



T+1



Updated in February 2025

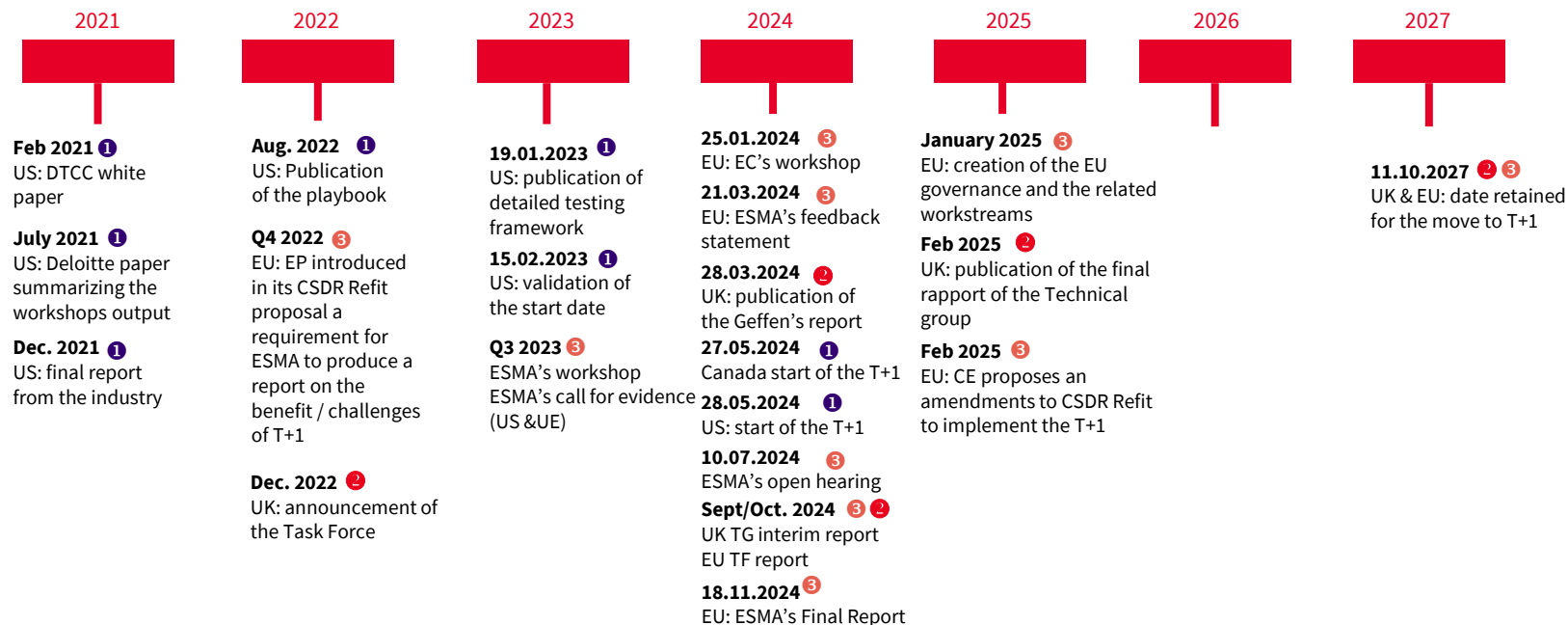
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REGULATORY EVOLUTION

- T+1 in the US & Canada ①
- T+1 in the UK ②
- T+1 in the EU ③

FOCAL POINTS

- US and Canada moved end of May after, for US, a 3 years preparation; no issue detected
- A political project included in the 2022 Government's Edinburgh Reforms with the will to follow the US that led to the creation of the Geffen TF
- The topic is both political (EC) and legislative (ESMA to provide an assessment); Unlike US or UK, the Union covers 27 countries that will have to move at the same time. In addition, a move to T+1 will mean important changes for the industry but also the market infrastructures thus significant costs. Such evolution should be carefully discussed,



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STATEMENT

- US / Canada (and Mexico): the move to T+1 has happened on the 28th of May 2024 (US) and on the 27th of May 2024 (Canada)
- Whereas for the UK and the EU, the move to T+1 is on progress
 - UK final rapport published (Feb 2025)
 - ESMA final report issued in November 2024 : 11/10/2027 is the date proposed by ESMA
 - EU ITF report issued in October 2024
 - EU governance: workstreams have started their work
 - CE published a proposal to amend CSDR Refit (Feb 2025)

FOR YOUR CONSIDERATION

- US T+1:
 - No main issue : a level of affirmation above what was expected; most of the difficulties were from APAC clients
 - However, a lack of full automation that led actors to use manual processes that may be costly with additional risk
 - No full harmonized way to handle corporate actions on US ISIN when traded in the EU (only for the record date)
- UK and EU:
 - 11/10/2027 is the target date for both UK and EU
- EU:
 - The proposed amendment of CSDR Refit (article 5(2)) needs to be adopted by the European Parliament and by the Council (level 1 text procedure)

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