

Client Implementation Guide

Supporting your transition to T+1 settlement in Europe

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Abbreviations

Abbreviation	Full name
AA	AutoAssign
AMI-SeCo	Advisory Group on Market Infrastructures for Securities and Collateral
ASL	Automated Securities Lending
CBL	Clearstream Banking S.A. (ICSD)
CCP	Central Counterparty
CEU	Clearstream Europe AG (CSD)
CFS	Clearstream Fund Services
CLS	Continuous Linked Settlement
CmaX	Collateral Management eXchange
CSDR	Central Securities Depositories Regulation
CSD	Central Securities Depository
CET	Central European Time
DvP	Delivery Vs Payment
EOD	End-of-Day
ESMA	European Securities and Markets Authority
ETF	Exchange-Traded Fund
FMI	Financial Market Infrastructure
FoP	Free of Payment
FX	Foreign Exchange
GMA	Group Matching Account
HLRM	High-Level Roadmap
(I)CSD	(International) Central Securities Depository
LEI	Legal Entity Identifier
NCA	National Competent Authority
NTS	Night-Time Settlement
OTC	Over-the-Counter
POA	Power of Attorney
PSAF	Place of Safekeeping
PSET	Place of Settlement
PvP	Payment versus Payment
RQV	Required Value
RTS	Regulatory Technical Standards
SFT	Securities Financing Transaction
SMPG	Securities Market Practice Group
SSI	Standing Settlement Instructions
STP	Straight-through Processing
T+0	Same-day Trading and Settlement
T+1	Trade Date plus one business day
T+2	Trade Date plus two business days
T2S	TARGET2-Securities

Background

The European Union, along with the UK and Switzerland, is set to shorten the securities settlement cycle from two business days (T+2) to one (T+1) on **October 11, 2027**. This strategic decision aims to reduce counterparty and market risks, align with global markets like the U.S., and enhance the overall efficiency and competitiveness of Europe's capital markets.

The EU T+1 Industry Committee, bringing together a diverse group of stakeholders, published the [High-Level Roadmap \(HLRM\)](#) in June 2025. This document provides key recommendations and a framework to guide market participants in their planning and preparation for T+1. In addition to the HLRM, several critical topics have been addressed by additional expert workstreams in the form of Market Practices. This was followed by the [EU T+1 Securities Settlement Handbook](#) in February 2026, which translates the high-level recommendations into actionable, example-based guidance for implementation. Together, the HLRM, its addenda, and the Implementation Handbook serve as the core guiding principles for market participants to follow to achieve T+1 readiness. Building on these documents, the EU, UK and Swiss industry committees published a joint testing plan on March 25, 2026. The specifics of this plan, including the procedure for using Clearstream's testing environment, are detailed in the chapter "[The T+1 Industry Testing Plan: Our Approach and Your Role](#)".

This guide is designed to support you, our (I)CSD participants, on your journey to T+1. It details the impact of this change, outlines our specific implementations, and clarifies what you can incorporate into your T+1 readiness activities. Please note that this is the initial version of the Implementation Guide. We will provide updates as further changes are confirmed. Furthermore, this guide shows how Clearstream's suite of solutions can help you meet these new requirements and bring you closer to seamless T+1 operations.

Exhibit 1: Resources for your journey to T+1



This Client Implementation Guide also applies to settlement instructions originating from investment funds activities, including ETFs and those processed via Clearstream Fund Services and Vestima®, whenever such activities result in settlement instructions at CSD or ICSD level. The recommendations and timelines described in this guide are therefore relevant not only for custody activity, but also for fund distribution and asset management operating models at the settlement layer.

Clearstream's approach: aligning CSD and supporting ICSD operations

Clearstream operates two Central Securities Depositories (CSD) and an International CSD (ICSD) as well as a Fund Services Platform, tailoring our approach to the T+1 deadlines to the needs of the participants.

- **T2S CSDs (Clearstream Europe AG – CEU & LuxCSD):** Our CSDs, which operate on the TARGET2-Securities (T2S) platform, will fully align their operational timetables with the new harmonized EU schedule outlined above.
- **ICSD (Clearstream Banking S.A. – CBL):** Our ICSD operates on a distinct settlement model to support your international activities: CBL performs continuous “mini-netting” events throughout the day, providing you with the benefits of technical netting on an ongoing basis. For this reason, our ICSD will not change its existing settlement start times and cut-offs, ensuring that you retain the operational flexibility needed to manage your global settlement activities. Please refer to the [Settlement Timings Matrix](#) for details.
- **CFS (Clearstream Fund Services):** If you are using CFS, the same changes apply as for our CSD infrastructure. In addition, you will need to ensure that all key settlement steps are completed on trade date. This includes trade allocations, confirmations, as well as FX execution and funding alignment for cross-currency fund settlement.

Note:

The Bridge settlement procedure is currently undergoing updates. For the changes, including information on cut-offs, kindly refer to the joint client announcement [published on the Clearstream website](#).

Clients*	Impact of Operational Timetable
CEU	● High
CBL	◐ Medium
LuxCSD	● High
CFS	◐ Medium

* The impact rating (High, Medium, Low) indicates the level of operational change and preparation that could be required by clients of the respective entity.

To summarize, this operational timetable applies equally to all settlement flows, including those originating from investment funds and ETF activities processed by Clearstream.

Client considerations: a harmonized schedule for efficient settlement

The EU T+1 recommendations establish the new market standard required for successful settlement. This harmonized operational timetable creates a new cadence for the entire European market, outlining important deadlines across the transaction lifecycle, from trading to settlement. Adherence to this schedule is essential for all participants to maintain and improve overall settlement efficiency.

This principle of universal application means that all settlement instructions, regardless of their origin, are subject to the same compressed timelines. For example, in the case of asset management, this necessitates the earlier completion of upstream processes—such as trade allocation, confirmation, and FX booking—to ensure cash and securities are available for fund and ETF-related settlements.

The table below details these key recommendations for pre-settlement processes and their associated deadlines across the lifecycle:

Key recommendations for pre-settlement processes

Lifecycle Stage	Key Recommendation	Deadline / Timing	HLRM Reference
Securities financing (1/3)	Standardized deadline for stock loan recall notifications	17:00 on Trade Date	TR-04.1
Trading & clearing	CCPs to include trades executed before this time in their end-of-day (EOD) netting process	22:00 on Trade Date	TR-01, CL-01
	CCPs to release EOD netting reports and input settlement instructions	By 22:30 on Trade Date	CL-01
Matching & affirmation	Promote standardized electronic exchange of trade allocations and confirmations to enhance straight-through processing (STP)	As soon as practicable on Trade Date	MC-01
	Provide Place of Settlement (PSET) data at the point of allocation to enable early identification of discrepancies	As soon as practicable	MC-03
	Timely processing of transactions in non-EU currencies (e.g., APAC, ZAR) to meet funding deadlines	Promptly after execution	ST-03.11
	Complete trade allocations and confirmations between buy-side firms and executing brokers	By 23:00 on Trade Date	MC-02
Securities financing (2/3)	Require automated pre-matching of all Securities Lending instructions , including SSI comparison, on Trade Date	By 23:00 on Trade Date	MC-05.1
Instruction management	Recommended deadline for settlement instructions to be submitted to (I)CSDs to leverage night-time settlement	By 23:59 on Trade Date	ST-01.1
FX & funding	FX transactions to be dealt, processed, and submitted to CLS for PVP settlement	By 00:00 on Settlement Date	FX-04

Lifecycle Stage	Key Recommendation	Deadline / Timing	HLRM Reference
Securities financing (3/3)	Deadline for stock loan return notifications	15:00 on Settlement Date	TR-04.2
	Best practice deadline for the settlement of recalled securities to allow for reuse	15:30 on Settlement Date	TR-04.3
Settlement phase considerations			
Cut-off times	Adherence to the CSD and ICSD cut-off times would ensure T+1 settlement.	CEU and LuxCSD – T2S cut-off times apply CBL – Settlement Timings Matrix	

Today's settlement reality: matching performance and readiness imperatives

82% of instructions are timely.
Yet, only 77% are matched on time.

To prepare for T+1, we strongly encourage you to perform an important two-step assessment:

1. Analyze current trade flows to quantify the volume of transactions that are not instructed on trade date and evaluate the reasons for this delay in instructing (manual processes, missing confirmations/allocations, unclear settlement routes etc).
2. Based on that analysis, evaluate how greater **automation**, AI-driven tools, and enhanced workflows can be leveraged to accelerate matching rates and manage this new operational demand.

Tip:

The SettlementNext dashboard on [Xact](#) is available for you to access your specific input and matching statistics, with settlement prediction and upcoming real-time fixing queues to improve matching rates.

Settlement

With the pre-settlement recommendations now covered (see [table "Key recommendations for pre-settlement processes"](#)), this chapter focuses on optimizing the settlement phase itself. Achieving high settlement efficiency is a cumulative process; therefore, the recommendations below are designed to build upon upstream improvements and help you refine your operations further.

Clearstream is ready to support the transition to T+1; our systems are cycle-agnostic and already equipped to handle the upcoming changes, ensuring a seamless experience. A key element of settlement discipline under T+1 is ensuring the timely and accurate transmission of instructions. Late submissions or manual interventions from any source significantly increase settlement risk in a compressed timeframe.

This section details the key recommendations for the settlement phase, which are split into four core sections: [Instruction management](#), [Settlement system timings](#), [Tools and functionalities](#) and [Fails prevention and liquidity optimization](#).

Instruction management

Clients	Impact of Recommendations*					
	ST-01.1	ST-01.2	ST-01.3	ST-01.4	ST-01.5	ST-01.6
CEU	○ Low	○ Low	● Medium	○ Low	● Medium	● Medium
CBL	○ Low	○ Low	● Medium	○ Low	● Medium	● Medium
LuxCSD	○ Low	○ Low	● Medium	○ Low	● Medium	● Medium
CFS	○ Low	○ Low	● Medium	○ Low	● Medium	● Medium

* The recommendations refer to the guidelines defined in the [High-level Roadmap](#).

ST-01.1 Real-time processing of settlement instructions and ST-01.2 Automated / STP instruction processing

Clearstream enables you to send fully automated (STP) settlement instructions via Swift or Xact, ensuring seamless real-time processing across all platforms, this includes the processing in T2S.

ST-01.3, ST-01.4, ST-01.6 “Gold Standard” of SSI and instruction management

To address key matching inefficiencies, the EU T+1 Industry Committee's SSI Task Force published key market practices in December 2025. These practices are effectively creating a “gold standard” for the industry.

The goal is to eliminate settlement instruction errors and the need for manual repairs in the compressed T+1 timeline.

The key factor is not the specific messaging standard used (ISO 15022 or ISO 20022), but the clear, consistent, and unambiguous use of data fields within the chosen standard.

1. Correct usage of PSET and PSAF

- **Place of Settlement (PSET):** Always populate PSET with the **BIC11 of the CSD** where your **counterparty** wants to settle.
 - Field/qualifier: :95P::PSET or ←PlcOfSttIm→
 - Key routing codes:

Where does your counterparty have its account?	Required BIC
Internal (CBL to CBL)	CEDELULLXXX
Bridge (CBL to Euroclear)	MGTCBEBEECL
Clearstream Europe (CEU)	DAKVDEFFXXX
LuxCSD	LUXCLULLXXX
Domestic Markets	Specific Local CSD BIC

- **Place of Safekeeping (PSAF):** This field identifies the specific depository or CSD where the securities are held. The SAFE field (the standard term for **:94F::SAFE** or **←SfkpgPlc→**) should be used if the same ISIN is held in **multiple locations** or is being traded outside its “home” market.

Common Usage Codes:

- **ICSD:** Followed by **CEDELULL** (International CSD)
- **NCS D:** Followed by the local CSD BIC (National CSD)
- **CUST:** Followed by the BIC of the specific specialized depository

Important distinction: It is important to not confuse field **:94a::SAFE** (the location of the securities) with field **:97a::SAFE** (your specific Safekeeping Account number).

In line with recommendation **ST-01.4**, Clearstream provides the PSAF information in the Statement of Holding (MT535) in field **:94A::SAFE**.

Ensuring the accuracy of Place of Settlement (PSET) information at the source is important for achieving timely matching and settlement within T+1 timelines. Taking into account the PSAF information provided by depository or custodian will help to avoid position mismatches.

2. Process automation: standardizing the SSI exchange

The manual and inconsistent handling of Standing Settlement Instructions (SSIs) is a primary cause of settlement exceptions and failures a risk that is untenable in a T+1 environment. To address this, the market practice defines a standardized and automated lifecycle for SSIs.

The goal is to move away from manual methods like PDF or fax and establish a fully automated, interoperable framework where SSIs are communicated in near real-time. The objective for clients is to adopt this standardized approach for both the content and the communication of their SSIs.

- **Automate the exchange of SSIs using standard messages:** Given today’s complex settlement chains, replacing manual communication with a standardized set of electronic messages is the core of the market practice. All participants are expected to adopt the following ISO 20022 (reda) and FIX messages for managing the entire SSI lifecycle:

Action	Purpose	ISO 20022 Message	FIX Message
Create/Update	To provide a new or modified SSI	reda.056	35=T
Delete	To permanently remove an existing SSI	reda.057	35=T
Status advice	To confirm if an instruction was accepted/ rejected	reda.058	35=T
Cancel	To withdraw a request <i>before</i> it is processed	reda.059	35=T

- **Implement the standardized SSI workflow:** Your internal processes should align with this automated workflow. SSIs should be created, shared, and validated using standard messages, with status messages confirming receipt and acceptance. This creates a transparent and auditable trail.
- **Collaborate with all parties and leverage utilities:** This is a collective effort. Please engage with all your counterparties—investment managers, custodians, and brokers—to ensure alignment. Using industry utilities that act as central repositories is highly encouraged as they simplify and streamline this process for all participants.

Note:

Since these SSI enhancements primarily impact the pre-settlement stages of the transaction lifecycle, they do not require system changes within the Clearstream environment. However, Clearstream strongly recommends that you implement these market practices to ensure your overall T+1 readiness and prevent settlement failures.

3. Utilizing specific transaction type identifiers for clarity and compliance (ST-1.06)

The use of specific transaction codes in settlement instructions is the third pillar of the “gold standard” and is a mandatory market practice that drives both regulatory compliance and operational transparency. This practice is driven by the CSDR Refit (Article 7) to enable exemptions from cash penalties and ensure accurate regulatory reporting of settlement fails.

Rationale

The rationale for this requirement is twofold:

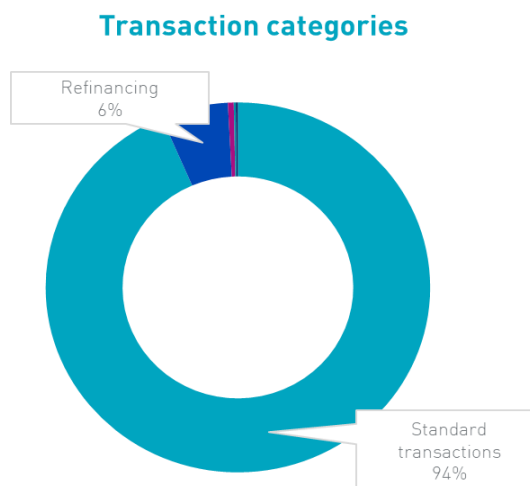
1. **Regulatory transparency:** Distinguishing SFTs from other transaction types will achieve the transparency required for the automated exemption of SFTs (documented as single transactions) from the regulatory scope of T+1 under Article 5(2) of CSDR.
2. **Accurate reporting:** It ensures compliance with the CSDR Regulatory Technical Standards (RTS) for instruction matching, in effect from February 2022. This allows (I)CSDs like Clearstream to report settlement fails with greater accuracy.

Clarification:

It is important to note that the transaction type identifier is **not a mandatory matching field**. Its incorrect usage will not impact settlement matching or efficiency. Its primary role is in post-trade processes, specifically for accurate reporting and the application of the CSDR cash penalties framework.

TRAD as a catch-all: the potential driver of cash penalties

Exhibit 2: The New Operational Timetable



An analysis of current settlement data shows that the **TRAD** indicator is often used as a “catch-all” for all transaction types, including SFTs and as also reflected in cash penalty figures, where **TRAD** transactions account for the majority of penalties.

The core action: precision in every instruction

The key action for you is to ensure every settlement instruction includes the specific ISO transaction type that accurately reflects the underlying transaction. This must be populated in the correct field:

- ISO 15022: field :22F::SETR//
- ISO 20022: the “Securities Transaction Type” field

Minimum required transaction codes

All market participants must be able to send the following minimum set of transaction codes. These are broken into two main categories based on the regulatory driver.

Clearstream is currently reviewing existing mechanisms of transaction code use to enable all relevant ISO codes.

a. Codes required by the CSDR Settlement Discipline Regime:

These codes are the absolute minimum required to comply with the current CSDR requirements and to ensure SFTs are correctly identified. Other codes are available to address different functional elements for which securities instructions are required.

Transaction Category	ISO Codes to Use
Standard trade	TRAD
Securities financing (SFTs)	SECB (Borrow), SECL (Lend), REPU (Repo), RVPO (Reverse Repo), TRPO (Triparty Repo), TRVO (Triparty Reverse Repo), BSBK (Buy-Sell Back), SBBK (Sell-Buy Back)
Collateral management	CNCB (Central Bank Collateral), COLI (Collateral In), COLO (Collateral Out)

b. Codes for proposed CSDR cash penalty exemptions:

To benefit from potential exemptions from cash penalties, clients must use the following specific codes.

Exempted Operation	ISO Codes to Use
Collateral mobilization for central bank credit operations	CNCB
Market claims and corporate actions on stock	CORP, CLAI
Primary market issuance and technical creation of securities	ISSU, PLAC, NSYN, SYND, MKUP, MKDW
Primary market creation and redemption of fund units/shares	MKUP, MKDW
Share registration in the issuer’s register	Under investigation; no specific code defined.
Primary market investment fund creation/ redemption	ETFT: REDM, SUBS

Note on investment fund codes:

Further industry guidance is expected on the precise use of **REDM**, and **SUBS** to clearly distinguish primary market activity from secondary market trades.

The transaction type provided by you or upstream fund process should be preserved throughout the settlement lifecycle.

Benefits of using the correct indicator

By implementing the use of these specific transaction codes, you will not only comply with regulatory requirements but also unlock significant operational advantages:

- **Penalties avoidance:** Correctly identifying transactions is the primary way to reduce the risk of cash penalties under CSDR.
- **Enhanced reporting and prioritization:** Clearstream uses these indicators to populate your Statements of Transactions (MT536) and Statements of Pending Transactions (MT537). By filtering Swift feeds based on these qualifiers, your operational teams can instantly separate high-priority market trades (e.g., COLI, COLO, REPU, RVPO etc.) from automated collateral or lending movements, enabling a more focused approach to exception management.
- **Improved market transparency:** Consistent use of these codes contributes to a more transparent and automated post-trade environment for the entire ecosystem and enhances regulatory compliance overall.

ST-01.5 and ST-03.10: Dynamic forecasting and liquidity management tools

In the compressed T+1 timeframe, optimizing the management of securities and cash is paramount. A reactive approach to settlement, liquidity, and collateral is no longer sufficient; proactive management of resources, driven by timely data insights, is essential to create preconditions for the highest possible settlement efficiency in a T+1 environment.

Clearstream's **Data Solutions** suite supports this transition by providing you with predictive analytics and clear visibility into potential risks and operational needs. These tools empower you to assess your settlement performance, manage collateral and liquidity efficiently, and optimize your lending activities. A detailed description of the data solutions and how it can support you can be found in the section [Mastering T+1 with Clearstream](#).

Settlement system timings

This section provides a detailed operational breakdown of the settlement-specific deadlines that were introduced in [The new operational timetable: the cadence of T+1](#), explaining the underlying system changes and Clearstream's specific approach.

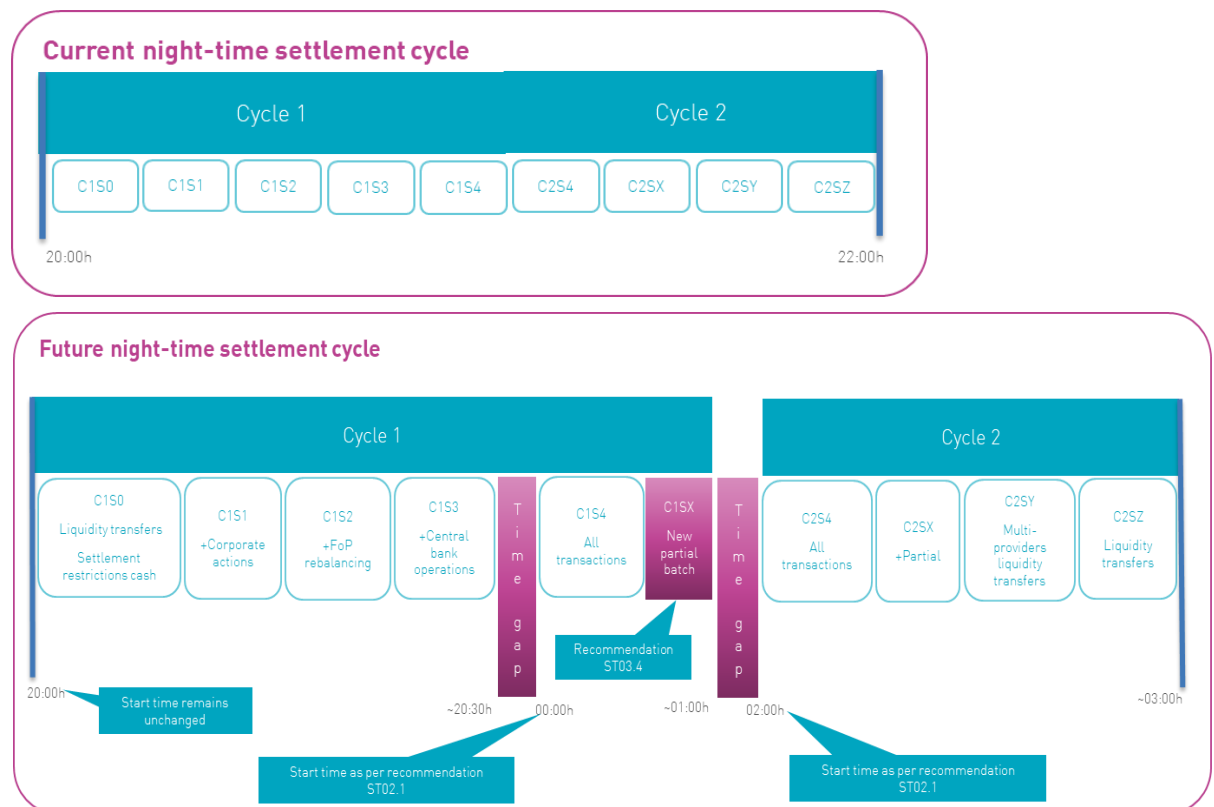
Clients	Impact of Recommendations				
	ST-02.1	ST-02.2	ST-02.3	ST-02.4	ST-02.5
CEU	● High	○ Low	○ Low	○ Low	○ Low
CBL	◐ Medium	○ Low	○ Low	○ Low	○ Low
LuxCSD	● High	○ Low	○ Low	○ Low	○ Low
CFS	◐ Medium	○ Low	○ Low	○ Low	○ Low

ST-02.1: The Enhanced T2S Night-Time Settlement (NTS) Schedule

To support the T+1 transition, the TARGET2-Securities (T2S) platform is implementing [Change Request 858 \(CR858\)](#), which modifies the Night-Time Settlement (NTS) schedule. This change is based on industry recommendations (HLRM ST-02.1 and ST-03.4).

The primary modification is a strategic delay of the first NTS cycle's fourth settlement sequence (C1S4) to **00:00 CET**. While the overall NTS start time remains 20:00 CET, this intentional pause creates a larger window for market participants to submit settlement instructions, accommodating instructions from later-closing trading venues and Central Counterparties (CCPs).

Exhibit 3: NTS Redesign



Key changes to the T2S NTS schedule

- **Delayed start for main sequence:** After the third sequence (C1S3) completes, T2S will pause settlement. The fourth sequence (C1S4) will only be triggered at **00:00 CET**.
- **New partial settlement sequence:** A new partial settlement sequence, **C1SX**, will be triggered immediately after C1S4 completes. This sequence will follow the same logic as the existing partial settlement sequence in the second NTS cycle (C2SX).
- **Pause before second cycle:** Following the completion of C1SX, T2S will again pause settlement until the second NTS cycle begins at **02:00 CET**. This gap allows participants to process reporting from the first cycle and enables T2S to process any newly eligible transactions.

Client action and recommendation: To maximize settlement efficiency and benefit from the technical netting opportunities of the main NTS cycle, it is recommended that you submit all settlement instructions by **23:59 CET**.

It is important to note that instructions submitted after this time can still achieve settlement on the intended settlement day, provided they are sent before the final market DvP and FoP cut-offs. These instructions will be processed during the real-time settlement windows. Furthermore, T2S will continue to accept settlement instructions during the scheduled pauses ahead of the C1S4 and C2S4 settlement cycles.

Impact: The adjustment to the start time of the NTS sequence will affect the timing of settlement reporting produced by T2S. Based on current assumptions and internal estimates, you may expect settlement reports to be available in two indicative batches: the first between **01:30 CET and 02:00 CET**, and the second between **02:45 CET and 03:15 CET**. These timings are provided for guidance purposes and remain subject to confirmation. Please assess your internal processes and downstream dependencies accordingly.

ST-02.2 to ST-02.4: Harmonizing settlement cut-offs

- The industry recommendations establish a DvP cut-off of **16:00 CET** for standard settlement in EUR and other currencies, and a FoP cut-off of **18:00 CET**. Clearstream is already in full compliance with these recommendations.
- **ST-02.4: Potential extension to a 17:00 CET DvP cut-off.** The proposal to investigate a later DvP cut-off of 17:00 CET is currently under assessment by the Eurosystem following an industry consultation. Should this change be adopted, Clearstream's T2S CSDs (CEU and LuxCSD) **would automatically align** with the new standard. Clearstream Banking S.A. (CBL) **would review** its existing cut-offs to continue facilitating its global client base. Please note that the HLRM recommendation does not anticipate a potential change in deadline by October 11, 2027.

ST-02.5: Facilitating global interaction

Clearstream already provides extensive global connectivity and will continue to enhance this support in the T+1 environment. Clearstream's Pan-European CSD and ICSD models are designed to provide you with seamless global market coverage. In support of this, Clearstream advocated for T2S Change Request 866 (CR866), which is designed to resolve settlement timing conflicts with Far East markets (Australia, New Zealand) by allowing securities and cash to be blocked before the official start of the T2S settlement day. This enhancement further supports your operations across multiple time zones. By the time of writing this guide, CR866 is still under consideration. For more details on the extent of coverage, please refer to the [Market Coverage](#) section of the Clearstream website.

Tools and functionalities

In a T+1 environment, leveraging the right tools to automate processes, manage exceptions and prevent settlement fails is no longer optional, it is essential. Clearstream provides a robust suite of functionalities designed to help clients optimize their operations for the compressed settlement cycle. These tools are fully available and operational today.

This section details the key tools, organized by their primary function:

- Instruction and exception management
- Fails prevention and liquidity optimization

Clients	Impact of Recommendations								
	ST-03.1	ST-03.3	ST-03.4	ST-03.5	ST-03.8	ST-03.9	ST-03.10	ST-03.12	ST-03.14
CEU	○ Low	● Medium	○ Low	○ Low	○ Low	○ Low	○ Low	○ Low	○ Low
CBL	○ Low	● Medium	○ Low	○ Low	○ Low	○ Low	○ Low	○ Low	○ Low
LuxCSD	○ Low	● Medium	○ Low	○ Low	○ Low	○ Low	○ Low	○ Low	○ Low
CFS	○ Low	● Medium	○ Low	○ Low	○ Low	○ Low	○ Low	○ Low	○ Low

Instruction and exception management

ST-03.1 & ST-03.3: Partial settlement—the new default for maximizing efficiency

Clearstream, across all its entities (CBL, CEU, LuxCSD), provides partial settlement and release. We strongly recommend that you align with the official EU T+1 market practice and CSDR Refit's goals (Article 6), which establish partial settlement as the default standard to enhance settlement efficiency.

The new market practice: partial by default

- **Default eligibility:** According to the market practice, all settlement instructions are to be considered eligible for partial settlement by default. The only way to prevent this is by explicitly using the NPAR (No Partial Settlement) indicator.
- **Bilateral opt-outs:** To prevent partial settlement on a standard transaction, both counterparties must agree bilaterally, and **both** must include the NPAR indicator in their respective settlement instructions.
- **Limited unilateral exemptions:** The market practice defines a small, explicit list of business flows where a single party may unilaterally instruct NPAR due to contractual or operational constraints. These are:
 - Securities Lending/Borrowing (transaction types: SECL/ SECB)
 - Corporate Actions (transaction type: CORP)
 - Portfolio Transfers (transaction type: PORT)

Clearstream's implementation

- **Default onboarding:** To align with the "partial by default" principle, all new accounts opened with Clearstream will be automatically enabled for partial settlement. As an existing client, you are invited to review your current choice. Should you wish to change your existing account-level setting, please request this with your Relationship Manager.
- **No technical change:** Clearstream's processing logic adheres strictly to the CSDR framework. As such, NPAR on either counterparty's instruction is sufficient to prevent the use of partial functionality on that transaction.

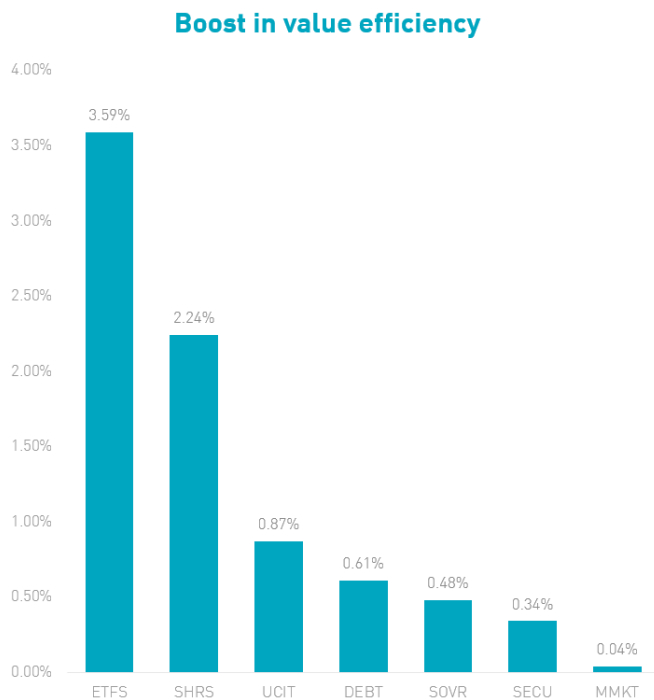
Key client considerations

1. **Treat partial settlement as standard:** Set partial settlement as the default outcome for all eligible instructions.
2. **Spot partial differences:** Leverage the PATD reporting provided via sese.024 and in MT548 and MT537 messages to identify partial settlement discrepancies and determine whether instructions should be updated to permit partial settlement. PATD will be available in T2S (CEU and LuxCSD) from June 2026 release and is already available in CBL.
3. **Reserve unilateral NPAR for permitted exemptions:** Although the settlement system will technically process a unilateral NPAR instruction on any transaction, you should adhere to the agreed market practice. This means reserving the use of the NPAR indicator strictly for the small set of predefined business flows (i.e., Securities Lending/Borrowing, Corporate Actions and Portfolio Transfers).
4. **Adopt early:** The industry strongly encourages adopting these practices as soon as possible to maximize settlement efficiency and ensure a smoother transition.

Further details on [T2S Change Request 798](#) and functional specifications for external partial settlement in CBL will be provided in subsequent communications.

We encourage you to adopt the partial settlement functionality as recommended by the high-level roadmap and CSDR Refit. As can be seen in the graph below, even smaller settlements can help boosting overall settlement efficiency. The compression of timeframes to T+1 can be expected to amplify the positive effect of partial functionality.

Exhibit 4: Partial settlement—usage and relevance



ST-03.5: Hold and Release—gaining control over settlement timing

The Hold and Release mechanism acts as a “settlement block,” allowing you to submit instructions to Clearstream while preventing them from entering the settlement process until a “Release” instruction is received. This will help reducing late matching fails penalties.

- **When to use:** This is ideal for internal, Bridge or external instructions (both FOP and DvP) that require final confirmation of holding the underlying securities.
- **Flexibility:** The “Hold” status can be set at the time of initial entry or applied to a pending instruction later, provided it has not been locked in for settlement.

Once settlement instructions are released to an external market, the “Hold and Release” functionality no longer applies and external market rules and timelines prevail.

Execution via Swift

- Using MT54x (Settlement Instructions):

Action	Field	Code/Narrative
Place on Hold	:23G:	Use code PREA
Place on Hold	:70E::SPRO	Use narrative /HOLD/ (with :23G:NEWM or PREA)
Release Instruction	:70E::SPRO	Use narrative /RELEASE/ (with :23G:NEWM)

Note:

When releasing or modifying a pending instruction, the original instruction’s reference must be included in field **:20C::PREV//** within the A1 Linkages subsequence.

For steps to instruct trades on hold as a DCP in T2S please refer to the T2S Handbook [T2S User Handbook R2026.JUN \(UHB\)](#).

T+1 readiness tip

Automate the release: In a T+1 cycle, your systems should be configured to send the /RELEASE/ or PREA command as soon as possible to avoid settlement fails.

ST-03.8a: Allegement management—proactive exception handling

An allegation is the primary alert notifying you that a counterparty has instructed against your account, but Clearstream has not yet found a matching instruction from you.

Allegements often signal a delay or error originating from an upstream party or system responsible for generating the instruction. This is a common challenge in complex workflows; for instance, in investment fund settlements, delayed or incorrect confirmations from transfer agents or fund administrators can lead to unmatched instructions.

Regardless of the source, the timely monitoring and resolution of allegations is a key operational discipline for **all participants** to master in a T+1 settlement cycle.

1. Monitoring tools (Swift)

- **MT578 (Settlement Allegement)**: A real-time notification for individual allegations. This should be used as an “immediate action” trigger.
- **MT586 (Statement of Settlement Allegements)**: A consolidated report of all pending allegations.

2. Allegement generation timing

Anticipating when an allegation will arrive helps you manage your workload. Allegements will inform about a pending settlement instruction of your counterparties either within one hour after the first unsuccessful attempt to match that instruction or immediately after such an unsuccessful attempt where that attempt has been made within the five-hour period before the cut-off of the intended settlement date or after the intended settlement date.

3. Automatic resolution

The process is designed for low maintenance. Clearstream automatically issues an Allegement Removal when:

- You submit matching instructions.
- The counterparty cancels their instruction.
- A definitive status is received from the local market.

4. Strategic configurations

- **Custom filtering**: You can configure reports to show allegations only from specific sources (e.g., Domestic or Bridge) to help prioritize high-risk markets.
- **Group matching (GMA)**: If you are using a Group Matching Account, monitoring should be centralized, as allegations are reported directly against the GMA.

This functionality is available across most markets. A detailed annex in future documentation will specify any exceptions.

ST-03.9: Power of Attorney (POA)—automating actions through delegation

The Power of Attorney (POA) functionality is a key tool that allows you to authorize third parties, agents, or Clearstream to act on your behalf, automating complex workflows.

Core use cases for POA

Service Area	Application
T2S Settlement (CEU)	Allows for “Already Matched” instructions and enables CCPs to issue matching settlement instructions
Syndicated Distributions	Authorizes Issuing Agents to manage Commissionaire Accounts for new issuances
Smart Realignment	Grants Clearstream authority to automate cross-CSD delivery instructions to prevent settlement fails
Investment Funds	Appoints Clearstream as a “mandataire” for automated order routing via Vestima
Corporate Actions	Enables the delegation and execution of voting rights at General Meetings through authorized third parties

T+1 strategic tip

Smart Realignment service: optimizing inventory management. If you are operating “own assets” accounts within one or both Clearstream (I)CSDs, CEU and CBL, subscribing to the Smart Realignment service is a top priority for T+1. It authorizes Clearstream to automatically move securities between your accounts (same entity) to cover “lack-of-securities” failing instructions, removing the manual bottleneck of intra-CSD or cross-border realignment that can cause settlement delays.

Fails prevention and liquidity optimization

ST-03.10: Leveraging liquidity tools and functionalities

The industry recommends that all market participants explore and utilize the existing functionalities and tools offered by (I)CSDs, NCBs, and Settlement Intermediaries to support efficient liquidity management. The rationale is that the optimization of liquidity can be significantly enhanced through automated facilities that reduce latency in the settlement process.

Clearstream fully supports this recommendation and provides a comprehensive suite of solutions designed to help you manage your liquidity proactively and efficiently. Many of the tools detailed in this guide are direct answers to this industry call to action.

ST-03.12: Automated borrowing—the fails prevention safety net

Clearstream’s Automated Securities Lending (ASL) and borrowing functionalities are essential for navigating the T+1 cycle. These services act as a safety net to prevent settlement fails by automatically sourcing securities when needed, while offering lenders a way to generate incremental revenue. This functionality is explicitly highlighted in the CSDR Refit (Article 6) as a key tool for preventing settlement fails and increasing overall market efficiency.

The two tiers of ASL programs

Program	Focus	Clearstream’s Role	Counterparty Risk Mitigation
ASL	Short-term fails prevention	Agent	Clearstream acts as agent and guarantor, facilitating automated loans between undisclosed lenders and borrowers, significantly reducing counterparty exposure.
ASL Principal	Integrated fails coverage across CBL and CEU (T2S and ICSD)	Principal	Clearstream Banking S.A. acts as sole counterparty, borrowing from and lending to participants directly, providing enhanced risk mitigation and cross-location liquidity.

ST-03.14: Auto-Collateralization—the first line of defense against cash fails

T2S Auto-Collateralization (in CEU) automatically generates the cash needed to complete transactions when an account balance is insufficient. The functionality provides intraday credit from central banks, secured by your securities.

Mechanisms

- **On flow:** Uses securities from the settlement instruction itself to generate cash.
- **On stock:** Uses eligible securities already held in a designated collateral account. → Key setup (Earmarking): To participate in auto-collateral on stock, clients must “ earmark ” positions using codes like **EXXX** (all currencies) or **EEUR** (Euro only).

T+1 best practices

1. **Prioritize “on flow”:** You can configure your CEU accounts to favor on-flow auto-collateralization, as it generates just-in-time liquidity directly from settlement instructions and reduces reliance on collateral positioning.
2. **Automate reimbursement:** Intraday credits must be reimbursed. Your systems must be ready to release reimbursement instructions before the cut-off to avoid penalties.
3. **Review haircuts:** You should regularly monitor the eligibility and haircut levels of your holdings to ensure sufficient collateral value.

For details on all functionalities, please refer to the Clearstream client handbooks ([CEU](#), [LuxCSD](#), [CBL](#)).

Smart Realignment service: optimizing inventory management

The [Smart Realignment](#) service is an automated fails-prevention tool that acts as your internal safety net. It automatically generates free-of-payment delivery instructions (“realignments”) to move securities between your eligible “own assets” accounts to cover a pending “lack-of-securities” delivery fail.

This service should be considered a last resort to reduce or avoid settlement fails, as you remain responsible for managing your inventory. However, in the fast-paced T+1 environment, it is a powerful tool for increasing settlement efficiency and reducing the risk of penalties.

How it works: the core logic

The service is triggered when a matched delivery instruction is failing due to a lack of securities (**LACK**). Our system will check if a position is available in another of your accounts. If successful, it automatically generates instructions to transfer an available long position from your designated “source” account to the “target” account where the securities are needed. This can happen within the same CSD (intra-CSD) or between CEU and CBL (cross-CSD).

Service scope and eligibility

- **Account eligibility:** Only your securities accounts categorized as “own assets” and linked to the same valid Legal Entity Identifier (LEI) are eligible.
- **Service scopes:** You can choose between two service levels:
 - Full scope: considers any delivery fail in eligible securities as a trigger
 - Special scope: limited to fails related to Eurex “special repo” trading activity against specific Eurex Clearing AG accounts
- **Markets in scope:** The service covers fails in securities eligible for settlement in CEU across major European markets, including Austria, Belgium, France, Germany, Greece, Italy, Netherlands, Spain, Portugal and selected XS/EU ISINs.
- **Tax restrictions:** For certain markets (Belgium, Italy, Portugal), realignments are only generated if the accounts involved meet specific tax certification requirements maintained in Clearstream’s systems.

The realignment process in detail

- **Realignment windows:** The detection process for failing deliveries is triggered at fixed points during the business day, ensuring realignments are processed in time to meet settlement cut-offs.

Window #	Start Time (CET)
1	7:30
2	9:30
3	10:30
4	12:30
5	14:40
6	15:15
7	15:40
8	16:40
9	17:40
10	18:10
11	19:40

- **Cross-CSD logic:** For the service to operate between CEU and CBL, you must subscribe with accounts in both CSDs. This requires a Power of Attorney (as detailed in section [ST-03.9](#)) authorizing Clearstream to generate instructions on your behalf across the two legal entities.
- **Prioritization logic:** If multiple instructions are failing, the service prioritizes them to ensure highest settlement efficiency outcome.

How to set up and use the service

1. **Subscription:** To request the service, you must submit the completed and signed **CEU service form “Smart Realignment”**, available on the [Clearstream website](#).
2. **Configuration:** Within the form, you define each account as a “source,” a “target,” or both, and select either the “full” or “special” scope.
3. **Exclusion:** You can exclude a specific failing instruction from being realigned on a case-by-case basis by using the “Hold and Release” functionality.

Read more about all the solutions in detail in the client handbooks ([CEU](#) , [CBL](#)).

Securities financing transactions

SFT Gating Event (SF-01)

The transition to T+1 presents unique and significant challenges for the Securities Financing Transactions (SFTs) market, which is integral to the functioning of the wider financial ecosystem. To address these challenges, the EU T+1 Industry Committee formed a dedicated task force to develop a targeted solution.

The challenge: the liquidity strain on SFTs in a T+1 world

The primary driver for this new solution is the anticipated strain on intraday liquidity and settlement efficiency in the SFT market, particularly for repos, under a T+1 cycle.

- **Shift in settlement cycle:** With the compression of the trade lifecycle, the industry expects a large amount of securities financing trades to shift to same-day (T+0) settlement to support cash market activities.
- **Reduction of netting opportunities:** The compressed T+1 timeline drastically reduces the time available for market participants to perform bilateral netting (pair-offs). Today, this netting process significantly reduces the number and value of transactions that require actual settlement, conserving liquidity.
- **Increased gross settlement and liquidity pressure:** With fewer netting opportunities, a much larger volume of SFTs will need to settle on a gross basis. This increases the demand for intraday liquidity, which is both costly and has regulatory implications for firms.

The solution: the SFT Gating Event

To mitigate these risks, the industry has developed the SFT Gating Event. This is an automated, industry-wide solution designed to prevent a liquidity drain and ensure the orderly functioning of the market with minimal disruption to existing systems.

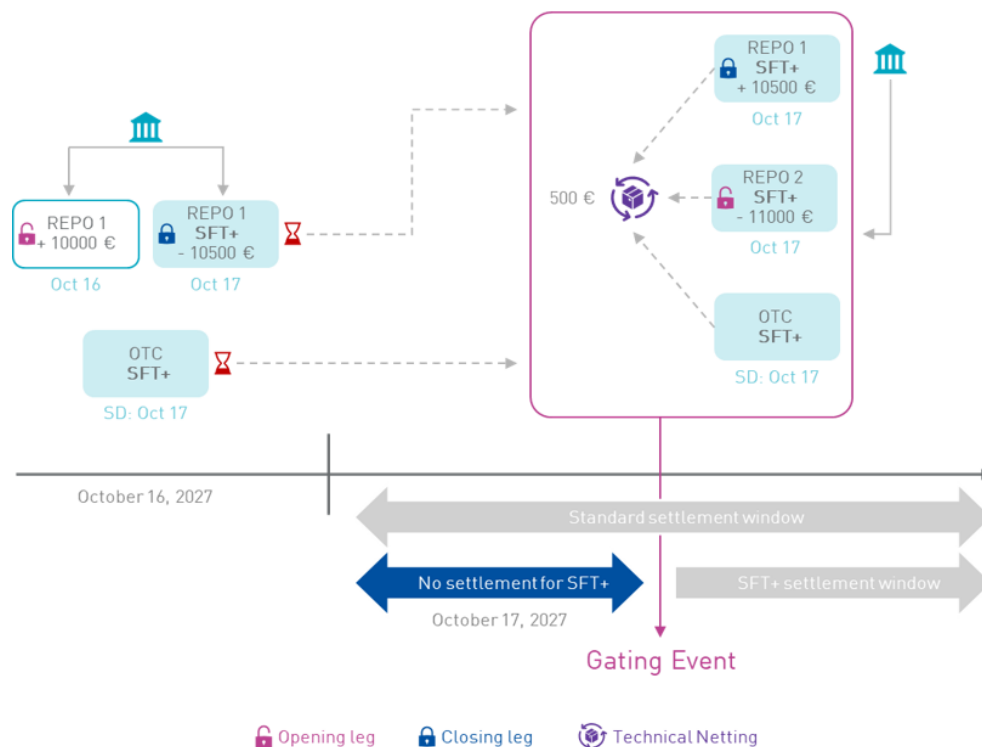
Participation in the Gating Event is optional and fully client-driven.

How it works

The SFT Gating Event (GATE) is a coordinated settlement window scheduled for **11:00 CET** on the settlement date. It functions as a form of “automatic hold and release” for specific, flagged transactions.

- **An optional, unilateral choice:** Participation in the gating event is **entirely optional** and is decided on a trade-by-trade basis. You can unilaterally choose to flag an instruction for inclusion in the gate without needing bilateral agreement. It is however recommended to inform the counterparty.
- **The flag:** STCO//GATE is to be introduced by Swift in the November 2026 release.
- **Synchronized settlement:** By flagging transactions for the GATE, you ensure that the settlement of these transactions is held and is synchronized to 11:00 when it is automatically released. This allows for a form of technical netting and optimization to occur within the (I)CSD, preventing a situation where one party has paid out cash or securities but has not yet received their expected inflow.
- **Broad scope:** The solution is not limited to just repo transactions. It is applicable across the full spectrum of SFTs, including buy-/sell-backs and securities lending, and can be used for both over-the-counter (OTC) and CCP-cleared trades (usage to be defined by CCPs).
- **Market practice:** A document is currently under development to provide guidance on the scope of trades and the instruments to be considered. We will update you once it has been published.

Exhibit 5: The SFT Gating Event



Clearstream implementation

CEU (T2S): [T2S Change Request 865](#) has been detailed assessed and is ready to be implemented by June 2027.

CBL (ICSD): Implementation is underway, with further updates on the expected release date to be announced later in 2026.

Key benefits

- Prevents potential intraday liquidity drains.
- Reduces settlement friction and the risk of gridlock.
- Allows for the continued orderly management of settlement flows under T+1.

Impact—what you should do

- Familiarize with GATE
- Check own processing to identify GATE usage possibilities
- Review and adhere to GATE market practice which is currently drafted by the industry to clarify questions around instrument and transaction scope

Corporate events

The EU T+1 Industry Committee has identified three recommendations which are considered focus points in the shift to T+1. Clearstream's robust asset servicing functionalities are designed to manage these accelerated timelines, ensuring that even when trades settle late, the correct party receives the economic benefit of the transaction. These solutions are aligned with the industry framework detailed in [the T+1 – Corporate Events Harmonised Implementation Guide](#) published by the Advisory Group on Market Infrastructures for Securities and Collateral (AMI-SeCo) in March 2026.

Below, you can find an outline of the key changes and the automated solutions available.

The new alignment of key dates (CE-01)

The most significant change for corporate events under T+1 is the revised timeline of the key dates. The following will apply as of October 11, 2027:

- **Mandatory distribution event:** The ex-date will be the same as the record date, with the payment date being one date after the record date.
- **Mandatory reorganizations:** In addition to the changes to the ex-date, the last trading date will also be announced. The last trading date will be one day before the record date.
- **Elective event:** The last trading date (LTRD), the guaranteed participation date (GUPA) and the buyer protection deadline date (ECPD) will all be announced. The LTRD will equal the GUPA and the ECPD should coincide with the final settlement date.

Automated market claims in T+1 (CE-03)

With compressed timelines, the risk of trades settling after the record date increases. Clearstream automatically detects market claims for internal, Bridge, external, and cross-border transactions, across all eligible distribution event types and across all Clearstream entities. We detect and compensate for internal, external and cross-border transactions. For markets outside of T2S, we will continue to rely on the payment from our local depositories to execute the market claims.

To further enhance this service and to complete the suite of corporate actions messages in ISO20022 offered since June 2025, Clearstream will focus on the development of market claim messages in the ISO 20022 format. This new offering in ISO 20022 format is targeted for implementation by November 2027, subject to final confirmation. The current automatic market claim via MT564 messages will continue to be used with T+1 launch.

Buyer protection: an evolving standard (CE-02)

- **The goal:** The long-term industry goal is to fully automate buyer protection workflows.
- **The reality for T+1 go-live:** While automation is being pursued, Clearstream, in line with ECSDA and its members, **will not implement an automated buyer protection** solution by October 2027. It has been determined that this is not a priority for the go-live. You should therefore plan to continue using existing processes for managing buyer protection. Further analysis will be conducted, with any potential implementation to be assessed at a later stage. Clearstream will continue to review the topic and will communicate updates in due course.

FX services

Key industry recommendations for FX

The EU T+1 Industry Committee has outlined several core recommendations for managing FX in a T+1 world. The table below summarizes the key challenges and the actions you are required to take.

HLRM Recommendation	Core T+1 Challenge	Key Action for You
FX-01: FX Lifecycle	Managing the end-to-end FX process within a compressed timeframe, especially for less liquid currencies.	Plan and automate the engagement with custodian and third-party FX providers to ensure timely execution
FX-02: Partial Settlement	An expected increase in partial settlements will lead to more frequent, smaller FX funding requirements.	Review processes with FX providers to handle a higher frequency of FX transactions efficiently
FX-03: Settlement Risk	Increased time pressure raises the settlement risk for any FX trades that occur outside of a PvP mechanism.	Review all non-PvP FX practices to ensure they align with the risk mitigation principles of the FX Global Code
FX-04: PvP Mechanism	The hard deadline for submitting FX transactions to CLS for PvP settlement.	Ensure internal processes are aligned to deal, process, and submit FX transactions to CLS no later than 00:00 on Settlement Date

Clearstream's (CBL) FX services provide automated currency conversion for custody proceeds, fees, and—most importantly—securities settlement. These services are designed to ensure cash is available exactly when a trade needs to settle.

FX service options

CBL offers two primary ways for you to manage your currency needs:

- **Automatic FX Services:** This service provides highly automated conversions for custody proceeds (such as dividends and redemptions), monthly fees, and interest charges. You can set specific thresholds or currency filters to control these automated triggers.
- **Case-by-Case FX:** This option is for ad-hoc conversions, typically for amounts up to EUR 10 million or its equivalent. For transactions above EUR 10 million or its equivalent, you have to submit several instructions in the system for lower amounts. These are instructed via MT380 or free-format messages (MT299/399/599) and are considered irrevocable once sent.

Embedding FX in settlement instructions (MT54x)

To maximize efficiency and reduce operational steps, you can embed an FX request directly into your settlement instructions. This eliminates the need for a separate cash instruction and ensures the currency conversion is perfectly synchronized with the settlement.

Instruction Type	Field :11A: Qualifier	Description
Deliver Versus Payment (MT543)	:11A::FXIB//[CCY]	FX Buy: sells the settlement currency to buy the specified currency
Receive Versus Payment (MT541)	:11A::FXIS//[CCY]	FX Sell: buys the settlement currency by selling the specified currency

Reporting and reconciliation

Clearstream uses specific code words in cash reports (MT94x / MT950) to provide clear identification for the source of each FX movement, simplifying reconciliation:

- **SETT:** FX linked to a securities settlement instruction.
- **INTC / MFEE:** Automatic FX for interest charges or monthly fees.
- **FX9E:** Case-by-case FX instructions.

If you are involved in cross-currency trades, you are strongly encouraged to enable **Auto FX for Securities Settlement**. By automatically synchronizing the FX value date with the security settlement date, this service removes the risk of “lack-of-cash” fails. Such fails often occur when operational teams must manually coordinate FX and securities desks, a process that becomes increasingly challenging in a shortened settlement cycle.

T+1 strategic tip

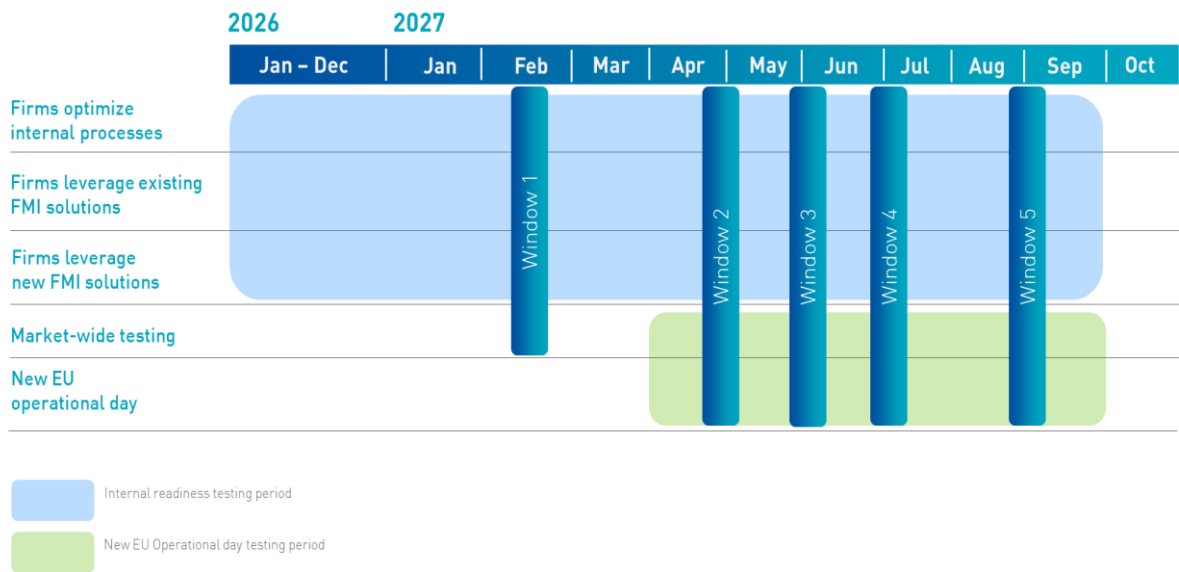
Enable Auto FX for securities settlement!

The T+1 Industry Testing Plan: Our Approach and Your Role

To ensure a coordinated and successful migration, the EU, UK, and Swiss industry bodies have published a joint T+1 Testing Plan. This plan provides a clear framework for you and all other market participants to validate your readiness, test your processes, and de-risk the transition ahead of the October 2027 go-live.

The plan is structured around three core pillars of readiness, each with a distinct timeline and focus.

Exhibit 6: Industry testing plan



Pillar 1: Internal readiness

This initial and most important phase, the “blue period,” is already underway and will last until October 2027. It focuses on the internal preparations that every firm must undertake to adapt to the compressed T+1 timeline. The core message from the EU T+1 Industry Committee is to “begin preparation NOW.”

What you should do now

This period is for you to conduct an internal gap analysis of your own processes and tools. You should be assessing your current performance against key metrics (such as instruction submission timeliness and settlement matching rates) and identifying areas for improvement. This includes optimizing internal workflows, enhancing automation, and adopting existing market solutions that improve settlement efficiency.

Testing with Clearstream today

You do not need to wait for the formal 2027 testing windows to begin your testing. Clearstream's test environments are available now to validate your use of existing functionalities that are important for T+1 success. If your firm does not currently use features such as partial settlement, Hold and Release, or our Automated Securities Lending (ASL) programs, you are encouraged to arrange for testing. This will allow you to upscale your processes and integrate these efficiency tools into your workflows well ahead of the deadline.

To arrange for testing of existing functionalities, contact your Relationship Manager or Client Services Representative.

Pillar 2: Community-wide testing

This pillar focuses on coordinated, market-wide testing where all financial market infrastructures (FMIs) and testing providers are expected to have their environments open simultaneously. This allows firms to test the entire transaction lifecycle across different counterparties, agents and infrastructures.

The plan outlines five specific testing windows for 2027:

- **Window 1:** February 1–12, 2027 (optional window, as T2S will not have new functions available)
- **Window 2:** April 19–30, 2027
- **Window 3:** May 17–28, 2027
- **Window 4:** June 28 – July 9, 2027
- **Window 5:** August 23 – September 10, 2027

During these windows clients can test all desired scenarios to ensure their own adaptations to T+1 are working properly.

Clearstream's commitment

Clearstream will have its testing environments for both CBL and CEU open and available during all five of these community-wide testing windows. We are fully committed to participating in this industry-wide effort to ensure you can comprehensively test your end-to-end flows.

Pillar 3: The New EU Operational Day

This pillar is specific to the European Union and focuses on testing the changes related to the new, harmonized EU Operational Day and the Settlement Optimization Gating Event. A dedicated testing period, the “green period,” will run from April to October 2027 (see Exhibit 7). During windows 2 to 5 described above, the T2S User Testing environment will mirror in real-time the future T2S Settlement Day schedule so that you can test your own adaptations in real-time.

Clearstream’s role

Clearstream’s EU CSDs, Clearstream Europe AG (CEU) and LuxCSD S.A., will make their test environments available throughout this period to allow you to validate your processes against the new EU-specific settlement timings and functionalities.

Note:

As of today’s planning, T2S will start the new operational timetable in PROD as of its June 2027 release.

Clearstream’s status compared to industry benchmark

Fixed Income

Process	EU Industry Average			Clearstream		
	T	T+1	T+2	T	T+1	T+2
Settlement Instructions Submission	81.48%	94.59%	96.43%	88.82%	95.53%	96.34%
CSD Matching Rates	76.73%	92.89%	95.41%	86.18%	94.15%	95.24%

Equities

Process	EU Industry Average			Clearstream		
	T	T+1	T+2	T	T+1	T+2
Settlement Instructions Submission	75.00%	94.06%	97.17%	81.24%	94.11%	96.04%
CSD Matching Rates	68.81%	92.59%	96.55%	76.88%	92.44%	94.82%

Mastering T+1 with Clearstream

Clearstream's Data Solutions Suite

SettlementNext

SettlementNext is Clearstream's data solution for settlement performance monitoring and analysis, designed to enhance efficiency and support proactive exception management.

- **T+1 Scorecard:** Provides a dedicated dashboard to monitor T+1 readiness, including statistics, visualizations, and summaries of settlement activity and trends
- **Settlement cycle summary:** Provides visual summaries of settlement activity and trends across settlement cycles
- **Settlement performance insights (KPIs):** Provides comprehensive metrics and visualizations across markets, asset classes, and counterparties
- **Finality curve analysis:** Enables analysis of timing across input, matching, and settlement stages to identify volumes at risk
- **Partial settlement metrics:** Enables monitoring of partial settlement activity and identification of efficiency opportunities
- **Penalty insights:** Provides visibility into penalty exposure related to failed and late matching instructions
- **Counterparty insights:** Enables analysis of settlement performance across counterparties to identify recurring patterns
- **Settlement prediction:** Uses AI-driven forecasting to predict settlement outcomes up to four days in advance. It helps clients anticipate failures, estimate potential cash penalties, and take proactive steps to minimize risk.
- **Multi-method efficiency metrics:** Incorporates multiple calculation methodologies, including ESMA efficiency, Market Settlement Efficiency Indicator (MSEI), and Clearstream efficiency, to support benchmarking and comparative performance analysis

How it helps for T+1

SettlementNext enables you to monitor readiness, analyze settlement activity, and identify trends or recurring issues within shorter deadlines. By combining performance monitoring with insights, it supports the reduction of settlement fails, minimization of penalties, and continuous improvement in operational efficiency. This dashboard is constantly being improved to make more relevant information available to you like the upcoming T+1 Health Card.

SettlementNext

More details on our dedicated product web page



LendingNext

LendingNext is an advanced analytics dashboard designed to bring transparency, efficiency, and strategic oversight to securities lending activity.

- **Global lending Overview:** Consolidates **Strategic and Fails** lending data into a single interface, providing a complete and unified view of lending programs
- **Trend Analysis:** Provides access to historical KPIs like total revenue and loan balances, enabling clients to identify patterns and evaluate performance
- **Portfolio Visualization:** Segments lending activity by account, product, security, and asset type, providing a granular understanding of portfolio behavior

How it helps for T+1

With shorter settlement cycles, timely visibility of lending positions is essential to ensure asset availability. LendingNext enables clients to analyze lending activity and assess how positions may impact settlement obligations. By providing a consolidated view of lending activity, it supports the management of securities lending programs and helps identify positions that may affect settlement in a T+1 environment.

LendingNext

More details on our dedicated product web page



CollateralNext

CollateralNext is a comprehensive suite that transforms complex collateral data into actionable insights, supporting strategic allocation, risk management, and market positioning.

- **Collateral Insights:** Delivers a consolidated, holistic view of collateral and lending activities, helping to track exposures and counterparty behavior
- **Collateral Mapper:** Visualizes the entire collateral position and eligibility across contracts, allowing clients to identify available assets and optimize allocation for maximum efficiency
- **Collateral Benchmarking:** Enables clients to compare their performance including repo rates and haircuts against anonymized peer groups to align with market standards

How it helps for T+1

In a T+1 environment where efficient inventory management is critical, CollateralNext provides the visibility needed to optimize collateral usage, reduce over-collateralization, and make faster, data-driven allocation decisions.

CollateralNext

More details on our dedicated product web page



LiquidityNext

LiquidityNext is an analytics dashboard designed to provide visibility over credit line usage and intraday liquidity, supporting effective funding and risk management.

- **Usage insights:** Helps spot peak credit usage and provides visual indicators for days with blocked settlement transactions, allowing for the early identification of bottlenecks
- **Intraday breakdowns:** Offers daily, hourly, or even 10-minute views of credit consumption, which is essential for understanding and managing liquidity needs in a compressed settlement cycle
- **Data exports:** Allows for the download of detailed reports on credit and collateral trends for deeper, offline analysis

How it helps for T+1

LiquidityNext enables you to analyze credit usage patterns and understand how settlement activity impacts liquidity consumption. This supports more informed funding decisions, helps identify potential constraints in advance, and reduces the risk of settlement delays due to insufficient liquidity.

LiquidityNext

More details on our dedicated product web page



Further support and resources

To access these solutions, you can contact the **PRGConnect team** via an MT599 Swift message or through the Xact Web Portal Message Exchange. For support with onboarding or for technical details, please contact your regional Relationship Manager, Connectivity Support, or Client Services team at connect@clearstream.com.

We recommend the following resources to stay informed:

EU T+1 Industry Committee website

For official announcements and publications



Clearstream's T+1 web page

Your central hub for updates and resources



Clearstream's monthly T+1 LinkedIn newsletter

For regular news and insights



Clearstream's T+1 webinars

For recordings of our expert sessions on different aspects of the transition to T+1



Clearstream's T+1 project team mailbox

Your direct access to our T+1 experts



Your personal Clearstream Relationship Manager

Your trusted single point of contact at Clearstream



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