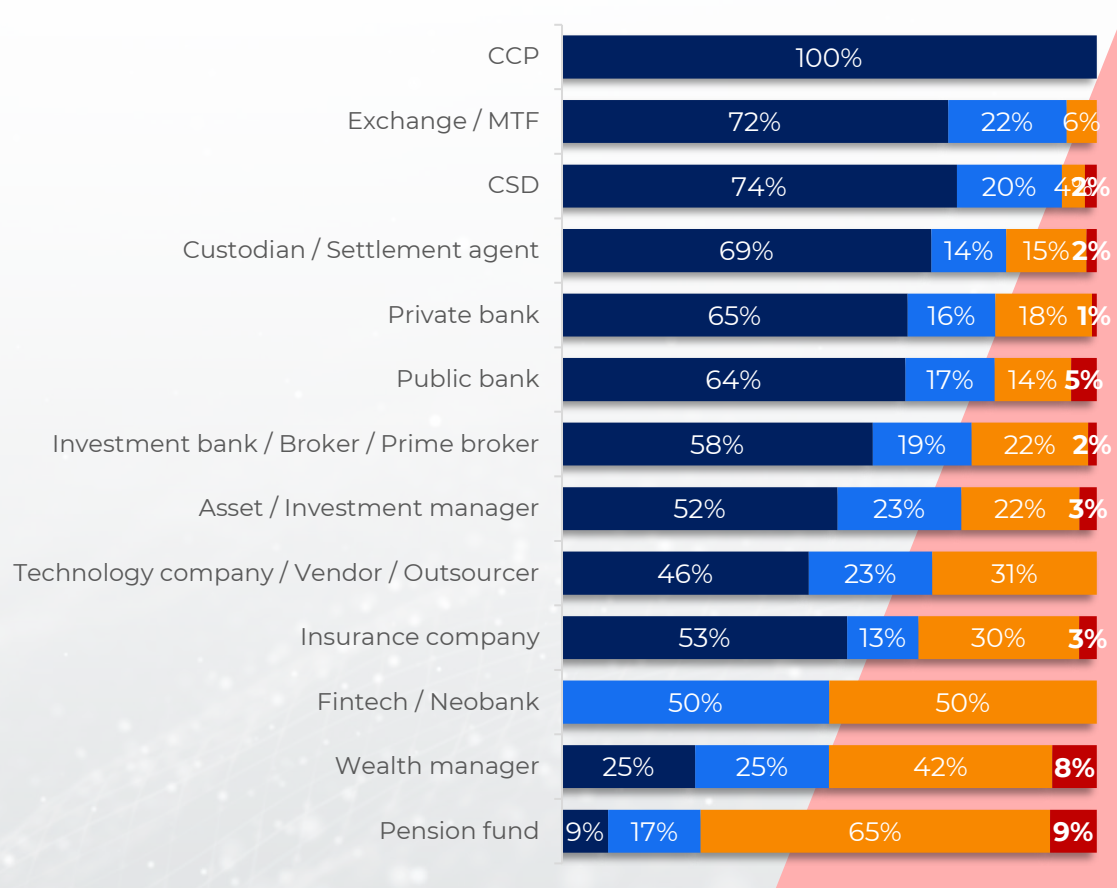
Only 18% of North American respondents have a plan in place with 29% not planning to do so



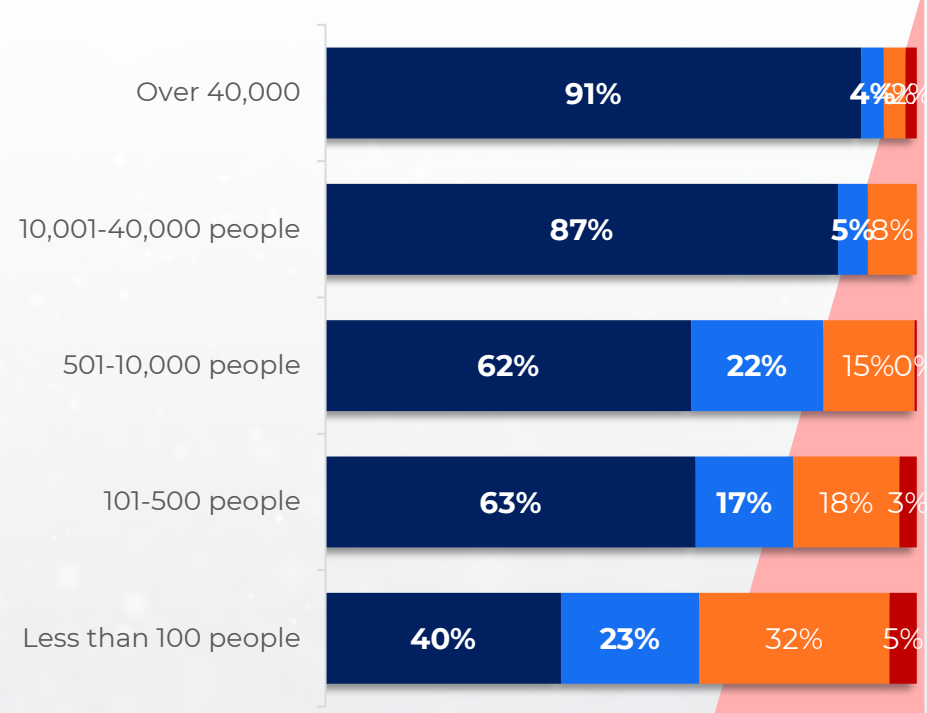
Across the EEA up to 91% of firms have implementation plans in place but asset owners and smaller firms are now pushing into Q1 2027 – will they have enough time to complete?



Status of firms implementation planning by segment

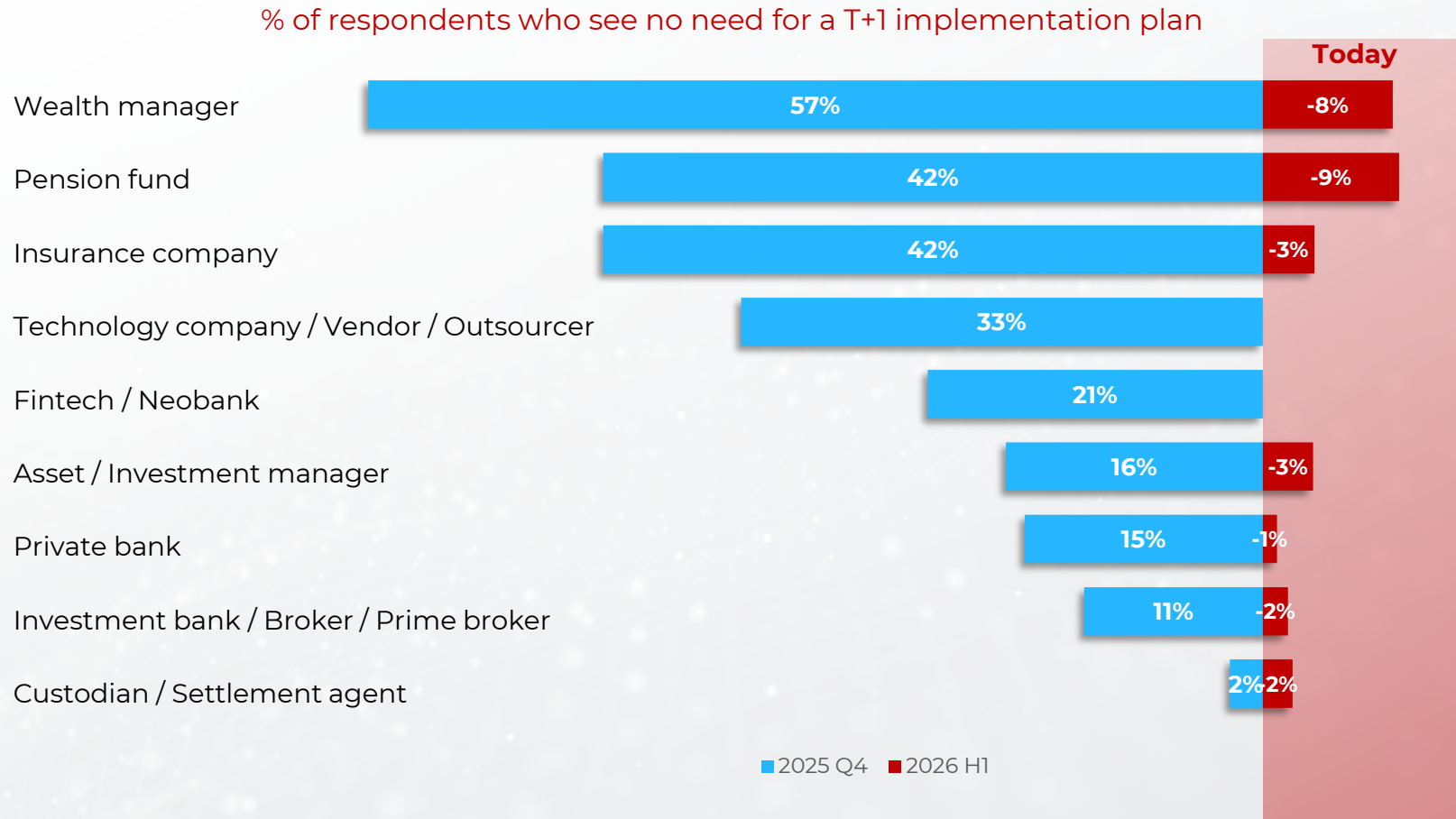


Status of planning by firm size



- Formal implementation plan ready
- Plan will be in place by end of 2026
- Plan will be in place by end of Q1 2027
- No need for an implementation plan

The “no need to plan” problem is disappearing quickly as firm’s understanding of the requirements grow



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

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

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

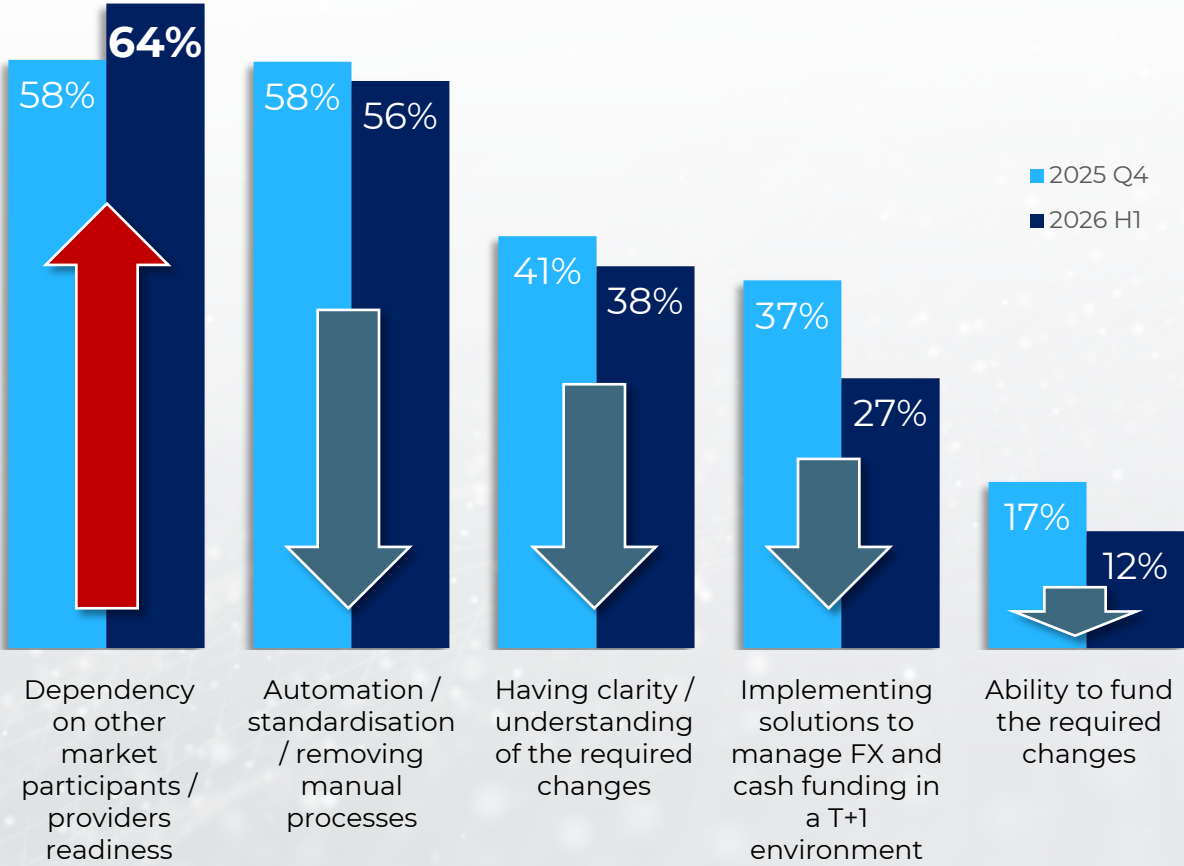
Does this mean that firms are firmly on the implementation path?



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



% of firms facing challenges in meeting T+1 requirements



Change in % of respondents seeing dependencies on other market participants / providers as a core concern (Q3 25 to Q2 26)



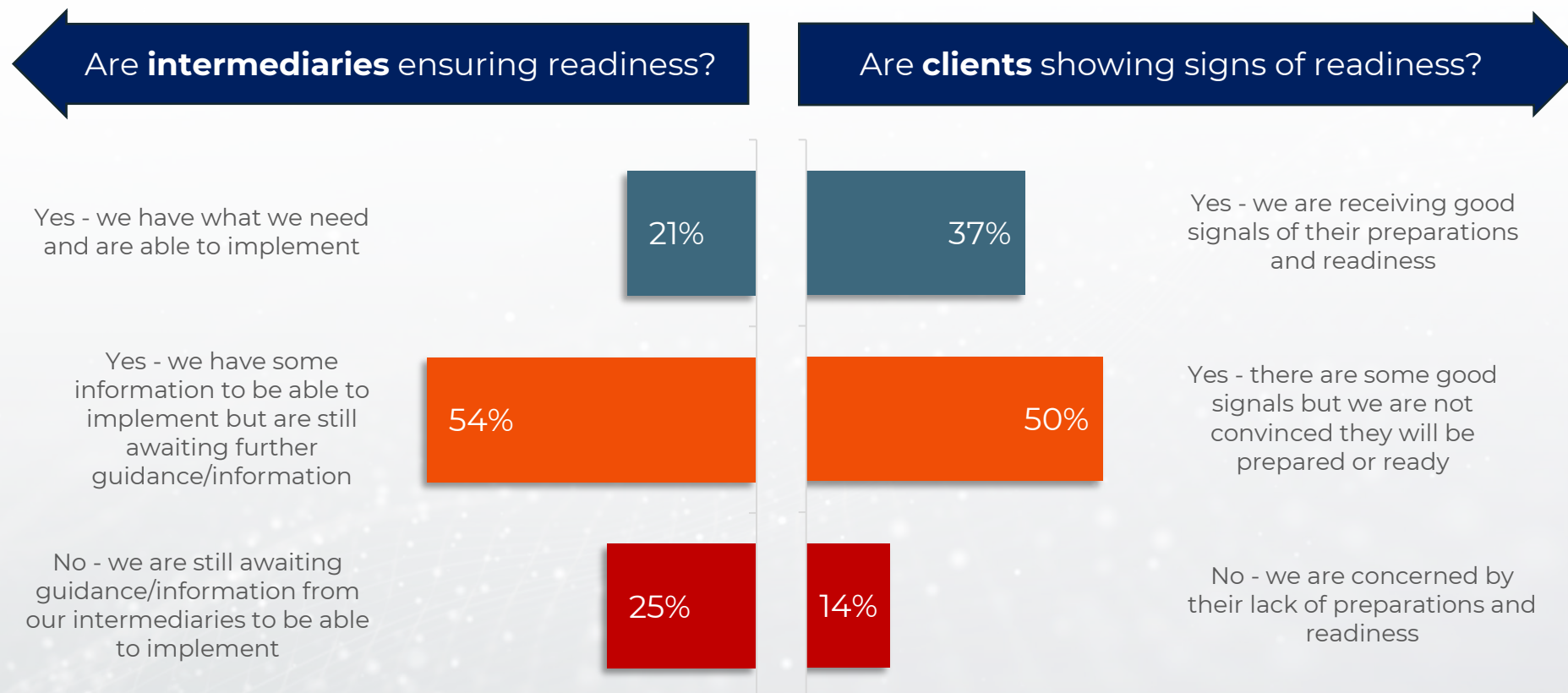
Concerns around clarity, automation, costs and FX funding are easing as we progress our implementation and get closer to transition date.

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

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



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



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

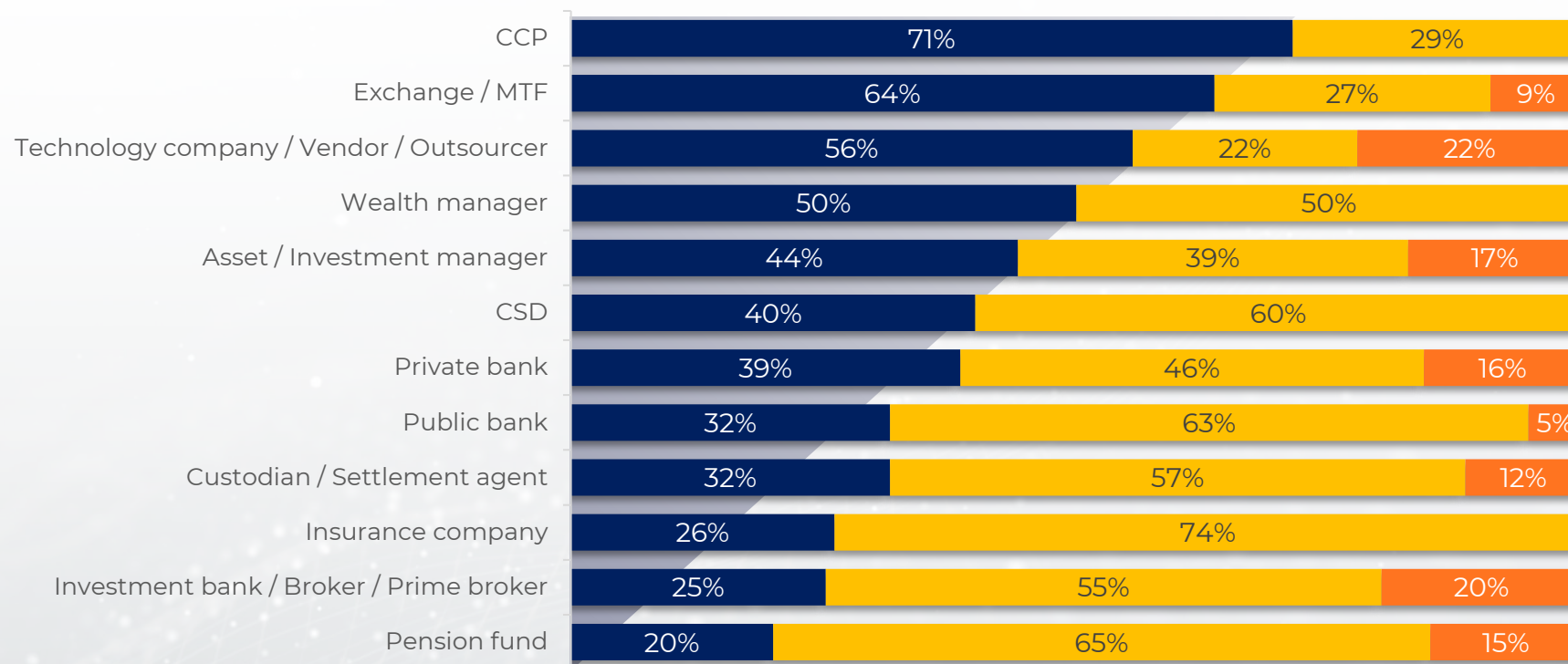
Preparation is key; can a client / counterparty be ready when they are still awaiting information from intermediaries? This is a key risk for 50%

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

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



Confidence in clients / confidence preparation by segment by %



- Yes - we are receiving good signals of their preparations and readiness
- Yes - there are some good signals but we are not convinced they will be prepared or ready
- No - we are concerned by their lack of preparations and readiness

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

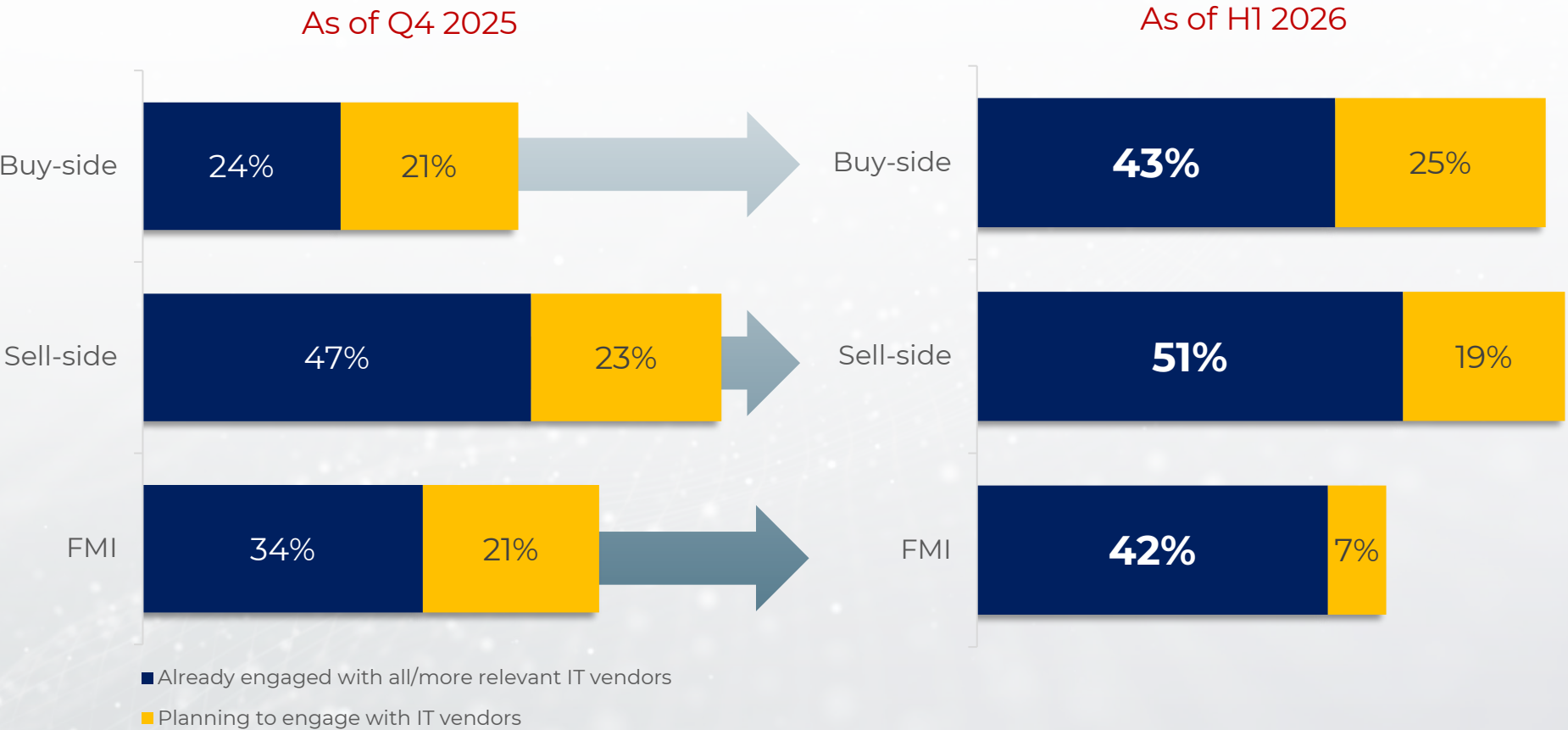
Only 25% of brokers have confidence in their clients or counterparts' preparations with custodians similarly concerned at 32%

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

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



% of firms engaging with their IT vendors or outsourced partners for T+1 changes



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

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

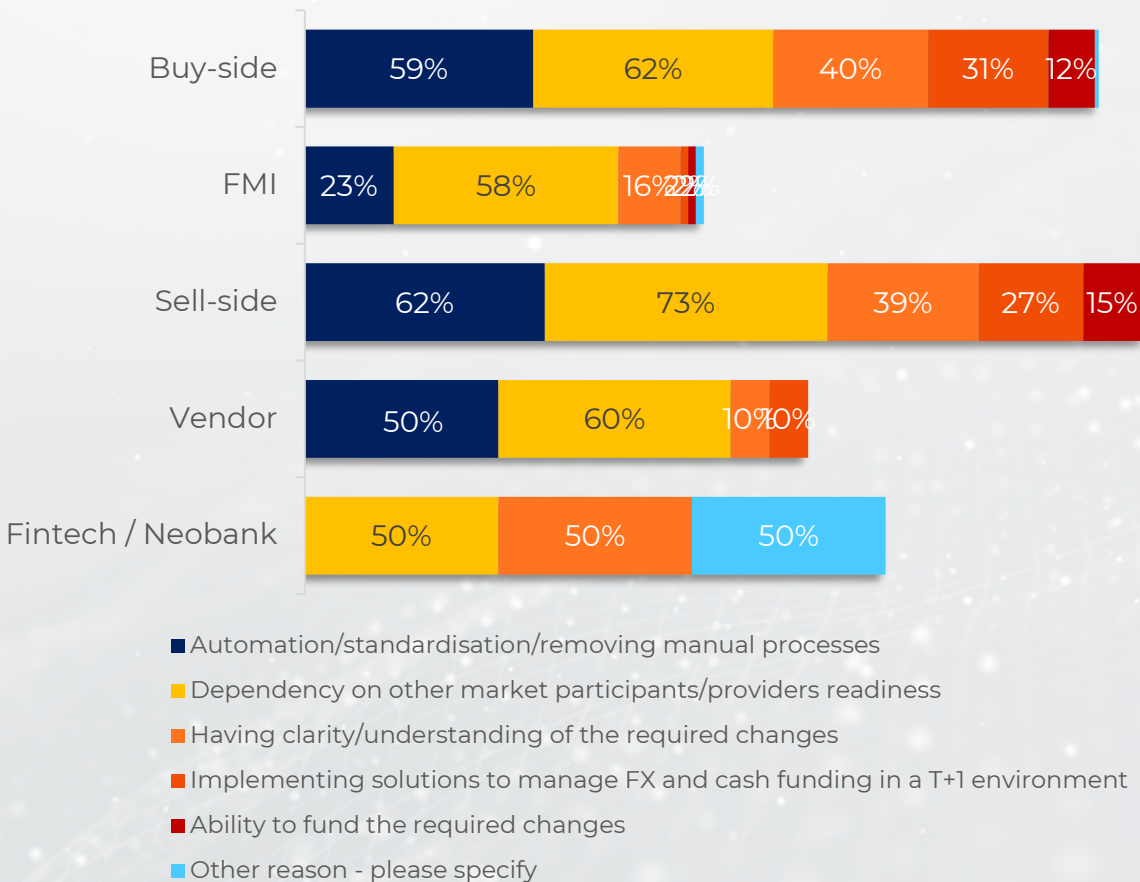
Sell-side engagement shows steady progress whilst the CSDs 10% increase indicates progress which could also benefit their participants



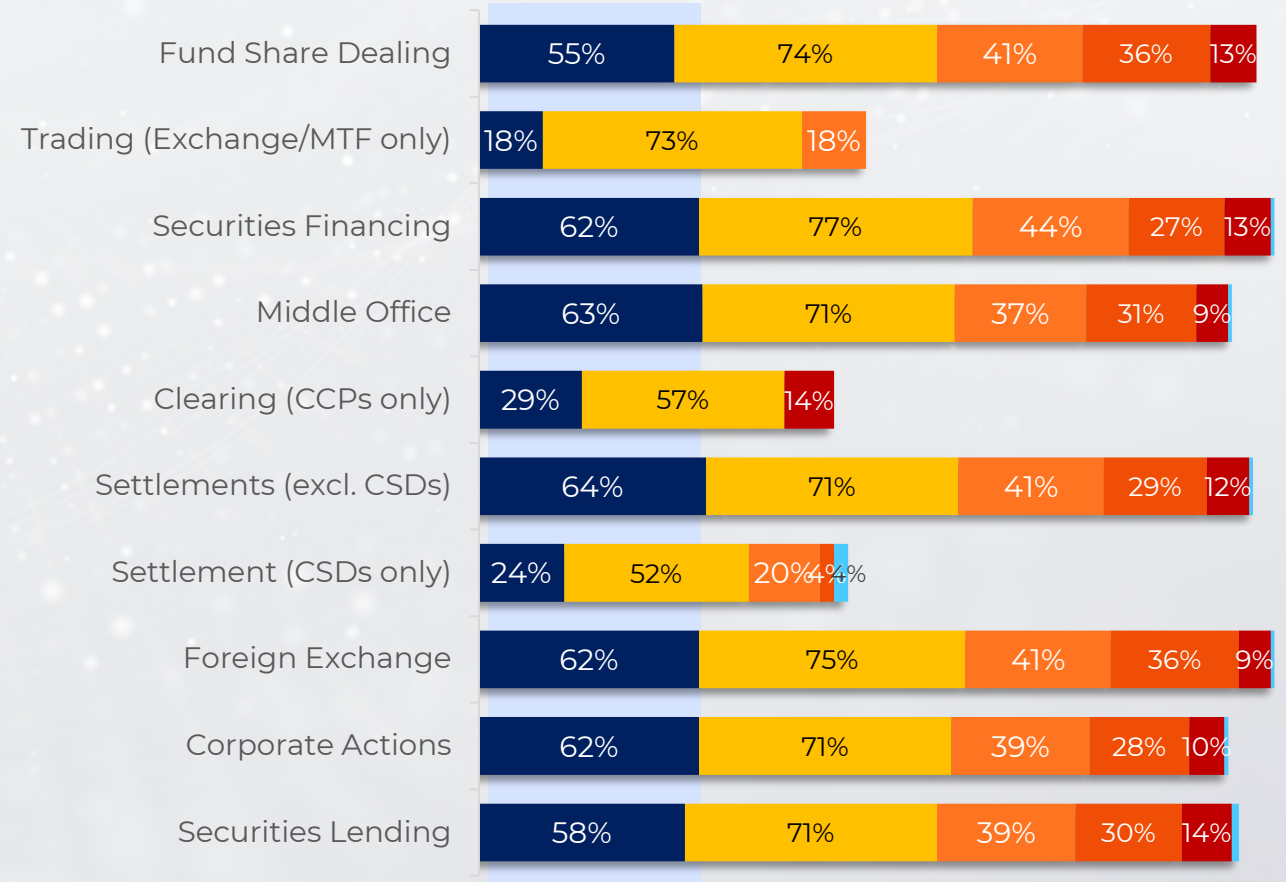
Automation is still a challenge across the industry for up to 73% of market participants



Automation challenges by segment (H1 2026)



Automation challenges by activities (H1 2026)

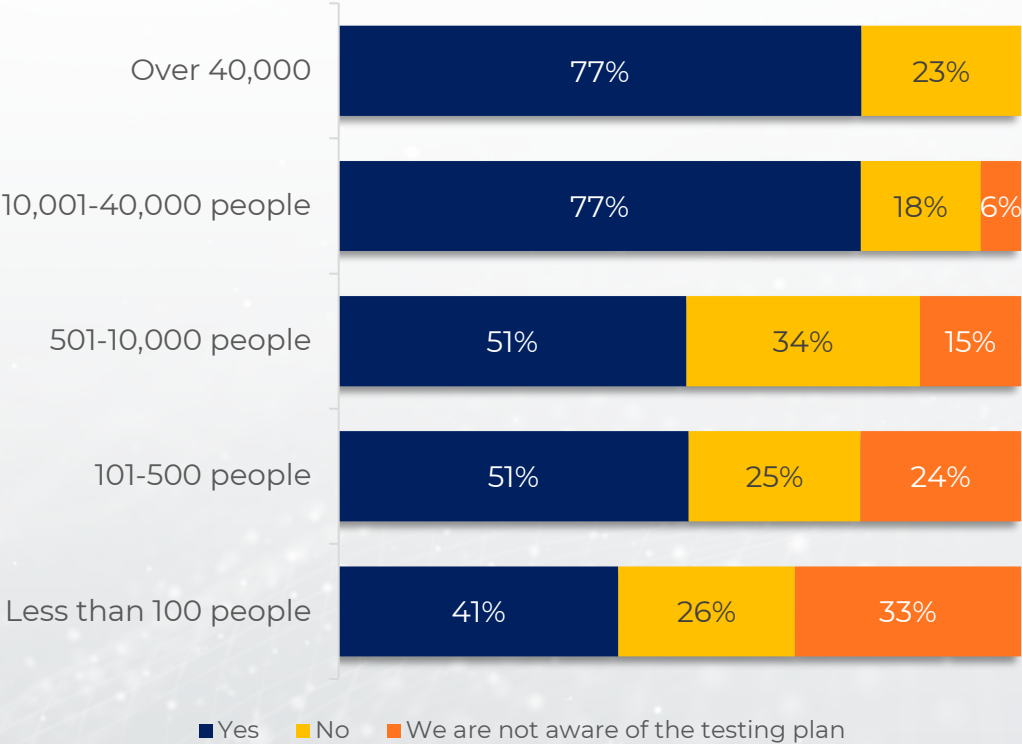


Question: Which challenges do you anticipate in meeting the T+1 settlement cycle requirement?

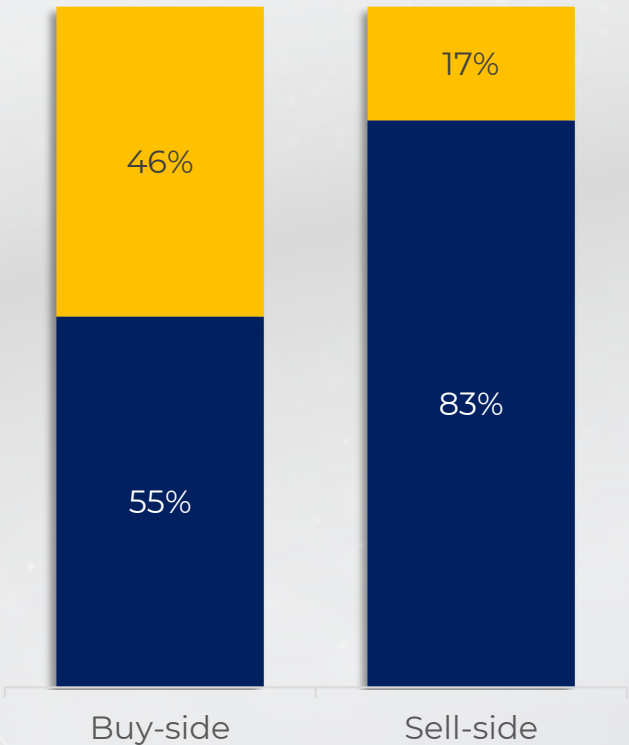
77% of tier one firms are ready to test today but are the firms they transact with?



% of firms by readiness to test changes to operational processes



% of tier 1 firms (with over 40,000 staff) by readiness to test



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

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

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

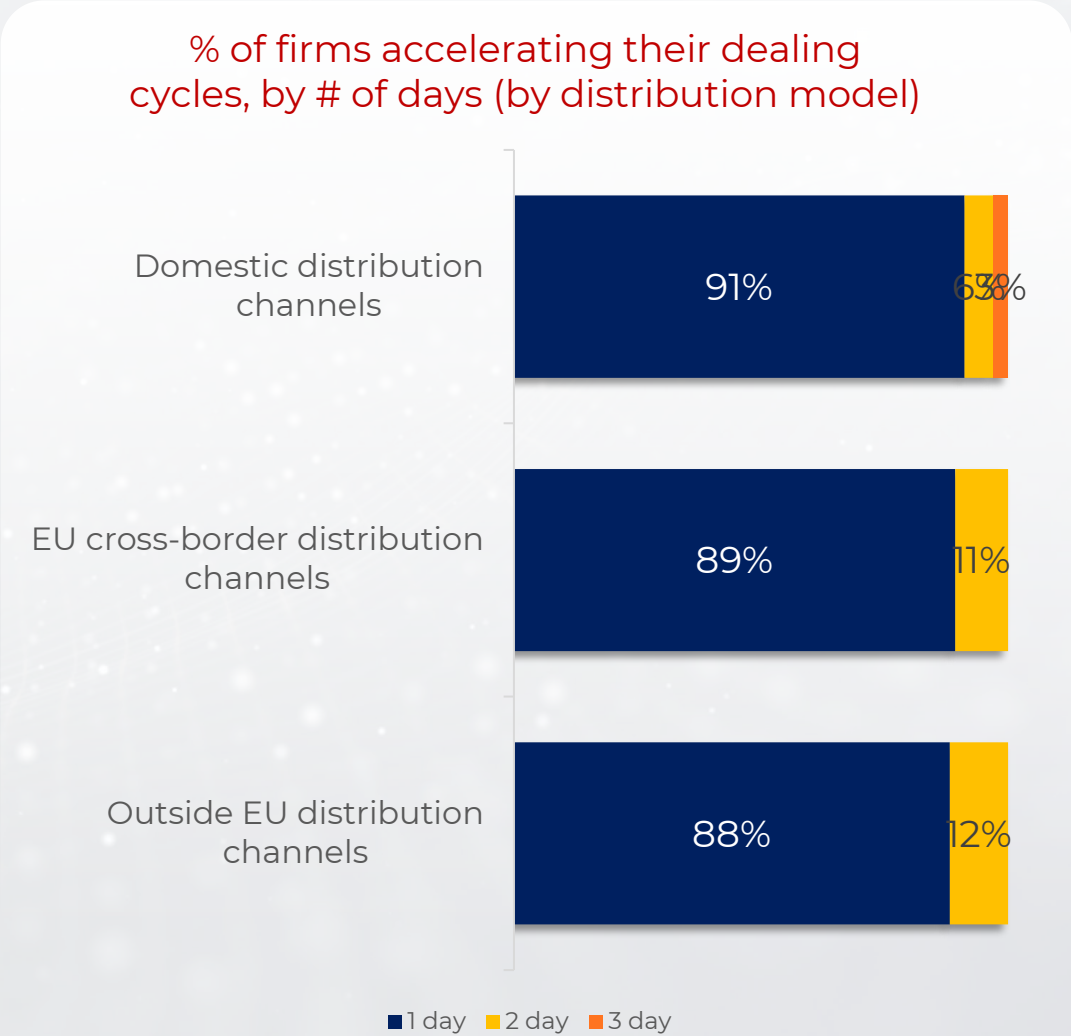
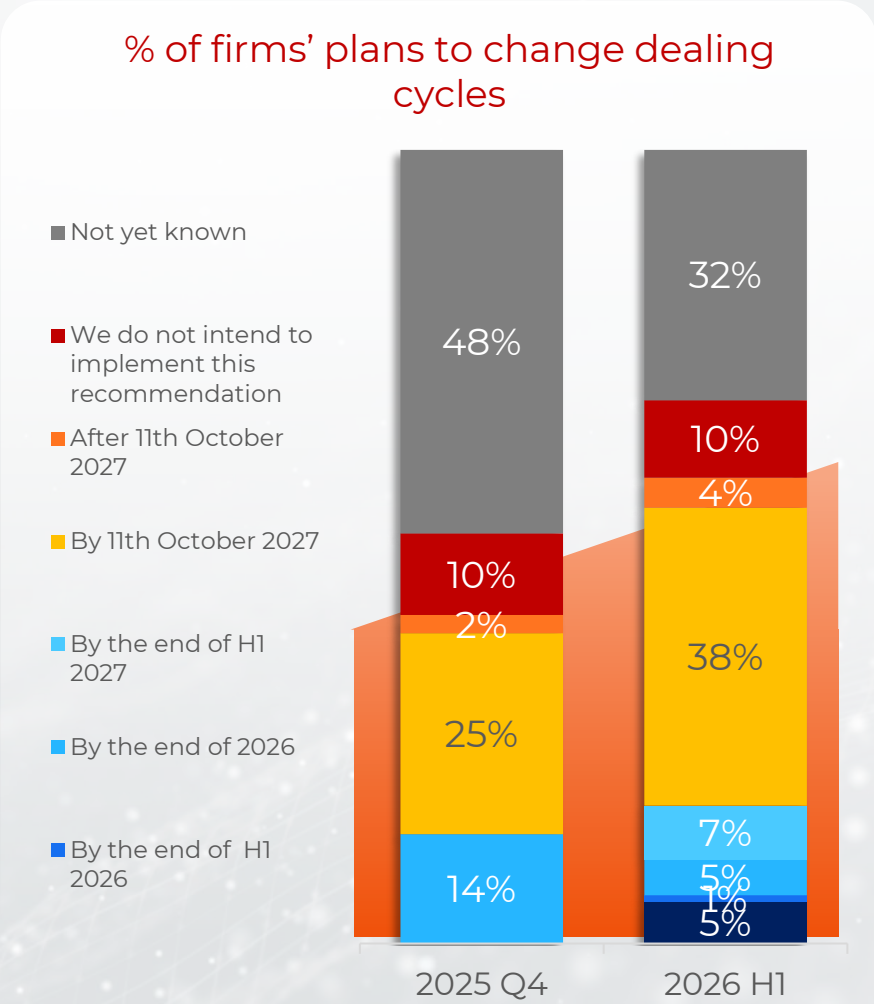


02

Industry Committee workstream round-up



56% of firms expect to accelerate their fund dealing cycles with 89% planning to reduce by a day for T+1



From 'don't know' to decision: 56% intend to change their dealing cycle by 11 Oct. 2027.

32% are yet to make a decision with 36% of the largest firms yet to commit.

Up to 91% intend to reduce the cycle by 1 day with 12% of 'outside EU' distribution channels dropping 2 days.

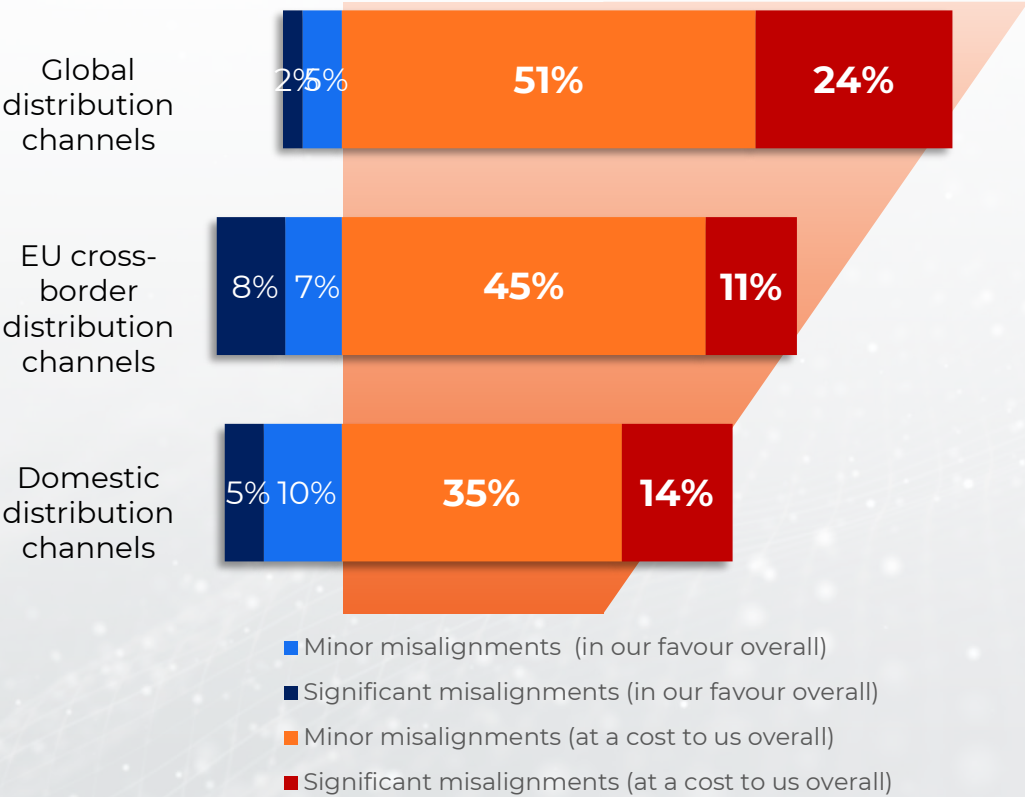
3% of 'domestic distribution channel' intend to drop 3 days.



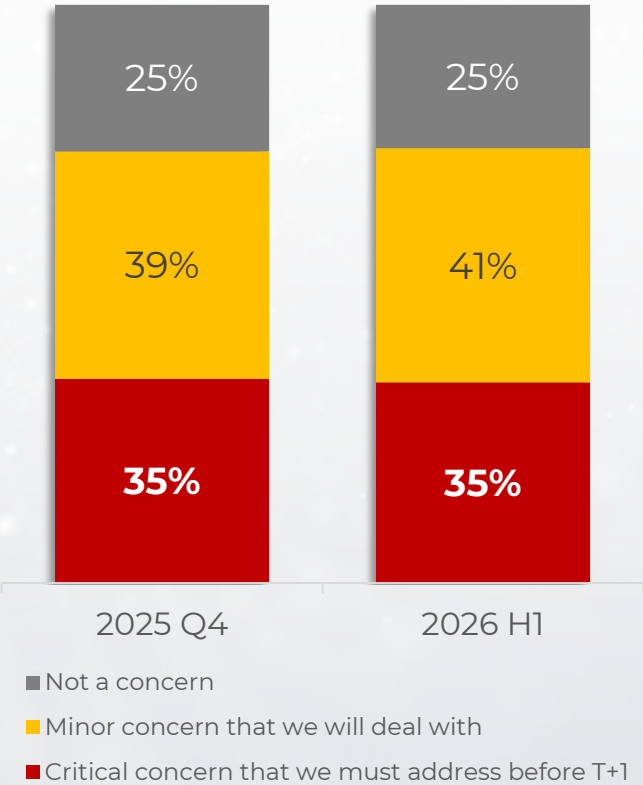
75% of managers distributing European funds globally expect funding misalignments to cost them – whilst long-cash breaches are still a critical concern for 35% of firms



% of managers expecting funding misalignments to impact them (by financial impact)



% of managers concerned about long-cash breaches in their fund after T+1



Fund breaches remain a critical concern for 35% but how can this be addressed before Europe moves to T+1?

41% now expect the frequency of long cash breaches to reduce, yet 15% still expect daily breaches.

No misalignment is expected for 37% of domestic and 28% for EU x-border distribution whilst minor misalignment also reduces for this flow.

Question: How concerned are you about potential long-cash breaches if they cannot be categorised as passive and non-reportable?

Question: For Non-ETF UCITs (excl. MM-Funds): Global, EU or Domestic distribution channels, what level of new funding misalignments do you expect to face as a result of the move to T+1?

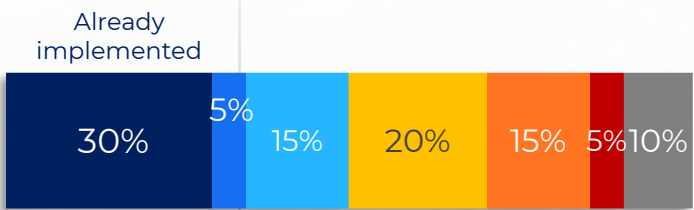


Up to 35% of firms are already meeting stock borrowing / lending T+1 recommendations, including same-day returns

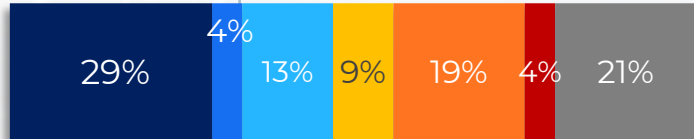


% of firms by plans to meet SBL recommendations for T+1

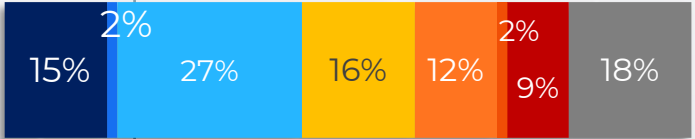
Implement same-day returns, where possible, (allowing borrowers to return securities on T+0 subject to clear communication with the lender, rather than waiting to return on T+1) (SF-04)



Automate the pre-matching of all Securities Lending instructions on Trade Date (including comparing standard settlement instructions (SSIs)) (MC05.1)



Fully automate your securities lending recalls and return instruction flows using electronic messaging in accordance with ISLA best practice (SF-03.02)



- By the end of H1 2026
- By the end of 2026
- By 11th October 2027
- We do not intend to implement this recommendation

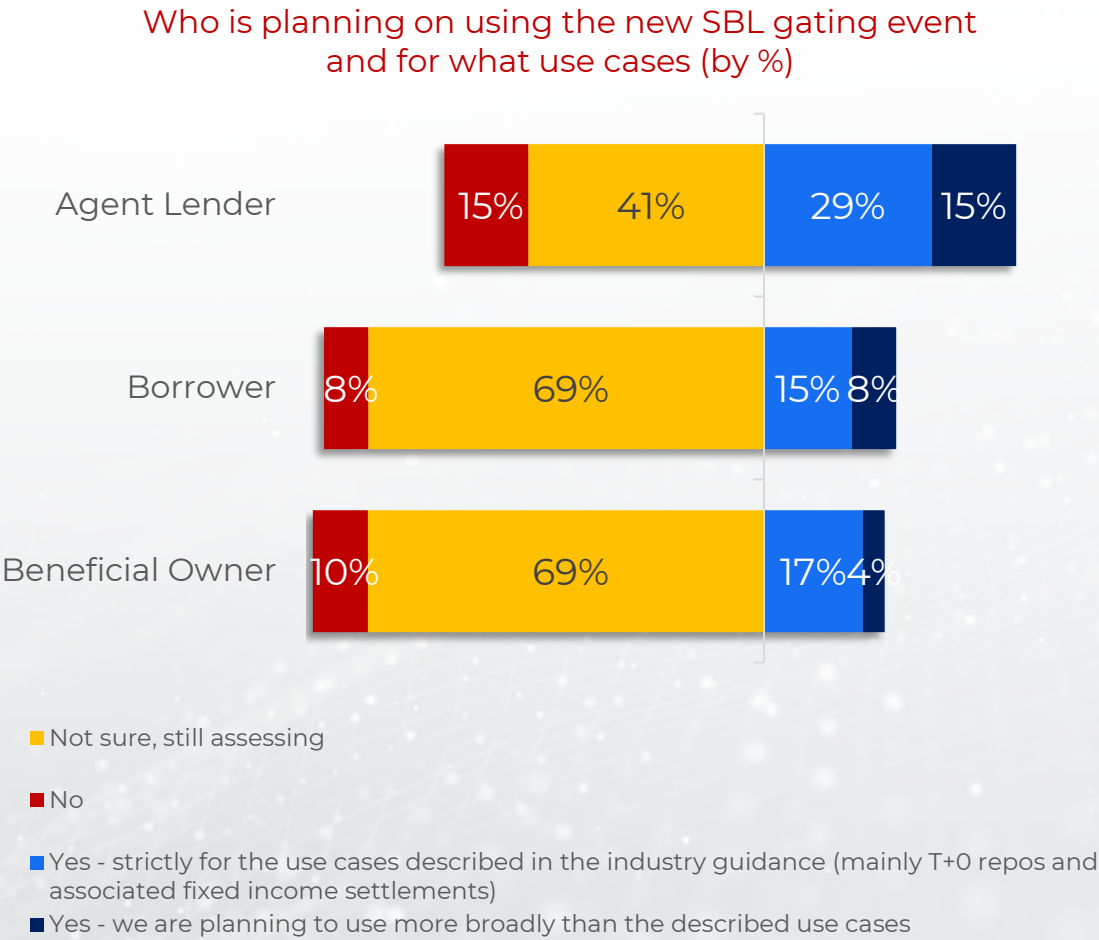
- Already implemented
- By the end of H1 2027
- After 11th October 2027
- Not yet known

Over 70% plan to automate to meet the Industry Committee recommendations.

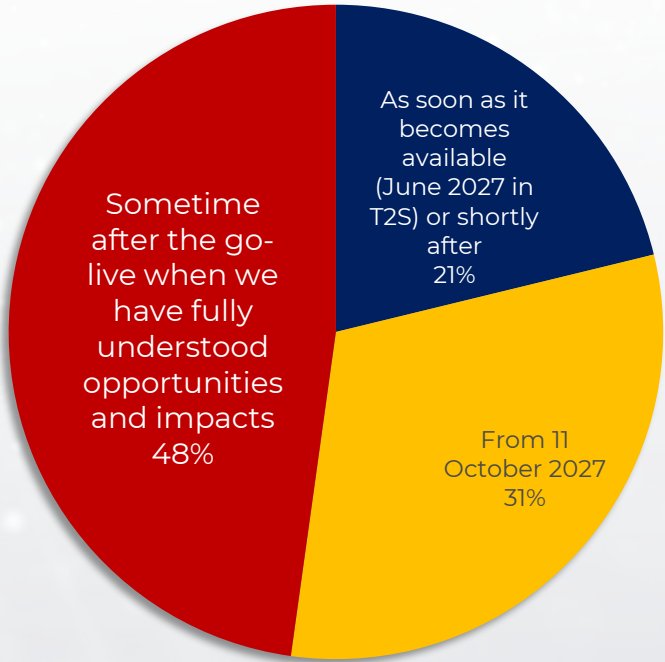
77% of Tier 1 firms will have automated same day returns by of end 2026

Those who 'do not intend to implement' are from the smallest firms

77% of firms are aware of the new SFT ‘gating event’ with 69% currently assessing its use



% of firms planning to use new Gating Event indicator and when



Tier 2 firms are the most aware but are the segment, second only to the smallest firms, who are less sure and still assessing

21% of firms intend to use it strictly for the prescribed use cases although 9% intend to do so more broadly

Timing of when to start using varies with 33% of Tier 1 and 35% of Tier 2 firms planning to use it as soon as it becomes available in T2S



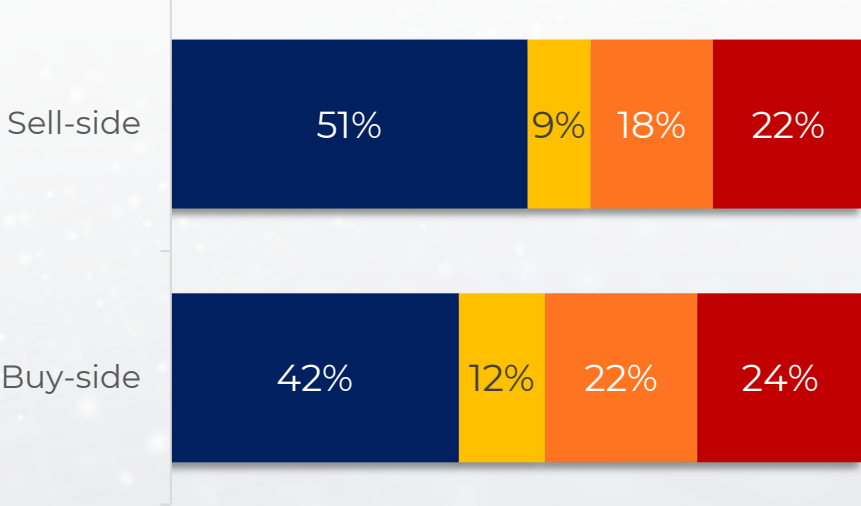
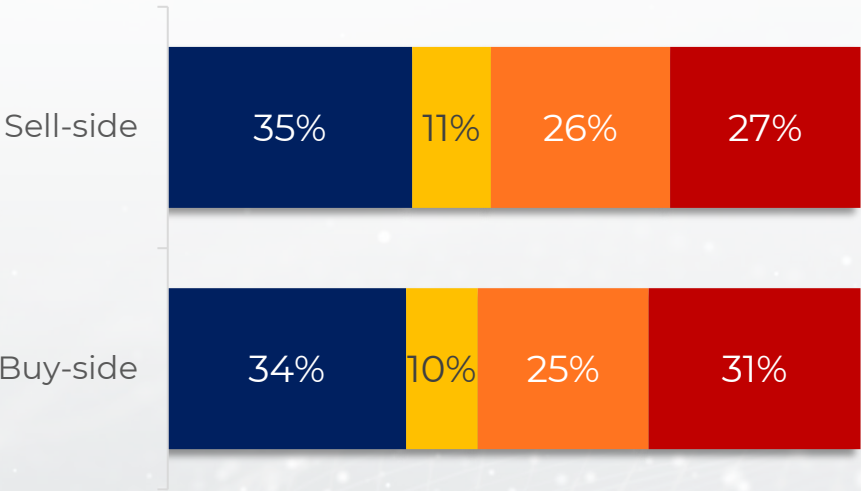
71% of firms expect to automate SSI storage before T+1, and 77% expect to automate trade-level matching



% of market participants automation plans for middle-office processes(per activity)

Exchange and storage of SSIs

Processing and matching of allocations and confirmations



- Yes - we are using a matching platform today
- Yes - we intend to implement by the end of 2026
- Yes - we intend to implement by 11th October 2027
- No - we do not intend to use an automated matching platform

Despite the (draft) CSDR RTS requirements and December 2026 deadline; one in four asset managers has no plans to automate the transmission of allocations. And one in three has no plans to automate SSIs.

Similar levels for the sell-side.

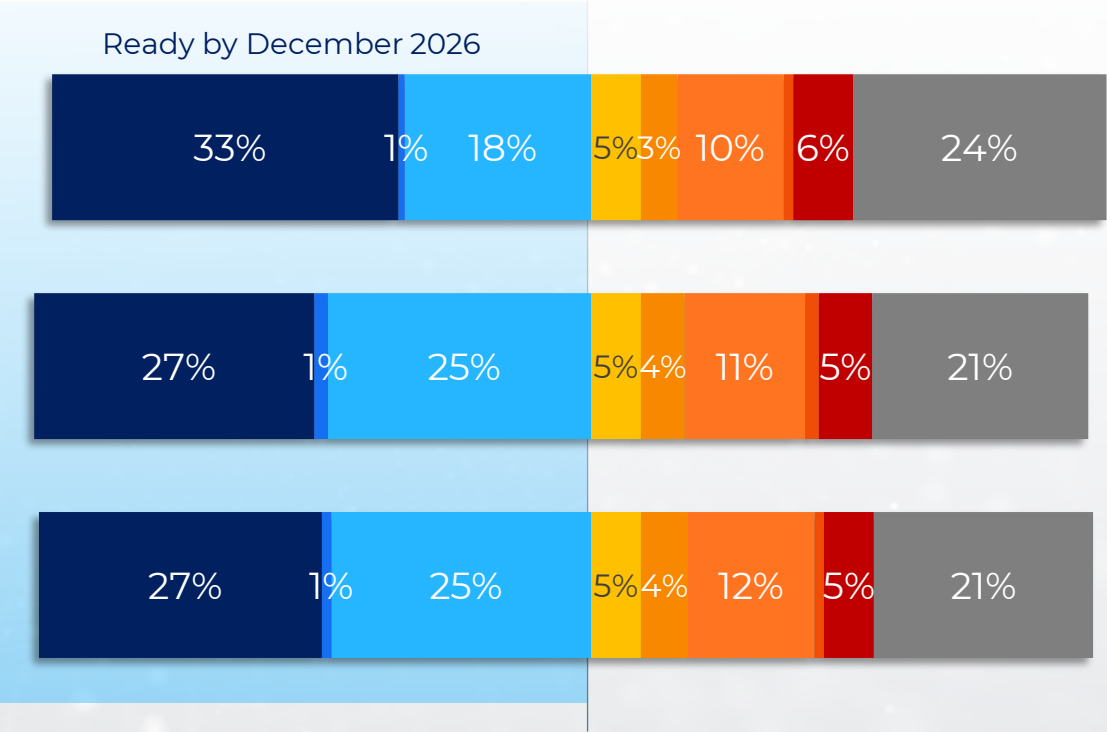
Current levels of automation amongst firms of >40,000 staff are more than 74% - across both activities. What is holding the other 26% back?



52% of European firms expect to meet the end of 2026 deadline for the timing and transmission of allocation/confirmations



% of firms by expected implementation date of key middle office timings



- By the end of 2026 (per the High Level Roadmap & ESMA draft RTS on SD)
- Already implemented
- By the end of Q2 2027
- After 11th October 2027
- Not yet known
- By the end of H1 2026
- By the end of Q1 2027
- By 11th October 2027
- We do not intend to implement this recommendation

While up to 33% have already implemented the requirements, only up to 53% will be ready in time for the December deadline.

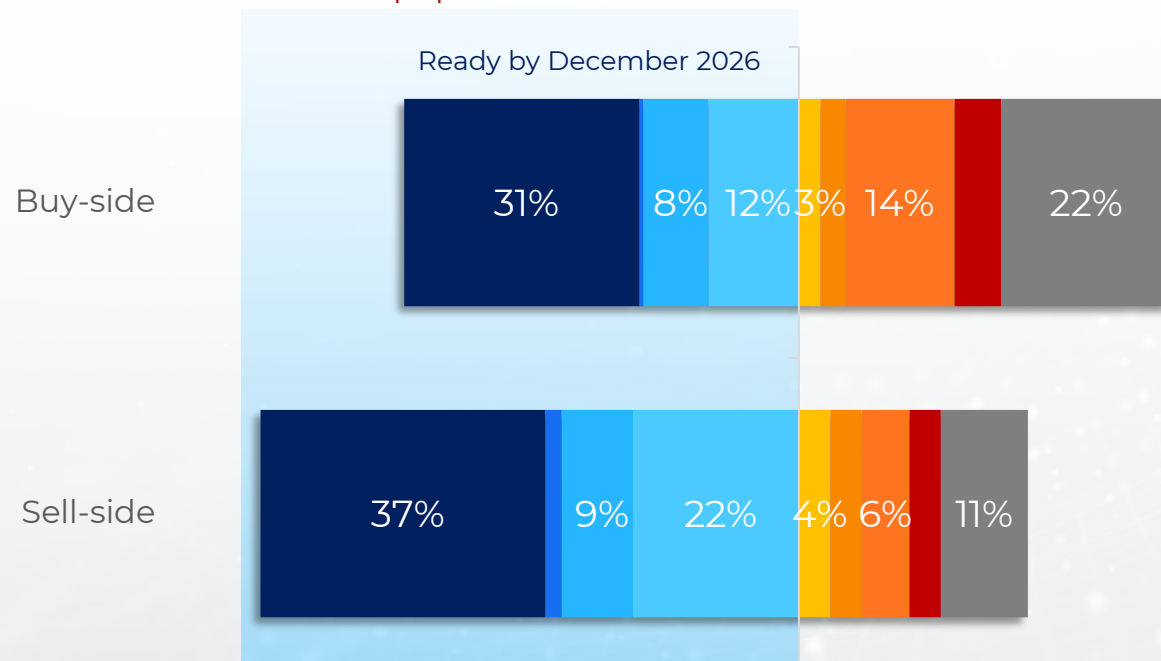
Up to 24% are undecided and up to 6% do not intend to implement, what is intended to be, a regulatory requirement.



PSET usage is increasing fast across Europe, with 69% of sell-side firms expecting to meet the 2026 deadline

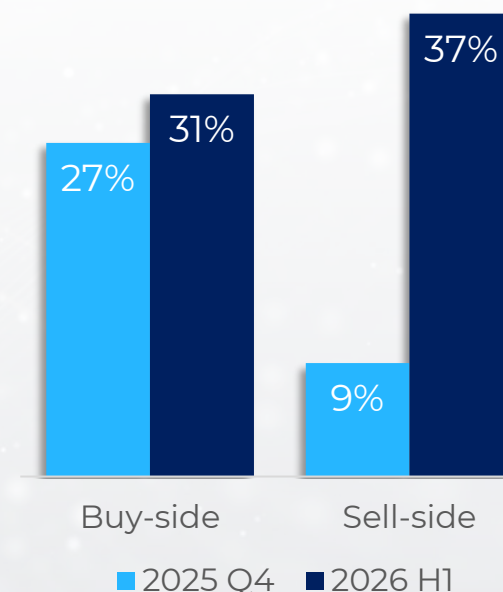


% of firms by planned implementation dates for PSETs to be populated in trade allocations



- By the end of 2026
- By 3rd October 2026 (in line with an industry platform enhancement)
- By the end of H1 2026
- Already implemented
- By the end of Q1 2027
- By the end of Q2 2027
- By 11th October 2027
- After 11th October 2027

% of firms who have already begun populating PSET in trade allocations



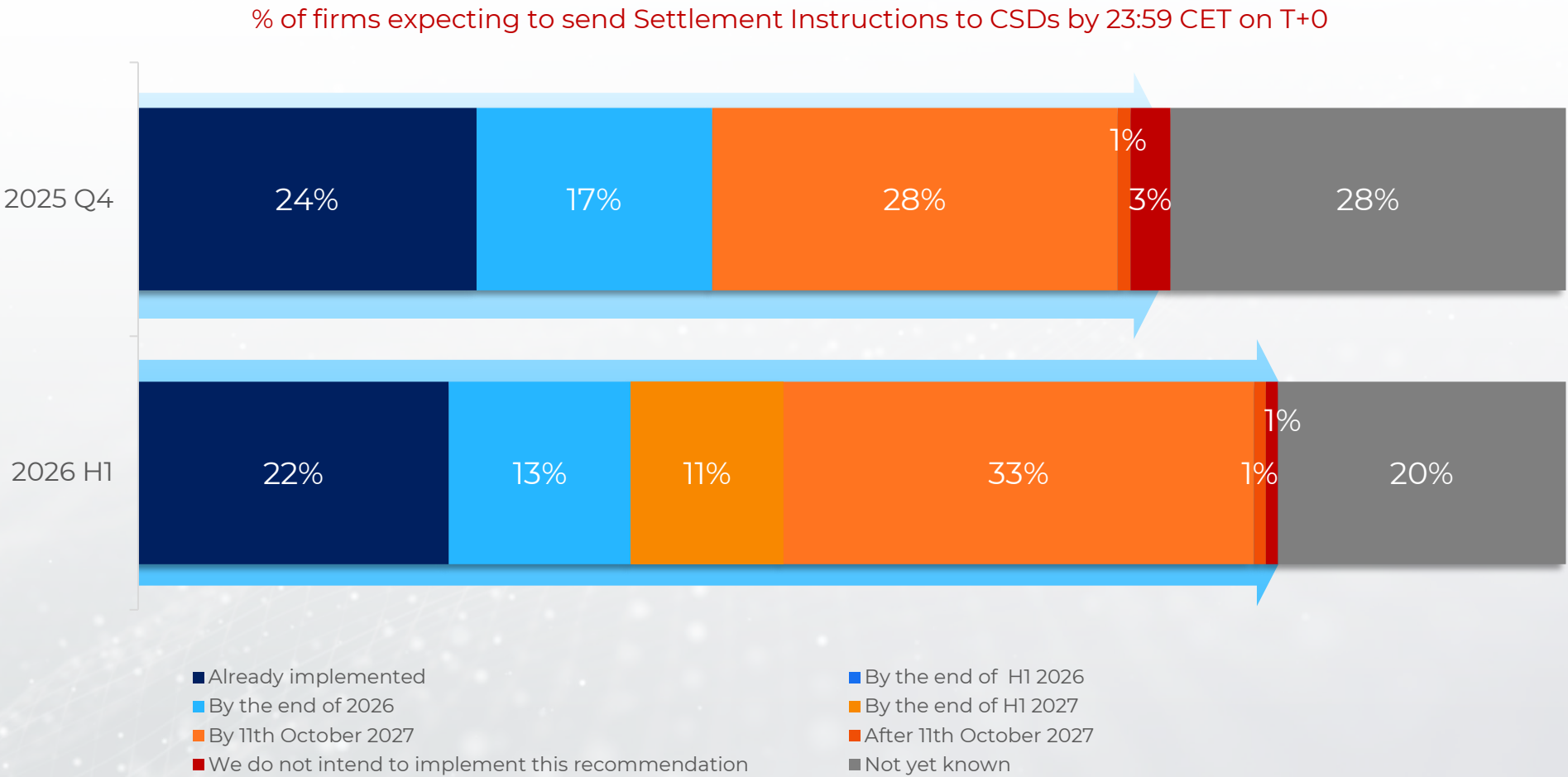
Europe is running at different speeds.

While western Europe has high-levels of readiness and low levels of 'not yet known' / 'do not intend to implement', eastern and central Europe have as many undecided as they do committing to the December deadline.

Despite the positive signs, western and southern Europe do have Member States with up to 20% of firms not intending to implement the recommendations.



79% of market participants now expect to meet T+1 timing requirements for settlement instructions



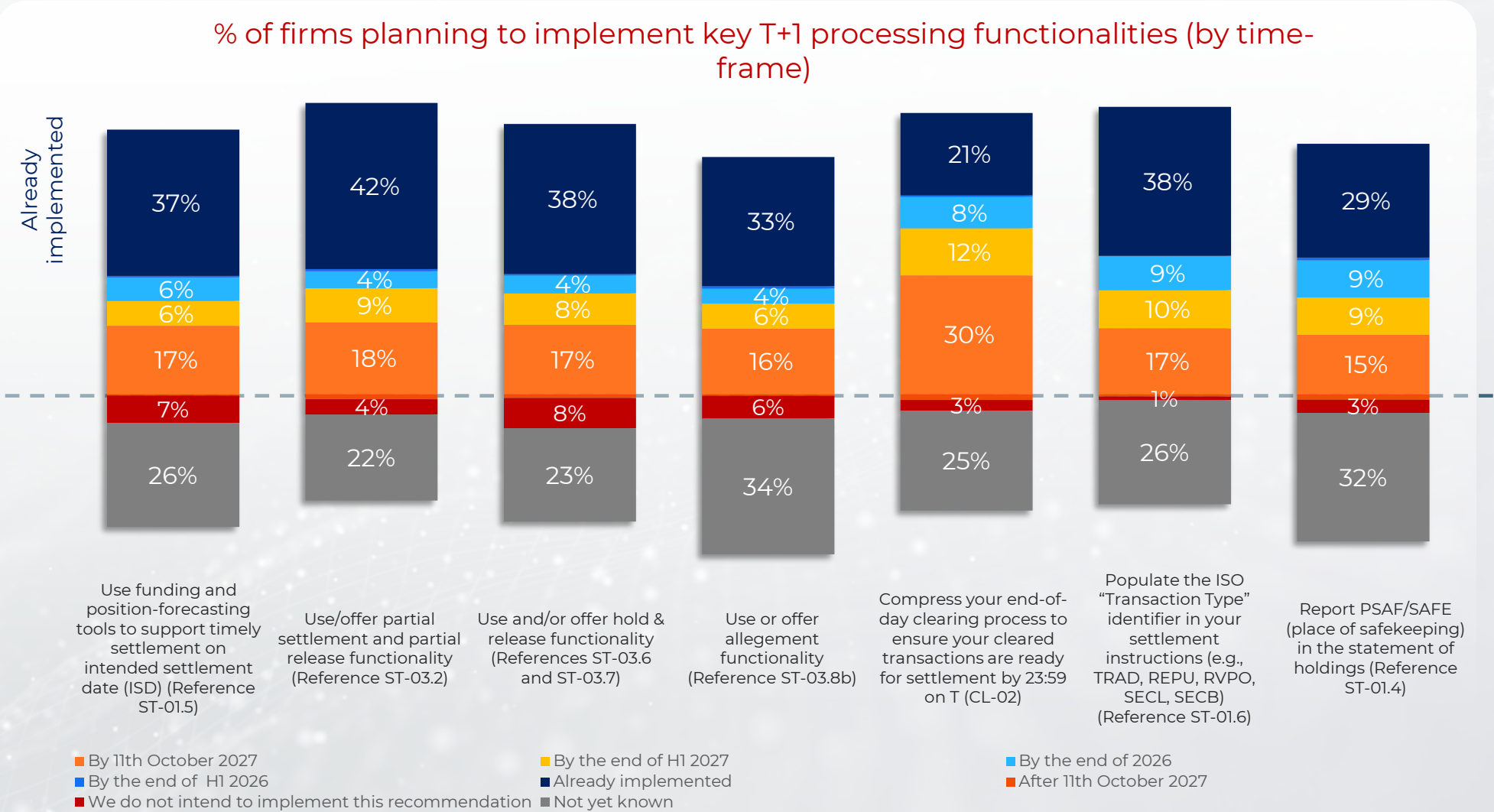
Good progress being made on settlement instruction injection.

Although the % of respondents already meeting the requirement or intending to do so by end of 2026 has reduced by 6% overall, 10% increase by 11 Oct.

Whilst the 'do not intend' have dropped 'not yet known' persists across in the mid-tier (23%) and smallest firms (up to 29%).



Market participants implementation of key settlement optimisation recommendations now surpass 67%



22% improvement over H1 2026.

The level of 'do not know' has reduced significantly including a 35% reduction for partial settlement.

42% have now implemented partials with a further 28% committing to do so by 11 October 2026.

Over 25% of firms in each category are still unsure with allegation and PSAF the most uncertain.

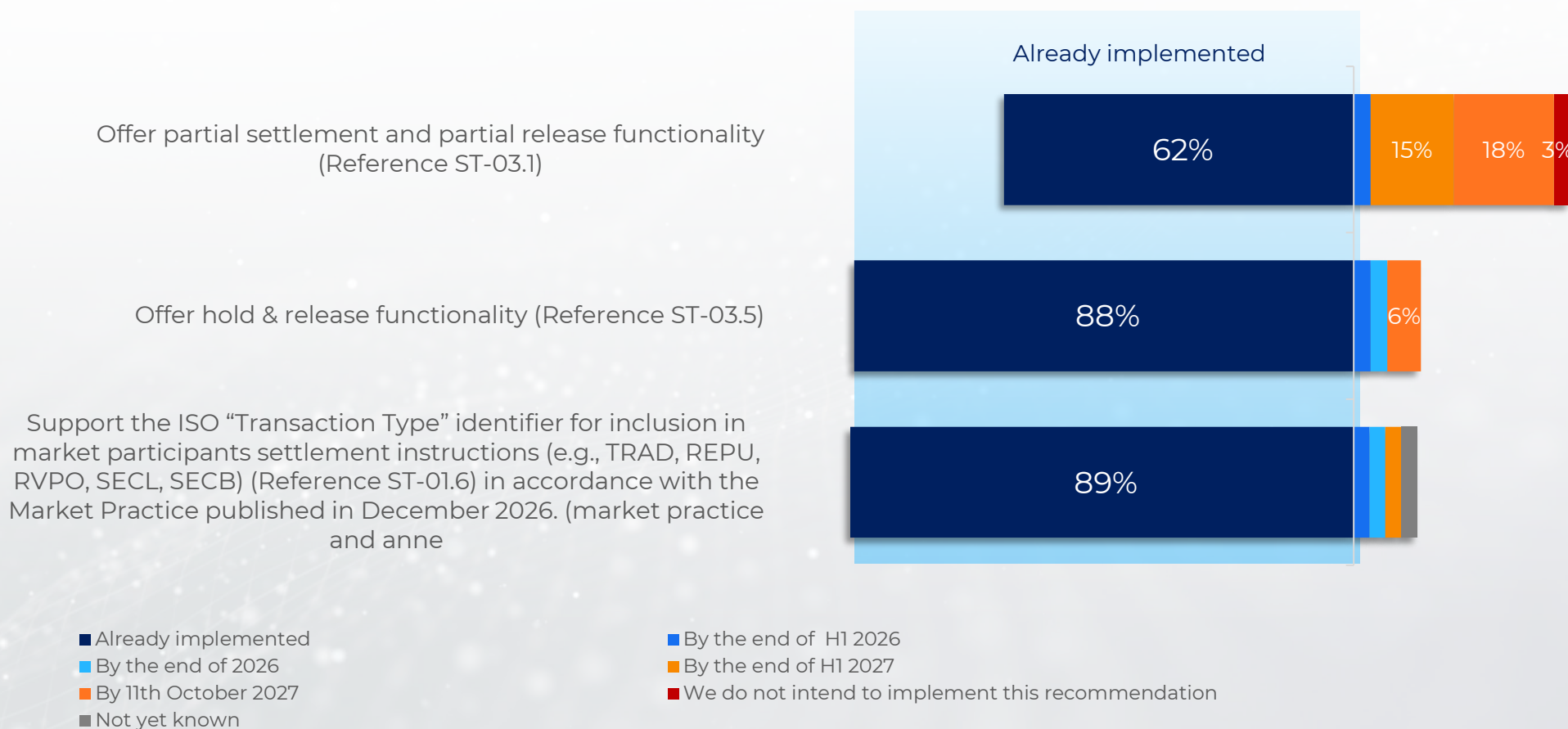
Question: By when do you plan to complete or implement the following activities?



Almost 90% of CSDs are ready with key functionality with 98% of CSDs now expected to support partial settlement by 11th October 2027



% of CSDs who plan to implement key T+1 settlement measures, by implementation time



Rapid progress as plans and implementation take shape.

98% of CSDs intend to support partial settlement. 2% do not intend to offer it down from 9% in Q4 2025.

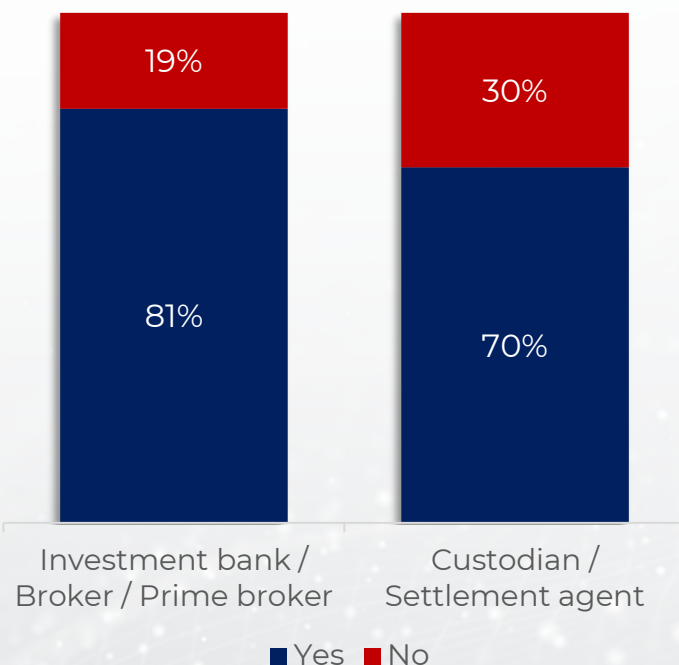
100% of CSDs intend to support hold & release. The 40% of CSDs who did not intend to implement / unknown have made a U-turn.

97% of CSDs intend to support transaction type identifiers in line with Industry Committee market practice.

70% of custodians' cut-offs align with CLS and 79% have engaged with clients on how to minimise FX risk

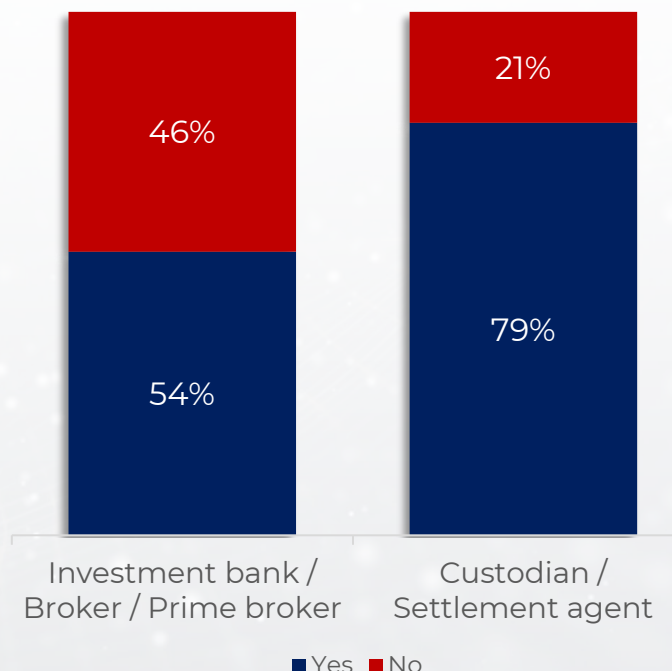


CLS / PVP cut off alignment - % by sell-side segment



Question: Are your cut-offs aligned to CLS / other PVP providers so that FX settlement risk is reduced in line with the FX Global Code for example taking into account any currency holidays?

Client engagement - % by sell-side segment



Question: Have you engaged with your clients to ensure they are aware of the options available to them to execute and settle their FX requirements in good time so that FX Settlement risk is reduced in line with the FX Global Code?

Strong engagement from custodians with their clients, however, 30% of their cut-offs are not aligned to CLS / other PVP providers.

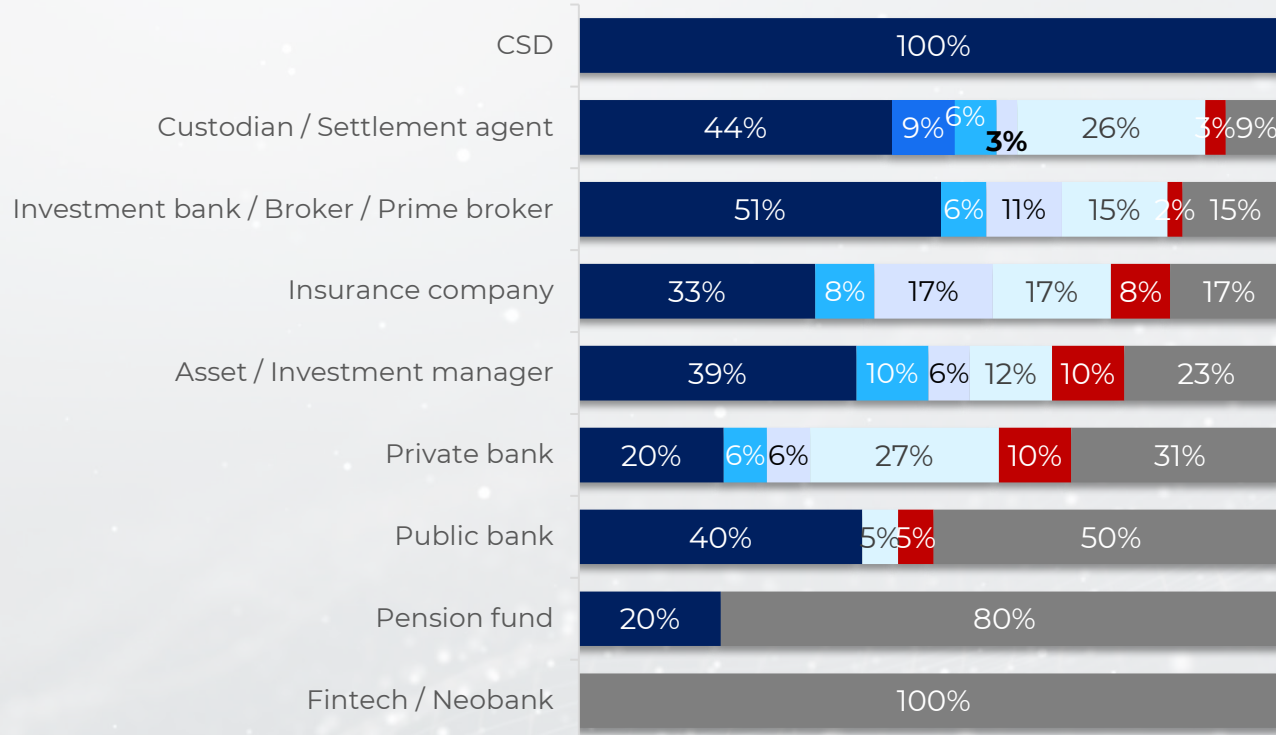
81% of brokers cut-offs align with CLS / other PVPs, however, 46% of brokers haven't yet engaged with clients on the options to execute and settle FX in line with the FX Global Code.



As of H1 2026 43% of firms have already made their FX execution and settlement choices

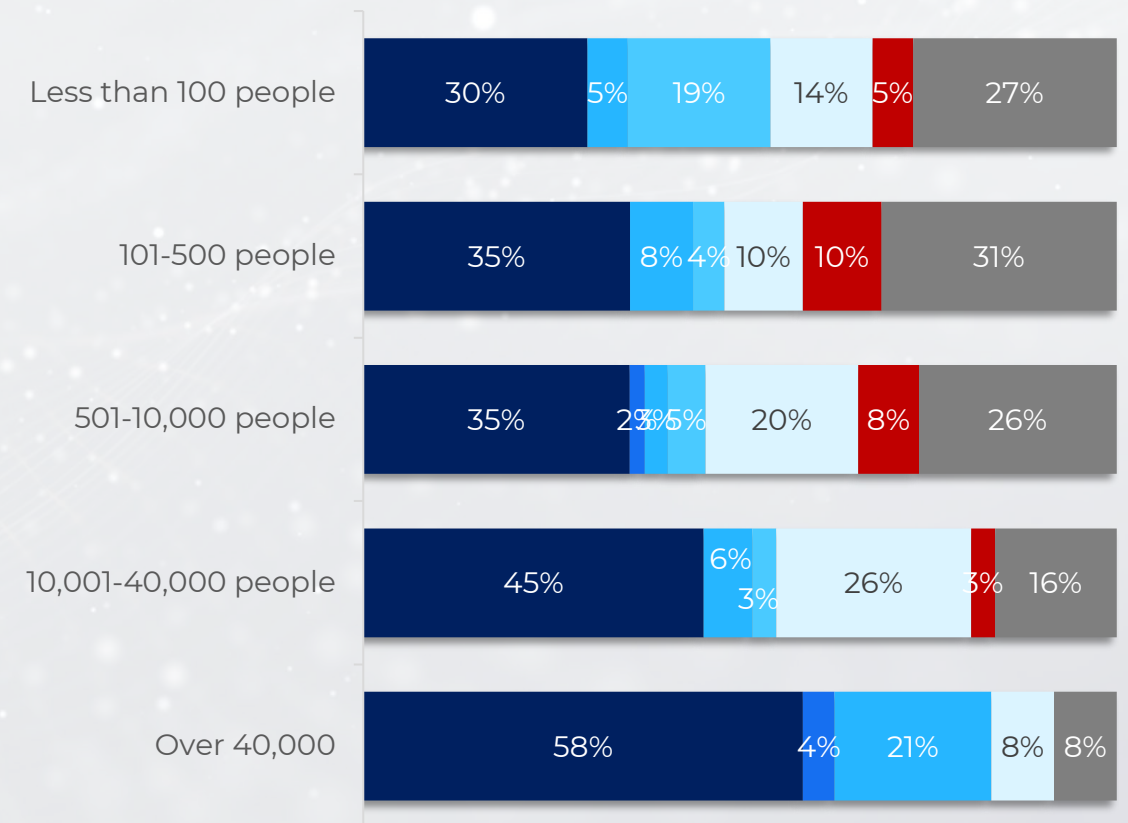


FX execution choices by segment (by %)



■ Already implemented
 ■ By the end of H1 2026
 ■ By the end of H1 2027
 ■ By 11th October 2027
 ■ We do not intend to implement this recommendation
 ■ Not yet known

FX execution choices by firm size (by %)



■ Already implemented
 ■ By the end of H1 2026
 ■ By the end of H1 2027
 ■ By 11th October 2027
 ■ We do not intend to implement this recommendation
 ■ Not yet known

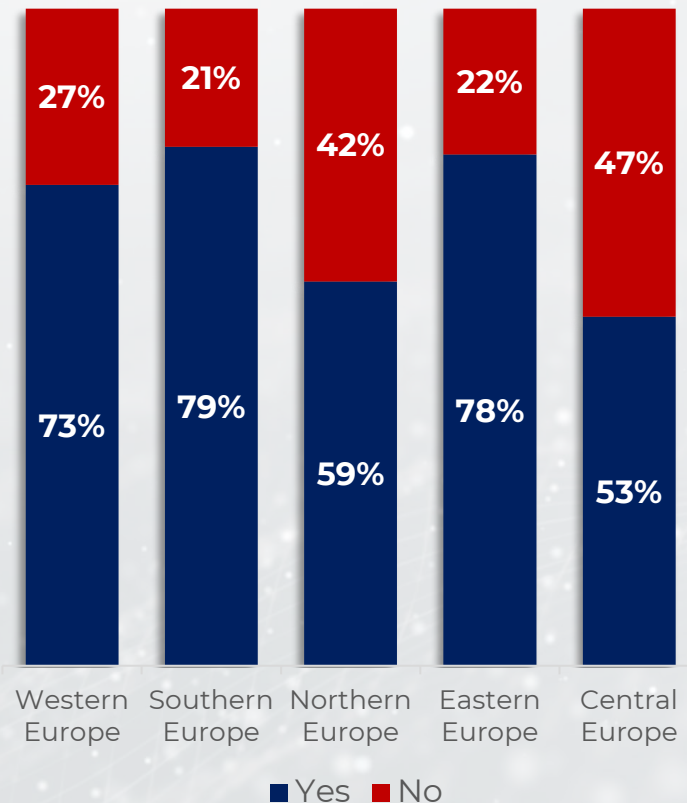
Question: In the context of FX execution and settlement, by when do you expect to make FX execution choices to ensure successful settlement



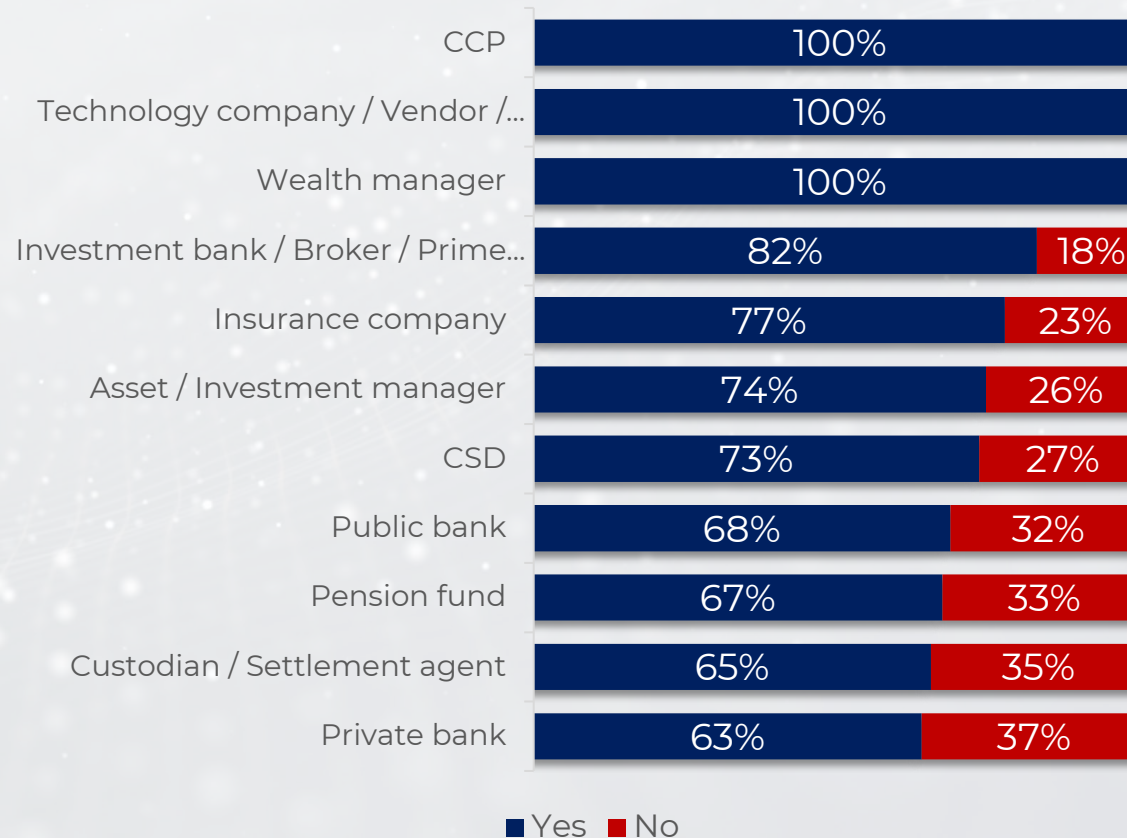
72% expect the deadline for elective corporate actions to be close of business after settlement but will a regional divide challenge harmonisation?



Expectation for elective corp. action market deadline to be close of business after final settlement by %



Expectation for elective corp. action market deadline to be close of business after final settlement by % by segment



Slight drop of 5% in the expectation for deadlines to be the close of business after settlement from the last survey.

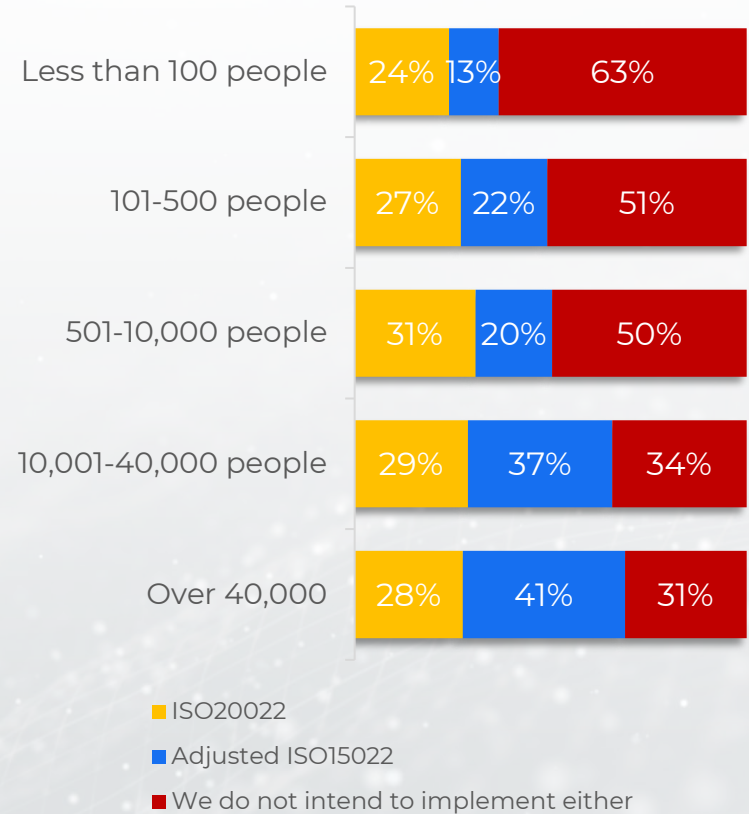
Relative alignment across sectors.

But more regional variation – how can standards shape a more even implementation?

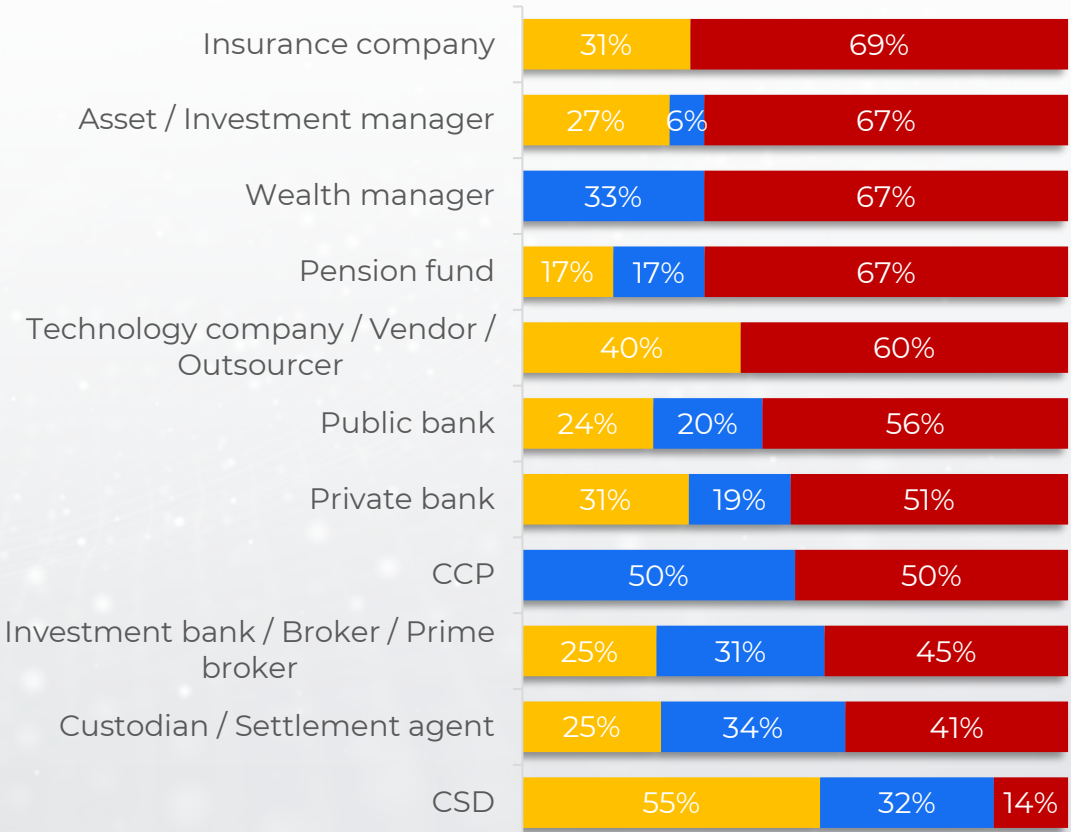
Given the choice of ISO20022 or adjusted ISO15022 for market claims processing the majority choose neither



% of firms planning to use different messaging standards for market claims processing under T+1



% of firms planning to use different messaging standards for market claims processing under T+1



At 55% the CSDs are strongly favouring ISO20022 with only 3 CSDs not anticipating implementing either.

CSDs aside, the sentiment is clear – new messaging is not supported.

Only brokers and custodians have an overall majority favouring new messaging with the adjusted ISO15022 as their preference.

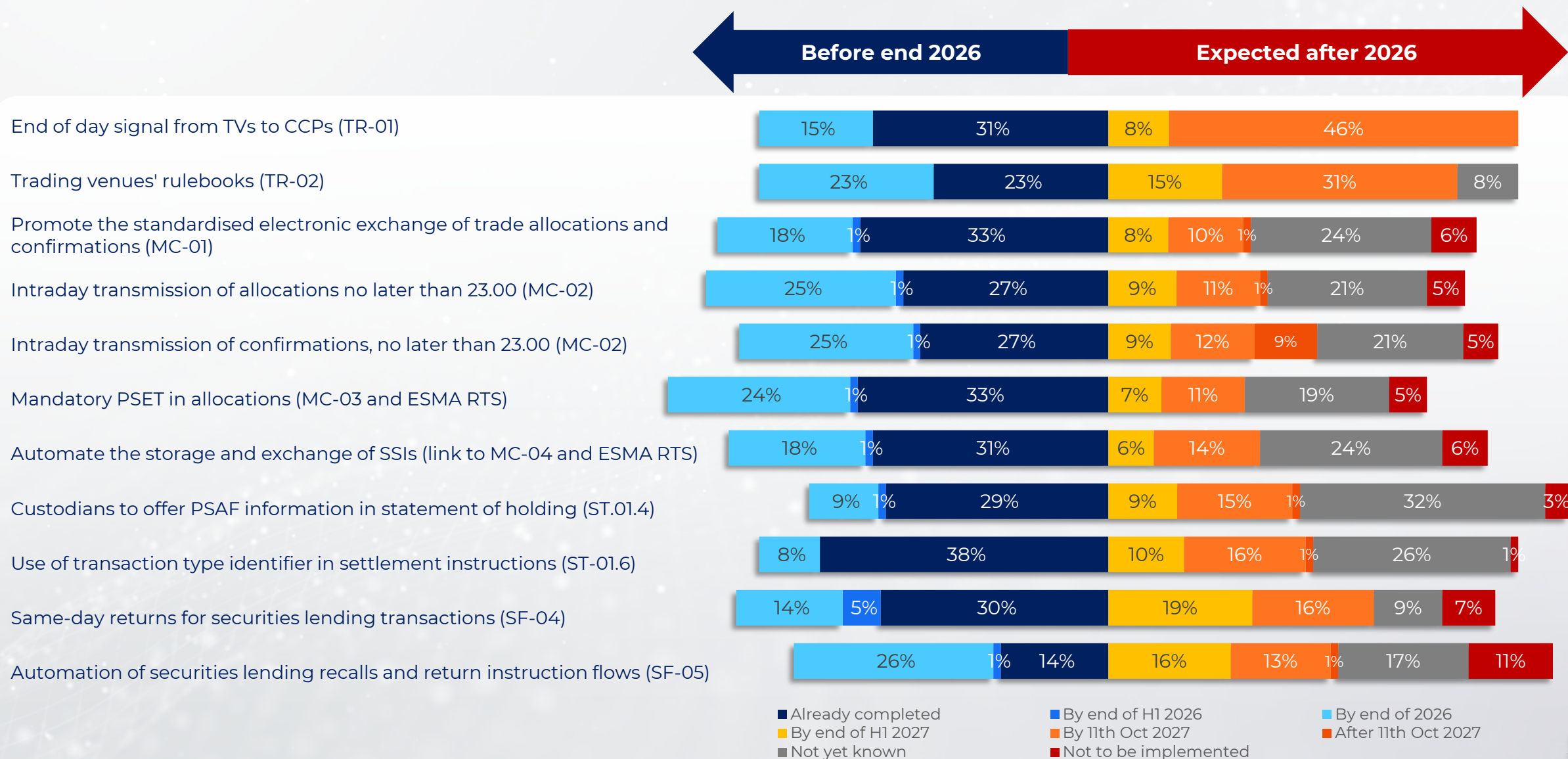
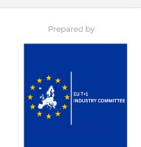


03

2026 deadlines and operational timetable



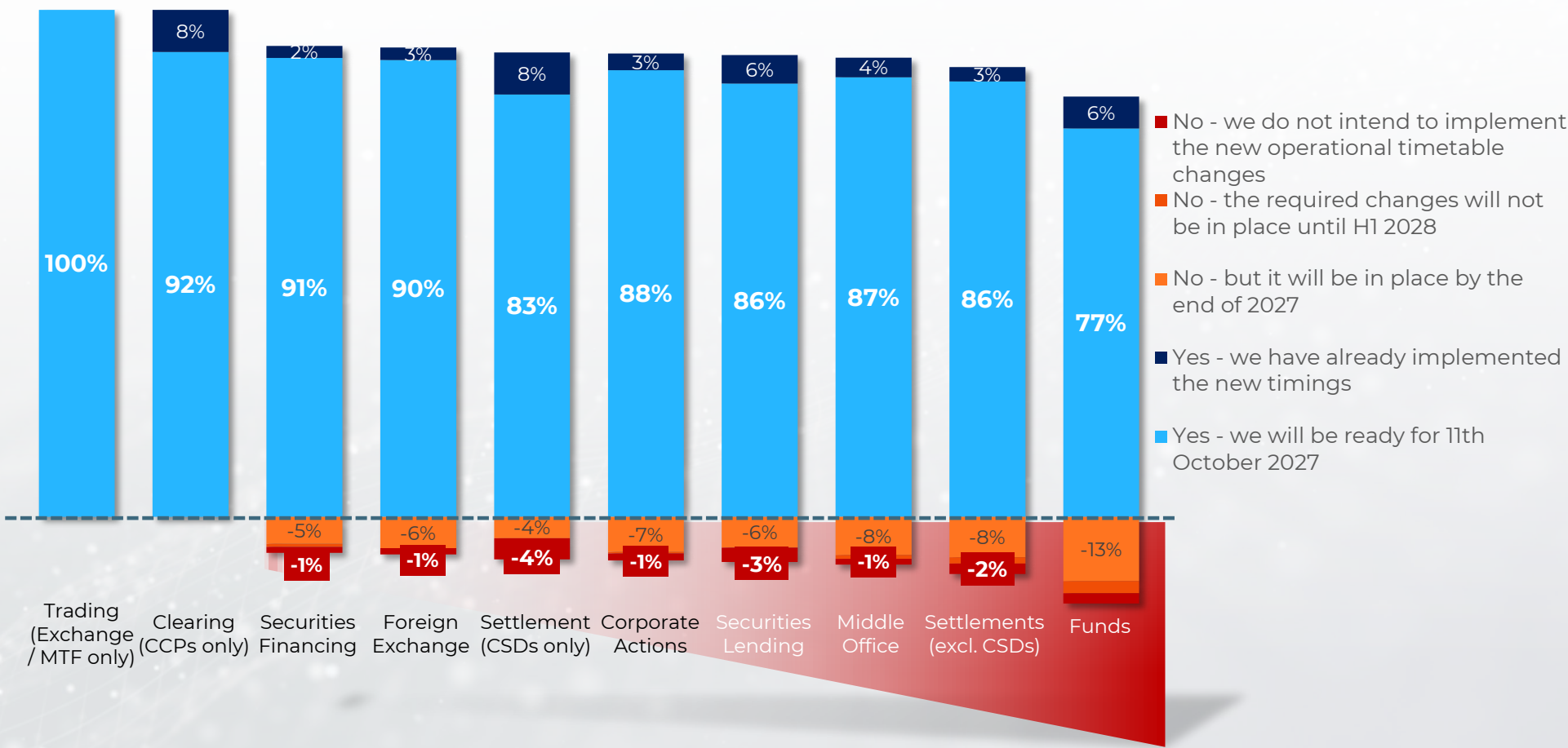
Up to 58% of 2026 deliverables are on track with middle office processes leading the way



Over 90% of firms expect to meet the new operational timetable requirements in time for 11th October 2027



firms readiness to meet the new T+1 operational timetable by %



Europe is embracing the new operational timings.

8% of settlements and middle-office respondents expect to miss 11 Oct 27 deadline. Could this damage settlement efficiency?

3% of CSDs and securities lending respondents do not intend to implement the new timetable alongside 2% of settlements respondents (excl. CSDs).



Thank you!

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