swissSPTC
Securities Post-Trade Council

T+1 in Switzerland and Liechtenstein

Issuing, Trading, Clearing, Settlement, Custody, and Related Business Processes / Services

MARKET PRACTICES HANDBOOK

18 September 2026

Market Practices supporting the Recommendations to the Shortening of the Settlement Cycle

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2 Chairman's Foreword

The migration of Switzerland and Liechtenstein together with the other European securities markets to a T+1 settlement cycle is a huge move; it marks a significant change in the post-trade area that is impacting both the national and cross-border securities value chain as a whole. This transition is driven by a clear objective to enhance post-trade automation and its efficiency, reduce systemic risk, and strengthen the resilience and global competitiveness of Europe’s capital markets including Switzerland and Liechtenstein, being in the middle of Europe. Since the publication of the swissSPTC Recommendations, awareness in Switzerland and Liechtenstein of the coming changes has increased.

With the swissSPTC Recommendations firms have also been requested to assess internal operational and IT processes. It goes without saying that such assessments also need to be done with related service providers to foster automation. Automation between intermediaries along the securities value chain will be key to ensuring straight through processing and it also supports the firm’s readiness for the shortened settlement cycle. This implies that market participant’s *Testing* has already started on an institutional basis so firms can pro-actively contribute to the market’s readiness.

In H1/2026, the swissSPTC T+1 Task Force focused primarily on defining market practices related to the individual swissSPTC Recommendations. The Recommendations themselves have not fundamentally changed, but there have been some minor amendments due to further market analysis. The information on the following pages consists largely of supplementary market practices and useful information designed to support the consistent implementation of the swissSPTC Recommendations. Accordingly, swissSPTC recommends that they will be implemented and adhered to. While these market practices are generally aligned with the EU and UK practices, given the existence of different legal jurisdictions, with market infrastructures subject to different supervisory authorities, the transition to T+1 in Europe must take into account of the varying frameworks and market practices. Therefore, no single model exists which can simply be universally adopted.
Based on proposals from swissSPTC expert committees and specialists, there may be justified exceptions to EU or UK standards due to the specific needs of the Swiss and Liechtenstein markets. These exceptions have been approved by swissSPTC and the “Handbook of Market Practices” reflects this reality.

Timely testing of the areas and processes affected by the shortened settlement period is essential at both the national and cross-border European levels. This is crucial for a successful European migration in October 2027. During Q1 2026, we were able to agree on a joint testing plan among Switzerland, Liechtenstein, the EU and the UK, which is an important milestone on our shared journey. Testing is and will remain a national/domestic responsibility.

I would like to take this opportunity to thank the numerous experts and expert committees for their support, their time and contribution to this Handbook. With this in mind, I wish all market participants a successful implementation as they move toward migration. The swissSPTC will continue to address the remaining open issues and questions throughout 2026 and 2027 and will remain available to market participants.

Florentin Soliva
Chair Swiss Securities Post-Trade Council

3 Executive Summary

Switzerland and Liechtenstein will transition from a T+2 to a T+1 settlement cycle on 11 October 2027, aligned with the European Union and the United Kingdom.

The swissSPTC Recommendations are based and focused on the key areas of the securities lifecycle, and their recommendations address the areas affected by the shortened settlement cycle in the Swiss and Liechtenstein markets. Since their publication, no significant additional issues have arisen that require consideration. Consequently, **the swissSPTC Market Practices Handbook refers exclusively to the 17 Recommendations.** This Handbook translates the 17 swissSPTC T+1 Recommendations into practical market practices.

A new addition is the industry testing, which partly involves collaboration with the EU T+1 Committee and the UK AST. However, responsibility lies with the national markets. FMI (SIX) has been commissioned by swissSPTC to carry out all testing in our domestic markets. Market testing is considered to be a routine for FMI (SIX) to cover national needs.

The transition does not require a fundamental redesign of the Swiss and Liechtenstein Securities processing. Its main impact is the compression of existing processes and increase efficiency (e.g. by higher degree of automation). The existing SECOM operating framework will broadly remain unchanged, requiring market participants to align their internal cut-offs and dependencies accordingly.

The scope remains unchanged, covering the main cash-market instruments including equities, fixed-income securities, ETFs, structured products and warrants. Exchange-traded and OTC derivatives generally remain outside scope. However, the SwissSPTC concluded from an alignment perspective with EU and UK markets to consider and apply in addition market conventions in the Derivatives area.

For trading Swiss trading-venue rulebooks and related documentation will as of 11 October 2027 apply T+1 settlement cycle to all (on and off-book) on-exchange reported trades instructed by the venue to a CCP or CSD. In the settlement area, existing processes/deadlines will be adapted to support the shortened settlement cycle. **Partial Settlement and Partial Release will be introduced in two phases ahead of the T+1 migration,** in November 2026 and June 2027. The existing Transaction Type Identifier practice will remain unchanged, as **there is no need in the domestic markets for a dedicated SFT identifier.**

For Corporate Actions, relevant key dates will be adjusted to the shortened settlement cycle. In particular, e.g. the ex-date and record date for distributions will fall on the same business day. Issuers, issuer agents and fund management should avoid Corporate Events with key dates during the transition period from 4 to 15 October 2027. **Buyer Protection instruction will remain manual** and no changes are planned for the migration in October 2027 (see Annex *10.4 swissSPTC Publication Buyer Protection 26 March 2026*). **The existing ISO 15022 automated market-claim processing will be maintained** and follows the objective to move directly to the long-term sustainable MX standard, but this will not happen before October 2027.

For clearing and liquidity management the primary focus is on the temporal aspect and requirement is to complete existing activities earlier. Clearing Members must accelerate reconciliation, inventory management and instruction release. Cash and foreign currency funding must be aligned with the applicable FMI deadlines, with particular attention to cross-border and time-zone dependencies.

Implementation will be supported by a phased testing program coordinated by the FMI SIX, starting with FMI internal testing in December 2026, followed by pilot and broader industry testing during 2027. Each market participant remains responsible for its own technical, operational and organisational readiness.

The Handbook is generally aligned with EU and UK market practices while allowing for proportionate Swiss and Liechtenstein specific solutions where appropriate.

4 Introduction

Following the publication of the swissSPTC Recommendations, it became evident that market participants would benefit from additional, practical guidance to support implementation. This Market Practices Handbook has therefore been developed with the purpose to translate high-level recommendations into actionable operational guidance.

It is important to note that this Market Practices Handbook does not constitute a change to the Recommendations, except four small exemptions (minor consideration in the scope; no implementation of SFT identifier; no automation of Buyer Protection and no adoption of MX messages for Market Claims processing before October 2027). It serves as an additional document that is supporting the implementation of the Recommendations as consistently as possible in Switzerland and Liechtenstein.

There are uncertainties in the market, dependencies on third parties or European-wide agreed best market practices. But in some cases, questions arise regarding the appropriateness of the recommendations or their implementation. The Market Practice Handbook also aims to address these issues and helps to facilitate a harmonised European migration. This involves progress in automation, the standardisation of processes, and the competitiveness of markets and their participants, but it also addresses the specific characteristics of Switzerland and Liechtenstein. The latter were carefully examined and weighted so that the market practices could be addressed accordingly. Consequently, in certain cases we will deviate from EU or UK market practices or have our own implementation plan. However, it should be reiterated here that the primary goal of swissSPTC is to achieve the best possible alignment with the EU and the UK, and this on time for our transition on 11th October 2027.

That said, this requires a harmonised approach across Europe. This encompasses both joint planning and implementation, as well as harmonised best market practices at the operational level. We are already familiar with best market practices or standards in the post-trade area, for example, in Corporate Actions processing. Given that the shortened settlement cycle leaves in general less time available in the securities life cycle, additional automation measures or expanded standards are planned to avoid increased risks and inefficiencies.

The swissSPTC is confident that its Recommendations have addressed the most relevant areas and that this Handbook delivers comprehensive support for the Swiss and Liechtenstein market participants' successful transition.

5 SwissSPTC T+1 Recommendations

Topic / Work-Substream	No.	Recommendations
In General	*1*	*The swissSPTC recommends the transition to a T+1 Settlement Cycle for the domestic market in Switzerland and Liechtenstein on 11 October 2027.*
Scope CLARIFICATION	*2*	*The swissSPTC recommends shortening the settlement cycle according to the defined Scope - The Swiss and Liechtenstein institutions are requested to adopt the new market practices and comply with them as of 11 October 2027.*
Operational Timetable	*3*	*The swissSPTC recommends all actors to apply the proposed processing timelines and deadlines of the Operational Timetable to ensure a successful change of the settlement cycle.*
Issuing and Trading	*4*	*SIX Swiss Exchange and BX Swiss AG acknowledge the swissSPTC's recommendation and will adjust the Rule Book of SIX Exchange Regulation, respectively the Trading Rule Book of BX Swiss AG, to accommodate the change of the settlement cycle at the appropriate time.*
	5	*Alignment with international standards / best practices in terms of handling late arrival of data that are critical for pricing and settlement (e.g. NAV).*
Settlement	*6*	*Introduction of partial settlement, including partial release in the domestic market. Development of market practices to use partial settlement as a default with potential exceptions that are based on well documented use cases.*
CLARIFICATION	*7*	*Introduction of Transaction Type Identifier for SFTs or define a "market practice" to identify the SFT's transactions in the settlement processes.*
	8	*All industry actors to align the foreign currency liquidity injection with the Operational Timetable (see also assessment/recommendation under Workstream Liquidity Management).*
Corporate Actions	*9*	*Alignment of Corporate Actions (Events) key dates with the T+1 settlement cycle.*
	10	*Issuers are advised <u>not</u> to announce Corporate Events with key dates falling during the transition to the T+1 settlement cycle (i.e. between Monday 4 October 2027 and Friday 15 October 2027).*
	11	*Alignment with the EU on a "standard rule" for managing Corporate Events announced before, but settling after the transition date.*
CLARIFICATION	*12*	*Automation of Buyer Protection processing.*
CLARIFICATION	*13*	*Automation of Market Claims processing.*
Clearing	*14*	*Automating processes to ensure straight-through processing (STP): Clearing members are encouraged to review their internal operational and IT processes to ensure that they are able to manage the accelerated settlement cycle.*
	15	*FMI and clearing members/intermediaries are requested to review and amend their internal processes to comply with the partial settlement market practice of the domestic market.*
	16	*Clearing members are requested to analyse and, if necessary, to compress their internal clearing related processes (e.g. reconciliation and inventory management, sending / releasing of settlement instructions) to ensure settlement in the NTS cycle and in compliance with the operational timetable of the domestic market.*
Liquidity Management	*17*	*Ensure timely disposition and injection of foreign currencies to ensure settlement on intended settlement dates; higher cash buffers are recommended especially over different time zones (includes validation of cross-border / cross-time zone bank holidays).*

6 Market Practices

Compliance with each and every swissSPTC recommendation is not mandated, however, market participants who choose not to adhere to a recommendation, or who cannot adhere to the recommendation within the indicated deadline, are expected to inform their relevant stakeholders, providing an explanation for their non-adherence, and to agree alternatives that minimise any resulting negative impacts.

Referring to Liechtenstein as EEA country there is a regulatory change; Amendment of Article 5 (2) of the CSDR by introducing a settlement obligation by the first business day following trading (T+1).

6.1 In General

6.1.1 Recommendation 1

The swissSPTC recommends the transition to a T+1 Settlement Cycle for the domestic market in Switzerland and Liechtenstein on 11 October 2027.

This recommendation sets the common migration date and the implementation framework for the Swiss and Liechtenstein markets. Market participants should treat 11 October 2027 as the target date for moving in-scope securities transactions from T+2 to T+1, in alignment with the EU and UK transition timeline.

In connection with the settlement cycle transition, swissSPTC wants to recall a special attention to the transition weekend that will start on 9 October with a double settlement day on 12 October. On that day, two trading days with different cycles will be settled: Trade Date Friday, October 8 – T+2 cycle, and Trade Date October 11 – T+1 cycle. The SwissSPTC recommends to all market participants to coordinate along the intermediary chain potential operational challenges such as double volume settlement day and Corporate Actions around the transition weekend.

The transition date of 11 October 2027 is phrased as a recommendation, but it goes far beyond a national recommendation. This date was set by CH/FL, the EU, and the UK as the common migration date. From a market practice perspective, this recommendation is, so to speak, set in stone; it is the first major milestone in a joint European migration to T+1. No storm will shake it or render it unrecognisable. For all European market participants, authorities, and all other affected parties, this date is the ultimate timeline around which all planning is centred. All participants in a securities intermediary chain—whether national or cross-border—must be able to rely on this date. Should an unforeseen event occur that prevents one of the other jurisdictions from migrating on this date, Switzerland/Liechtenstein will migrate with the “first mover,” provided that this does not occur before this date in October. This is considered a reserved decision of the swissSPTC, which was already published on January 23, 2025.

The recommendation is not limited to one specific process area. It applies as an overarching market-wide implementation principle across issuing, trading, clearing, settlement, custody, Corporate Actions, liquidity management and related post-trade services.

The move to T+1 requires the same core activities currently performed under T+2 to be completed within a materially shorter timeframe. In practice, this means earlier instruction creation and release, timely matching, sufficient securities and cash availability, and faster handling of exceptions. Market participants should therefore review their internal processes, systems, operational cut-offs, client arrangements and service-provider dependencies to ensure readiness for a shortened settlement cycle. Where market participants depend on third parties, including custodians, settlement agents, CCPs, CSDs, trading venues or cash and FX providers, these dependencies should be assessed and coordinated in advance.

Given the time remaining until 11 October 2027, a "wait and see" approach to readiness is not an option from swissSPTC's point of view.

This recommendation is considered to be the general reference point for T+1 readiness planning for all market participants in a securities intermediary chain, irrespective of whether for national or cross-border business.

6.2 Scope

6.2.1 Recommendation 2

The swissSPTC recommends shortening the settlement cycle according to the defined Scope - The Swiss and Liechtenstein institutions are requested to adopt the new market practices and comply with them as of 11 October 2027.

➔ *As indicated in the Recommendation Summary, in chapter 5, this recommendation is marked as "Clarification" to reflect additional discussions and conclusions since the official publication of the swissSPTC Recommendations on 14 November 2025.*

Scope - This is also about being aligned with the EU and the UK. However, this goes hand in hand with the possibility that, over time and with experience, the scope of a shorter settlement cycle may need to be adjusted to bring the scope into line with the new business, or in response to new trends, developments or needs. Discussions since the publication of the swissSPTC Recommendations have not revealed any widely accepted reasons to expand or amend the current scope.

The additional overview table in the swissSPTC Recommendations helps to better understand the approach where T+1 applies. The shortened settlement cycle in particular applies to cash equities, fixed-income securities, ETFs, structured products and warrants where the relevant trading and settlement path is accordingly covered. The relevant Swiss regulated trading venues are currently SIX Swiss Exchange and BX Swiss AG.

Clarification of Scope – Derivatives Market Conventions

The swissSPTC proposed scope in the recommendations remains unchanged except the following consideration to additionally apply market conventions in the Derivatives area as specified below.

Exchange Traded Derivatives and OTC Derivatives are out of Scope of the swissSPTC Recommendation for T+1 (see page 10 of ”T+1 in Switzerland and Liechtenstein – Final Report, 14 November 2025”). Nevertheless, in ongoing market discussions in Switzerland, in the EU and in UK revealed a potential need on further specifications of bilateral agreed transactions in the derivatives area.

On EU Side there is an agreement for a small amendment of the scope and consequently a request has been addressed to the swissSPTC for review regarding addressing market convention on physical delivery of the underlying security upon exercise or expiry of a derivative contract (for both ETD and OTC derivatives). Current understanding is that UK AST is moving in the same direction and expects the application of the market conventions.

- Market convention for *OTC derivatives* involving physical settlement of underlying. A common approach across jurisdictions would be highly desirable and appreciated by market participants.
- Market convention for *Exchange Traded Derivatives* involving physical delivery of the underlying security upon exercise or expiry of a derivative contract can be subject to T+1 settlement based on agreed market conventions.

From an operational perspective following sub-matrix will help understand the proposed agreed market conventions for the treatment of Exchange Traded Derivatives and OTC Derivatives. The sub-matrix is further broken down by Equity and Fixed Income related derivatives and should provide the refence point for the treatment of such products, whether bilaterally settled or via a CCP.

	Equities	Fixed Income
Exchange Traded Derivatives	N/A Out of Scope (not a transferable security)	
Exchange Traded Derivatives (physical delivery of a transferable security)	T+1 (FIA-EACH market convention)	T+2 (FIA-EACH market convention)
OTC Derivatives	N/A Out of Scope (not a transferable security)	
OTC Derivatives (physical delivery of a transferable security	T+1 (ISDA market convention[1])	T+2 (ISDA market convention[2])

Figure 1 - ETD and OTC Derivatives (Table/Text analogous to the EU T+1 Securities Settlement Handbook – Second Iteration, Chapter 2, 17 June 2026[3])

Above table illustrates the additional considerations in the Scope respectively for Derivatives. The swissSPTC recommends to follow these market conventions as part of the T+1 scope. By following these market conventions, the market participants can benefit from an envisaged harmonised market practice across Switzerland, Liechtenstein, EU and UK.

Additional information on Swiss collective investment schemes, Swiss investment foundations

For "primary market" transactions T+1 should not apply by default, and the applicable settlement cycle will continue to follow the relevant bilateral agreement. "Secondary market" transactions are in scope of the T+1. Uncertainties respectively a valid need for clarification on the handling fund baskets came up since the publication of the swissSPTC Recommendations in November 2025. A general market practice or market convention could not be deviated but

[1] ISDA statement: This market convention covers OTC equity derivatives transactions that result in physical settlement of in-scope securities that are executed from the T+1 go-live date. This market convention is proposed to facilitate an orderly and efficient market. The proposed convention is based upon a survey ISDA conducted among market participants from the buy side and sell side in ISDA's Equity Market Infrastructure Group and APAC Equity Market Infrastructure Group that unanimously indicated support for a T+1 convention. All market participants are reminded that although the ISDA survey results show unanimous support for the adoption of a T+1 convention, individual market participants are not bound by these survey results, the proposed convention or any of ISDA's processes.

[2] ISDA statement: This market convention covers OTC fixed income derivatives transactions that result in physical settlement of in-scope securities that are executed from the T+1 go-live date. This market convention is proposed to facilitate an orderly and efficient market. The proposed convention is based upon a survey ISDA conducted among market participants from the buy side and sell side in ISDA's Interest Rate Market Infrastructure Group that overwhelmingly indicated support for a T+2 convention. Nevertheless, the survey results were not unanimous, and it may be that some firms conclude that a T+2 convention works for some but not all business units. All market participants are reminded that although the ISDA survey results show overwhelming support for the adoption of a T+2 convention, individual market participants are not bound by these survey results, the proposed convention or any of ISDA's processes.

[3] This footnote to be considered as additional information only, as the derivatives in question are not cleared in the Swiss market by SIX x-clear. EACH statement on the treatment of deliverable ETDs: Looking ahead to the European transition to T+1 on 11 October 2027, market participants have asked whether physical delivery of the underlying security upon exercise or expiry of the derivative contract will also move to T+1 on a voluntary basis. EACH notes that all EU and UK CCPs clearing deliverable ETDs intend to support the Futures Industry Association (FIA's) request to align the exercise and assignment process for deliverable equity ETDs to T+1, while deliverable fixed income ETDs will continue to settle on T+2. For formal confirmation, market participants can expect individual CCPs to issue their own communications in due course.

the following advice will at least help to identify potential critical areas and increases attention accordingly.

For funds with international distribution, particularly across Asian time zones, the shortening of the settlement cycle to T+1 may put existing NAV, cut-off and forward-pricing processes under increased pressure. Fund management companies and asset managers should therefore assess, on a fund-specific basis, whether the acceptance of orders via foreign distributors, the transmission of such orders to the transfer agent or fund management company, the valuation and calculation of the NAV, as well as the provision of liquidity and foreign currencies, remain appropriately aligned from a timing perspective.

Particular attention should be paid to avoiding time-zone-related information advantages, arbitrage opportunities and settlement fails, as well as to whether the relevant fund documentation describes the applicable subscription, redemption and settlement cycles with sufficient clarity and transparency.

6.3 Operational Timetable

6.3.1 Recommendation 3

The swissSPTC recommends all actors to apply the proposed processing timelines and deadlines of the Operational Timetable to ensure a successful change of the settlement cycle.

The Operational Timetable is the domestic end-to-end reference framework for T+1 processing in Switzerland and Liechtenstein. It defines the relevant sequence and time windows from trade execution on T to settlement finality on T+1, based on the current SECOM operating model and the established End of Day (EoD), Beginning of Day (BoD), Night-time Settlement (NTS) and Real-time Settlement (RTS) processing windows.

The transition to T+1 does not require a fundamental change to the SECOM operating windows. There is no need to develop a market practice for the domestic timetable, but to ensure that all relevant activities across the value chain are completed earlier and in line with the applicable cut-offs. This includes trading and trade reporting, clearing and CCP-related processing, settlement instruction creation, matching and release, as well as liquidity preparation based on the relevant currency cash cut-off times.

The recommendation applies market-wide to all actors whose operational timelines influence settlement processing under T+1, including trading venues, CCPs, CSD participants, clearing members, custodians, settlement agents, banks, asset managers and cash or FX providers[4].

[4]The applicable SIX SIS cash funding and pre-advice cut-off times, including currency-specific value-day requirements, are set out in Annex 10.2. Market participants must incorporate the applicable SIX SIS cash funding and pre-advice cut-off times, including any value-day requirements, into their liquidity, payment and settlement processes. Funding arrangements should be completed sufficiently in advance to ensure that cash is available in the relevant settlement currency by the applicable deadline and for settlement on the intended settlement date.

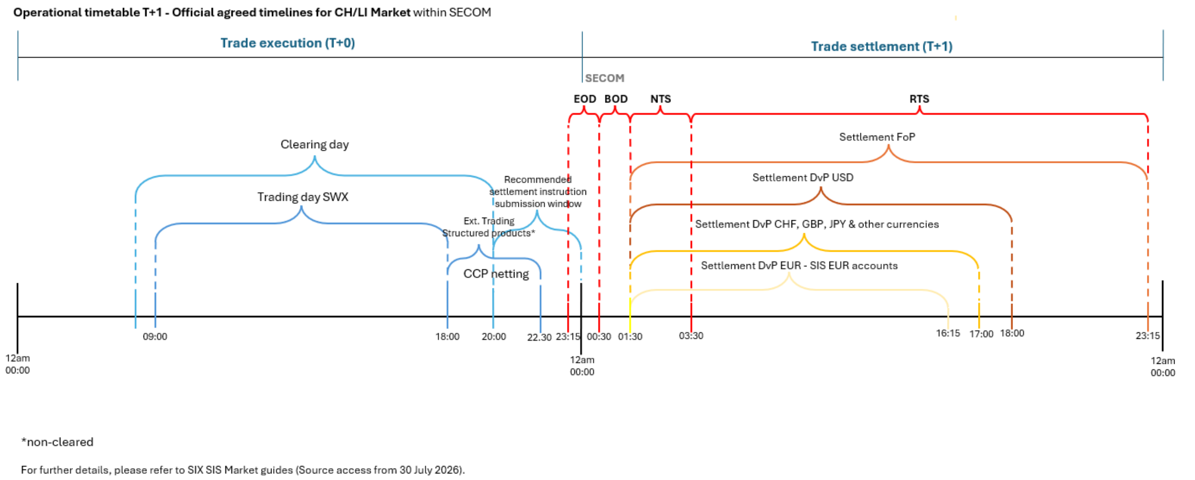

Figure 2- SwissSPTC Operational Timetable T+1 for CH/LI Market

Practical examples that support a timely and efficient settlement – selection is arbitrary and not conclusive. However, they are in line with the swissSPTC's call for action for internal process optimisation set out in the publication of the Recommendations in November 2025. These examples also demonstrate that every market participant in the value chain has a responsibility to review their own processes and explore potential automation as part of the journey towards domestic settlement efficiency:

- For trading, confirmations, cancellations, corrections and two-sided trade reports should be completed on trade date and before the relevant CCP or settlement instruction cut-off.
- For clearing, CCP-related reconciliation, netting, reporting, inventory management and settlement instruction release should be completed in time to support settlement in the NTS cycle.
- For settlement instruction management, instructions should be created, submitted, matched and released in time for the relevant SECOM processing windows. Instructions intended for NTS should be available before the end of the recommended settlement instruction submission window on T.
- For liquidity management, cash and funding arrangements should be aligned with the applicable FMI/SIX SIS currency cash cut-off times. Market participants should ensure that cash is available in the relevant settlement currency in time for settlement on intended settlement date, including CHF, EUR, GBP, USD, JPY and other supported currencies.

All market participants should align their internal cut-offs, automation and service-provider dependencies with the domestic Operational Timetable. Settlement instructions, matching, funding and exception handling should be completed early enough to support settlement in the Night-Time Settlement and Real-Time Settlement windows to avoid unnecessary fails under T+1.

6.4 Issuing and Trading

6.4.1 Recommendation 4

SIX Swiss Exchange and BX Swiss AG acknowledge the swissSPTC's recommendation and will adjust the Rule Book of SIX Exchange Regulation, respectively the Trading Rule Book of BX Swiss AG, to accommodate the change of the settlement cycle at the appropriate time.

The transition to T+1 requires trading venue rulebooks to remain fully aligned with the applicable post-trade settlement cycle, including any settlement cycle referenced data[5] and timelines on post-trade processes governed by CSDs and CCPs. Trading venue rulebooks must not create legal or operational inconsistencies with a T+1 environment.

Current/existing practice

- SIX Exchange Regulations reference T+2 settlement for all cash-market instruments with automated instruction to CCPs or CSD.
  An exception represents Rights & Options which, from the second day of trading, are already settled in a T+1 cycle.
- BX Swiss Trading Rule Book similarly reflects a T+2 settlement cycle.

Future market practice

With the migration to a T+1 settlement cycle, trading venue rules shall be adjusted to generally include the shortened cycle for all trades of cash-market instrument that settlement is instructed for by the venue to the CCP or CSD.

In the context of ETFs traded on various exchanges the SwissSPTC Experts suggests to market participants to pay increased attention on ETF's cross-border re-alignment management which will minimise potential settlement fails under the shortened settlement cycle.

From an operational perspective, accrual calculations will be adapted to reflect the shortened settlement cycle. The current practice allowing two-sided off-book trades to be reported asymmetrically will no longer be supported in the same way under T+1. Today, one counterparty may report a trade-on-trade date and the second counterparty may accept it on T+1. Under T+1, both trade legs must be fully matched on trade date in order for settlement to be instructed in time. Confirmations, cancellations and corrections must therefore be instructed and completed on trade date and before the relevant CCP cut-off times.

[5] With settlement referenced/impacted data it is specifically referred to the Corporate Actions Chapter 6.6 and the correct provision of Key Dates from Issuers and/or Fund Management companies.

For bonds based on RFRs with a lookback period, the shorter settlement cycle also changes the timing of trade instruction. Provided the relevant lookback period remains unchanged, SOFR instruments will no longer need to be held back from instruction pending publication of the required rate, as the relevant rate will already be available when the trade executes.

Certain EU trading recommendations will not be applied/aligned in the Swiss trading context. In particular, *automatic shaping of settlement instructions* is not planned to be followed by SIX Swiss Exchange.

Swiss trading-venue rulebooks and related documentation will as of 11 October 2027 apply T+1 settlement cycle to all (on and off-book) on-exchange reported trades instructed by the venue to a CCP or CSD.

6.4.2 Recommendation 5

Alignment with international standards / best practices in terms of handling late arrival of data that are critical for pricing and settlement (e.g. NAV).

In a T+1 environment, delayed availability of pricing-relevant data such as NAVs, Corporate Action values, or reference prices creates heightened operational and settlement risk. Swiss market practices should therefore align with internationally accepted approaches to mitigate these risks. It is generally expected that primary market transactions with multi-jurisdictional assets (incl. different time-zones) will over time align with the settlement cycle of their underlying basket of securities.

This recommendation is closely linked to fund processing, pricing cycles, and cross-border practices. Alignment with EU and international market standards is essential not to create Swiss-specific exceptions under T+1.

Current/existing practice

- Trading venues calculate accrued interest based on a T+2 cycle when instructing trades to CCPs or CSDs for settlement purposes.
- Off-book trades based on NAV are not reported until NAV is available.

Future market practice

- Calculation of accrued interest will be amended to reflect a T+1 settlement cycle.
- No changes are needed to the reporting mechanism of NAV trades in Switzerland (other than applying a T+1 settlement cycle by default).

6.5 Settlement

The Swiss and Liechtenstein market's settlement efficiency and settlement rate is very high and stable. This is one of the reasons why the scope of swissSPTC's T+1 Task Force has no explicit focus on settlement efficiency tools, etc. Nevertheless, the SwissSPTC will in co-operation with the FMI SIX support the community to improve settlement where needed.

- Despite high settlement rates in the Swiss market, but due to alignment objectives of all three jurisdictions EU, UK and Switzerland, the Swiss market will introduce partial settlement before October 2027;
- Hold & Release, Securities Lending are common domestic market practices that can be used by market participants;
- SIX SIS as FMI is offering its market participants/clients a *"T+1 simulation tool"* with the current T+2 data to analyse potential inefficiencies, to support the improvement of potential settlement fails on participants' level. The tool is also an opportunity to analyse the participant's intermediary chain;
- The SwissSPTC requested the FMI to make use of same simulation tool, firstly, to get a benchmark settlement rate of the Swiss market as a whole and secondly, in order to give control to keep track on the way to the T+1 migration. These figures are planned to be taken on a monthly basis starting in Q3/2026 after the summer break.

The SwissSPTC is confident that the domestic market will continue to have excellent settlement rates also under the T+1 cycle.

EU T+1 Industry Committee – Standing Settlement Instruction (SSI) Market Practice

The EU T+1 Industry Committee published pre-settlement market practice as additional guidance to promote efficiency and standardisation in the settlement process. The guidance provides further clarity on SSI standards relating to the storage and exchange of SSIs between trading parties and/or their appointed intermediaries.

In the Swiss and Liechtenstein markets there is currently no market practice for the exchange of SSI data between participants. The exchange is conducted on a bilateral basis and makes use of different tools, message formats and providers. According to market participants, the current approach functions very well. Also in the context of T+1, the existing setup is considered by the SwissSPTC Settlement Experts to be sufficient.

Nevertheless, the SwissSPTC welcomes and supports initiatives that aim at fostering international harmonisation and standardisation of SSI exchange, particularly in the context of the planned transition to T+1.

The SwissSPTC with its market participants acknowledge the relevance of the proposed EU market practice. At the same time, they will refrain from developing a separate market practice. The SwissSPTC with its experts intends to align with established international standards and to further develop its existing practices where this provides a clear benefit to market participants.

ETF - Settlement

The swissSPTC Settlement Experts would like to draw attention to the complex situation regarding ETFs and therefore recommend the market participants to carefully assess each individual ETF composition and handle it with due care to manage corresponding liquidity and realignment settlement challenges. ETFs are often multi-listed at several stock-exchanges (cross-border). As a result, settlement (of same ETF) takes place in several markets depending on where trades were executed. Banks trading the same ETF at several exchanges may be requested to realign from one CSD to the other. By shortening the settlement cycle in October 2027 the existing challenges may be bigger due to timely pressure to avoid settlement fails.

Trades on ETFs executed on the Swiss Stock Exchange settle at the Swiss CSD (SIX SIS). A market practice of the domestic CSD supports the market participant's processing of such specific cross-border realignment challenges.

Current/existing practice

ETF-Settlements of Swiss Stock Exchange transactions require so called NO-Positions referencing. To create NO-Positions, participants must receive the positions via the distinct custodians of the CSD's network only, otherwise settlements will fail.

Future market practice

Current market practice for the domestic market in Switzerland and Liechtenstein will remain and not be changed after migration to T+1 in October 2027.

The Experts of the swissSPTC will further monitor developments in Europe in this specific area, assess it against the current domestic practice and, if deemed appropriate, adapt it once a European standard becomes apparent.

6.5.1 Recommendation 6

> Introduction of partial settlement, including partial release in the domestic market. Development of market practices to use partial settlement as a default with potential exceptions that are based on well documented use cases.

Partial Settlement and Partial Release is recognised as a valuable feature to increase settlement efficiency. A wide use of partial settlement is considered to have a positive impact on the liquidity during the settlement-day.

The Swiss CSD SIX SIS is implementing these two new features in a 2-phase approach. First phase focuses on OTC-transactions, whereas second phase is for CCP- and Stock-Exchange transactions.

- Phase 1 implementation: November 2026
- Phase 2 implementation: June 2027

Accordingly, the testing with the market participants and implementation will be coordinated and carried out by the Swiss FMI.

The technical solution will adopt international standards that are already used in other markets/systems. This is mainly true for T2S. Main current international technical standards are:

- Both sides of a transaction must agree to allow partial (opt-in). If one side opts-out (code NPAR), partial settlement is not applied (called 'unilateral opt-out')
- PART is the default partial-value in case of absence in the instruction.

Current/existing practice

Currently, SIX SIS applies Autosplitting on CCP net-transactions. Members have the choice to opt-out of Autosplitting when delivering to CCPs, but they do not have a choice to opt-out in case they are receiving from CCPs. Main purpose of Autosplitting is an empty CCP-account at the end of the day. With the implementation of partial settlement/partial release the current splitting-functionality for CCP-transactions will be suspended.

Future market practice

The new partial-settlement/partial release at SIX SIS provides to the domestic market an important tool to become more efficient. All bilateral settlements (i.e. settlements from OTC, CCP and Exchange) will be made eligible for partial settlement. If both sides of a transaction agree, SIX SIS will settle transactions in partials based on lack-of-securities situations. SIX SIS applies the unilateral Opt-Out[6] as per international standard.

With the switch from T+2 to T+1 in October 2027, Swiss market-participants should opt-in for partial-settlement per default, especially for transactions resulting from trading-activities.

Opting-out of partial-settlement might still be used for specific transaction types, like portfolio transfers, collateral-movements, securities finance transactions, transactions resulting from Corporate Actions, etc.

For CCP- and Stock-Exchange Locked-In- transactions market participants will not be allowed to opt-out.

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[6] Switching from unilateral to bilateral opt-out will be discussed among market participants as soon as there are plans to change international standards bilateral opt-out means, both sides of a transaction must opt-out (NPAR), only then, partial-settlement will not be applied).

The new partial-settlement/partial release functionality for the domestic markets will help to support and stabilise a high settlement rate under the shortened settlement cycle.
The swissSPTC and its experts recommend that all market participants make fully use of partial settlement for trading transactions as of October 2027.

6.5.2 Recommendation 7

Introduction of Transaction Type Identifier for SFTs or define a market practice to identify the SFT's transactions in the settlement process.

➔ *As indicated in the Recommendation Summary, in chapter 5, this recommendation is marked as "Clarification" to reflect additional discussions and conclusions since the official publication of the swissSPTC Recommendations on 14 November 2025.*

The swissSPTC and its experts recommend "No changes to existing practice of settlement instructions". In the consequence there is no implementation of SFT identifier planned before October 2027 or thereafter, as there is no specific need to identify SFT transactions in the settlement processing.

The introduction of a SFT Transaction Type identifier is primarily a requirement arising from the EU. As already noted with the publication of the swissSPTC Recommendations the SwissSPTC has further examined this when defining market practices for the Swiss and Liechtenstein markets to determine whether a requirement for alignment is justified in this regard.

The use of a Transaction Type Identifier for SFT primarily aims to support regulatory requirements in the context of the EU T+1 initiative (e.g. settlement optimisation of SFTs) as well as the CSDR Settlement Discipline Regime. In particular, a correct and standardised use of the identifier in all EU markets and cross-border on the T2S platform is intended to enhance transparency, for example by enabling the identification of SFT transactions and the proper application of regulatory exemptions or specific processing (e.g. Gating Events). The CSD SIX SIS settlement system is a real-time gross settlement system with external cash settlement via SIC. This does not allow for netting. A gating event would bring no additional benefit.

For the Swiss and Liechtenstein markets, however, this objective is not considered relevant and leads to the following key considerations:

- The Swiss and Liechtenstein domestic markets regulation or operational processing do neither require participants to specify SFT transactions nor is there a need from the FMI.
- In the Swiss and Liechtenstein domestic markets the Transaction Type Identifier is already used differently from what is envisaged in the EU context. The transition from

T+2 to T+1 has no impact on the current use of the identifier. There is no additional need to flag SFT transactions as these are settled the same way as other transactions. SFTs as bilateral agreed transactions are out of Scope of the swissSPTC recommendation of a mandatory adaptation of T+1.
- The rationale outlined in the EU market practice does not apply to the Swiss and Liechtenstein domestic markets. An alignment with EU market practice would not provide any added value.
- Swiss and Liechtenstein market participants would of course comply with the requirements where the settlement of SFTs, if there are any, takes place with an EU CSD by providing the appropriate identifier.
- Should international institutions include a specific SFT identifier for the domestic Swiss and Liechtenstein settlements, the FMI will ignore this identifier as it is not required for matching, settlement or reporting processes.

Current/existing practice

For settlement instructions sent by participants to the CSD SIX SIS, the Transaction Type Identifier (:22F::SETR/...) is used to derive the following transaction types:

- Ordinary settlement transaction (/TRAD)
- Account-Transfer (/OWNI)
- Position-Transfer (SCOM/POTR)

Any other identifier in settlement instructions is ignored by the FMI and defaulted to 'TRAD', meaning that parties can choose to use the SFT identifier unilaterally without impacting the settlement (i.e. if party A uses the SFT identifier and party B doesn't use it, the trade will still match and settle).

For settlement transactions generated by the CSD SIX SIS on behalf of participants, the Transaction Type Identifier, reported to participants, specifies further details about the underlying reason:

- Claims (/CLAI)
- TPA-transactions (/REPU, /RVPO)
- Transfers between T2S and SECOM (SCOM/APRS)

The existing Transaction Type Identifier market practice for settlement instructions in the domestic market will remain unchanged, as the existing practice covers the current domestic industry needs.
For the time being a dedicated SFT identifier will not be implemented by the FMI, and the swissSPTC is supporting this decision.

6.5.3 Recommendation 8

All industry actors to align the foreign currency liquidity injection with the Operational Timetable.

This recommendation is specifically referring to the deadlines in the timetable for settlements in foreign currencies (see annex 10.1). More general suggestions on liquidity management are specified find in chapter *6.8 Liquidity Management*.

6.6 Corporate Actions[7]

The objective of the SwissSPTC is that the Swiss and Liechtenstein markets are compliant with all European Corporate Event Standards. Over many years this is already the case, means that domestic processing is aligned with European Corporate Events Standards, nevertheless there are a few exceptions or deviations as Standards or agreed Market Practices cannot cover all specifications of the various European markets:

1. *Transformations: European Transformation Standard 2* with the aim that CSD participants should have the possibility to send settlement instructions to the T2S System during the ten-day period following the maturity date of a security ("old" ISIN). During this ten-day period instructions sent by CSD participants will be validated and allowed to match but not to settle.
   Current Swiss Market Practice (incl. Liechtenstein) is that settlement instructions may be submitted for matching until EoD on Record Date. At EoD, on Record Date, matched pending settlement instructions are transformed automatically. Unmatched transactions are cancelled and will not be transformed. Settlement instructions received after Record Date will be rejected by SIX SIS.
2. *European Voluntary Reorganisations, Standards 13 and 14* with Guaranteed Participation Date should precede the Buyer Protection Deadline by at least one Settlement Cycle and the Buyer Protection Deadline date should be equal to the Market Deadline date.
   Current Swiss Market Practice (incl. Liechtenstein) has generally implemented these two standards, except for Swiss Tender Offers only; according to the Swiss Regulation the Guaranteed Participation Date and the Market Deadline are on the same day.

[7] For simplification reasons and to avoid potential discrepancies, the charts in this chapter have been taken from the European Advisory Group on Market Infrastructures for Securities and Collateral (AMI-SeCo Corporate Events Group respectively the "T+1 – Corporate Events *Harmonised Implementation Guide*" of July 2026).

	T	**T + 1 (ISD)**		**ISD + 1**
European Standard	Guaranteed Participation Date	Buyer Protection Deadline (latest 11:00 am)	Market Deadline	Payment Date
	T	**T + > 1 business day**		**Market Deadline + 1 business day**
Swiss Market **(in general)**	Guaranteed Participation Date	Buyer Protection Deadline (preceding market deadline by minimum 4 business hours)	Market Deadline	Payment Date
Swiss Market **(specifically for Tender Offer only)**		Buyer Protection Deadline (preceding market deadline by minimum 4 business hours)	Guaranteed Participation Date & Market Deadline	Payment date

Figure 3 - Swiss market key dates tender offer

A Corporate Action or Corporate Event is initiated by the issuer of a security, or by an offeror, that has an impact on the holders of that security. Participation in a Corporate Action can be mandatory, mandatory with choices or voluntary. The Corporate Actions may result in the distribution of cash and/or security proceeds to the holder of the security or in the replacement of the underlying security.

The section 6.6 Corporate Actions of this Handbook should serve as guidance in the area of Corporate Actions where the shortening of the settlement cycle from T+2 to T+1 mostly impacts the Corporate Actions processing. Given that the only significant change is the shortening of the timeframe between key dates, while the Corporate Actions processes themselves remain unchanged, market participants are familiar with and capable of managing the related processing complexities. Please note that this guidance follows the European T+1 Corporate Events Harmonised Implementation Guide (July 2026), prepared by AMI-SeCo and supported by the "Corporate Events Group (CEG[8])".
The SwissSPTC Recommendations published in November 2025 already created awareness on key dates and automation requirements in the Corporate Actions processing. This handbook on market practices specifies the SwissSPTC recommendations and explains any deviation from the European approach in case the SwissSPTC and the market Experts came to a different conclusion.

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[8] CEG is a specialised European working group designed to streamline Corporate Action processes across Europe. CEG consolidates the monitoring and assessment of compliance with the JWG CA standards, with the T2S CA standards and the SCoRE CA standards into a single pan-European group called Corporate Events Group (CEG) as part of the AMI-SeCo governance. It stems from the Joint Working Group (JWG) established in 2007 to resolve national differences in CA processes (Giovannini Barrier 3, Giovannini Reports: https://ec.europa.eu/info/publications/giovannini-reports_en), now operating under AMI-SeCo governance to monitor compliance with market standards and enhance cross-border investment. CEG harmonises Corporate Action standards to eliminate barriers to cross-border investment, focusing on standardising processes for events like shareholder meetings and dividend payments.

The key dates in a Corporate Event determine the eligibility of an entitled party to receive proceeds or participate in the event. These dates are linked to the settlement cycle, which governs the time between the trade date (T) and settlement (T+X). The change in the standard settlement cycle – from T+2 to T+1 – shortens the time between key dates, affecting the determination of eligibility and the timeline for submitting instructions in elective Corporate Events. This requires issuers, intermediaries and investors to adjust their operations accordingly.

6.6.1 Recommendation 9

Alignment of Corporate Actions (Events) key dates with the T+1 settlement cycle.

The period of time ("interval") between the key dates of a Corporate Event are linked to the settlement cycle. Accordingly, the change in the standard settlement cycle from T+2 to T+1 will have an impact on the sequence of these key dates.

In the following paragraphs these impacts on the key dates are explained.

The European Corporate Actions (Events) Standards and market practices have been assessed, discussed and agreed by the swissSPTC Corporate Actions Expert Group (swissSPTC CAEG) to be implemented accordingly in the Swiss and Liechtenstein market.

Key Dates for Mandatory Distributions

Key dates in Mandatory Distributions are as follows:

Ex-Date	The date from which the underlying security is traded without the benefit/right attached to it. Note: The ex-date is only applicable to securities in units (e.g. shares).
Record Date	The date set by the issuer on which the rights flowing from the securities, including the right to participate in a Corporate Event, shall be determined, based on the settled positions recorded in the books of the issuer CSD or other first intermediary by book-entry at the close of its business and/or register.
Payment Date	The date on which the payment is due.

The following sequence of dates must be applied in T+1 environment:

- The *Ex-Date* (which begins at the start of the day) must be on the same date as the *Record Date* (which is a snapshot taken at the end of the day).
- The *Payment Date* should be one day after the *Record Date*.

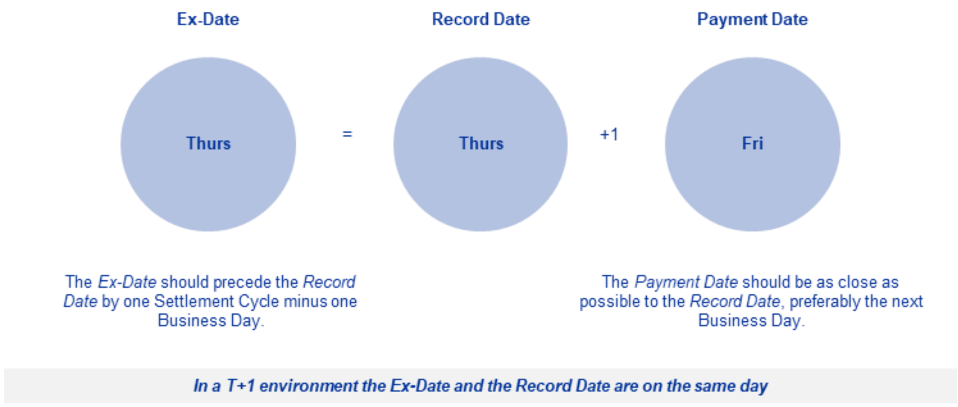

Figure 4 - Key dates for Mandatory Distributions in a T+1 environment

Key Dates for Mandatory Reorganisations

Key dates in Mandatory Reorganisations are as follows:

Last Trading Date	The date on which the securities to be reorganised will cease to be tradable.
Record Date	The date set by the issuer on which the rights flowing from the securities, including the right to participate in a Corporate Event, shall be determined, based on the settled positions struck in the books of the issuer CSD or other first intermediary by book-entry at the close of its business and/or register.
Payment Date	The date on which the payment is due.

The following sequence of dates must be applied in T+1 environment:

- The *Last Trading Date* should be one business day before the *Record Date*.
- The *Payment Date* should be one business day after the *Record date*.

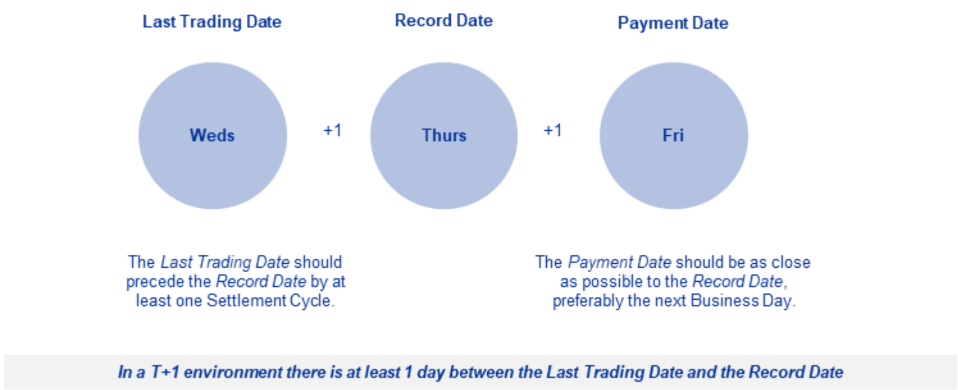

Figure 5 - Key dates for Mandatory Reorganisations in a T+1 environment

Key Dates for elective events

Elective events (also known as a *Voluntary* or *Mandatory with Options* Corporate Actions) are Corporate Actions initiated by the issuer where securities holders are given a choice regarding how their holdings will be affected. The holder of the security must actively respond or instruct their custodian/intermediary, if they wish to participate in the event, otherwise a default option is applied. In the case of securities pending settlement, if the buyer of securities wishes to elect, they need to send a Corporate Action election to their trading counterparty via their custodian/intermediary informing them of their decision, should the trade fail to settle on time.

Key dates for elective events are as follows:

Last Trading Date	The date at which the securities to be reorganised will cease to be tradable.
Guaranteed Participation Date	The last date to buy the underlying security with the right attached to participate in an elective Corporate Event.
Buyer Protection Deadline Date	The last date and time for a buyer who has yet to receive the underlying securities of an elective Corporate Event to instruct the seller in order to receive the outturn of their choice.
Market Deadline Date	The date and time that the issuer (or offeror as the case may be) or issuer CSD has set as the deadline to send instructions for participation in the Corporate Event.
Payment Date	The date on which the payment is due.

The following sequence of dates must be applied in T+1 environment:

- The Guaranteed Participation Date should be at least one business day before the Buyer Protection deadline.
- The Guaranteed Participation Date should be at least one business day before market deadline.
- The Payment Date should be one business day after the market deadline.

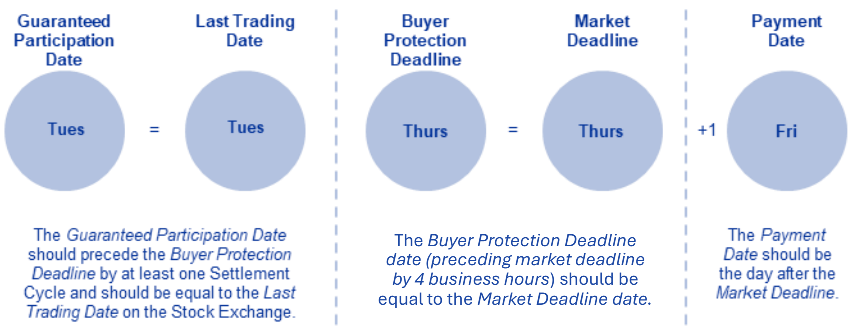

Figure 6 - Key dates for Mandatory Reorganisation with Options in a T+1 environment

Swiss and Liechtenstein markets will apply the harmonised European T+1 key date conventions.
Issuers, Issuer Agents, Asset/Fund Managers and the Financial Market Industry are requested to apply these key dates. Sufficient awareness and appropriate action must be undertaken that non-compliance cases will be avoided.

6.6.2 Recommendation 10

Issuers are advised not to announce Corporate Events with key dates falling during the transition to the T+1 settlement cycle (i.e. between Monday 4 October 2027 and Friday 15 October 2027).

The swissSPTC recommends to avoid scheduling Corporate Events with settlement-cycle-dependent key dates falling within the transition period from 4 to 15 October 2027. This is intended to reduce operational risk arising from the coexistence of T+2 and T+1 settlement cycles, including the double settlement day on 12 October 2027. Where this cannot be avoided, the harmonised transition rules set out under Recommendation 11 should be applied.

6.6.3 Recommendation 11

Alignment with the EU on a “standard rule” for managing Corporate Events announced before, but settling after the transition date.

Where settlement-cycle-dependent key dates cannot be avoided during the transition period, the swissSPTC recommends applying the harmonised European transition rule for determining the EX-Date:

- If the Record Date is Monday 11th October 2027, the Ex-Date should be Friday 8th October 2027;
- If the Record Date is Tuesday 12th October 2027, the Ex-Date should be Tuesday 12th October 2027 - this should be the first day applying the T+1 settlement convention to the Ex-Date process;
- No Ex-Dates should apply on Monday 11th October 2027.

The approach is aligned with the EU T+1 Industry Committee and the UK Accelerated Settlement Taskforce. As outlined above it is consistent with the approach followed in the U.S. migration to T+1.

Issuers, issuer agents and fund/asset management should avoid Corporate Events with key dates between 4 and 15 October 2027.
If an event is unavoidable, the harmonised transition rule should be applied:

- A Record Date of 11 October requires an Ex-Date of 8 October;
- A Record Date of 12 October requires an Ex-Date of 12 October
- and no Ex-Date may fall on 11 October 2027.

6.6.4 Recommendation 12

Automation of Buyer Protection processing.

➔ *As indicated in the Recommendation Summary, in chapter 5, this recommendation is marked as "Clarification" to reflect additional discussions and conclusions since the official publication of the swissSPTC Recommendations on 14 November 2025.*

The swissSPTC has been following the ongoing European discussions in Q2 and Q3 2026 and has reassessed this Recommendation 12 in consultation with technical experts and came to the conclusion not to automate the Buyer Protection processing for Switzerland and Liechtenstein before the migration to T+1 on 11 October 2027

Information on Buyer Protection

The objective of Buyer Protection is to ensure that the buyer in a pending transaction, who has acquired the right to participate in an elective event, will be able to express their preferred option, and thus receive the proceeds of their choice. Buyer Protection is applicable to elective events (distributions with Options, Mandatory Reorganisations with Options and Voluntary Reorganisations). Please also see following chart for better understanding:

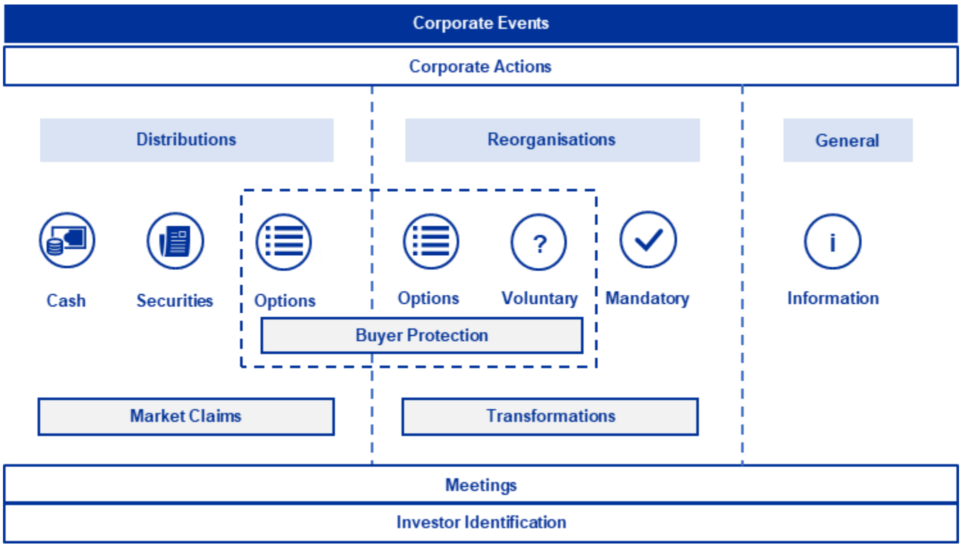

Figure 7 - Simplified overview of application of Buyer Protection and Market Claims

Table with explanations to Figure 7:

Distributions	The events where the holder of a security on a specific date (for example, the record date) receives a benefit without giving up the underlying security. Distributions include: • Cash distributions (e.g. cash dividends, interest payments). • Securities distributions (e.g. stock dividends, bonus issues). • Distributions with Options (e.g. optional dividends).

Reorganisations	The events which involve the (partial) debit of the underlying security, which may be replaced by another security (or securities) or cash. Reorganisations are divided into: • Mandatory Reorganisations (e.g. stock splits, redemptions). • Mandatory Reorganisations with Options (e.g. conversions). • Voluntary Reorganisations (e.g. tender offers).
Market Claims	Market Claims arise in the context of distributions. The reallocation of the proceeds of a distribution to the contractually entitled party.
Transformations	Transformations occur during reorganisations. A process by which transactions which remain pending settlement on or after the Record Date/market deadline, are cancelled and replaced by new transactions in accordance with the terms of the reorganisation.
Buyer Protection	A process whereby a buyer, who has yet to receive the underlying securities subject to an elective Corporate Action, instructs its account servicer in order to receive the Corporate Action proceeds of their choice. Buyer Protection is applicable to elective events (i.e. Distributions with Options, Mandatory Reorganisations with Options and Voluntary Reorganisations).

Buyer Protection Processing

- The Buyer Protection Deadline should follow the Guaranteed Participation Date by at least one Settlement Cycle.
- The Buyer Protection Deadline should precede market deadline by minimum 4 business hours.

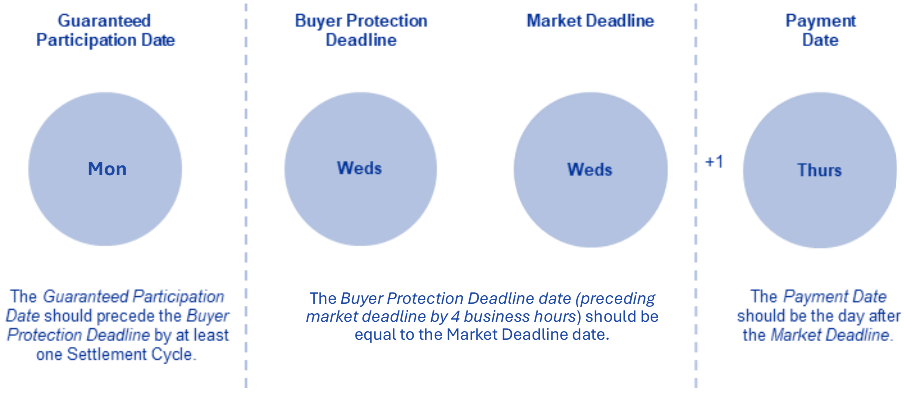

Figure 8 - Key dates for Buyer Protection in T+1 environment

Buyer Protection is a process by which a buyer, who has yet to receive underlying securities subject to an elective Corporate Action, instructs its account provider/ servicer or intermediary in order to receive the Corporate Action proceeds of their choice:

- Buyer Protection instructions may be submitted on matched underlying transactions only on securities subject to an elective Corporate Action event.
- Any Buyer Protection instruction by the buyer prior to the Buyer Protection Deadline and related to a transaction for which the trade date is on or before the Guaranteed Participation Date, with intended settlement date no later than the Buyer Protection Deadline, is a binding instruction and should be accepted without requiring matching.

European Approach: Harmonised automated workflows for the processing of Buyer Protection instructions are under discussion in Europe to be implemented with the view of T+1. The SwissSPTC is seeing that the European situation is still fragmented in July 2026 with a divided opinion on the automation before October 2027.

Please also see below swissSPTC Recommendation that will be followed by the Swiss and Liechtenstein markets.

The European Standards Body for Corporate Events Group (AMI-SeCo - CEG) is proposing an automated market practice under a T+1 cycle. T+1 reduces the timeframe for processing of Corporate Events; with less time to process instructions, automation is considered imperative to reduce risk and to ensure instructions are processed timely.

In the case of Buyer Protection, the timeframe to affect all necessary operational processes between Guaranteed Participation Date and Buyer Protection Deadline and Market Deadline will be reduced by one day in a T+1 environment. For a trade executed on the Guaranteed Participation Date, the following processes may, or will, need to take place on that date:

1. settlement instructions sent.
2. intermediaries to receive the settlement instructions and identify any pending Corporate Action for that security.
3. intermediaries may need to send Corporate Action notifications through the custody chain.
4. the buyer and intermediaries may need to process a Buyer Protection instruction, and/or an election instruction.

For trades executed towards the end of the day on Guaranteed Participation Date, these processes will need to complete by the end of the next business day.

To ensure these processes can be completed within a shorter time frame, many of these activities will need to be highly automated. Buyer Protection instructions currently are mostly processed on a manual basis in Europe. In a T+1 environment, automated Buyer Protection functionality would be much more likely to ensure timely and efficient processing of Buyer Protection instructions. This would reduce risk to the buyer and ensure investors are protected. This process would also ensure that these transactions are available for settlement at the earliest opportunity.

The automation of the Buyer Protection Processing is based on ISO 20022 (MX) standard. Currently the processing of an enriched ISO 15022 standard on an interim basis until MX is introduced is also a topic of discussion in Europe.

Market Practice

Current market practice in Switzerland and Liechtenstein

In the Swiss and Liechtenstein market, Buyer Protection is currently a bilateral manual process between the relevant market participants. Buyer Protection instructions are transmitted using the standard Buyer Protection form (see ANNEX 10.5 – BP Form).

A valid Buyer Protection instruction remains applicable as long as the underlying settlement transaction is pending. Once the underlying transaction settles, the related Buyer Protection instruction becomes void.

6.6.4.1 SwissSPTC Proposal and Market Decision

As part of swissSPTC's efforts to define specific market practices, a decision has been made in the context of the automation of Buyer Protection. ***The swissSPTC recommends not to automate the Buyer Protection processing for Switzerland and Liechtenstein before the migration to T+1 on 11 October 2027 (see Factsheet in Annex 10.4)***

The swissSPTC recognises the importance of strengthening Buyer Protection process under T+1 and therefore an automation could be planned for the coming years. However, based on available data, the swissSPTC's Corporate Actions Expert Group assessment and current operational practices with very low volumes and usages, BP automation is not considered a prerequisite for a successful migration to T+1 in October 2027, even if the relevance of a timely BP handling could be increased by shorter processing windows. In addition, at this point in time the market participants see a significant imbalance between benefits and costs.
Given the missing business need from a domestic and cross-border perspective, as well as low volumes and usage of Buyer Protection in the domestic area, the swissSPTC recommends:

- Not to implement Buyer Protection automation before 11 October 2027;
- To consider 2030 as potential target date based on ISO 20022 standard with a checkpoint in 2028 to reassess Buyer Protection volumes in the context of the T+1 environment;
- To support the development of the standards and market practices in coordination with Swiss Association for Swift & Financial Standards (SASFS), SMPG, ECSDA, EACH and European standard bodies;

This approach reflects the current need of the Swiss and Liechtenstein market participants and supports the flexibility towards future European developments. It is a phased approach that addresses a proportionality, provides immediate operational certainty and supports investor protection.
The swissSPTC will continue to actively monitor developments in the European market and will conduct a "new" assessment at the appropriate time.

> Buyer Protection will remain a manual process in Switzerland and Liechtenstein, using the existing Buyer Protection form and lifecycle rules. No automation will be implemented before 11 October 2027; ISO 20022-based automation may be considered for 2030, subject to a reassessment of volumes and business need in 2028.

6.6.5 Recommendation 13

Automation of Market Claims processing.

➔ *As indicated in the Recommendation Summary, in chapter 5, this recommendation is marked as "Clarification" to reflect additional discussions and conclusions since the official publication of the swissSPTC Recommendations on 14 November 2025.*

A Market Claim is a process to reallocate the proceeds of a distribution to the contractually entitled party. Across Europe harmonised automated workflows for the processing of Market Claims should be implemented in view of T+1. Market Claims arise in the context of distributions. Please also see Figure 7 - *Simplified overview of application of Buyer Protection and Market Claims* for better understanding.

T+1 reduces the timeframe for processing of Corporate Events; with less time to process instructions, automation is imperative to reduce risk and ensure instructions are processed timely.

In the case of Market Claims, CSDs need to provide information regarding creation and status of Market Claims to their members, and CSD members need to be able to communicate requests for amendments of Market Claims to the CSDs. Since CSD members often act on behalf of underlying clients, the need for communication is propagated throughout the chain of intermediaries. Although CSD generation of Market Claims is largely automated (also valid for the Swiss and Liechtenstein markets), reporting on the generation and cancellation of Market Claims is mostly performed manually today due to the very limited adoption of ISO messages for Market Claims processing.

In 2018, the former T2S Subgroup on Corporate Actions (CASG) supported an SMPG proposal to create a new message to automate such flows and recommended the adoption and implementation of such messaging solution. These messages have not yet been widely adopted. However, a requirement to implement such messages (i.e., seev.050 to seev.053) – to automate these workflows in a harmonised manner – should therefore be considered in the future Corporate Events processing and become a European-wide standard.

Current Market Claims Processing and Messaging Framework

The overview describes the current messaging framework and the long-term ISO 20022 target model for the Swiss and Liechtenstein markets.

Process	**ISO 15022 (MT) Current Swiss/Liechtenstein Market approach**	**ISO 20022 (MX)** **Target Model (European Approach)**
Creation (Market Claim Creation)	MT548	seev.050 – MarketClaimCreation
Status (Matching / Pending / Cancelled etc.)	MT548	seev.052 – MarketClaimStatusAdvice
Confirmation (Settlement Outcome)	MT54x and/or MT566	seev.036 – CorporateActionConfirmation
Cancellation Request	MT54x	seev.051 – MarketClaimCancellationRequest
Cancellation Status / Response	MT548	seev.053 – MarketClaimCancellationRequestStatusAdvice

Figure 9 - Market Claims – Processing Practices Overview

6.6.5.1 Market Claims Processing Enhancements for T+1

Based on an assessment of the existing market-claim process, the swissSPTC considers the following enhancements appropriate for implementation by the T+1 migration date. The changes are intended to increase processing efficiency, strengthen automation, reduce manual intervention and support clear and consistent market-claim handling within the shortened settlement cycle. The existing ISO 15022 messaging framework will remain in place. The Swiss and Liechtenstein markets already operate a highly automated Market Claim process. Therefore, only some specific enhancements as described below are recommended, while all other aspects of the current Market Claims framework will remain unchanged.

Current and future market practice:

Processing area	**Current CH/LI market practice (before T+1)**	**Future CH/LI market practice under T+1 (new market practice)**
Identification period	Market Claims are identified during a 20-business-day period following record date. The CSD performs the identification on a real-time basis.	The identification period will be reduced to 10 business days following record date. The existing real-time identification by the CSD will be retained and the applicable end date will be adapted.

		(Alignment with AMI-SeCo T+1 Corporate Events – Harmonised Implementation Guide)
Eligibility and validation criteria	The ex/cum indicators are currently considered in the market-claim identification and creation logic.	The ex/cum indicators will be disconnected and will no longer be used for identification or creation of Market Claims. Eligibility and direction will be determined from the relevant transaction, event dates and the settlement status. *(Alignment with AMI-SeCo T+1 Corporate Events – Harmonised Implementation Guide)*
Processing of cash Market Claims	Cash Market Claims are currently created and processed independently from the payment status of the underlying corporate event.	Cash Market Claims will be created with CSD hold status and automatically released once the underlying corporate event has been paid, irrespective of the status of the underlying transaction. *(Alignment with AMI-SeCo T+1 Corporate Events – Harmonised Implementation Guide)*
Processing of Securities Market Claims	The status of a Securities Market Claim currently follows the status of the underlying transaction.	Securities Market Claims will be created with CSD hold status. Once the corporate event has been paid, the CSD hold will be removed, and the claim will reflect status (hold/release) of the underlying transaction. *(Alignment with AMI-SeCo T+1 Corporate Events – Harmonised Implementation Guide)*

The following overview illustrates the hold/release treatment of Cash and Securities Market Claims, before and after payment of the underlying Corporate Event (introduction for October 2027 T+1 migration).

Hold/Release treatment for Cash and Securities Market Claims/Reverse Market Claims

	Corporate Event not paid		**Corporate Event paid**	
Scenario	**CSD hold status**	**Party hold status**	**CSD hold status**	**Party hold status**
Cash	hold	release	release	release
Securities	hold	reflect underlying status	release	reflect underlying status

Following swissSPTC's recommendation the proposed enhancements will be implemented for the Swiss and Liechtenstein markets by 11 Oktober 2027. These practices provide clear operational benefits and support greater efficiency and automation under T+1. The changes in the approach are consistent with the AMI-SeCo T+1 Corporate Events - Harmonised Implementation Guide, while these changes are also reflecting the needs of the Swiss and Liechtenstein market. These functional changes do not require a migration to ISO 20022 before T+1. The existing ISO 15022-based Market Claim processing will continue until the broader post-trade MX migration in the Swiss and Liechtenstein markets will follow.

6.6.5.2 SwissSPTC Recommendation and Market Decision

The Swiss and Liechtenstein markets have a highly efficient and automated process for Market Claims, which is processed via ISO 15022 settlement messages and are high level already applying the European Recommendation of automated Market Claims.

The Swiss and Liechtenstein markets will continue to use the existing settlement messaging framework for Market Claims processing.

The Swiss and Liechtenstein markets do not intend to adopt ISO 20022 Market Claims messages (Seev. 050/Seev. 052, Sese030 - Target Model) prior to October 2027, as the current Corporate Actions processing framework, including Market Claims, is based on ISO 15022 messaging. The implementation of the MT567 extension (reverse-engineered from ISO 20022 concepts), being considered by the swissSPTC experts to be an interim solution, is currently not an option for the domestic market's processing of Market Claims.

Although the shorter settlement cycle may lead to an increased volume of Market Claims, market participants currently do not see sufficient benefit in introducing an interim solution for the Swiss and Liechtenstein markets. In particular, the additional Corporate Action status messaging provided by such an interim solution is not considered to deliver sufficient added value. The implementation of ISO 20022 in the Swiss and Liechtenstein markets is being addressed through a separate swissSPTC plan that covers a broader post-trade scope.

The SwissSPTC recommendation on market practice level is to keep the current processing of Market Claims with some minor enhancements that support overall the automation as illustrated above and considers a direct transition from the current framework to a future ISO 20022-based solution to be the preferred long-term approach. The scope and timing of such a transition is currently in assessment of the swissSPTC[9].

This reflects the current need of the Swiss and Liechtenstein market participants and supports the flexibility towards future European developments. The swissSPTC will continue to actively monitor developments in the European market, especially in the MX area.

Swiss and Liechtenstein markets will keep the current automated ISO 15022 (MT) Market Practice. However, some minor changes will be implemented before 11 October 2027.

The swissSPTC considers the MT enriched version (including MT 567), only as interim solution, providing no added value for the domestic markets.

The objective of the Swiss and Liechtenstein markets is a direct transition of Market Claims from current ISO 15022 version (MT) to ISO 20022 (MX) version. This is part of a broader MX migration roadmap in the securities post-trade area.

[9] The swissSPTC has established a specific ISO 20022 Working Group that is assessing the migration of the domestic Securities post-trade processing to the new ISO standard.

6.7 Clearing

6.7.1 Recommendation 14

Automating processes to ensure straight-through processing (STP): Clearing members are encouraged to review their internal operational and IT processes to ensure that they are able to manage the accelerated settlement cycle.

With a T+1 settlement cycle, settlement will begin in the overnight settlement cycle taking place on T. In order to participate in this overnight cycle, Clearing Members should review their post-trade processes and ensure maximum efficiency.

The Clearing Member's CCP must ensure that all necessary reports and information are provided to Clearing Members.

Current and future practice

Existing market practices and standards are not changing. However, with the move from T+2 to T+1, a full day of post-trade processing will be lost. Therefore, Clearing Members need to check and ensure that all existing processes can be compressed to fit within the new timeframes.

6.7.2 Recommendation 15

FMI and clearing members/intermediaries are requested to review and amend their internal processes to comply with the partial settlement market practice of the domestic market.

SIX SIS is developing automated partial settlement functionalities. This function will be available in June 2027, well ahead of the October 2027 T+1 transition date.

Current and future practice

Existing market practice already mandates splits on cleared DVP settlement transaction. With the introduction of partial settlement the automated splitting function will be discontinued

Partial settlement will be mandatory for all cleared transactions at SIX SIS.
With the implementation of partial settlement, the current automated splitting function will no longer be offered.

6.7.3 Recommendation 16

> Clearing members are requested to analyse and, if necessary, to compress their internal clearing related processes (e.g. reconciliation and inventory management, sending / releasing of settlement instructions) to ensure settlement in the NTS cycle and in compliance with the operational timetable of the domestic market.

The Clearing Member's CCP must ensure that all necessary reports and information are provided to Clearing Members.

6.8 Liquidity Management

6.8.1 Recommendation 17

> Ensure timely disposition and injection of foreign currencies to ensure settlement on intended settlement dates; higher cash buffers are recommended especially over different time zones
> (includes validation of cross-border / cross-time zone bank holidays).

Shortening the settlement cycle for securities was overall deemed manageable by the dedicated swissSPTC Experts (Task-Force Sub-Group Liquidity Management) for two main reasons:

- Liquidity buffers in the various currencies are already in the current state sufficient to handle volatility in funding requirements, including the volatility caused by securities settlements (typically, other sources of volatility in funding requirements such as payments and (especially) money markets are of much larger magnitude).
- The USD denominated securities domiciled in the US (which represent a very significant group of traded assets within Switzerland) are already transitioned, and this transition was, more or less, considered from a liquidity perspective a non-event by the majority of market participants.

As a consequence, the dedicated swissSPTC Experts suggest to start into the transition period with elevated cash buffers, especially over different time zones (JPY, HKD, AUD, CAD etc.), where O/N funding will be difficult to generate for many market participants. In all other currencies, the expectation is that the changes in the flows are limited and very well manageable.

Market Practice

The existing market standard in liquidity management is such that already in the T/N, market participants will pre-position their cash accounts in each currency to the desired level. This means that tomorrow's forecasted O/N flows and flows with start value date tomorrow will be taken into account. Given the desired EoD balance and the forecasts, the various treasury teams will engage in money market or FX market activity (deposits and loans, repo and reverse repo, FX swaps) to reach the targeted start balance for tomorrow morning.

The swissSPTC's Experts recommendation means that, at least in JPY, the targeted start balance will be higher, ceteris paribus, to accommodate potentially higher outflows in JPY from security purchases that were made after the positioning for the following day was concluded (late trading). Achieving this higher target balance is easy, as it merely requires an adaption of existing daily business processes in terms of size (e.g. go into the O/N with a bigger JPY amount to reflect a pre-defined buffer). Beforehand, this step is recommended to be discussed with the relevant clearer of each institution in JPY, and internal measures (risk limit on the clearer) must potentially be adjusted.

Also, from a P&L perspective, it might be worthwhile to check with the clearer on options how to remunerate any excess by EoD in the O/N. It is not expected that buffers in other currencies must be increased significantly. If the funding team realises in the morning of the new day that a late securities trade has changed the O/N positioning unexpectedly, there is assumed to be sufficient liquidity in EUR, GBP and USD to accommodate this. In CHF, Swiss market participants operate in an abundance of operational liquidity, hence unexpected settlement impact in CHF is absolutely not relevant for operational purposes.

In the Swiss and Liechtenstein market the FMI supports potential liquidity issues of its participants:

- The existing liquidity framework provides flexibility across currencies, including the availability of overdraft mechanisms and the possibility to access liquidity via collateralised facilities;
- FMI's payment and pre-advice processes follow aligned timelines, ensuring that liquidity must be secured in line with the applicable cash deadlines. This allows participants to position funds in accordance with their expected T+1 settlement obligations. (Cash);

The interaction between current domestic trading hours and FMI's funding cut-offs reflects existing global time-zone dynamics and operational models and is therefore not considered to constitute a market-wide constraint. (No structural change through T+1);

Overall, the current Swiss and Liechtenstein setup is considered to provide a robust and workable framework for managing cross-currency settlement flows, with T+1 primarily representing a compression of timelines rather than a fundamental change to the underlying funding model.

> The current Swiss and Liechtenstein liquidity management framework is considered to be stable and supports the cross-currency management of settlement flows, with T+1 primarily representing a compression of timelines rather than a fundamental change of the current funding model.
> Nevertheless, the SwissSPTC suggests to start into the T+1 transition period with elevated cash buffers, especially over different time zones (e.g. JPY, HKD, AUD, CAD, etc.), where late funding is difficult. It is not expected that buffers in other currencies must be increased significantly.
> The SwissSPTC recommends to all market participants' liquidity management teams to consider potential impact over the transition weekend, especially with the double settlement day on 12 October 2027.

7 Implementation Roadmap and Testing Plan

7.1 Domestic Market Implementation and Testing Overview

Switzerland and Liechtenstein will migrate to a T+1 settlement cycle, aligned with the European Union and the United Kingdom. This joint migration approach is essential to avoid cross-border settlement mismatches, operational fragmentation and unnecessary market inefficiencies. The implementation roadmap for the domestic market is therefore based on two main elements:

- *The swissSPTC T+1 recommendations and market practices, and;*
- *The coordinated EU/UK/CH testing approach for the 2027 transition, 25th of March 2026;*
- *The EU/UK/CH Testing Plan V2 for the 2027 transition, published 14th September 2026.*

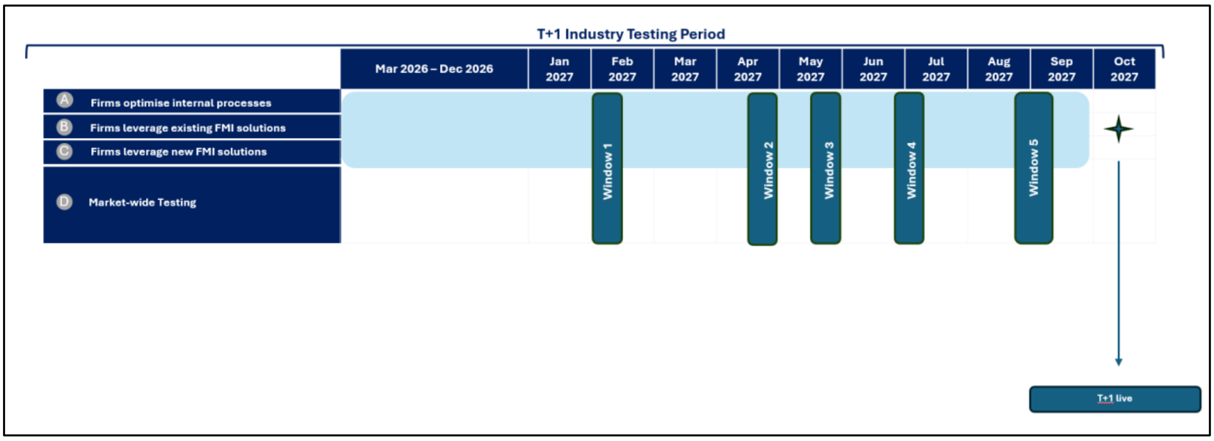

Figure 10 - T+1 Industry Testing Period EU, UK and CH/LI

The purpose is to provide a concise overview of the key implementation changes for the Swiss market and the related testing approach. The focus is on the domestic value chain, including trading, clearing, settlement, Corporate Actions and market-wide testing. The implementation does not require a fundamental redesign of the Swiss post-trade model. However, it does require market participants to compress existing processes, reduce manual intervention, strengthen straight-through processing and ensure that settlement instructions, securities positions and cash funding are available earlier than under T+2.

7.2 FMI Testing Roadmap

Following a decision by the swissSPTC, SIX as the FMI for Switzerland and Liechtenstein, took responsibility for coordinating the domestic T+1 technical implementation and testing initiative, leveraging its end-to-end service offering.

Please see in the *Annex 10.3 High Level Test Scenarios* overview. More detailed information will follow by the FMI SIX in September 2026.

Market participants in Switzerland and Liechtenstein should note that the FMI's testing scenarios do not explicitly reflect only domestic market scenarios; they may also incorporate functions from the SIX SIS Custody/Asset Servicing segment.

7.2.1 Trading

All trades and delivery reports instructed by SIX Swiss Exchange to CCPs and CSDs will be subject to the T+1 settlement cycle where they fall within the defined swissSPTC scope. The impact on trading activities is targeted and limited. Most Swiss trading processes are already broadly aligned with the requirements of a shorter settlement cycle. The main changes relate to rulebook and documentation updates, selected operational controls and specific trading practices that need to reflect the new T+1 value date.

The transition requires updates to trading venues' rulebooks and related documentation, including:

- SSX will update the SIX Exchange Regulation Rule Book to reflect the change in settlement cycle at the appropriate time.
- Amendment to Art 15.1 Trading Rules (value date)
- Directive 3 "Trading" (Art 21.1, two-sided trade report)
- Trading Parameters Guideline (Art. 7, value date)
- Most Product Guides

Market participants will need to reflect these updates in their internal systems, trading processes, validations and client-facing procedures.

7.2.2 Clearing

The impact on SIX x-clear is expected to be primarily operational rather than technical. The current clearing framework already supports a T+1 settlement cycle, and no fundamental change to SIX x-clear CCP processes is expected as a direct result of the migration.

The key impact for Clearing Members is the shorter time available to complete existing processes. Reconciliation, inventory management, the sending and releasing of settlement instructions and exception handling will need to be completed earlier and with a higher degree of automation. Manual processing becomes more difficult in a compressed settlement cycle and may increase operational risk, particularly where discrepancies are only identified late in the day.

Clearing Members are expected to streamline and accelerate internal workflows, as there will be less time to resolve discrepancies before settlement, including:

- Trade reconciliation and inventory management
- Sending and releasing of settlement instructions

They should also ensure that their processes support timely settlement in the Night-Time Settlement cycle, as this becomes more important under T+1. The ability to meet NTS-related deadlines will be a key factor for maintaining high settlement efficiency.

Settlement optimisation tools will play an important role. SIX x-clear already supports key mechanisms relevant for T+1, including hold and release, direct CSD Power of Attorney in the domestic market, and settlement splitting. Partial settlement will become available in the Swiss market before the T+1 migration and will be relevant for maintaining settlement efficiency under tighter deadlines. Clearing Members and their settlement agents should ensure that they are operationally ready to use these tools in line with the domestic market practice.

7.2.3 Settlement

SIX SIS will introduce Partial Settlement and Partial Release in the Swiss market ahead of the T+1 migration. These functionalities are aligned with established standards in other markets, in particular T2S markets, and are intended to provide participants with a harmonised and internationally compatible settlement optimisation tool.

Exchange trades, both CCP and non-CCP, will be created as partial-eligible by default. For OTC transactions, participants may decide whether an instruction should be partial-eligible. The current auto-splitting functionality for CCP transactions will be discontinued.

Apart from Partial Settlement and Partial Release, SIX SIS will not implement any additional technical changes to its infrastructure in connection with the transition to T+1. Existing services will remain unchanged, in particular the following functionalities:

- Settlement cycles in SECOM (BoD-EoD processing)
- Use of the Transaction Type Identifier (no SFT Identifier required)
- Matching criteria
- Fail-driven SLB (Securities Lending and Borrowing)
- Allegements
- Hold/Release

The main settlement challenge remains with market participants. Participants must ensure that settlement instructions are submitted to the CSD in a timely manner, that matching is completed early enough and that sufficient securities positions are available on the settlement date. The exchange of SSI data remains an important process step. The Swiss market does not intend to introduce a separate domestic SSI market practice but supports international initiatives that improve harmonisation and operational efficiency.

7.2.4 Corporate Actions

The transition to T+1 requires for the domestic market selected adaptations in Corporate Action processing, mainly in relation to key dates. SIX SIS will align its processes with the shortened settlement cycle while maintaining existing SWIFT formats where possible. In the context of SIX SIS' role as Asset Servicing provider there may be additional adaptations that will be occur/will be tested in parallel to the domestic part (see below *the section on Markt Claims* for informational purpose).

Key Dates

SIX SIS will align the relevant Corporate Action key dates with the T+1 timeline.

Market Claims

SIX SIS will enhance the processing and notification of Market Claims, in particular for cross-border claims and status handling.

- *New inbound MT567 processing from custodians for cross-border Market Claims*
  - *SECOM will be able to receive and process MT567 messages from custodians for cross-border claims.*
  - *Based on these messages, SECOM will trigger the relevant client notifications.*
  - *This will be available in addition to the existing MT548 processing.*
- *New inbound MT566 booking confirmation processing from custodians for cross-border Market Claims*
  - *SECOM will be able to receive and process MT566 messages from custodians for cross-border claims.*
  - *Based on these messages, SECOM will trigger claims bookings and client notifications.*
  - *This will be available in addition to the existing MT54x processing.*
- *Introduction of MT567 for Market Claim notifications*
  - *Clients will be able to receive Market Claim notifications and status updates via MT567.*
  - *MT567 will be offered in addition to the existing MT548 messages.*
  - *Clients may choose MT548, MT567 or both, depending on their configuration.*
- *Status handling of Market Claims*
  - *Market Claims to deliver cash will be created with status “CSD Hold”. Once the related Corporate Action has been paid, the claim will automatically be set to “Released”, irrespective of the status of the underlying transaction.*
  - *Market Claims to deliver securities will also be created with status “CSD Hold”. Once the related Corporate Action has been paid, the claim will automatically be set to the same status as the underlying transaction.*
- *Extended cancellation options for Market Claims*
  - *In addition to the existing automated cancellation via MT54x, manual cancellation of Market Claims via MT599 will be supported.*
  - *Manual cancellations may lead to additional fees.*

SIX SIS will continue to support the existing process for Market Claim notifications and confirmations. There is no mandatory technical impact on clients unless they decide to use MT567 notifications or MT566 confirmations for Market Claims.

The automatic release of cash claims after payment of the related Corporate Action is expected to reduce manual intervention, lower related fees and support faster and more efficient claims settlement.

7.3 Testing across the value chain

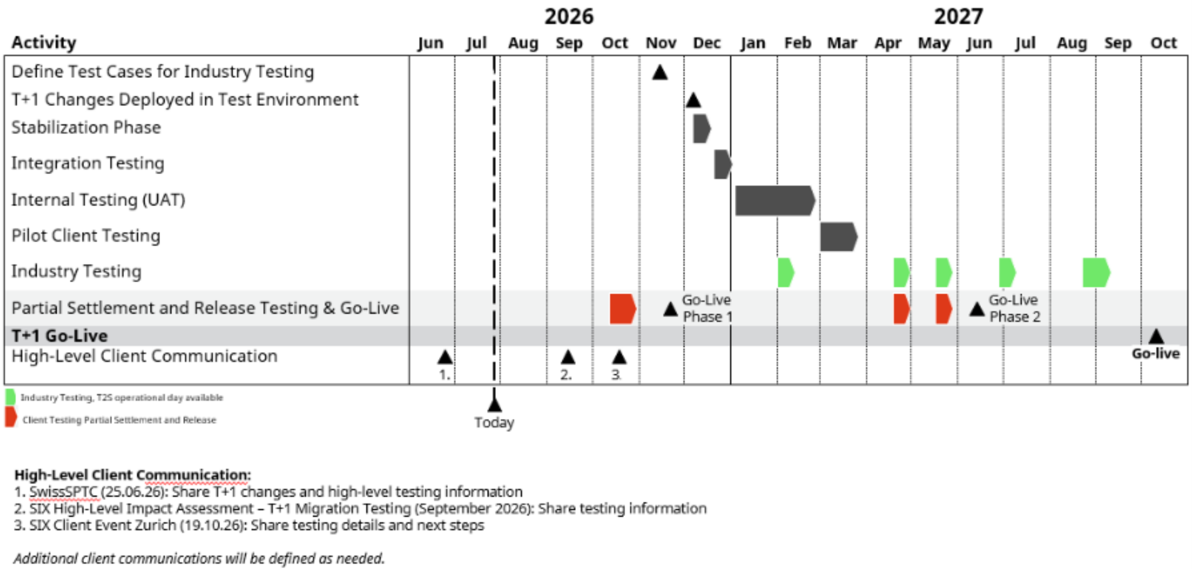

Figure 11 - SIX Testing Overview T+1

The domestic market testing approach is based on the swissSPTC T+1 recommendations and the joint EU/UK/CH T+1 Testing Plan. The objective is to support end-to-end readiness across the Swiss value chain and to allow market participants to validate that compressed timelines, operational dependencies and key process requirements can be managed in a stable and controlled manner.

Testing will follow a phased approach. Partial Settlement and Partial Release are being implemented ahead of the transition to T+1 as part of a phased delivery approach. The objective is to reduce implementation risk by avoiding the simultaneous introduction of multiple significant changes. By introducing and validating the functionality in stages, SIX and market participants can gain operational experience, address potential issues early, and progressively prepare for the broader T+1 transition.

7.3.1 FMI - Internal Testing

Swiss T+1-related changes, excluding Partial Settlement and Partial Release Phases 1 and 2, are expected to be deployed into the test environment in December 2026. Before external testing starts, SIX will validate the relevant Swiss value chain components, including Trading, Clearing, Settlement, Custody, Corporate Actions and SIX Financial Information processes.

Internal testing will focus on technical stability, process integration and the readiness of key T+1 scenarios before the test approach is validated with selected pilot clients and subsequently opened for broader industry testing.

7.3.2 FMI - Pilot Client Testing

Following internal testing, SIX plans to involve selected financial institutions in pilot client testing from 1 to 26 March 2027. Although the pilot phase takes place after the first industry testing window, the initial February window is expected to focus on selected test cases and readiness activities that can already be executed at that stage. The pilot therefore provides selected clients with an additional opportunity to validate available Swiss T+1-related changes, the proposed test approach, support processes, and selected end-to-end scenarios before broader Swiss value chain testing starts in the subsequent industry testing windows.

The phase is also expected to help identify practical issues early and support the refinement of test cases for broader market use. As part of the preparation, end-to-end test cases covering the Swiss value chain are planned to be defined and shared with clients to support their own testing and readiness activities.

7.3.3 Industry Testing

Industry testing is planned across five dedicated testing windows in 2027, in line with the joint EU/UK/CH T+1 Testing Plan. SIX will offer clients the opportunity to begin testing selected executable test cases and readiness activities during Window 1. Broader Swiss value-chain testing across key end-to-end scenarios will begin with Window 2 and continue through Windows 3 to 5.

Additional test cases will be defined and provided to clients as testing progresses in order to progressively broaden the testing scope.

The testing windows are intended to give market participants sufficient time to validate their changes against the Swiss market setup and to test key T+1 process steps across the value chain.

- Window 1: 1 – 12 February 2027

  Start of client testing with selected executable test cases and readiness activities.
- Window 2: 19 – 30 April 2027

  Start of broader Swiss value-chain testing across key end-to-end scenarios.
- Window 3: 17 – 28 May 2027
- Continued broader Swiss value-chain testing across key end-to-end scenarios.
- Window 4: 28 June – 9 July 2027
- Continued broader Swiss value-chain testing across key end-to-end scenarios.
- Window 5: 23 August – 10 September 2027
- Continued broader Swiss value-chain testing across key end-to-end scenarios.

7.3.4 Partial Settlement and Partial Release Testing

Testing for Partial Settlement and Partial Release being a phased approach:

Phase 1 is scheduled from 5 to 30 October 2026 (launch on 16 November 2026). In this phase the functionality will be introduced ahead of the broader T+1 transition to support a smooth implementation of Partial Settlement and Partial Release Phase 2.

Phase 2 testing is planned to be available in the same test environment as T+1 during both the April and May 2027 industry testing windows (launch is planned in June 2027). For this phase client testing will be aligned with the relevant T+1 industry testing windows in 2027. This will enable Business Partners to test Partial Settlement and Partial Release together with the other T+1-related changes in a coordinated end-to-end testing environment.

These functionalities are expected to become increasingly important under T+1 because compressed timelines reduce the time available to resolve settlement issues manually.

***

8 Table of Acronyms

Acronym	Meaning
AMI-SeCo	Advisory Group on Market Infrastructures for Securities and Collateral
APAC	Asia-Pacific
AST	Accelerated Settlement Taskforce
BoD	Beginning of Day
BP	Buyer Protection
CA	Corporate Actions
CAEG	Corporate Actions Expert Group
CASG	Corporate Actions Sub-Group
CCP	Central Counterparty
CCY	Currency
CEG	Corporate Events Group
CET	Central European Time
CH	Switzerland
CoB	Close of Business
CSD	Central Securities Depository
CSDR	Central Securities Depositories Regulation
DVP	Delivery versus Payment
ECB	European Central Bank
EACH	European Association of CCP Clearing Houses
ECSDA	European Central Securities Depositories Association
EEA	European Economic Area
EoD	End of Day
ESMA	European Securities and Markets Authority
ETD	Exchange Traded Derivative
ETF	Exchange Traded Fund
EU	European Union
FIA	Futures Industry Association
FL	Liechtenstein
FMI	Financial Market Infrastructure
FoP	Free of Payment
FX	Foreign Exchange
ISDA	International Swaps and Derivatives Association
ISIN	International Securities Identification Number
ISO	International Organisation for Standardisation
IT	Information Technology
MiFID	Markets in Financial Instruments Directive
MiFIR	Markets in Financial Instruments Regulation
MT	ISO 15022 Message Format
MTF	Multilateral Trading Facility
MX	ISO 20022 Message Format

N/A	Not Applicable
NAV	Net Asset Value
NPAR	No Partial Settlement
NTS	Night-Time Settlement
O/N	Overnight
OTC	Over-the-Counter
P&L	Profit and Loss
PARC	Partial Settlement Complete
PART	Partial Settlement Indicator
PARQ	Partial Settlement Quantity
PoA	Power of Attorney
PSET	Place of Settlement
RFR	Risk-Free Rate
RTS	Regulatory Technical Standards
SASFS	Swiss Association for SWIFT & Financial Standards
SCoRE	Single Collateral Management Rulebook for Europe
SECOM	Settlement Communication System
SFT	Securities Financing Transaction
SIC	Swiss Interbank Clearing
SLB	Securities Lending and Borrowing
SMPG	Securities Market Practice Group
SOFR	Secured Overnight Financing Rate
SSI	Standard Settlement Instruction
SSX	SIX Swiss Exchange
STP	Straight-Through Processing
SWIFT	Society for Worldwide Interbank Financial Telecommunication
T+0 / T+1 / T+2	Trade Date plus 0 / 1 / 2 Business Days
T/N	Tomorrow-Next
T2S	TARGET2-Securities
TPA	Triparty Agent
UK	United Kingdom
US	United States

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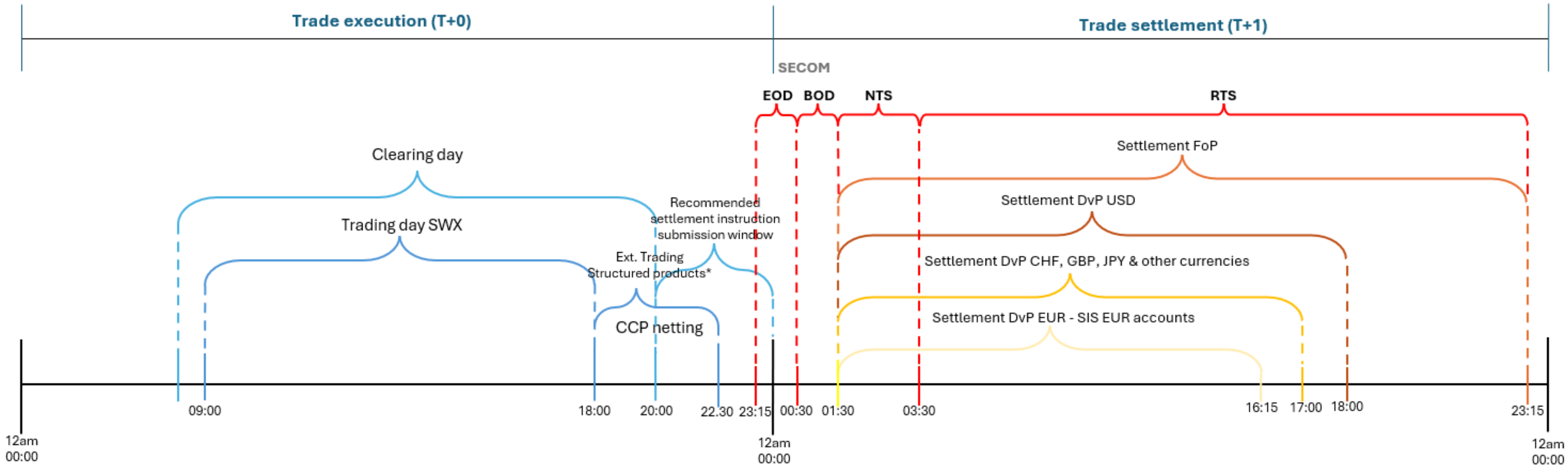
10 Annex

10.1 Operational Timetable

Operational timetable T+1 - Official agreed timelines for CH/LI Market within SECOM



*non-cleared

For further details, please refer to SIX SIS Market guides (Source access from 30 July 2026).

10.2 Extract FMI SIX SIS Cash disposition deadlines (key Asian currencies)

CCY	DEADLINE FOR MT1XX, MT2XX AND MT210 (CET)	
AED	V-1	17:00
CNY	V-1	18:00
HKD	V-1	18:00
IDR	V-1	18:00
JPY	V-1	18:00
KRW	V-1	16:00
MYR	V-1	16:00
PHP	V-1	16:00
SGD	V-1	18:00
THB	V-1	18:00

Source access: Reference Guide - Cash deadlines (CET), 30 July 2026.

10.3 High-Level Test Scenarios

Area	Testing objective and high-level scenarios[10][11]
Trading	**Confirm that trading processes, reference data and instrument-specific activities operate correctly under T+1.** • Reference data and settlement-cycle configuration. • Off-book and two-sided matching. • Mistrades, cancellations and reversals. • Rights and options under T+1. • Fixed income instruments, including coupon processing, RFR/SOFR instruments and floaters. • Corporate Action-related trading impacts.
Clearing	**Confirm that cleared trades can be processed, netted, reported and instructed for settlement within compressed T+1 timelines.** • SSX and/or MTF trades settling at SIX SIS. • SSX and/or MTF trades settling at another CSD. • Trade-date cancellations and exclusion from end-of-day netting. • Creation and transmission of settlement instructions following CCP end-of-day netting. • Power of Attorney flows where the CCP creates settlement instructions on behalf of the Clearing Member. • Validation of CCP files and reports, including content, timing and integration into Clearing Member processes. • Fixed income trades that remain on T+2 under the applicable scope or market convention, with no unintended T+1 changes applied.
Settlement – Partial Settlement and Partial Release	**Confirm that transactions and messages are correctly instructed, matched and processed where only part of the quantity is available or released.** • Non-CCP stock-exchange flows, including partial-eligible locked-in settlement transactions. • CCP stock-exchange flows, including CCP instructions to SIX SIS and partial eligibility. • OTC flow, bilateral instructions and matching with the relevant partial-settlement indicator. • Partial Settlement where only part of the deliverable quantity is available. • Partial release where a transaction is on hold and only part of the quantity is released. • Receipt and automated processing of messages resulting from partial settlement or partial release. **The tests can generally be carried out independently by participants by instructing against themselves. i.e. both counterparties to a transaction are the same business-partner. However, for a successful partial settlement, different securities accounts must be used on both sides. Participants that have only one securities account may contact another participant to test with.**
Corporate Actions	**Confirm adjusted key-date logic and market-claim processing across in-house, T2S and cross-border flows under T+1.** • Cash and/or securities Market Claims for in-house trades. • Cash and/or securities Market Claims for T2S trades. • Cash and/or securities Market Claims for cross-border trades. • Market Claims for trades matched after record date, including before and after the 10-business-day detection period. • Swiss event announcement and execution with key dates aligned to T+1. • Swiss event announcement and execution during the migration period. • Regression testing for transformation

[10] The following high-level test scenarios provide an initial baseline and are not intended to be exhaustive. They may be further refined and aligned across the Swiss value chain as testing preparations progress.
[11] Source: Table provided by the SIX, reflecting the status as of 31 July 2026. For final confirmation of the scenarios, scope and timelines, please refer to the official SIX documentation scheduled for publication in September 2026: *SIX High-Level Impact Assessment – T+1 Migration Testing*.

10.4 SwissSPTC Publication Buyer Protection 26 March 2026

Zurich, 26 March 2026

Swiss Securities Post-Trade Council Recommendation on the Automation of Buyer Protection Processing

The joint European Migration set for 11 October 2027 necessitates coordination across all European securities markets to achieve optimal alignment among various jurisdictions. Accordingly we are collaborating with the EU T+1 Industry Committee and the UK Accelerated Settlement Task Force, the responsible industry committees for planning a successful migration in the EU and UK, respectively. This applies in particular to corporate actions processing. The goal is to establish harmonized standards for national and cross-border processes across Europe, even if the settlement cycle is shortened. Nevertheless, there may be differences in national circumstances or market needs.

This market update aims to inform the industry about the current decision of the swissSPTC on the Automation of the Buyer Protection (BP) Processing.

Context

In November 2025 the swissSPTC published 17 Recommendations that provide high-level guidance to support the transition to T+1. For translating the high-level recommendations into actionable implementation, the swissSPTC is currently developing a "market practices overview" that helps to comply with these recommendations

SwissSPTC View

The swissSPTC recognises the importance of strengthening BP process under T+1 and therefore an automation could be planned for the coming years. However based on available data, the swissSPTC's Corporate Actions Expert Group assessment and current operational practices with very low volumes and usages, BP automation is not considered a prerequisite for a successful migration to T+1 in October 2027, even if the relevance of a timely BP handling could be increased by shorter processing windows. In addition, at this point in time the market participants see a significant imbalance between benefits and costs.
As part of swissSPTC's efforts to define specific market practices, a decision has been made in the context of the automation of buyer protection. ***The swissSPTC recommends not to automate the buyer protection processing for Switzerland and Liechtenstein before the migration to T+1 on 11 October 2027.***
The swissSPTC will continue to actively monitor developments in the European market and will conduct a "new" assessment at the appropriate time. Against this backdrop, the swissSPTC particularly welcomes and supports the ECSDA's proposal, which addresses the concerns of the Swiss and Liechtenstein markets:

- Target date 2030 for a potential full BP automation,
- combined with a formal checkpoint around 2028, to assess volumes, risk exposure and market readiness in a T+1 environment.

swissSPTC
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Evidence on Volumes, Usage and Costs for automated Implementation in the Market

The BP handling in Switzerland and Liechtenstein is based on a manual processing, based on the standardised BP format. It is therefore difficult to get exact counts on BP instructions, but the number of potential events can be assessed with more confidence:

- Total BP instructions fewer than 20 (per year), of which 20% are relevant/effective events;
- Trading of Rights (EXRI) in the Swiss/Liechtenstein market is already on T+1;
- Tender Offers (BID) in the Swiss market is different to the European market standard[1];
- Costs assessed for implementation of BP automation: CSD level > 1 Mio; CSD participants average 250k each;
- A usage of ISO 20022 or extended ISO 15022 is currently not in place in the Swiss and Liechtenstein market;
- Swiss and Liechtenstein markets have a very high settlement rate (near 98-99% for on-exchange and OTC transactions) and current T+1 simulations are in a similar range.

Operational Reality and Need

The market participants addressed following constraints:

- Low observed volumes in the domestic markets (Switzerland and Liechtenstein);
- Low cross-border frequency observation of relevant events, which is not directly in the scope of the swissSPTC T+1 mandate, but swissSPTC and its members will keep a close eye on the developments in Europe and will take them into consideration in any future decision;
- The assessed figures and caused implementation costs do not justify or support the implementation of an automation of BP in the Swiss and Liechtenstein markets;
- The current situation in European markets is ambivalent:
    - Realisation of end-to-end automated BP processing is depending on the custody/intermediary chain as a whole whereas a need/readiness seems actually to be limited, as disagreement prevails in the European markets;
    - BP processing remains largely manual across Europe today;
    - Short term ISO 15022 versus midterm ISO 20022 only 1 ½ year before T+1 going live;
- Full automation of BP Processing would require:
    - Extensions to existing ISO 15022 messages;
    - New ISO 20022 messages;

  Whereby the ISO 15022 is regarded as a temporary short term solution and ISO 20022 as midterm solution that will also be considered as the target standard;
- At present, beside a disproportionality there is no need for automation, either among individual market participants or in the market as a whole.

[1] Voluntary Reorganisation, Swiss Tender Offers: As per Swiss law Guaranteed Participation Date and Market Deadline are on the same day.

SwissSPTC Recommendation

Given the missing business need from a domestic and cross-border perspective, as well low volumes and usage of BP in the domestic area, the swissSPTC recommends:

- Not to implement BP automation before 11 October 2027;
- To consider 2030 as potential target date based on ISO 20022 standard with a checkpoint in 2028 to reassess BP volumes in the context of the T+1 environment;
- To support the development of the standards and market practices in coordination with Swiss Association for Swift & Financial Standards (SASFS), SMPG, ECSDA, EACH and European standard bodies;

This approach reflects the current need of the Swiss and Liechtenstein market participants and supports the flexibility towards future European developments. It is a phased approach that addresses a proportionality, provides immediate operational certainty and supports investor protection.

On behalf of the swissSPTC,

Florentin Soliva
Chairman swissSPTC

swissSPTC
contact: swisssptc@six-group.com

10.5 Manual Buyer Protection Form

Buyer Protection Instruction (BPI)	
BPI Reference:	*This is the □u□ers reference □hich easil□ identifies their election□*
Date of issuance (dd-mm-yy):	*This is the date in □hich the B□□ is created and sent to the counterpart□□*
Security Name:	*□ame of the securit□ in □hich the Corporate □ction is taken place and the trade/loan has □een executed on□*
ISIN:	*The □nternational Securities □dentification □um□er of the a□ove securit□*
Market Deadline Date and Time:	*□□-MM-□□□ □□-M□ □time □one □MT/CET etc□*
CA Event Type (CAEV):	*□S□ definition*
Official Corporate Action Reference (COAF):	*This should □e the C□□F □hich is announced □□ the □ssuer□ Should a C□□F not exist then this filed must □e left □lank□*
CSD	*This is the CS□ □hich the trade □ill □e settling in*
Corporate Action Details□	**De□ault Indicator**
Option 1:	*Ratio□s should □e on a per share ration to allo□ for counterparties to potentiall□ use Excel to format their calculations□* *□S□ definition*
Option 2:	*□S□ definition*
Option 3:	*□S□ definition*

Pending Transaction Details□

RvP □ FoP	Transaction Re□	□uantity	Cash Amount	Trade Date	Intended Settlement Date
		U□□T / F□MT *□elete □here appropriate*		dd-mm-yy	dd-mm-yy

Election Details□					**E□pected Outturn□**		
Entitled Nominal□□uantity	**Transaction Re□ (as per the details above)**	**Election □uantity**	**Option No (as per the details above)**	**Total □nelected Amount**	**ISIN**	**Cash**	**Currency**
				0			
				0			
				0			
				0			
				0			

As per standards 20 to 22 of the Market Standards for Buyer Protection being part of the Market Standards for Corporate Actions Processing, version 2012,:

1) We shall **allo□ settlement** until end of settlement on the date of the Buyer Protection Deadline.

2) Should the trade(s) **settle in □ull** on or before the Buyer Protection Deadline, this instruction **is void**.

3) Should the trade(s) remain unsettled on the Buyer Protection Deadline, we shall cancel and reinstruct the trade(s) according to the option chosen above. The trade(s) shall not be allowed to settle after the Buyer Protection Deadline.

Should partial settlement occur after the Buyer Protection has been issued the following will apply:

4) If the above election is a split election on the same trade ref this Buyer Protection is **void** and the buyer should re-instruct with a new election(s).

5) If the above election is **not** a split election then the election will **remain** on the pending □uantity.

Please confirm receipt and agreement of the above protection by return mail.
Please do not hesitate to contact us should you have any questions please contact us using the following contact information.

Name:	Telephone Number:	Email Address:
Mr Smith	□□ 44 207 □□□□□□□	□smith□CA□WG.eu