

## GLOBAL MARKETS: HOW TO PREPARE FOR T+1 SETTLEMENT IN EEA, UK & SWITZERLAND

Last year, EU, UK & Swiss regulators announced the reduction of the standard settlement cycle for securities transactions to one business day after the trade date (T+1), **effective 11 October 2027**.

2026 is a pivotal implementation year for T+1, as firms turn new requirements into day-to-day operating changes. This article outlines what to expect as the market moves to T+1, including our approach and key suggestions to facilitate the transition ahead of go-live.

### OVERVIEW

#### Product Scope

**Regulatory** - Transactions executed on multilateral venues in transferable securities

- Cash Equities
- Bonds (Domestic & Eurobonds)
- Exchange Traded Products (Notes, Funds, Warrants)

#### Market Scope

- European Union: 27 Member States
- European Economic Area: Iceland, Liechtenstein, Norway
- United Kingdom
- Switzerland

#### Industry Resources

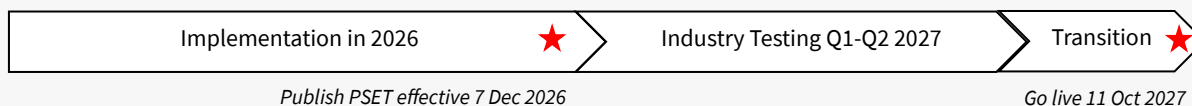
- EU [Link](#)
- UK [Link](#)
- CH [Link](#)

Beyond regulatory scope, indirect impacts are expected on OTC Securities, Exchange & OTC Equity derivatives, Equity Swaps & Securities Financing Transactions.

#### Key Market Deadlines

	EU	UK	CH
Allocations, Confirmations	23:00 CET on T0	23:59 UK time on T0	-
Instruction submission	23:59 CET on T0	05:59 UK time on T+1	23:15 CET on T+1
DVP cut off	EUR 16:00 CET	GBP 15:45 UK time	CHF 17:00 CET

#### Timeline



### MAIN T+1 CONSIDERATIONS

Move to T+1 will require shortening certain processes and extensively modifying some others.

Key Changes	Before	After	SG Approach & Expectations
SSI (Stock & Cash) Exchange	<ul style="list-style-type: none"> <li>• Various formats</li> </ul>	<ul style="list-style-type: none"> <li>• At Onboarding using standardized messages or Vendor Utility</li> </ul>	<ul style="list-style-type: none"> <li>• Authenticated sources e.g. DTCC Alert</li> </ul>
Allocations & Confirmations	<ul style="list-style-type: none"> <li>• By T+2</li> </ul>	<ul style="list-style-type: none"> <li>• By 23:00 CET on T0</li> </ul>	<ul style="list-style-type: none"> <li>• By 23:00 CET via DTCC CTM, FIX, EquiLend, Pirum, MarketAxess (Trax), OSTTRA Traiana</li> </ul>
PSET Provisioning	<ul style="list-style-type: none"> <li>• Optional</li> </ul>	<ul style="list-style-type: none"> <li>• Mandatory</li> </ul>	<ul style="list-style-type: none"> <li>• Discrepancies raised on T0</li> </ul>
Settlement Instructions	<ul style="list-style-type: none"> <li>• By T+2</li> </ul>	<ul style="list-style-type: none"> <li>• By 23:59 CET on T0</li> </ul>	<ul style="list-style-type: none"> <li>• Discrepancies raised on T0</li> </ul>
Position Transfers	<ul style="list-style-type: none"> <li>• By T+2</li> </ul>	<ul style="list-style-type: none"> <li>• By T+1</li> </ul>	<ul style="list-style-type: none"> <li>• Discrepancies raised on T0</li> </ul>
Auto-Partial	<ul style="list-style-type: none"> <li>• Optional</li> </ul>	<ul style="list-style-type: none"> <li>• Default Practice</li> </ul>	<ul style="list-style-type: none"> <li>• SG will auto partial</li> </ul>
Corporate Actions	<ul style="list-style-type: none"> <li>• Ex-date = Record date + 1</li> <li>• Last Trading date = Record date - 2</li> </ul>	<ul style="list-style-type: none"> <li>• Ex-date = Record date</li> <li>• Last Trading date = Record date - 1</li> </ul>	<ul style="list-style-type: none"> <li>• Inform SG corporate action team of any position increase / creation in case of voluntary corporate action close to cut off</li> </ul>

## FRAMEWORK FOR MEETING T+1 REGULATORY OBJECTIVES

### A. On Trade Date (T0): Accurate and timely instructions

- **Send Allocations & Confirmations with Place of Settlement (PSET) from 7<sup>th</sup> Dec 2026**
  - Provisioning PSET will be **mandatory** in all allocations and confirmations
  - Complete trade allocations and confirmations **no later than 23:00 CET on T0**
  - Use electronic matching platforms as soon as trades are booked
- **Provide complete and accurate settlement instructions**
  - **Ensure referential data quality** as T+1 will stress 'just in time onboarding' chains, wherein accounts not correctly set up ahead of trading would result in significant settlement risk.
  - Share SSI's only via authenticated sources such as **DTCC ALERT**. Alternatively, use our Digital SSI self-service offering on **SG MARKETS**. Note, our policy considers SSIs shared via emails as 'un-authenticated' triggering a callback process which delays the update of SSI in our referential, impacting timely settlement.
  - **Raise & resolve all discrepancies from T0** based on pre-matching instructions sent on T0

### B. On T+1: Settle as much position as possible

- **Auto Partial as much as possible.** Societe Generale intends to align with the regulatory recommendation to partial as a default standard for all securities transactions.
- **Anticipate position transfers as early as possible** according to all the relevant cut-off times to ensure sufficient cash & securities provisions in the accounts to allow trade settlement.

### C. Manage settlement risk on Corporate Actions

- **Communicate any intention to buy or increase positions**, particularly close to corporate action deadlines, to allow appropriate checks with custodians and mitigate risk of instruction rejection.
- **Raise any security settlement related issues impacting corporate actions elections** as soon as detected, and **before the response deadline**.

### D. Monitor market practice evolution

- Anticipate potential other products transitioning to T+1 to align with the settlement cycle of underlying securities in the impacted markets. **Societe Generale intends to follow industry standards and default the settlement cycle of the following products to T+1:**
  - Securities traded bilaterally (OTC)
  - Equity Swaps
  - Equity Derivatives on eligible transferable securities
- Clients are requested to notify their usual Societe Generale representative at an early stage if a transaction is expected to settle outside the default T+1 settlement cycle.
- Societe Generale is also actively following and participating in the industry guideline definition, particularly in the following areas, updates for which will be communicated in due course:
  - Securities Lending
  - ETF Primary Creations & Redemptions
  - Bond derivatives (bond futures) traded on venues - Societe Generale awaits the guidance from trading venues and central clearing counterparties (CCPs)
  - Prime Brokerage

### E. Plan internal & industry testing in Q1-Q2 2027

- Testing is key to ensure successful transition, plan internal testing as early as possible.
- Societe Generale monitors key FMI's updates for testing platform availability, connectivity & use cases that may affect the current T+1 Industry committee testing windows.

## CONCLUSION: KEY TAKEAWAYS

- ✓ **Share SSIs (stock & cash) at onboarding** using authenticated sources (i.e. DTCC Alert)
- ✓ **Complete trade allocations and confirmations by 23:00 CET on trade date (T0)** using electronic platforms
- ✓ **Ensure PSET is accurately communicated on trade date (T0) starting 7 December 2026**
- ✓ **Continue providing complete and accurate trade instructions**, anticipate & initiate position transfers as soon as possible
- ✓ **Market practices for securities lending and ETFs may evolve** following industry dialogue and will be communicated by Societe Generale in due course
- ✓ **Engage with us early** to discuss exceptions to the default settlement cycle on OTC products (securities, equity swaps, or derivatives) or constraints specific to your operating model.

The success of T+1 transition relies on all the market participants readiness, including both of us.

If you have any questions, reach out to [us](#) or to your usual Societe Generale contact to discuss how we can support you in implementing the necessary changes as we progress towards the transition. We look forward to continuing the dialogue in the months leading up to the transition.

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