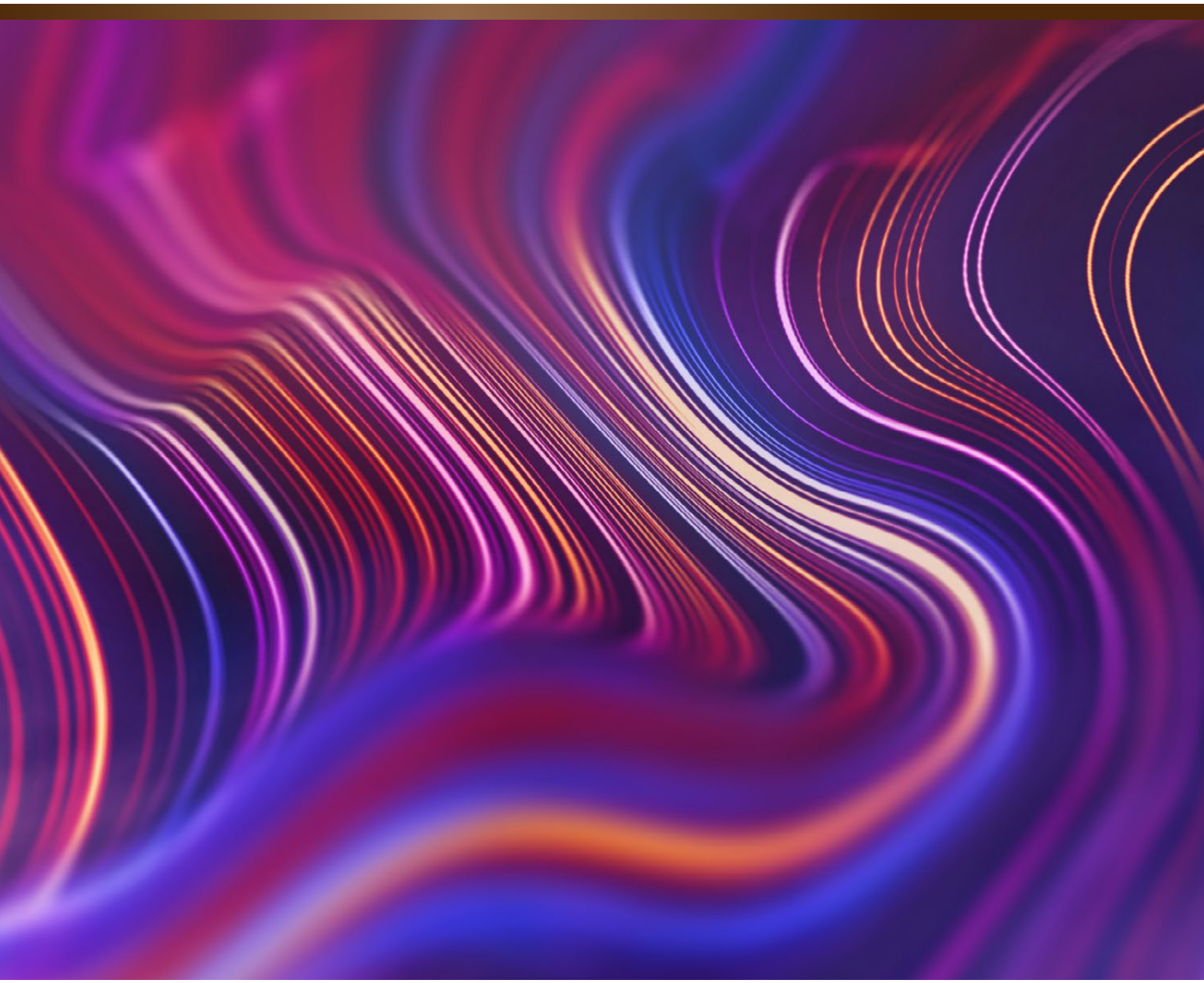
Custody Industry and Regulatory Developments Report

The key regulatory, market and industry developments shaping the custody industry



September 2026

J.P.Morgan



Table of Contents

Foreword 1

Settlement Acceleration & Efficiency 3
- Americas 4
- Europe 4
- Middle East & Africa 7
- Asia Pacific 8

Asset Servicing 10
- Americas 10
- Europe 11
- Middle East & Africa 13
- Asia Pacific 13

Withholding Tax 14
- Americas 14
- Europe 15
- Asia Pacific 16

Financial Market Infrastructure Developments 17
- Global 17
- Americas 18
- Europe 19
- Middle East & Africa 20
- Asia Pacific 22

Digital Assets 24
- Americas 24
- Europe 25
- Asia Pacific 26

Regional Developments and Outlook 28
- Americas 28
- Europe 29
- Middle East & Africa 32
- Asia Pacific 33

Appendix - Glossary 35



Foreword



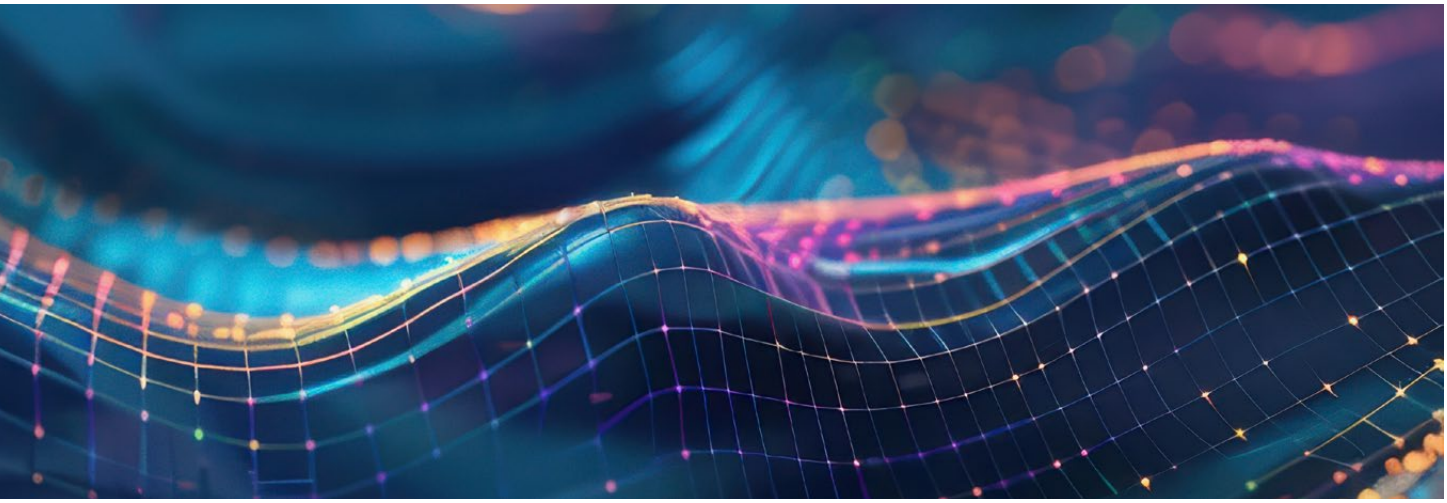
Alex Dockx
Executive Director
Head of Custody Industry Development

We are pleased to publish the latest edition of our J.P. Morgan Securities Services Custody Industry and Regulatory Developments Report.

As the post-trade landscape continues to evolve, our objective remains to keep clients informed on the key regulatory, market and infrastructure initiatives shaping the custody industry, while providing insight into how we engage with policymakers, regulators, financial market infrastructures and industry bodies to support the development of efficient, resilient and globally accessible markets.

The industry agenda in 2026 remains broad and increasingly interconnected. Settlement acceleration continues to be a defining theme, with the U.K., E.U. and Switzerland now progressing detailed implementation, testing and regulatory work ahead of their aligned move to T+1 in October 2027. At the same time, markets across the Americas, Middle East and Africa, and Asia Pacific are assessing or implementing shorter settlement cycles, reinforcing the need for greater automation, harmonized standards, enhanced settlement discipline and coordinated industry readiness across the execution-to-settlement value chain.

Alongside settlement acceleration, asset servicing and withholding tax remain important areas of focus. In Europe, work continues to harmonize corporate action and proxy voting standards, review the Shareholder Rights Directive and modernize asset servicing platforms across key infrastructures. Globally, market initiatives to improve electronic voting, corporate action communications, tax relief processes and withholding tax transparency demonstrate the continued importance of industry engagement and coordination in reducing operational friction and improving client outcomes.



Financial market infrastructures are also advancing significant transformation programs. These include DTCC's U.S. clearing and settlement modernization agenda, extended operating hours across U.S. markets, Euroclear U.K. & International's CREST transformation program, Euronext Securities' convergence initiatives, ASX CHESS replacement, and a range of CSD modernization programs across emerging and developed markets. In parallel, ISO 20022 adoption continues to progress across payments and selected securities processes, with implementation expected to deliver richer data, improved straight-through processing and greater operational resilience. Market infrastructures are also looking at the benefits of greater interoperability and consolidation in order to reduce overall costs and increase competition.

Digital assets and technology-driven market developments continue to accelerate, with policymakers globally refining regulatory frameworks for stablecoins, tokenization, crypto-asset service providers and digital market infrastructure. The U.S., E.U., U.K. and several APAC markets are progressing legislative and supervisory initiatives that seek to balance innovation with investor protection, financial stability and market integrity. These developments remain highly relevant to custody, safeguarding, settlement and market infrastructure operating models for new types of digital assets and services, but they also create an incentive to modernize current systems and processes.

More broadly, regional regulatory agendas remain active, covering areas such as market integration, prudential frameworks, asset safety, operational resilience, transaction reporting, beneficial ownership, account structures, KYC requirements and market access reforms. The E.U.'s Savings and Investments Union and Market Integration and Supervision Package, U.S. Treasury clearing implementation, CRD VI, AIFMD and UCITS reforms, AML/CFT developments, and a range of APAC and Middle East market liberalization initiatives all illustrate the continuing breadth of change facing global investors and service providers.

As a leading global custodian operating in more than 100 markets, J.P. Morgan is well positioned to support clients through this period of change. Our participation in trade associations, advisory groups, working groups and bilateral engagements with regulators and market infrastructures remains central to our collaborative efforts to support industry development and best practices. Through these forums, and through our global sub-custody and market infrastructure network, we seek to promote practical implementation, greater harmonization, improved standards and resilient market practices.

The updates in this report focus on selected regulatory, market and industry developments that we believe will be most relevant to our clients, rather than providing an exhaustive inventory of all initiatives globally.

This report is structured into the following chapters:

1. Settlement Acceleration & Efficiency
2. Asset Servicing
3. Withholding Tax
4. Financial Market Infrastructure Developments
5. Digital Assets
6. Other Regional Developments & Outlook

Our global team will continue to monitor and engage on the initiatives covered in this report and would be pleased to discuss any of these developments with clients. If you have questions, would like to explore any topic in more detail, or wish to discuss regulatory and industry developments not covered here, please contact your Relationship Manager or Client Service representative.



1.

Settlement Acceleration & Efficiency

Settlement acceleration and efficiency continue to be a global priority which is impacting all actors in the execution to post-trade value chain. Currently, the industry is primarily focused on the U.K., E.U. and Switzerland's transition to T+1, with many other markets also considering, or undertaking, accelerated settlement.

J.P. Morgan Custody continues to support the development of an orderly and efficient post-trade environment though whilst regulations and initiatives aimed at accelerating settlement and improving settlement efficiency are a natural progression, they do need to be evaluated on a market-by-market basis due to different nuances, market structure and legal and regulatory obligations. As such, our engagement has and will continue to take a market-by-market approach.

Americas

Latin American Markets

Brazil T+1

B3 S.A. announced to the market they will be moving to T+1 settlement in February 2028. To facilitate a smooth transition, B3 has established an Industry Committee comprised of representatives from leading financial institutions, including J.P. Morgan. The committee will set priorities, guide key decisions, and foster broad industry dialogue, with active participation from regulators and market associations.

In parallel, B3 established several operational workstreams across key areas, including FX, allocations, pre-matching, and 'day-one' readiness, to align on the operational requirements to be assessed ahead of the migration and to identify items requiring escalation to the industry committee for further analysis and, where appropriate, regulatory consultation. These workstreams have been taking place on a bi-weekly basis since 2025.

Colombia, Chile and Peru T+1

nuam is aiming to transition all three markets to a T+1 settlement cycle in the second half of 2027, aligned to international (including European) standards. The core trading platform harmonization across Chile, Colombia, and Peru has been completed, and the focus has now shifted to the post-trade enhancements required for T+1, particularly upgrades to clearing, settlement, and reporting.

In Peru, regulators and market infrastructure providers are progressing changes to support a CCP and greater cross-market interoperability, which should further strengthen risk management and align the market with global best practice.

U.S. – DTCC Partial Settlement and Partial Delivery

The Depository Trust & Clearing Corporation (DTCC) is introducing automated partial settlement and partial delivery functionality as part of its broader U.S. clearing and settlement modernization program. For more information on DTCC modernization please see the Financial Market Infrastructure Development section.

Under the current model, a delivery will generally remain pending until the full quantity of securities is available, which can result in settlement fails when inventory shortages occur, whereas the new model mirrors European functionality in being able to automatically settle a portion of a transaction based on available securities.

The introduction of auto-partial settlement represents a significant step towards greater straight-through processing in the U.S. market. DTCC has indicated that automated partial processing will form a mandatory component of its settlement infrastructure transformation, with industry testing expected ahead of production implementation currently targeted for 2027.

Europe

Below is an update on T+1 settlement developments across the U.K., E.U. and Switzerland. Please also listen to our recent webinars and read our FAQs, which outline the background and immediate path forward across these markets.

U.K. T+1 – U.K. Accelerated Settlement Taskforce (AST)

The Accelerated Settlement Taskforce (AST) was established by the U.K. Government in December 2022 with a two-year mandate to assess the transition of U.K. securities from a T+2 to a T+1 settlement cycle and to evaluate implementation considerations.

Following its first year, the AST concluded that the U.K. should move to T+1 by the end of 2027 and initiated a second phase through a Technical Group chaired by Andrew Douglas. The Technical Group published its final report on February 6, 2025 (amended September 2025), outlining the U.K.'s implementation plan, with the first day of T+1 trading scheduled for October 11, 2027.

The report:

- Defines the scope of the transition including a proposal for the regulatory change required.
- Lays out a number of operational recommendations, including 12 'critical', 27 'highly recommended' and 14 'environmental' recommendations that members of the AST consider necessary for the transition.
- Defines a U.K. T+1 Code of Conduct (U.K.-TCC) outlining how market participants are expected to adhere to the recommendations laid out in the report.

Headline recommendations include the requirement to exchange allocations and confirmations by 23:59 and to submit settlement instructions to the CSD by no later than 05:59 on T+1.

Updates: Over the last year, there have been a number of developments regarding U.K. T+1 which include:

His Majesty's Treasury (HMT) proposes draft statutory instrument (SI) to effect the move to T+1 in the U.K.

In November 2025, HMT published a draft statutory instrument to embed the U.K. move to T+1 into regulation via proposed amendments to U.K. CSDR article 5.2. The SI also includes a proposed exemption for securities financing transactions such as securities lending and repos.

The SI is subject to debate and approval by both Houses of Parliament before adoption.

Joint U.K., EU and Swiss Testing Plan published in March 2026.

In March 2026, the U.K., EU and Switzerland published their joint T+1 Testing Plan, which outlines:

- Principles and anticipated testing windows where all testing providers are strongly encouraged to offer their test environments.
- High-level testing flows that FMIs and test participants may wish to consider where they draft their test plans.
- A "de-risking the transition" section, noting that readiness extends beyond testing and encouraging firms to perform gap analysis against their, and industry, key metrics.

U.K. AST announce post T+1 go-live target settlement rate

In May 2026, the U.K. AST set a target settlement rate to be calculated based on the average settlement rate of the three months prior to the deadline (July, August and September, 2027). To support this, the AST in conjunction with Euroclear U.K. and International will be publishing the rolling 3-month average settlement rate to provide market participants with a benchmark.

J.P. Morgan Securities Services will continue to provide input into the AST as we approach October 11, 2027.

E.U. T+1

Following ESMA's mandate through the CSDR ReFIT to assess the feasibility of shortening the settlement cycle in the EU, on November 18th, 2024 ESMA published their report of findings recommending the EU move to T+1 on October 11th, 2027. Post the publication of ESMA's report the European Commission (EC), the European Central Bank (ECB) and ESMA have established a 3-tier formal governance structure for the move to T+1. This consists of:

- A Coordination Committee: Chaired by ESMA with representatives from the EC, ECB and Chair of the Industry Committee.
- An Industry Committee with independent Chair, Giovanni Sabatini, and representatives from the region's leading trade associations and Technical Workstream leads. J.P. Morgan Securities Services is a member of the Industry Committee.
- Various technical workstreams covering the trade to post-trade lifecycle.

Furthermore, in June 2025, the EU T+1 Industry Committee published its high-level implementation report which recommends the necessary actions for market participants to successfully move to T+1. The report includes:

- Analysis of the legal and regulatory frameworks, including what needs to be changed under CSDR.
- Recommendations for a harmonized timetable across markets.
- Recommendations for market practices across trading, allocation, confirmation, matching, settlement, FX and corporate actions.

Headline recommendations include the need to exchange allocations and confirmations by 23:00 CET and to submit settlement instructions by 23:59 CET on T.

Updates: Over the last year, there have been a number of developments regarding EU T+1 which include:

Regulatory change to CSDR to effect T+1 on the 11th October 2027

In October 2025, the amendment to CSDR article 5.2 to formally adopt the change to the settlement cycle in October 2027 was published in the EU Official Journal via regulation 2025/2075, committing the EU to the move.

The regulatory change also carved out an exemption for SFTs that are a single transaction composed of two linked operations.

ESMA proposed amendments to the RTS on Settlement Discipline

In October 2025, ESMA published draft changes to the RTS 2018/1229 on Settlement Discipline, with the proposals aimed at supporting a move to T+1 in Europe by incorporating a number of the high-level roadmap recommendations into the regulation. The proposals included taking into regulation the need to submit settlement instructions by 23:59 on T.

In June 2026, the European Commission endorsed the proposed changes, with the amendments now subject to non-objection by the European Parliament and Council over the next 3 months.

Further materials

In December 2025, the EU Industry published a range of materials relating to PSET (place of settlement) and PSAF (place of safekeeping), SSI (standard settlement instructions) market practice, transaction type identifiers, partial settlement and more.

ESMA consultation on revised guidelines for allocations and confirmations under T+1

In May 2026, ESMA launched a consultation on changes to level 3 guidelines around allocations and confirmations. Key changes include the proposed mandatory use of electronic and standardized communication channels and the removal of non-machine readable methods, except in cases of temporary technical disruption.

EU Gating Event tool

The EU's Securities Financing Transaction (SFT) Optimization workstream has been working towards a solution called the Gating Event. This is a tool designed to delay settlement on intended settlement date to align transaction settlement and reduce the need for intraday liquidity.

On June 16, 2026, the EU T+1 IC published the Gating Event FAQ and Best Practice, with further detail expected to come around how the industry will implement this tool and its associated reporting.

EU T+1 Securities Settlement Handbook

On June 17, 2026, the EU T+1 IC published Version 2 of their Securities Settlement Handbook. The document builds on the High-Level Roadmap and their recommendations, whilst providing additional clarity around subjects such as derivatives scope.

Switzerland T+1

Switzerland will be joining the U.K. and the EU in a move to T+1 on October 11th, 2027. We welcome this approach as there are considerable benefits for an aligned European move to T+1.

The Swiss Securities Post-Trade Council (Swiss SPTC) formed a T+1 Task Force, which conducted a detailed analysis of what is required for the market to move to T+1. The work culminated in an Industry Report, with the final version published November 2025 with many of the recommendations mirroring those of the U.K. and EU. A key change to the Swiss market will be the introduction of partial settlement, with the industry and FMIs collaborating on how this should operate.

Turkey T+1

Borsa Istanbul has announced a decision to transition to a T+1 settlement cycle following an evaluation process conducted with market participants.

They have requested that members and market participants complete preparations to move to T+1 settlement by the 31st December 2026, however the actual transition date is still pending announcement.

E.U. Central Securities Depository Regulation (CSDR)

CSDR is a diverse regulation providing a common regulatory framework for CSDs, requirements for settlement related processes including the 'Settlement Discipline Regime' and, as we have covered above, CSDR also governs the settlement cycle and as such is the 'home' for T+1 in Europe.

1) Recalibrating the cash penalty regime

Beyond T+1, in November 2024, ESMA proposed a recalibration of cash penalties. Their technical advice included a recommendation that equity fail rates remain at 1 basis point and sovereign debt raising from 0.1 to 0.2 basis points. This represented a considerably simpler and smaller recalibration, with ESMA originally proposing penalty rates starting at 6 basis points on Day 1, raising up to 25 basis points on Day 6+.

The next steps are for the European Commission to take into account ESMA's advice when considering changes to the cash penalty regime regulation 2017/389, with the timeline yet to be confirmed.

2) Scope of Settlement Discipline measures

In July 2024, ESMA launched a consultation on clarifying the scope of the settlement discipline regime, with a follow up final report and technical advice published June 2025.

In the technical advice, ESMA defines causes of settlement fails "not attributable to participants in the transactions" and "operations not considered as trading" as areas which should not trigger cash penalties and, should they come into effect, mandatory buy-ins. These exclusions are not expected to significantly impact the day to day scope of CSDR cash penalties.

The next steps are for the European Commission to consider ESMA's technical advice in preparing a new delegated act to supplement CSDR with the above, with a timeline yet to be confirmed.

U.K. – CREST Settlement Discipline consultation

In June 2026, Euroclear U.K. & International (EUI), the U.K. Central Securities Depository, launched a consultation on changes to the CREST settlement discipline regime.

The current regime applies to FTSE 350 securities and takes effect if a participant's settlement rate on intended settlement date is below 85%, a relatively low % threshold which means it is rarely triggered in practice. Amongst the proposed changes are to either apply debits (in line with the current model and, unlike EU CSDR cash penalties, no credits will be distributed to the party failed into) to all trades, or to raise the threshold above 85%, with the changes to potentially be introduced prior to T+1 go-live in October 2027. J.P. Morgan have identified challenges in the proposals, both in terms of the timing and models, and will respond to the consultation directly.

The consultation is due in September 2026, following which EUI will further engage the industry after assessing the consultation responses.



Middle East & Africa

West African Economic Monetary Union (WAEMU) T+2

The Dépositaire Central/Banque de Règlement (DC/BR) of WAEMU, the central depository of the Regional Stock Exchange, La Bourse Régionale des Valeurs Mobilières (BRVM), initiated a project in 2022 to reduce the settlement cycle from T+3 to T+2. The BRVM and DC/BR originally proposed an implementation date of September 30, 2025, and following approval from the SEC, and successful testing, the market successfully transitioned to T+2 in December 2025.

Nigeria T+2 and T+1

The transition of the equities settlement cycle from T+3 to T+2 took place on Friday, November 28, 2025, with the Central Securities Depository (CSD) indicating an intention to move to a T+1 settlement cycle six months after implementing the T+2 cycle.

This was realized with equities settlement transitioning from T+2 to T+1 on June 1, 2026. As part of this change, the settlement batch time was shifted from 8am to 5pm local time on settlement date.

Following this transition, industry focus has moved from implementation to optimization. Operational and settlement efficiencies are now being prioritized with discussions focused on the current dual account structure, the continued reliance on a manual operating environment, and potential enhancements to the electronic Certificate of Capital Importation (eCCI) process.

Together, these initiatives are intended to improve efficiency and reduce transaction delays. J.P. Morgan will continue to engage with our sub-custodian and will update clients as further information becomes available.

Oman T+2

The Muscat Clearing and Depository (MCD) is seeking to transition to a T+2 settlement cycle effective October 1, 2026. As part of the transition, the MCD will introduce two settlement windows for custodian trades, a late confirmation window, and a buy-in session. J.P. Morgan is closely monitoring this development and will provide further details to clients as they become available.

Kingdom of Saudi Arabia – Accelerated settlement

In April 2026, the Saudi Central Securities Depository (Edaa) launched a 42-question industry survey to assess readiness for shortening settlement cycles from T+2 to T+1 or potentially T+0. The survey focused on key areas including straight-through processing (STP) and automation readiness, market dependency constraints, settlement batch and fail management, alignment of international working weeks and cut-off times, and the ability to support foreign exchange, liquidity, cash management, and technology requirements.

Whilst we support a transition to T+1 in Saudi Arabia at a high level, we believe a number of market changes such as a move to automation, particularly among broker allegements, and a realignment to the international working week would be beneficial as pre-requisites.

South Africa – Accelerated settlement

In January 2026, the Johannesburg Stock Exchange (JSE) published a white paper proposing a shorter settlement cycle in South Africa, potentially moving from T+3 to T+2 or T+1. The JSE is also monitoring upcoming settlement cycle changes in the U.K. and Europe, scheduled for 2027.

Market participants have submitted feedback on the white paper, but the JSE has not provided any further updates. Any change to South Africa's settlement cycle is not expected before 2029.

Asia Pacific

Australia T+1

ASX released a Whitepaper on April 23, 2024, soliciting feedback on a potential move to a T+1 settlement cycle in Australia. On August 5, 2024, ASX subsequently released the findings and feedback they received via a second Whitepaper. This paper importantly highlighted industry alignment around the view that the functionality required to support T+1 in Australia should be implemented in the ASX's CHESS Replacement System.

Feedback on the implementation timeline indicated that any move to T+1 should occur only after the CHESS Replacement System goes live, which is now scheduled for 2029; the industry expects at least 18 months' advance notice prior to the transition.

Hong Kong T+1

The Hong Kong Exchange and Clearing Limited (HKEX) issued a discussion paper outlining the potential benefits of moving to a T+1 settlement cycle for feedback by September 2025. While HKEX had not published the outcomes of that discussion paper, it subsequently released a consultation paper in April 2026 seeking public feedback on a proposed move in Q4 2027 and held a public call to gather additional views and perspectives.

While the overall feedback is supportive for HKEX to move to T+1, industry participants requested that the proposed transition timeline be revised from Q4 2027 to Q2 2028, with a few considerations and clarifications needed:

1. Clear system implementation roadmap for market readiness
2. Enhanced trading amendment and post-trade processes
3. Improved overall risk management framework such as expanding buy-in exemptions
4. Other impact on ancillary activities such as stock borrowing and lending, corporate actions and more

J.P. Morgan responded to the consultations via our sub-custodian, ASIFMA and the AGC.

Japan T+1

A study group has been established with market participants to provide recommendations and assess readiness for potential market changes aimed at shortening the settlement cycle. No formal plans have been announced toward adoption of a compressed settlement cycle in Japan as the regulators and the market infrastructure continue to evaluate the feedback provided around the potential implementation.

Malaysia T+1

The Bursa Malaysia established an industry working group and convened its inaugural meeting in July 2025 to assess the feasibility of transitioning to a trade date plus one business day (T+1) settlement cycle and to solicit client feedback on potential market enhancements.

Four sub-groups have been formed, each chaired by a foreign bank executive active in the securities industry covering regulation, business process improvement, technology, and stakeholder engagement and communications. The working group published an industry paper in August 2026 to solicit broader market feedback.

Singapore T+1

Custodians recently met with the Singapore Exchange (SGX) to discuss settlement acceleration and shared their perspectives on the time zone challenges faced by EMEA/WHEM-based investors. SGX continues to engage with Local Custodians, Institutional Brokers, and Retail Brokers to assess the requirements for implementing changes. No formal plans have been announced towards the adoption of a compressed settlement cycle in Singapore.

South Korea T+1

A working group meeting led by the Korea Exchange (KRX) and the Korea Securities Depository (KSD), with participation from brokers and local custodians, was convened during September 2025. The agenda focused on developing a transition plan to move to a T+1 settlement cycle and preparing for discussions with the relevant authorities, in 2026.

In June 2026, the Financial Services Commission (FSC) launched a taskforce aimed at driving innovation in capital market infrastructure, including development of a roadmap for implementing T+1 by October 2026.

Taiwan T+1

In 2024, the Taiwan Stock Exchange (TWSE) conducted a survey to gather feedback from market participants on transitioning to a T+1 settlement cycle. The consolidated feedback highlighted potential impacts on operations, possible contractual changes, product offerings, and technology.

In June 2026, the TWSE initiated an industry meeting with local custodians to discuss next steps, with a targeted market survey to be issued for local market participants later in the year. The survey will focus on key areas such as affirmation mechanisms, FX and funding-related issues, settlement runs and ETFs. There are no confirmed implementation timelines available yet.

Thailand T+1

A working committee comprising Thailand Clearing House (TCH), Thailand Securities Depository (TSD), the local Custodian Club, and the Brokers Association has been established to conduct early-stage analysis of a move to T+1. Key discussion points and considerations for a T+1 model include: Thailand's three unique ISIN structures, Bank of Thailand (BOT) capital control requirements, current THB end-of-day balance limits, and current FX SPOT with no underlying arrangement. The industry group is expected to engage with BOT for further discussion by November 2026 about the capital control and current EOD balance limit requirements.



2.

Asset Servicing

Identifying and addressing inefficiencies in income, corporate action and proxy voting processes continues to be a priority topic for J.P. Morgan Custody. Our team actively engages with clients, brokers, industry associations, service providers and key financial market infrastructures globally to help promote improved standardization, automation and efficiency across this space.

Americas

Mexico – Hybrid and Remote / Electronic Voting

As previously reported, Mexico passed an amendment in October 2023 to the General Law of Commercial Companies, which governs how shareholder meetings are held. The amendment allows issuing companies to amend their by-laws to offer shareholders a remote participation option (in addition to in-person attendance) and to enable electronic voting, where previously shareholder meetings and voting were limited to in person processes.

While the law has been amended, there has been no traction from the issuers to change their bylaws or to agree on operational procedures, so there is currently no timeframe for implementation. J.P. Morgan will continue to engage in efforts towards progress through our sub-custodian and as a member of the AGC.

U.S. – DTCC Corporate Actions Agent Announcement Initiative

DTCC are looking to improve the post-trade infrastructure process for more timely and accurate creation of Corporate Action announcements. To deliver on this effort, DTCC is building a system of interfaces called Announce Direct to allow agents to provide Corporate Action announcement information directly to DTCC's announcement and processing systems without manual intervention. At present DTCC is planning to introduce the initial phase for a subset of mandatory redemption corporate action events in Q4 2026, subsequently ramping up to all corporate action announcements.

Our team is engaged with DTCC on this initiative and will continue to do so as it develops further.

Europe

European Corporate Action and Proxy Voting Harmonization

Within Europe, the Corporate Actions Joint Working Group's *Market Standards for Corporate Actions Processing* have, since 2009, served as the standards that each European market is expected to adopt and adhere to. These standards became the benchmark for other industry initiatives, such as the T2S Standards for Corporate Actions Processing and the Eurosystem Collateral Management System (ECMS) SCoRE Standards.

Following the introduction of the Shareholder Rights Directive II (SRD II) in 2020, the group was renamed the Corporate Events Joint Working Group (CEJWG), and work began on merging the standards for both corporate actions and general meetings. The revised standards will be submitted for industry association endorsement in H2 2026, at which point the CEJWG will effectively hand over ownership to the AMI-SeCo Corporate Events Group (CEG). The CEG monitors each European market's compliance with the various standards related to corporate events and produces an annual report for both the industry and the European Commission. While adherence to the standards across Europe varies, industry participants retain a strong desire to harmonize and standardize corporate events processing.

Several key decisions have been made to support this initiative. The AMI-SeCo CEG has agreed to create a *Single Rule for Europe: Corporate Events Processing*, merging all industry standards into a single rule book. Work on this rule book has already begun, and once the CEJWG standards have been endorsed, they will be transposed accordingly.

The CEG has also issued clear recommendations on how European jurisdictions' Corporate Event processes should adapt to T+1 settlement, which takes effect in October 2027. These recommendations aim to standardize how each CSD raises market claims and creates transformations, and to introduce functionality enabling market participants to "elect" on unsettled transactions—known as automated buyer protection.

These initiatives represent the latest effort to advance European harmonization. J.P. Morgan has played an active role in driving harmonization, providing expertise through their co-chair role at the European Central Bank's AMI-SeCo CEG, and also to European regulatory bodies via trade associations in relation to T+1 and the review of SRD II.

Shareholder Rights Directive (SRDII) Review

In February 2026, the European Commission launched an evaluation and potential review of SRD II as part of its Savings and Investments Union agenda, aiming to reduce fragmentation in EU capital markets, facilitate cross-border investment and improve the competitiveness of EU-listed companies.

J.P. Morgan, via trade associations such as AFME, participated in the open consultation launched by the Commission as part of this review, which provided an opportunity for industry participants to provide detailed feedback on the key challenges and limitations of the Shareholder Rights regime in its current state.

J.P. Morgan also participated in a workshop run by Europe Economics, who were commissioned by the European Commission (DG Justice and Consumers) to support their evaluation of SRD.

As part of this work, Europe Economics engaged with a wide range of stakeholders across the investment chain to gather evidence and views on the following areas:

- How the Shareholder Rights Directive operates in practice across different parts of the investment and intermediation chain.
- The effectiveness, efficiency, coherence, EU-added value, and relevance of current rules on shareholder identification, transmission of information, exercise of shareholder rights, transparency obligations, general meetings, related-party transactions, and directors' remuneration.
- The costs, benefits and practical challenges associated with implementation, including cross-border and retail investor aspects.
- Areas where the current framework works well, where it falls short, and where simplification or better alignment may be needed.
- Potential future developments and reform options, including their likely impacts on market functioning, capital flows, and long-term investment in the EU.

The findings of the study are anticipated to inform potential new policy measures aimed at improving the functioning of EU capital markets, reducing fragmentation, and facilitating cross-border investment, by implementing wherever feasible some or all of the changes our firm and the wider industry have long supported, which as previously reported remain as follows:

- Consider using a Regulation (rather than a Directive) to harmonize shareholder identification, information transmission, and exercise of shareholder rights
- Consider introducing a standardized E.U.-wide definition of 'shareholder' including beneficial owners or provide issuers with the right to identify beneficial owners in addition to nominee shareholders
- Consider publishing a list of eligible securities
- Consider enhancing transparency by devising harmonized terminology for the types of charges and services which can be disclosed in a harmonized format
- Address uncertainties caused by varying applications of SRDII requirements across member states
- Harmonize the documentation required for shareholders to exercise their rights for general meetings: for example, recognizing the confirmation of entitlement as the E.U. standard to allow shareholder participation in General Meetings
- Consider conducting an analysis of national rules and practices identifying harmonization opportunities
- Consider extending the timeframe for shareholders to analyze and exercise their rights following the publication of meeting materials

Workshops are ongoing, with the final assessment anticipated later this year. We will also continue to engage with E.U. regulators, issuer agents and other stakeholders in the run up to the negotiation and publication of SRD III.

Euronext Asset Servicing Platform Modernization

Euronext Securities has commenced the implementation of a new harmonized and standardized corporate events processing solution across its four CSDs (Italy, Portugal, Denmark and Norway). The new platform intends to cater for all corporate events in accordance with SRD II, from creation through to payment, including for market claims & transformations. All financial instruments where Euronext Securities acts as an Issuer and Investor CSD will be in scope and the service will cater for payments in different currencies via central banks and commercial bank money. Importantly, the service also aims to be compliant with the various corporate action standards in the region, including the ECB SCoRE standards, as well as compliance with market practices according to the Securities Markets Practice Group (SMPG).

We note the following key dates for the Euronext Securities: 'CA4U' harmonized COAC Platform:

- Denmark : TBC
- Portugal : Live from Nov 2025
- Italy : Nov 2026
- Norway : TBC

As a direct participant of Euronext Securities Copenhagen, our team is fully engaged with Euronext and associated working groups on this project.

Euroclear Bank Asset Servicing Transformation

Euroclear Bank is embarking on a multi-year program which will deliver a new asset servicing platform in 4 phases:

- Phase 1: 2024/25 – Proxy Voting events; 24 Markets launched and now considered as completed and in business-as-usual mode
- Phase 2a: Nov 2026 – Mandatory events for information and specific events with security proceeds
- Phase 2b: Nov 2027 - Mandatory events for specific types with security proceeds
- Phase 3: TBC – Mandatory events with cash proceeds
- Phase 4: TBC – Elective events including mandatory events with a choice of proceeds

Key focus areas include data and reporting with Proxy Voting reporting in ISO 20022 migrating on a market-by-market basis in 4 phases which commenced in January 2024 and is set to conclude at a time to be confirmed by Euroclear. J.P. Morgan continues to actively engage with Euroclear Bank on this project as it progresses.

Bulgaria: Electronic Voting

Physical in-person attendance is currently required in Bulgaria to vote in AGMs/EGMs. Documentation requirements include meeting-specific powers of attorney that must be notarized, apostilled, and translated into Bulgarian. While the local CSD, CDAD, has an e-voting platform 'EPOS' available, its use is not mandatory and is therefore rarely adopted by local issuers.

J.P. Morgan have contributed to a recommendation letter submitted in July 2026 to the Financial Supervision Commission (FSC), which contains a proposal for mandatory usage of this e-voting platform in order to improve the proxy voting process in the market.

Middle East & Africa

Qatar – Hybrid and Remote / Electronic Voting

Under current regulations in Qatar, only shareholders are permitted to participate and vote in general meetings. As a result, proxy voting services are limited: sub-custodians can provide proxy voting only where they are also shareholders, or where the issuer appoints a proxy to receive foreign investors' voting instructions and cast the vote at the general meeting.

J.P. Morgan has engaged the Qatar Central Securities Depository (Edaa), both bilaterally and through its sub-custodian, to propose the introduction of an e-voting system that would allow sub-custodians to vote on behalf of foreign investors. The e-voting system has been developed; however, a go-live date has not yet been announced. Edaa continues to work with its vendor to ensure the technology provides appropriate access for sub-custodians and to determine the communication method with market participants (via SWIFT or direct system access). Edaa is targeting launch in 2026, ahead of the 2027 corporate action season.

Saudi Arabia – Electronic Voting

In Saudi Arabia, clients that hold shares through multiple sub-custodians currently encounter limitations when exercising their voting rights, whereby the Saudi Central Securities Depository (Edaa) only recognizes the first voting instruction submitted on a client's behalf; any subsequent voting instructions received from other sub-custodians are automatically recorded as abstentions. Edaa has acknowledged this limitation and is developing an enhanced electronic voting solution to address the issue, with implementation anticipated in 2026.

Asia Pacific

South Korea – Consistency in Account Opening Requirements for Tender Offer Events

In Korea, participation in tender offers is facilitated through designated brokers appointed by the issuer for each event. Documentation requirements and account-opening timelines can vary significantly across brokers, particularly where certain brokers require investors to open a new account for each tender offer. This inconsistency creates material challenges for foreign investors and can impede timely participation in tender offers.

The Korea Financial Investment Association (KOFIA), the self-regulatory organization representing securities companies and asset managers, has responsibility for setting industry standards and driving compliance among its member firms, including local brokers. KOFIA has been engaged to review the inconsistencies impacting foreign investors and to establish a more standardized broker account-opening framework. J.P. Morgan, through its sub-custodians, has raised these concerns and continues to pursue this initiative with KOFIA.

Thailand – Improved and Consistent Communication Protocol for Uncleared Corporate Action Details

J.P. Morgan, in collaboration with our sub-custodian, has recommended a standardized approach to announcing country-specific restrictions for voluntary corporate action events. This initiative aims to enhance transparency regarding eligibility to participate in offers and reduce the risk of rejected instructions. Sub-custodians, collectively known as the "Custodian Working Group," have raised this issue with the Thai Securities Depository (TSD) to improve the efficiency of how listed companies communicate corporate action events and related restrictions.

While the TSD cannot mandate changes on issuers, the Custodian Working Group has successfully introduced a market communication protocol. This protocol involves conference calls with issuers and the TSD to ensure that all banks receive consistent and clear information. This approach is live and has improved effectiveness overall, having largely mitigated inconsistencies in event details and improved information flow such that all parties should now be aligned with the same information. Feedback from the Custodian Working Group has been positive and the approach has been running smoothly.



3. Withholding Tax

An evolving regulatory agenda coupled with a continuous drive across the industry for efficiency, digitization and standardization means that tax is a dynamic area where we can expect change to continue for years to come. For this reason, we prioritize our engagement in relevant industry and policy initiatives, discussions and forums in the tax space.

Americas

U.S. Internal Revenue Service (IRS) – 8802 Processing Team and Competent Authority

As highlighted in our last report, existing processes regarding IRS Certificates of Residence are burdensome, and the industry would benefit significantly from a modernization of these processes. As part of an ongoing dialogue, the Association of Global Custodians (AGC) tax committee met with the IRS on February 17, 2026, to discuss IRS operations updates and processing statistics for Form 8802 (Application for U.S. Residency Certification). J.P. Morgan, as the chair of the AGC Tax Committee, continues to be an active industry proponent for process modernization in these ongoing discussions.

During the February 2026 meeting, the AGC shared current challenges global custodians face to secure U.S. Residency Certifications and offered specific recommendations to improve the existing burdensome process and requested an update from the IRS on its plans to modernize the Form 8802 process. Recommendations from the AGC included reinforcing procedures with operational staff given quality and mailing issues due to the highly manual process, and modifications to 6166 letters (U.S. Certificate of Residency) to further clarify the validity period of the annual certificate of residency for U.S. taxpayers with foreign tax authorities.

Brazil – Non-Resident Withholding Tax: Regulatory Update (Effective Q1 2026)

Effective January 1, 2026, Brazil has introduced a withholding tax on dividends paid to non-resident investors at a rate of 10%, representing a significant shift from the previously applicable 0% rate. A transitional relief provision applies whereby the new tax will not be levied on dividend distributions derived from profits generated through December 31, 2025, provided such distributions are formally approved by the issuer's competent corporate body no later than that date. Concurrently, the withholding tax rate applicable to Interest Over Capital (IOC) payments has been revised upward from 15% to 17.5% for non-resident investors not domiciled in tax haven jurisdictions. Investors resident in jurisdictions classified as tax havens remain subject to the existing 25% withholding tax rate on IOC income.

The divergent tax treatment across equity investment income streams has generated considerable complexity for clients. This complexity is further compounded by the absence of a standardized tax relief framework across market participants, as well as the coexistence of multiple relief mechanisms – including domestic legislative provisions and bilateral double taxation treaties – which vary by issuer and investor profile. In response, the local industry working group is actively supporting the adoption of a unified tax relief procedure applicable across all issuers in the Brazilian market. J.P. Morgan is a participating member of this collaborative initiative and continues to engage constructively with relevant stakeholders to support the development of a consistent and operationally efficient framework.

Europe

E.U. Withholding Tax – FASTER

Following the publication of the E.U. Withholding Tax Directive FASTER in January 2025, with the aim to harmonize withholding tax processing across the E.U. Member States, the E.U. Commission has published their first delegated act. The act defines the calculation methodology to determine the E.U. Member States in scope of the directive by way of the size of the equity capital markets in April 2026. The delegated and implementing acts are to support further efforts to harmonize the local implementations. The commission continues their work on further implementation acts with further guidance expected from Q4 2026, including technical standards for reporting schema and registered owner declaration as well as the interfaces for Certified Financial Intermediary registration and electronic Certificate of Tax Residency issuance.

In tandem, J.P. Morgan is observing that local member states are starting to prepare for their local implementations by engaging with the industry and local banking associations, including Finnish, Danish, Swedish, Dutch and French tax administrations. J.P. Morgan continues to provide feedback to the European Commission on proposed guidance and implementation acts and actively participate in industry working group discussions, including but not limited to, the draft schemas and reporting frameworks released by the Commission in Q1 2026. Clients are reminded that Member States have until December 31, 2028 to transpose the directive into their local legislation with those rules becoming effective from January 1, 2030.

Germany – Withholding Tax Modernization

Effective for capital income received after December 31, 2026 (i.e., from January 1, 2027), Germany's MiKaDiv regime introduces new electronic reporting obligations under §§ 45b and 45c of the German Income Tax Act (EStG). Together, these provisions establish an enhanced digital reporting framework for German dividend taxation that will bring forth the concept of a Universally Unique Identifier (UUID) as a replacement for a physical tax voucher for non-German resident withholding tax reclaims. MiKaDiv is designed to prevent tax abuse by increasing transparency, strengthening beneficial ownership identification, and enabling more robust verification of dividend-related transactions. MiKaDiv provides for enhanced reporting on custody chains, tax treatment, holding periods, and certain financial arrangements to the German Tax Administration. The regime applies to all participants in the custody chain, including non-German institutions providing custody of German equities and equity-like securities.

J.P. Morgan together with the industry continues to monitor developments on the reporting requirement,

with the latest versions of the reporting schema and related guidance issued in May 2026 as well as the interaction between the German MikaDiv reporting and the reporting requirements to be introduced by the European Commission's FASTER directive effective from January 1, 2030. In addition to J.P. Morgan's ongoing participation in the German Foreign Banks Association, during spring 2026 J.P. Morgan contributed to a MiKaDiv whitepaper issued by WTS Hansuke and Raquest, providing a Global Custodian's perspective.

United Kingdom – Tax Adviser Registration

In May 2026, the United Kingdom's HM Revenue & Customs (HMRC) introduced a requirement for tax advisers who interact with HMRC on behalf of clients, to register with HMRC. The definition of tax advisor is currently broad enough to capture Global Custodians acting on behalf of clients for activities such as withholding tax relief filing and Certificate of Tax Residency procurement. The timing of registration depends on each adviser's circumstances, with implementation phased over several tranches, and failure to comply potentially resulting in penalties and HMRC refusing to engage with the adviser.

For businesses in the financial services sector, the U.K. Government has deferred the application of the registration requirement until March 31, 2027 following extensive industry feedback, including from J.P. Morgan, on the scope and potential impact of the regime highlighting in particular the broad definition of "tax adviser". The deferral is intended to allow HMRC and HM Treasury additional time to refine the legislation, clarify the definition of "financial services business," and ensure that the regime is proportionate and does not create unintended operational or regulatory burdens.

Italy – Budget Law and updated requirements for investors to avail of 1.2% relief rate on dividend income

The Italian budget law of 2026 updated the relief procedures for investors looking to avail of the 1.2% domestic law relief rate on dividend income with effect from January 1, 2026. As a part of the updated requirements investors were required to either have a shareholding of at least 5% of the capital of the distributing company or, alternatively, the fiscal value of the participation is at least EUR 500,000. As at the effective date, the Italian law's definition of "fiscal value" remained unclear. Considering the lack of clarity on the definition, the industry pushed for further guidance from the Italian Revenue Authority in order to enable the industry to continue to support relief through the Italian dividend income season. Following discussion with industry, the provisions included within the Budget Law were repealed with effect from March 27, 2026.

Asia Pacific

Malaysia – Changes in the taxation of distributions from Real Estate Investment Trusts (REITs)

J.P. Morgan is assisting in providing awareness to the Malaysian regulators on challenges facing foreign institutional investors due to changes in the taxation of Malaysian REITs. Prior to January 1, 2026, distributions from Malaysian REITs to foreign institutional investors were typically taxed at a final withholding tax rate of 10%, noting that some investors experienced a 24% withholding tax rate. Following the expiry of the preferential 10% withholding tax regime effective 1 January 2026, the Malaysian authorities clarified that institutional investors would revert to a 30% income tax rate on REIT distributions. The authorities also indicated that such tax would be administered via a self-assessment mechanism, potentially requiring foreign portfolio investors to file Malaysian income tax returns.

Since the change, J.P. Morgan has observed inconsistencies in the amount of tax withheld at source on distributions to clients and investor concerns around new tax compliance requirements. In response to these developments, J.P. Morgan, through the Asia Securities Industry and Financial Markets Association (ASIFMA) industry group, has provided input into a communication with the relevant Malaysian authorities highlighting the practical challenges arising from the change and encouraging consideration of measures that would support greater certainty, consistency, and operational efficiency for both foreign institutional investors and the Malaysian tax authorities.



4.

Financial Market Infrastructure Developments

Given the central role that Financial Market Infrastructures play in the post-trade environment, as well as the general market push for efficiency, it is important that our firm actively engages in initiatives driven by such infrastructure. These initiatives require ongoing engagement as they have potential to impact our clients, cost and operating models, while also presenting opportunities for greater efficiency.

Global

ISO 20022 Implementation for cross-border payments

A transition towards ISO 20022 for cross-border cash payment messaging is designed to enhance straight-through processing (STP) by leveraging a more common, structured framework compared with the existing ISO 15022 format. ISO 20022 offers the opportunity to provide more granular data, which increases the amount of information that can be communicated, with the aim that this ultimately results in fewer payment fails, lower operational costs and greater efficiency.

With payments messaging now largely migrated as of November 2025, our focus is shifting to full end-to-end adoption for both payments and reporting ahead of the final industry timeline in November 2028. From November 14, 2026, the objective has been that financial institutions and corporates sending cross-border payments that include addresses over Swift Cross-Border Payments and Reporting Plus (CBPR+) or key Payment Market Infrastructures (PMIs), must use hybrid or fully structured addresses. This date has been postponed as a result of insufficient industry readiness, with a later date to be confirmed. Additionally, the ISO 15022 format MT101 will be retired in favor of its ISO 20022 counterpart pain.001 for payment initiation.

Between 2026 and 2027, ISO 20022 lifecycle capabilities will expand to improve tracking and automation, with enquiry and investigation messaging fully adopted in ISO 20022 and legacy SWIFT MT messages retired for those purposes. By November 2028, legacy MT9XX statement and reporting messages will be fully retired and replaced by ISO 20022 equivalent MX reporting messages such as camt.052, camt.053, and camt.054, ensuring full ISO 20022 compliance in line with industry-wide migration standards.

For further information, please see client resources on the ISO 20022 migration.

Beyond payments, the adoption of ISO 20022 formatting for securities related messages is proceeding more gradually. Whilst infrastructures such as ECB T2S and DTCC have advanced or mandated the use of ISO 20022 in some cases, much of the securities market continues to operate using ISO 15022 messaging. As a firm, we are engaged in industry discussions on ISO 20022 adoption and believe ISO 20022 implementation within the securities industry should be supported only where there is a strong business case and where it delivers tangible improvements to data standards and data quality.

Americas

U.S. – DTCC Clearing & Settlement Modernization

The Depository Trust & Clearing Corporation (DTCC) is undergoing a multi-year, transformational initiative across their Clearing & Settlement business, aimed at creating a more resilient, flexible and integrated post-trade ecosystem.

Key elements of the initiative include the expanded use of ISO 20022 messaging, support for partial-delivery settlement, as well as accommodating future market changes, such as the move to 24X5 trading. The roadmap also includes significant enhancements to clearing and asset servicing functions. Planned changes include extending trading-hour support through the Universal Trade Capture (UTC) service, shortening the ACATS settlement cycle by one business day and improving the processing and capital efficiency of ETFs with options components. Collectively, these initiatives are designed to reduce manual intervention, improve operational efficiency, enhance liquidity and strengthen the resilience of the U.S. post-trade infrastructure.

Please also refer to DTCC's Settlement, Equities and Asset Servicing Transformation Roadmaps published across 2026.

As a key DTCC participant, J.P. Morgan Custody is a key contributor to DTCC's industry working groups which are providing feedback and input into DTCC on their transformation journey. Given the role of DTCC's clearing and settlement service in the U.S., we believe it is important we engage with DTCC and relevant industry forums to ensure our views, and the views of our clients, are represented accordingly.

U.S. – Extended Operating Hours and Days of US Market Infrastructure

The U.S. equities market continues to move toward significantly extended trading hours, with exchanges, regulators and market infrastructure providers progressing initiatives that could enable near-continuous weekday trading. In April 2026, the SEC approved Nasdaq's proposal to offer trading in NMS stocks for 23 hours per day, five days per week, following similar regulatory approvals for extended-hours initiatives by other exchanges.

Additionally, from June 2026, the National Securities Clearing Corporation (NSCC) is now operating on a near-continuous 24X5 clearing model, with services available from 8:00 p.m. ET on Sunday through 8:00 p.m. ET on Friday, supporting overnight trading activity across alternative trading systems and, in due course, exchanges. The enhancement enables NSCC to apply its central counterparty guarantee to trades executed during extended trading hours, reducing counterparty risk and supporting growing global demand for access to U.S. equities outside traditional market hours. Major exchanges such as the New York Stock Exchange, Nasdaq, and Cboe Global Markets are exploring potential adoption of extended trading hours from late 2026 into 2027, furthering the transition toward near-continuous trading.

Given these developments, our team is engaged in industry discussion with trade associations such as SIFMA to discuss the implications, benefits, and risks of extended hours with the goal of further informing regulatory policymaking and industry standards on this topic going forward.

Chile, Colombia, and Peru nuam Exchange – Market Integration Project

As outlined in previous reports, the nuam initiative, launched in 2020, was established to unify the stock exchanges of Chile, Colombia, and Peru, integrating the three markets through aligned ownership, an evolving operating model, and modernized local market infrastructure. The program aims to deploy state-of-the-art technology to connect the Santiago, Lima, and Colombian exchanges and facilitate more seamless regional market access. As the project has progressed, it has also faced challenges across regulatory frameworks, taxation, technology integration, and broader market adoption.

nuam previously indicated that new functionalities and systems would be implemented on a country-by-country basis, with the Nasdaq-developed trading platform and updated equities trading rules intended to take effect at go-live (with regulatory approvals obtained across the three jurisdictions). Post-trade modernization including enhancements to clearing, settlement, and reporting was planned to follow, with the Peru central clearing house expected to become operational this year, and a single paying agent model remaining under consideration.

Update: nuam confirmed that Chile's equity spot platform went live on July 20, 2026, moving Chile onto the same core trading technology already in place in Colombia and Peru (nuam TWS and the Nasdaq Eqlipse matching engine). With this go-live, the technology migration across all three markets is complete, and no further migration activity is planned. The next phase will focus on post-trade enhancements across the three markets (clearing, settlement, and reporting), which are key enablers for future T+1 readiness. J.P. Morgan will continue to monitor this initiative and has engaged with the nuam exchange to share our perspectives on the proposed model, potential impacts and to understand progress.

Europe

U.K. CSD 'CREST' Transformation Program

J.P. Morgan continues to play an active thought leadership role in Euroclear U.K. & International's (EUI) multi-year CREST Transformation Program through regular engagement across key industry forums, including the EUI U.K. User Committee, U.K. Market Resiliency committees, and various transformation specific working groups. Key items of engagement to highlight include the following:

a. **CREST GUI Modernization:** J.P. Morgan was an early adopter of EUI's rollout of its front-end CREST Web GUI+ interface in 2026 improving usability controls and reporting capabilities.

b. **Network modernization:** J.P. Morgan continues to liaise extensively with EUI on its program of upgrading its existing network connectivity with SWIFT and TNS in the U.K. market. The firm is actively engaged in a program of work aimed toward being an adopter of EUI's new network capabilities in 2027, ahead of expected future ISO adoption, aligning messaging protocols with the wider Euroclear group.

c. **Collateral transformation – U.K. DBV to Tri Party:** J.P. Morgan is closely engaged with the market-wide working group on collateral transformation, and EUI's plan of replacing the U.K.'s existing DBV (Delivery by Value) model with the Euroclear Tri party service already used across Euroclear Bank and other ESES markets. The move, centred around a tri-party-like offering within the CREST platform, is intended to improve scalability, resilience, collateral optimization and risk management, while creating greater harmonization across Euroclear markets. With a target EUI adoption date of late 2028/2029 by EUI, J.P. Morgan is currently involved in ongoing design dialogues prior to EUI moving into a build phase in 2027.

d. **Positions & Settlement:** J.P. Morgan continues to be an active participant in EUI's dedicated settlement working groups focused on modernizing transaction lifecycle processes and aligning CREST with global SMPG standards. Key topics under discussion include enhanced Hold & Release functionality (including partial releases), automatic cancellation of aged unmatched trades, improved matching discipline, extended operating hours and broader changes required to support the U.K.'s move to T+1 settlement in October 2027. These enhancements are intended to improve settlement efficiency, operational resilience, and market-wide standardization.

e. **Resiliency initiatives for CREST Settlement Platform:** As part of ongoing Resilience improvement initiatives from EUI, J.P. Morgan has been an active participant in various programs and market-wide exercises to better assess and document existing resiliency playbooks across topics such as 'Disconnection/reconnection' framework, 'Sterling Settlement Postponement', and enhancements to existing 'Non Standard CREST Closure' protocols.

U.K. Mini CREST

J.P. Morgan is currently actively engaged with EUI on its 'Mini CREST' initiative, centred around mitigating impact to U.K. Financial Stability in extreme but plausible settlement suspension scenarios in the U.K. market. At its core, Mini CREST is a market-wide resilience initiative being developed by EUI in close collaboration with the Bank of England to provide a contingency settlement capability for the U.K. market in the event of a prolonged outage of the core CREST platform, ensuring GBP securities settlement of Gilts, Equities & MMIs can continue during an extreme cyber disruption.

J.P. Morgan has been designated by EUI as a critical participant in the program and is heavily engaged in all industry working groups on the topic, including Cyber. While reviews of EUI's published service level description and Cyber protocols are ongoing, J.P. Morgan is also currently assessing technology build implications for connectivity to the Mini CREST platform.

Euronext Default Place Of Settlement And Convergence

Starting 21 September 2026, Euronext Securities will designate Euronext Securities Milan as the default Central Securities Depository (CSD) responsible for the settlement of equity and ETP trades executed on Euronext Amsterdam, Brussels, and Paris.

In this new set-up, ESES (Euroclear Belgium, Euroclear France and Euroclear Netherlands) as the incumbent default, will now be classified as an alternative CSD and members of those Euronext platforms can elect whether to settle at Euronext Securities Milan or opt to continue settling at ESES CSDs. Market-wide preparation and testing are currently underway to support a smooth transition.

This change forms part of Euronext Securities' broader initiative to converge its network of four CSDs—Copenhagen, Milan, Oslo, and Porto—onto a single operating platform.

The objective of the program is to:

- Simplify access to European markets for participants and investors
- Provide issuers with a more integrated offering, from listing through to issuance within the Euronext ecosystem
- Deliver a unified platform designed to streamline operations, improve efficiency, and enhance the overall client service experience

Our team is actively engaged in these industry projects, both directly and through relevant trade associations, including AFME. In addition, J.P. Morgan, as a direct participant of Euronext Securities Copenhagen, is an active member of the Danish market and participates in Euronext user committees, supporting ongoing coordination and readiness across stakeholders.

Middle East & Africa

Botswana – Migration of Government Bond Settlement to Central Securities Depository Botswana

At the end of 2025, the Botswana Stock Exchange (BSE) announced plans to transfer government bond settlement from the Bank of Botswana (the central bank) to the Central Securities Depository Botswana (CSDB). The Bank of Botswana will continue as the primary market issuer of government securities and will retain its role as Transfer Secretary for all government bonds.

The BSE has completed internal testing and initially targeted a go-live date of June 30, 2026. However, implementation has been postponed to allow market participants to complete market-wide testing. A revised go-live date will be confirmed in due course.

J.P. Morgan is actively tracking developments around this initiative, having shared our insights on potential impacts with our service provider in the market.

Kingdom of Saudi Arabia – Post-Trade Technology Program (PTTP) 2.0 – Update

As reported previously, post the successful implementation of the CCP, NASDAQ Clearing System, and the NASDAQ CSD System (PTTP 1.0 (Post-Trade Technology Program)), the Saudi Stock Exchange / CSD implemented the second phase in November 2024, which was primarily designed to incorporate feedback from all market participants on their experience since the first implementation. While some of our recommendations were addressed, some of them are still under consideration by Tadawul for 2026/2027, including:

- The ability for the automation or bulk processing of proxy votes - no solution yet, however, it has been acknowledged as a material concern, and we have had several discussions with the CSD to suggest a few solutions.

- Trade referencing alignment between the communication channels at Tadawul, Muqassa and Edaa which will help overcome some of the technical and operational challenges currently faced across the market- Broker Contract Notes are expected to be factored into the CSD's trade matching process.
- Extension to the trade management window on T+0, which currently closes at 16:00 hrs, to provide more flexibility for international clients to manage their trades – we have proposed extending the window until 20:00 on Trade date.
- Enhancement of the OTC market instruction-formats and matching criteria
- Enhancement of Securities BL related transactions and formats
- Implementation of the usage of true-SWIFT (i.e. market connecting to SBUS) as opposed to using proprietary ISO messaging

We continue to engage with the Saudi Stock Exchange and CSD as some previous and new recommendations have been deferred to 2026/2027.

Oman – Implementation of Delivery Versus Payment (DVP)

The Muscat Clearing and Depository (MCD) introduced a Delivery Versus Payment (DVP) settlement model on January 1, 2026. J.P. Morgan has been a proponent, both directly with the MCD and through our sub-custodian in Oman, for a DVP model that aligns with regional best practices and minimizes client risks.

Namibia – Implementation of a Central Securities Depository

The Namibian Stock Exchange (NSX) is progressing with the implementation of a Central Securities Depository (CSD) to enable the dematerialization of the market. Currently all securities are held in physical form, except for T-Bills, which are held at the Bank of Namibia, and are limited to primary trading. The implementation will follow a phased approach, beginning with the dematerialization and transfer of corporate bonds to the CSD, followed by Government Bonds, and finally equities. While the anticipated go-live date has not yet been determined, implementation for corporate bonds is expected before the end of 2026.

J.P. Morgan is actively monitoring this initiative and has shared our insights on potential impacts with our service provider in the market. We are also closely tracking progress and developments.

Kenya – Replacement of CSD System

The Central Depository and Settlement Corporation Limited (CDSC) is progressing plans to replace its current CSD system. The Association of Global Custodians has previously expressed concerns about the ambitious timeline, especially given recent market challenges following Ghana's system upgrade and the typical year-end change freezes observed across many institutions.

The original implementation target of December 2026 has been deferred to the first quarter of 2027, with the go-live date yet to be confirmed by the CDSC.



Asia Pacific

Australia ASX CHESS Replacement

In December 2023, ASX announced that they had chosen TCS BaNCS for Market Infrastructure system as the platform which would replace their CHESS sub-registry, clearing and settlement system. This marked a move away from the use of distributed ledger technology with the TCS BaNCS platform supporting traditional system architecture and connectivity options.

ASX are looking to implement the new system in two main releases with clearing services being implemented in 2026 (Release 1) and settlement and sub-registry functionality deployed in 2029 (Release 2).

- Release 1 went live on 20 April 2026 and replaced the clearing component of CHESS. It introduced a more efficient netting process, and implemented FIX messaging for trade registrations for all Market Operators. This release impacted trading participants and was focused on technical connectivity.
- Release 2 will replace the settlement and sub register functionality, deliver improved corporate action functionality and make further enhancements to clearing. It will also introduce global standard ISO 20022 messaging interfaces for Participants, share registries and payment providers. The go-live date will be dependent on successful industry testing, readiness and accreditation of the CHESS replacement system, expected to be in 2029.

Australia – Beneficial Ownership Regime

The Australian Securities and Investments Commission (ASIC) released Consultation Paper 387 (CP 387) in March 2026 seeking feedback on a proposed framework to enhance beneficial ownership disclosure for listed entities.

The proposals, driven by reforms in Schedule 1 of the Treasury Laws Amendment (Strengthening Financial Systems and Other Measures) Act 2025, aim to improve corporate transparency and market oversight by expanding disclosure to better capture interests arising through equity derivatives, strengthening substantial holding and tracing notice regimes, and introducing a new digital, machine-readable "Substantial Holding Notice". CP 387 also outlines new "freezing order" powers, including the ability to impose an interim freeze for up to 21 days without a formal hearing, requiring potentially immediate operational action by named holders, custodians and intermediaries, while emphasizing targeted scope, recordkeeping, timeline adherence, and consideration of impacts on bystanders and uninvolved clients (including the ability to isolate affected positions within omnibus structures).

ASIC published their response in July 2026, which includes ASIC's decision not to defer the 4 December 2026 commencement date. ASIC did, however, outline transitional arrangements to support the implementation, with a 6-month transition period around the new Substantial Holding Notice, designed to give market participants extra time to adjust systems. ASIC opted against providing additional guidance in RG 222 about how it will administer its freezing order powers under the Schedule 1 reforms, noting that orders will depend on the nature of each misconduct involved and referring readers to the existing Information Sheet 151.

Hong Kong – Dematerialization of Securities

The SFC and HKMA announced that Hong Kong will commence dematerialization of the securities market in 2026 through Uncertificated Securities Market (USMs) Initiatives which will apply to all new issuers. The target implementation date is November 16, 2026 and the conversion of existing listings is expected to take place in phases between 2026 and 2030. Key changes and potential impacts include:

1. Fee Related - the existing Scrip Fee will be replaced by a new Stock Custody Fee that will be effective on December 1, 2026.
2. Operational process changes on existing demat / withdrawal process.

Our team is continuing to engage with our sub-custodian and monitor this development.

Hong Kong – HKEX to Introduce New Post-Trade Services on Cash Market Platform

Hong Kong Exchanges and Clearing Limited (HKEX) has announced planned enhancements to Settlement Instruction (SI) processing under its Cash Market Platform, also referred to as the Orion Cash Platform (OCP) initiative. Implementation is targeted for 2027, subject to regulatory approval.

Key updates include:

(i) the introduction of real-time matching of SIs (mandatory for all market participants), and

(ii) push-based Application Programming Interface (API) updates on SI status (optional for all market participants).

While these enhancements are directed at market participants, J.P. Morgan will continue to work with the local custodian to assess any potential implications for our operating model and clients.

India – Net Settlement of Funds for Foreign Portfolio Investor (FPI) Trades in the Cash Equity Market

SEBI (Securities and Exchange Board of India) has permitted net settlement of funds for transactions undertaken by FPIs, which is expected to go live by December 2026.

The framework permits the cash settlement of eligible equity trades on a net basis, reducing funding requirements and the associated FX notional, and FPIs will now have the flexibility to choose either gross or net settlement, depending upon their operating model.

New Zealand – Financial Markets Authority (FMA) custody regulation review

The New Zealand Financial Markets Authority (FMA) has initiated a review of the legal and regulatory framework governing the custody of client money and assets in New Zealand, issuing a discussion paper. The paper maps the custody market and current regulatory settings, references historical custody failures, and highlights key structural risks including complex and fragmented regulation, limited supervisory oversight, potential gaps in the wholesale custody regime, and high market concentration. The paper does not set out specific reform proposals; rather, it seeks stakeholder feedback on whether the identified issues are material and whether the current framework remains fit for purpose as markets, business models and technology evolve. It also compares New Zealand's obligation-based approach to custody with jurisdictions that require a licence.

J.P. Morgan contributed to the New Zealand Bankers' Association (NZBA) response, including the position that any reforms should differentiate between custody models and associated risk profiles (e.g., retail versus wholesale), recognize that wholesale sub-custodians appointed by sophisticated institutional clients are already subject to robust contractual governance, due diligence, assurance reporting, operational standards and home-jurisdiction regulation, and approach any extra-territorial application of New Zealand requirements to offshore sub-custodians with caution—taking a pragmatic, market-aware approach similar to Australia's framework (e.g., ASIC Regulatory Guide 133).

Vietnam Central Counterparty

In September 2023, the Ministry of Finance issued a draft circular proposing the establishment of a Central Counterparty (CCP) as a subsidiary of the Vietnam Securities Depository Corporation. The CCP aims to eliminate the existing pre-funding requirement, which is one of the key challenges for Vietnam's reclassification as an Emerging Market.

In July 2025, the State Securities Commission (SSC) announced a roadmap for implementing the CCP model, with a tentative go-live date in the first quarter of 2027. The SSC plans to introduce margin requirements alongside the CCP, with clearing members potentially determining whether margin will be collected from clients. While the removal of pre-funding was originally intended to coincide with CCP implementation, the SSC has already introduced partial non-prefunding (NPF) effective November 2, 2024. Full CCP implementation is expected to completely eliminate the pre-funding requirement, except for margin. J.P. Morgan supports, via our sub-custodian, the removal of pre-funding and margin requirements for foreign investors.

Thailand – End of Day Balance Limit

The Bank of Thailand (BOT), Thailand's central bank, currently imposes an End of Day (EOD) balance limit of 200 million Thai Baht (THB). Any balances beyond this limit need to be repatriated on the same day and any excess is subject to forced conversion by the BOT.

As part of ongoing market engagement efforts, our sub-custodian has been in continuous discussions with the BOT regarding potential relaxation proposals. Effective December 2025, the Bank of Thailand (BOT) announced a relaxation permitting non-residents to temporarily retain balances above the THB 200 million overnight limit in their Non-Resident Baht Account (NRBA) and Non-Resident Baht Securities Account (NRBS), subject to conditions prescribed by the BOT. For example, this flexibility applies in specific circumstances and does not permit same-day FX without valid underlying transactions or advance funding for upcoming payment obligations. While the BOT has announced this relaxation, there is no change to J.P. Morgan's current product offering at this time.



5. Digital Assets

Digital assets continue to evolve from a niche market development into a broader regulatory and market infrastructure focus area. Policymakers, regulators and financial institutions are advancing frameworks covering crypto-assets, stablecoins, tokenization, digital market infrastructure and custody arrangements, while balancing innovation with investor protection, financial stability and market integrity. J.P. Morgan continues to monitor and engage on these developments globally, particularly where they may impact custody, safeguarding, settlement and future post-trade operating models.

Americas

U.S. Developments

Since President Trump's inauguration in January 2025, U.S. policy activity in digital assets has emphasized regulatory clarity, market development, and (in several areas) enabling regulated firms to participate more readily—developments that are particularly relevant for how custody, safeguarding, and related operating models are structured and supervised.

An early signal was Executive Order 14178 ("Strengthening American Leadership in Digital Financial Technology"), published January 31, 2025, which sets federal policy to support responsible growth and use of digital assets and related technologies and expressly emphasizes self-custody and open blockchain access; it also expresses opposition to a U.S. CBDC absent an explicit legal requirement.

Congress has also enacted federal legislation directly relevant to stablecoin activity. The **GENIUS Act** ("Guiding and Establishing National Innovation for U.S. Stablecoins Act") was signed into law on July 18, 2025 establishing a federal-state supervisory and compliance framework for payment stablecoins. As stablecoin frameworks mature, operational expectations around issuance and redemption mechanics and the safeguarding arrangements that support those functions are likely to remain a key focus for market participants.

On broader market structure, the **Digital Asset Market Clarity Act** of 2025, passed the House on July 17, 2025, and was received in the Senate on September 18, 2025, where it was referred to the Senate Banking Committee. The bill aims to deliver a comprehensive market-structure framework addressing SEC/CFTC regulation of digital assets, clarifying when activities fall under securities versus commodities frameworks. This has downstream implications for intermediaries that provide platform services that include safeguarding or holding client digital assets. At the time of writing, further work on the Senate Bill has been temporarily paused due to other urgent priorities.

Regulators have also adjusted prior guidance in ways that affect the feasibility and structure of regulated custody offerings.

- The SEC rescinded SAB 121 through SAB 122, changing the accounting backdrop that had been a significant consideration for certain entities such as custodian banks involved in safeguarding crypto-assets.
- The OCC rescinded Interpretive Letter 1179 via Interpretive Letter 1183 and stated that crypto-asset custody, distributed ledger, and stablecoin activities discussed in earlier letters are permissible for banks.
- The FDIC rescinded FIL-16-2022 through FIL-7-2025 and clarified that FDIC-supervised institutions may engage in permissible crypto-related activities without prior FDIC approval, provided they manage associated risks and comply with applicable laws and regulations.

Within the SEC, a Crypto Task Force was launched on January 21, 2025, led by Commissioner Hester M. Peirce, to help draw clearer regulatory lines for crypto assets, develop paths to registration, and advance disclosure frameworks. The Task Force is expected to work toward clearer classifications and registration pathways relevant for firms that combine trading, brokerage, or issuance-related activity with custody or safeguarding services.

Finally, cross-border coordination efforts continue. The Transatlantic Taskforce for Markets of the Future (launched September 2025) published recommendations on July 14, 2026 aimed at improving consistency in treatment of tokenized assets and supporting cross-border interoperability. The recommendations also point to workstreams connected to tokenized settlement and collateral eligibility, and support a multi-money ecosystem (including stablecoins and tokenized deposits), all of which can drive demand for custody models capable of supporting tokenized instruments across markets.

Given the pace of change, we will continue to monitor and engage on U.S. legislative and regulatory developments affecting digital assets, including implications for custody models, bank permissibility, and market-structure outcomes.

Europe

Our team continues to monitor and engage in these regulatory discussion papers and consultations in the U.K. and Europe particularly where they may impact our custody business.

E.U. Developments

In the EU, the two most important recent frameworks for digital and crypto-assets continue to be **MiCA** and the **DLT Pilot Regime**—both of which are particularly relevant for firms that provide crypto-asset services involving the holding, safeguarding, or settlement of tokenized instruments.

MiCA establishes an EU-wide regime for crypto-assets that are not already regulated as traditional financial instruments, introducing a licensing and supervisory framework for crypto-asset service providers (CASPs) and for certain categories of stablecoin issuers. MiCA entered into force in June 2023. In May 2026, the European Commission launched a consultation to review how MiCA is functioning in practice; that consultation has been extended and remains open until 30 September 2026.

Alongside MiCA, the DLT Pilot Regime functions as a controlled environment for developing DLT-based market infrastructure. Uptake to date has been limited: ESMA reported in April 2024 that applications were still under assessment, and highlighted practical frictions that can matter for custody and settlement design, including the need for workable cash settlement solutions and greater clarity around the use of self-hosted wallets and related custody arrangements.

At the end of 2025, the European Commission's Market Integration and Supervision Package (MISP) proposed changes which we understand were intended to make the DLT Pilot more attractive by addressing its tight constraints, and also included a proposal to replace the Settlement Finality Directive with a directly applicable Settlement Finality Regulation—a change that would be relevant to how finality is treated in digital-asset transaction contexts. The Commission has pointed to the pilot's current scope and scale limits (including restrictions on instrument types, issuance sizes, and aggregate caps).

Other supervisory initiatives continue in parallel. In April 2025, the European Banking Authority (EBA) published draft RTS on when CASPs must appoint a central contact point to support AML/CFT supervision for cross-border activity, with the RTS expected to proceed through the usual EU adoption process. The EBA also published final draft RTS in August 2025 under Article 501d(5) CRR3 on calculating and aggregating crypto-asset exposure values. CRR3's transitional prudential treatment for crypto-assets has applied since 9 July 2024.

U.K. Developments

In the U.K., His Majesty's Treasury (HMT), the Bank of England (BoE) and the Financial Conduct Authority (FCA) continue to build out a more complete regulatory framework for cryptoassets, with a particular focus on bringing key activities, such as trading platforms, stablecoin issuance and custody/safeguarding, within U.K. financial services regulation.

A key reference point remains the FCA's **Crypto Roadmap**, published in Q4 2024, which set out a staged plan for consultation and policy development across areas such as admissions and disclosures, a crypto market abuse regime, trading platform rules, intermediation, lending and staking, and prudential considerations. The roadmap also flagged early work on stablecoin issuance and custody.

Following a number of consultations and discussion papers seeking market input, which we provided input on, the FCA published final rules and guidance on 30 June 2026, with the authorization application period opening in September 2026, and the new U.K. cryptoasset regime expected to come into force on 25 October 2027. This also includes the application of CASS rules on different types of crypto-assets and obligations for custodians.

Following industry feedback, the FCA pulled back from applying the new crypto-specific custody chapter (CASS 17) to custody of "relevant specified investment cryptoassets" (RSICs) at the start of the regime, and is taking a more incremental approach instead.

On market integrity and disclosure, the FCA published DP24/4 ("Regulating cryptoassets: Admissions & Disclosures and Market Abuse Regime for Cryptoassets") in December 2024. The paper covers both a proposed regime for cryptoasset admissions and disclosures and a dedicated **Market Abuse Regime (MARC)** for Cryptoassets.

In 2025, the FCA consulted directly on stablecoins, custody and prudential requirements that will be central for firms that hold or safeguard client cryptoassets, launching two consultations in May 2025:

- **CP25/14** ("Stablecoin issuance and cryptoasset custody"), consulted on proposed rules for issuing a qualifying stablecoin and safeguarding qualifying cryptoassets (including qualifying stablecoins).
- In parallel, **CP25/15** ("A prudential regime for cryptoasset firms"), consulted on prudential rules and guidance for firms issuing qualifying stablecoins and safeguarding qualifying cryptoassets.

Separately, the **Digital Securities Sandbox (DSS)** continues to operate as the U.K.'s route for testing and scaling market infrastructure and issuance models using distributed ledger technology. The BoE and FCA have published the DSS application guidance and forms for Gate 1 entry. The government's **Digital Gilt Instrument (DIGIT)** initiative is intended to be issued on a DLT platform within the DSS; HMT and the DMO began market engagement in March 2025, and the latest government update indicates the first DIGIT transaction is expected by early 2027.

Asia Pacific

Australia – Platform legislation

The Corporations Amendment (Digital Assets Framework) Act 2026 received Royal Assent on April 8, 2026, with the Act commencing 12 months thereafter. This landmark legislation brings many digital asset platform (DAPs) and tokenized custody platforms (TCPs) under the Australian Financial Services Licence (AFSL) regime administered by the Australian Securities and Investment Commission (ASIC). The new framework targets custodial arrangements where an operator possesses digital tokens for or on behalf of clients or holds underlying assets and issues a tokenized redemption claim (TCPs). The bill treats DAPs/TCPs as financial products, meaning platform operators providing relevant services generally need AFSL authorizations and become subject to licensing, conduct, disclosure and other relevant obligations.

From a custody perspective, the framework is designed to capture custodial arrangements where an operator holds or manages digital assets on behalf of consumers, and to apply AFSL requirements plus targeted platform obligations (including asset-holding standards, transactional and settlement standards, and financial requirements).

ASIC also issued a Roadmap for Digital Assets Law Reform Implementation and is expected to issue a consultation in Q4 2026 and finalize associated regulatory guides in Q1 2027.

Separately, in June 2026, the ASX proposed creating an industry Working Group to develop a Tokenization Discussion Paper. The paper will look at tokenization's role in critical markets infrastructure, global developments, real markets opportunities, and regulatory and legal considerations where applicable.

Hong Kong – Strengthening Regulation on Digital Assets

Hong Kong regulators have been steadily building a more complete framework for digital assets—covering custody, distribution of tokenized products, stablecoins, intermediary conduct, and bank prudential treatment. The Hong Kong Monetary Authority (HKMA) has issued guidance on custodial services for digital assets and set out regulatory standards for the selling and distribution of tokenized products, alongside experimentation initiatives such as the Project Ensemble Sandbox (launched in 2024) to test tokenization-related use cases in a controlled environment.

Legislative and supervisory momentum has continued to build around stablecoins and market infrastructure. Hong Kong's Stablecoins Ordinance commenced in August 2025, and policymakers have consulted on regulatory regimes for virtual asset dealers and custodian service providers. To strengthen investor protection and clarify expectations for firms engaging in virtual asset activities, the Securities and Futures Commission (SFC) and the HKMA issued a joint circular in October 2025 setting conduct and control standards for intermediaries.

By late 2025, the authorities also moved from consultation to implementation detail: the Financial Services and the Treasury Bureau (FSTB) and the SFC published consultation conclusions on legislative proposals to regulate virtual asset dealing and custodian service providers. In parallel, the HKMA updated elements of its Supervisory Policy Manual and its local implementation approach to the Basel Committee's standards on the prudential treatment of banks' cryptoasset exposures.

More recently, the SFC has begun to connect regulation to market structure for tokenization. In April 2026, it launched a pilot regulatory framework intended to enable secondary trading of tokenized SFC-authorized investment products, initially focusing on tokenized open-ended funds, on SFC-licensed virtual asset trading platforms, with potential over-the-counter arrangements assessed on a case-by-case basis.

Singapore – Tokenization Pilots

In June 2024, the Monetary Authority of Singapore (MAS) announced the expansion of the tokenization pilots under Project Guardian to scale asset tokenization for financial services. It also established Global Layer One (GL1) to explore a shared digital infrastructure to enable cross-border transactions and global liquidity pools. In addition, MAS introduced a new regulatory framework for stablecoins. Due to feedback from a consultation, MAS announced in October 2025 that it would defer the implementation of the BCBS cryptoasset standards to January 2027 or later.

MAS also announced the BLOOM (Borderless, Liquid, Open, Online, Multi-currency) initiative to enable settlement in tokenized bank liabilities and well-regulated stablecoins offered by financial institutions. In April 2026, MAS published a Consultation Paper on the Prudential Treatment of Cryptoassets on Permissionless Blockchains.

Taiwan

Taiwan's national legislature, the Legislative Yuan, passed the Virtual Assets Service Act on 30 June 2026, creating a comprehensive regulatory framework for virtual asset service providers (VASPs) and stablecoin issuers—including mandatory licensing/approval, a formal stablecoin regime, stronger market misconduct prohibitions, and broader operational requirements. The Act is approved but not yet effective; the Executive Yuan will set the effective date.

Once effective, existing operators already AML-registered and certain financial institutions must apply for a license from the FSC (Financial Supervisory Commission) within 12 months and obtain approval within 21 months, with a possible one-time extension of up to 3 months.



6.

Regional Developments and Outlook

Outside of the themes highlighted in other chapters within this report, local and regional regulators continue to develop regulatory frameworks covering areas such as asset safety, account opening, clearing, financial and operational resilience and more. This chapter covers some recent key developments across the globe; however, it is not an exhaustive list of all regulations and proposals globally.

Americas

U.S. Treasury Clearing

The SEC's push to expand central clearing in the U.S. Treasury market is now firmly in implementation mode. On 13 December 2023, the Commission adopted a final rule mandating central clearing for a broad set of Treasury repos and interdealer cash trades, with limited carve-outs (including certain public-sector counterparties). With FICC currently the only SEC-registered covered clearing agency for Treasuries, the rule also puts the onus on FICC to widen access and operationalize clearing for eligible secondary-market activity, including for indirect participants, an effort supported by a series of proposed FICC rule changes.

Key milestones have since been adjusted. The SEC issued temporary relief in February 2025, delaying enforcement of house/client margin separation to 30 September 2025 (from 31 March 2025). The clearing mandate itself phases in next: cash Treasury transactions by 31 December 2026, followed by Treasury repo transactions by 30 June 2027.

Argentina – Foreign Exchange (FX) repatriations

Following the Central Bank of Argentina's (BCRA) 2025 relaxation of FX and capital controls, funds obtained via FX funded by an inward remittance of foreign currency on or after April 21, 2025 are, in principle, eligible for repatriation, including related investment proceeds and income. In practice, the BCRA requires the sub-custodian to validate regulatory compliance for each request, and FX execution can only proceed once the sub-custodian's review is complete and approval is granted.

The process remains largely untested, and agent banks are taking a conservative approach, often requiring extensive documentation (e.g., evidence of the inbound FX, underlying trades, and reconciliation of repatriation amounts to eligible principal/income/proceeds), particularly where assets are held via an ICSD (e.g., Euroclear). J.P. Morgan is working with our sub-custodian to request from the BCRA clearer, more practical guidance, and will continue to engage to support a more streamlined process for eligible investors.

Brazil – Beneficial Owner Disclosure Requirements

Following the issuance of Brazilian Normative Instruction No. 2.290 on October 31, 2025 (updating No. 2.119), phased enhancements to beneficial owner (BO) disclosure requirements became effective on January 1, 2026, including expanded BO collection at onboarding for certain structures, remediation of selected existing accounts, BO reporting to the Brazilian Federal Revenue Service (RFB) via the e-BEF form, and a new annual certification requirement. In response, ANBIMA coordinated market-wide discussions with the RFB to clarify key interpretation items (e.g., submission timelines by investor segment, authorized e-BEF signatories, and potential exemptions for certain regulated entities).

Market alignment has since converged on an e-BEF UBO submission deadline of December 31, 2027, informing internal planning for client information collection.

Europe

E.U. Savings & Investment Union and MISP (Market Integration and Supervision Package)

In early 2025, the new EU Commissioner for Financial Services, Ms. Albuquerque, outlined the policy initiatives to be undertaken by her Directorate during her mandate which included the publication of its Savings and Investments Union (SIU) initiative. The SIU includes several initiatives that, according to the European Commission, aim to redirect the high level of savings held by EU citizens into productive investments, thereby fuelling the bloc's economy. Financial services, including post-trade, are vital to this.

In December 2025, the European Commission published the **MISP**, a core component of the wider SIU strategy. The package includes proposed changes to key existing regulation including MiFID, MiFIR, CSDR, EMIR, UCITS, AIFMD and Settlement Finality Directive through a proposed regulation, directive and separate Settlement Finality Regulation. Key highlights include:

- **Removing barriers to market integration** – The package aims to reduce barriers to market integration and reduce cost differences between domestic and cross-border activity. They propose to enhance "passporting" opportunities and to streamline distribution of investment funds within the Union.
- **Harmonization** – Proposals aim to increase harmonization across the E.U., looking to minimize differences between national jurisdictions by the conversion of rulesets from directives (where each country can transpose the directive into regulation through their own interpretation), into regulation.
- **Market access** – The E.U. is aiming to expand access into and between member state markets, including through the CSD "hub-and-spoke" model, which aims to ensure efficient CSD connectivity and interoperability.
- **Greater centralized supervision** – The proposals include an expanded role for ESMA in oversight over "significant" E.U. trading venues, CCPs and CSDs, and for greater co-operation between ESMA and the National Competent Authorities (NCAs)
- **Facilitating digital innovation** – The package aims to encourage greater innovation in Digital Ledger Technology (DLT) by expanding on the existing DLT Pilot and MiCA regime, reviewing limits and providing greater legal certainty.

J.P. Morgan fully supports the EC's focus on the SIU and its desire to improve the post-trade landscape and has contributed to various trade association responses, most notably AFME's, supporting the following in order to achieve deeper, more liquid securities markets and a more integrated post-trade operating environment to support investors:

- **Post-Trade Financial Market Infrastructure (FMI):**
  - Improved interoperability alongside increased competition among FMIs to reduce costs and improve cross-border and operational efficiency.
  - More ambitious structural changes could foster competition between CSDs by levelling the playing field for issuer services and provide enhanced user choice for the provision of CSD services.
- **Leveraging New Technologies:**
  - Leveraging new technologies like DLT is suggested to enhance competition integration and longer term value.

- **Regulatory Simplification:**
  - Simplifying the EU regulatory framework alongside removing regulatory barriers that impede the single market in order to deepen pan-EU integration and improve competitiveness.

E.U. Capital Requirements Directive (CRD) VI

As highlighted in previous reports, the EU Capital Requirements Directive VI (CRD VI) forms part of the EU Banking Package implementing the final Basel III reforms within the European Union. CRD VI introduces, amongst other measures, restrictions on the cross-border provision of certain "core banking services" by third-country institutions to EU-domiciled clients.

Article 21c of CRD VI restricts the direct provision of core banking services, including deposit-taking, lending and guarantees, by non-EU credit institutions to EU clients unless an exemption applies. EU Member States were required to transpose CRD VI into national law by 10 January 2026, while the new third-country branch regime will apply from 11 January 2027. Whilst there were major delays in the local transposition, most member states have now transposed the Directive into local regulation, albeit that some ambiguities in the EU text still require further clarification.

Whilst the intention of European policy makers was to exclude custody and safekeeping activities from the scope of Article 21c during the European legislative process, the final European text was not fully conclusive on this point, prompting questions regarding the treatment of ancillary banking services provided in connection with custody arrangements, particularly where cash accounts, deposit-taking or lending elements form part of the overall service proposition. Industry participants continue to engage with regulators and industry associations to promote consistent implementation and greater clarity regarding the treatment of services ancillary to the safekeeping and administration of assets as part of the transposition of CRD VI into domestic law.

We will continue to actively engage with clients on any further updates.

E.U. Alternative Investment Fund Managers Directive (AIFMD Review)

As the transposition deadline of April 2026 has passed, Europe's AIFMD/UCITS review has moved beyond headline reform and into the practicalities of implementation, as Member States transpose the amending Directive, with the drive to harmonize liquidity risk management now firmly at centre stage. The Commission's Delegated Acts (AIFMD/UCITS liquidity management tools (LMTs)), which amended both the AIFMD framework and some parts of the UCITS Directive, were adopted on 17 November 2025 and published in the E.U. Official Journal in February 2026. They entered into effect in April 2026, putting the market on a clear runway to full compliance by April 2027.

For further information, please refer to J.P. Morgan's Securities Services whitepaper, "Navigating Liquidity Risk in Investment Funds".

The harmonized loan-origination framework introduced under AIFMD II has hit an early speed bump after the Commission's decision to de-prioritize a raft of "non-essential" Level 2 measures, including the draft Regulatory Technical Standards (RTS) on open-ended loan-originating AIFs published on 12 October 2025. With the RTS now reclassified as "non-essential," adoption is not expected before October 2027 at the earliest, pushing the package well beyond its original alignment timetable and leaving AIFMs that had been benchmarking liquidity frameworks without the clarity they were expecting ahead of AIFMD II's Level 1 implementation.

A limited cross-border depositary passport is expected to have only a modest impact, particularly given the broader EU-wide passport under discussion in the E.U. Market Integration and Supervision Package. In parallel, depositaries and custodians are revalidating investor-CSD terms with ICSDs/CSDs and tightening due-diligence and legal arrangements.

E.U. UCITS Eligible Assets Directive

The UCITS Eligible Assets Directive aims to develop a common EU-wide understanding of asset eligibility for UCITS funds, with ESMA looking to overhaul the directive. After launching a Call for Evidence on 7 May 2024, ESMA issued technical advice to the European Commission on 26 June 2025, arguing for tighter harmonization across Member States, via a clearer, more uniform test for eligible assets (including a look-through approach), clarified collateral rules that could accommodate non-title transfer structures, and strengthened investor-protection guardrails to preserve the UCITS brand. On crypto, the stance remains cautious: crypto-assets are not expressly eligible for direct UCITS investment, though limited exposure may be possible within the 10% bucket on a case-by-case basis where instruments qualify under MiFID II and meet UCITS requirements.

The Commission has signalled further consultations and deeper market analysis in 2026, setting up a review that will need to balance responsible innovation and access to new asset classes against UCITS' core investor-protection standards.

E.U. AML/CFT Reform

Europe's AML overhaul is transitioning from policy design to on-the-ground execution. The EU's AML/CFT package, published in June 2024, pairs a strengthened 6th AML Directive with a directly applicable AML Regulation, both in force since July 2024 and due to apply from July 2027, and creates a new hub-and-spoke supervisor in Frankfurt, the **Anti-Money Laundering Authority (AMLA)**. The package also expands reporting obligations, extending requirements beyond payments to cover a wider set of assets and relationships, including crypto and securities accounts.

Since taking over the EBA's AML/CFT remit on 1 January 2026, AMLA has published its first multi-year plan, opened consultations on draft technical standards for customer due diligence, sanctions and business-relationship criteria, and launched data collection to support its risk model ahead of selecting up to 40 firms for direct supervision from 2028.

E.U. Transaction Reporting

Following a 2025 Call for Evidence on the simplification of financial transaction reporting in the E.U. spanning MiFIR, EMIR and SFTR reporting, ESMA published an interim report in May 2026 providing a summary of feedback received. Following comments, the interim report explores two non-mutually exclusive simplification options of removing duplications in the current frameworks or moving towards a "report once" principle, with various options or configurations underpinning these approaches.

ESMA published its Final Report to the European Commission by July 2026, including recommendations and a cost benefit analysis of the changes.

U.K. MiFIR Transaction Reporting

In November 2025, the FCA published a consultation paper on changes to the U.K. MiFIR transaction reporting regime, with proposals aimed at simplifying the regime such as a reduction in the number of reportable fields from 65 to 52, reducing the back reporting period from 5 to 3 years and the descoping of FX derivatives.

Following consultation responses, the FCA have published Policy Statement 26/15, adopting many of the proposed rule changes and which sets a proposed go-live of April 3, 2028.

Separately in April 2026, the FCA and Bank of England created a new Transaction and Post-trade Reporting Taskforce, seeking volunteers from across industry.

U.K. Proposed Alternative Investment Fund Managers (AIFM) Regime Reform

In July 2026, the Financial Conduct Authority (FCA) launched coordinated consultations—including CP26/28: The U.K. AIFM Regime—proposing the most significant overhaul of the U.K. Alternative Investment Fund Managers framework since 2013, with an envisaged implementation date of 2028. The proposals are intended to create a more proportionate and streamlined regime following the repeal of retained E.U. legislation and form part of the U.K.'s broader post-Brexit regulatory reform agenda. The consultation was accompanied by a draft Statutory Instrument (SI) from HM Treasury (HMT), transferring rulemaking power to the FCA, as well as amending the scope of the regime. Key changes include a new AIFM categorization framework, a new ALTS sourcebook, enhancements and simplification to valuation, reporting and delegation activities and additional consultations on depositary reforms.

U.K. Digitization Taskforce

In July 2025, the U.K. Digitization Taskforce, published its final recommendation report setting a phased route to full digitization of the U.K. shareholding framework by eliminating the use of paper share certificates for U.K.-traded shares of a U.K. incorporated company. The objective is to minimize disruption and costs through a 3-step implementation process.

- Step 1 involves replacing paper certificates with registrar-run digitized registers for remaining certificated holders; no new paper allowed.
- Step 2 entails preparing for a fully intermediated system by enhancing the Ultimate Beneficial Owner experience & removing existing friction points through mandating electronic communications and payments, adopting a common messaging language, and requiring a baseline shareholder service provision.
- Step 3 migrates all shares into CREST and makes digitized registers "one-way" (exit-only), with limited exceptions for complex cross-border listings until CSD links exist.

In July 2026, the follow-up technical group, DEMAT (Dematerialization Market Action Taskforce), published an implementation plan for the withdrawal of paper share certificates, leaning on the steps outlined above. We will continue to monitor for updates and to assess impact.

Middle East & Africa

Kingdom of Saudi Arabia – Omnibus Accounts for Global Custodians

The Saudi Capital Market Authority's (CMA) decision to permit International Central Securities Depositories (ICSDs) to establish Omnibus Foreign Nominee Accounts (OFNAs) for investors in the Saudi fixed income market, effective 6 May 2021, represented a significant milestone in facilitating foreign participation in the Kingdom's domestic debt market. Given that omnibus account structures can simplify market access and reduce operational complexity for international investors, J.P. Morgan suggest that broader foreign investor participation could be achieved by extending OFNA eligibility to global custodians serving non-resident investors.

This will also benefit CMA licensed Capital Markets Institutions (CMIs), such as J.P. Morgan Custody, as it will complement and help develop their local custody service suite. With an OFNA structure, J.P. Morgan can demonstrate:

- Scale through single point of entry with an option of omnibus or segregated accounts in line with market and client requirements
- Asset safety and protection
- A range of supporting products including network, tax, proxy regulatory capabilities, intelligence to deliver industry expertise, liquidity and FX solutions to enhance cash efficiency

While J.P. Morgan continue to support the extension of OFNA structures to global custodians, revised regulations published in July 2025 ultimately permitted omnibus accounts only for CMIs authorized by the CMA to conduct asset management activities. We continue to engage with market stakeholders and regulators to support the extension of this framework to global custodians, as it may further enhance market accessibility and support continued growth in the Saudi capital markets.

Kuwait – Reduction in trading fees

The Kuwait Clearing Company (KCC) currently charges a custodian fee of KWD 5 per order execution on custody clients' trades. This fee is unpredictable, as the number of executions is only confirmed once the trade has been successfully completed on the exchange.

Following sustained engagement with the Capital Markets Authority (CMA) and KCC (both directly and via our sub-custodian in Kuwait) the CMA has announced that this custodian fee will be abolished. The CMA has also published a revised trading fee structure, including market infrastructure fees, which is expected to be implemented on October 1, 2026.

Qatar – Qatar Central Securities Depository New Account Opening Platform

The Qatar Central Securities Depository (Edaa) launched a new account-opening platform in February 2024, enabling sub-custodians to upload electronic copies of required documents directly into Edaa's system. At present, however, clients are still required to provide physical documentation, including personal identification documents (e.g., passport copies).

J.P. Morgan is liaising directly with Edaa and the Qatar Financial Markets Authority (QFMA) and through our sub-custodian, to simplify account-opening requirements, including the removal of passport copy requirements.

West African Economic Monetary Union (WAEMU) – Account Structure Change

The Financial Market Authority announced that the WAEMU market will move from an omnibus to a segregated account structure at the Central Securities Depository (CSD) level, introducing a one-year transition period. This change will require updates to beneficial owner account opening procedures, and custodians are expected to be compliant by September 2026. J.P. Morgan's service provider is engaging with the regulator and market infrastructure to seek clarification on documentation requirements, however, formal written communication from the regulator remains outstanding. AGC members have raised serious concerns regarding the compressed timeline and the absence of formal documentation and operational requirements and are pressing for formal documentation and, if necessary, greater flexibility on implementation timelines.

Asia Pacific

India – Ease of Doing Business for Foreign Portfolio Investors (FPIs)

J.P. Morgan continues to assist clients in navigating a dynamic regulatory environment in India, and to engage with Indian regulators and industry associations to streamline market access and improve the ease of doing business for foreign investors. Recent areas of reform include:

- **Digital Signatures:** The Securities and Exchange Board of India (SEBI) now permit the use of digital signatures (for registration and post registration documents) obtained from India registered Digital Signature Certificate (DSC) providers. FPIs can obtain the DSC through their local custodian via the FPI portal and J.P. Morgan has enabled the same for clients.
- **Market Entry and KYC (Know Your Customer) harmonization:** J.P. Morgan remains actively engaged with SEBI and the Reserve Bank of India (RBI) for:
  - i) the harmonization of KYC requirements across SEBI and the RBI
  - ii) enablement of self-certification on supporting documents (instead of notarization and/or an apostille),
  - iii) the simplification of the Common Application Form (CAF),
  - iv) the relaxation of reporting timelines for material changes
  - v) the relaxation of the RBI's inoperative cash account timeline of 2 years
- **Simplification of foreign investment norms and enabling simultaneous investments under the FPI and FDI route:** J.P. Morgan has been engaging to streamline norms for foreign investments in India with the RBI. The RBI has issued a draft Foreign Investment Rules, 2026, for public consultation, aimed at establishing a simpler, principle-based framework for foreign investment to further enhance ease of doing business.

India – Single Window Automatic and Generalized Access for Trusted Foreign Investors (SWAGAT-FI) framework

The SWAGAT-FI framework was introduced by SEBI in June 2026 to simplify market entry process and streamline compliance for low-risk, trusted foreign investors under the FPIs and Foreign Venture Capital Investors (FVCIs) routes. The framework extends FPI registration to 10 years and KYC review cycles to up to 10 years (from the current 3 years) and introduces a single-window process for obtaining FVCI registration, significantly reducing the administrative burden.

India – Government Securities – Foreign Portfolio Investor (GS-FPI) framework

The GS-FPI framework has been introduced from February 2026 for investors exclusively investing in Government Securities. The framework offers relaxed compliance requirements, such as exemption from investor group disclosures for investments under the Fully Accessible Route (FAR) securities, KYC review periodicity aligned to the timelines set by RBI, and relaxed timeline for material change intimation.

Korea – Index Inclusion and Market Liberalization

The Financial Times Stock Exchange (FTSE) has added South Korea to the FTSE World Government Bond Index (WGBI) effective 1 April 2026, with inclusion to be implemented on a phased basis from April to November 2026.

In contrast, MSCI, in its most recent market classification review, did not include South Korea on its Developed Market Watch List, and South Korea therefore continues to be classified as an Emerging Market at this stage. While MSCI acknowledged the substantial reforms implemented by the Korean authorities in recent years, it stated that several market accessibility concerns remain and that further evidence of effective implementation is required before South Korea can be considered for watch list inclusion. Key concerns cited include the absence of a fully deliverable offshore KRW market and the need for further operational refinements to recently implemented market infrastructure and regulatory frameworks.

In parallel, South Korean authorities have announced a multi-year roadmap of market infrastructure and regulatory reforms aimed at supporting ongoing implementation of the FTSE WGBI inclusion and enhancing South Korea's eligibility for potential inclusion in MSCI Developed Market indices.

Key initiatives include:

- Extended operating hours / cut-offs: Increased operating hours for Bank of Korea (BoK) wires and

the institutional bond settlement cut-off at the Korea Securities Depository (KSD) – implemented in April 2026.

- Extended KRX trading hours: Introduction of a 12-hour trading day via pre-market trading (targeted for late 2027) and after-market trading (currently scheduled for September 2026).
- 24-hour KRW/USD FX trading: Adoption of 24-hour KRW/USD FX trading – implemented in July 2026.
- Offshore KRW settlement enhancements: Establishment of an offshore KRW settlement system to enable KRW transactions between non-residents via offshore KRW settlement institutions, and a 24-hour BoK settlement system to allow foreign financial institutions to settle KRW transactions at any time – targeted for 2027.
- IRC (Investment Registration Certificate) to LEI (Legal Entity Identifier) transition: Enhancements to enable transition from IRC to LEI without requiring account closure or reopening – targeted for late 2026.

In addition, Korea's Financial Services Commission (FSC) has established a taskforce to modernize capital markets infrastructure and accelerate adoption of artificial intelligence (AI), blockchain, and digital capabilities across the financial investment sector, with objectives to improve market efficiency, strengthen investor protection, and enhance global competitiveness. South Korea has also indicated its intention to transition to a T+1 settlement cycle, with a roadmap expected by October 2026.

Korea – Entity Ownership and Controlling Persons Requirements

Following amendments to South Korea's Act on Prohibition against the Financing of Terrorism and Proliferation of Weapons of Mass Destruction, effective January 22, 2026, the Financial Services Commission (FSC) introduced a requirement for local custodians to obtain an Entity Ownership and Controlling Persons (EOC) Checklist as part of the account-opening process. Interpretation of this requirement has varied across local custodians, resulting in inconsistent documentation requests to foreign investors. J.P. Morgan, through its local custodian, is engaging regulators to review the EOC requirement against existing market documentation to identify overlaps, with the objective of consolidating and reducing client-facing documentation. We have also requested regulatory clarification to support a consistent, market-wide interpretation of the requirements.

Korea – Improvements to Corporate Disclosures

Following ongoing engagement by J.P. Morgan and our sub-custodian, the Financial Services Commission (FSC) published amendments to the Korea Exchange (KRX) regulations. These amendments expand the scope of companies required to provide English disclosures and require shareholder meeting results to be disclosed on the meeting date, including the voting outcome (e.g., the percentage of shares voting in favor, against, or abstaining) for each agenda item. These changes strengthen South Korea's corporate disclosure framework, enhance corporate governance transparency, and improve foreign investors' access to information, supporting more informed investment decision-making.

Sri Lanka – Enhanced Client Experience and Operational Efficiency

Suspension of Dormant Accounts and KYC Requirements

On January 16, 2026, Central Depository Systems (Pvt) Ltd (CDS) in Sri Lanka announced that depository accounts with no activity for 36 months would be suspended and require a KYC refresh for reactivation. This policy raised significant concerns among global clients. Following J.P. Morgan engagement highlighting the unique governance and oversight of foreign institutional investor (FII) accounts, the CSD revoked its policy requiring additional KYC processes for FIIs. This change streamlines account management and enables trades to be executed without delay, improving operational efficiency and the client experience.

Acceptance of Scanned Documents for Account Opening

Previously, the Sri Lanka market required original executed documents for sub-custodian and securities account opening. Following industry engagement highlighting best practices in other markets and the strong governance frameworks in place, the CSD approved account opening based on scanned copies of executed documents, with originals required only upon request. This change eliminates the need for clients to send original documents, significantly reducing account opening timelines and minimizing the risk of document loss or damage during transit.

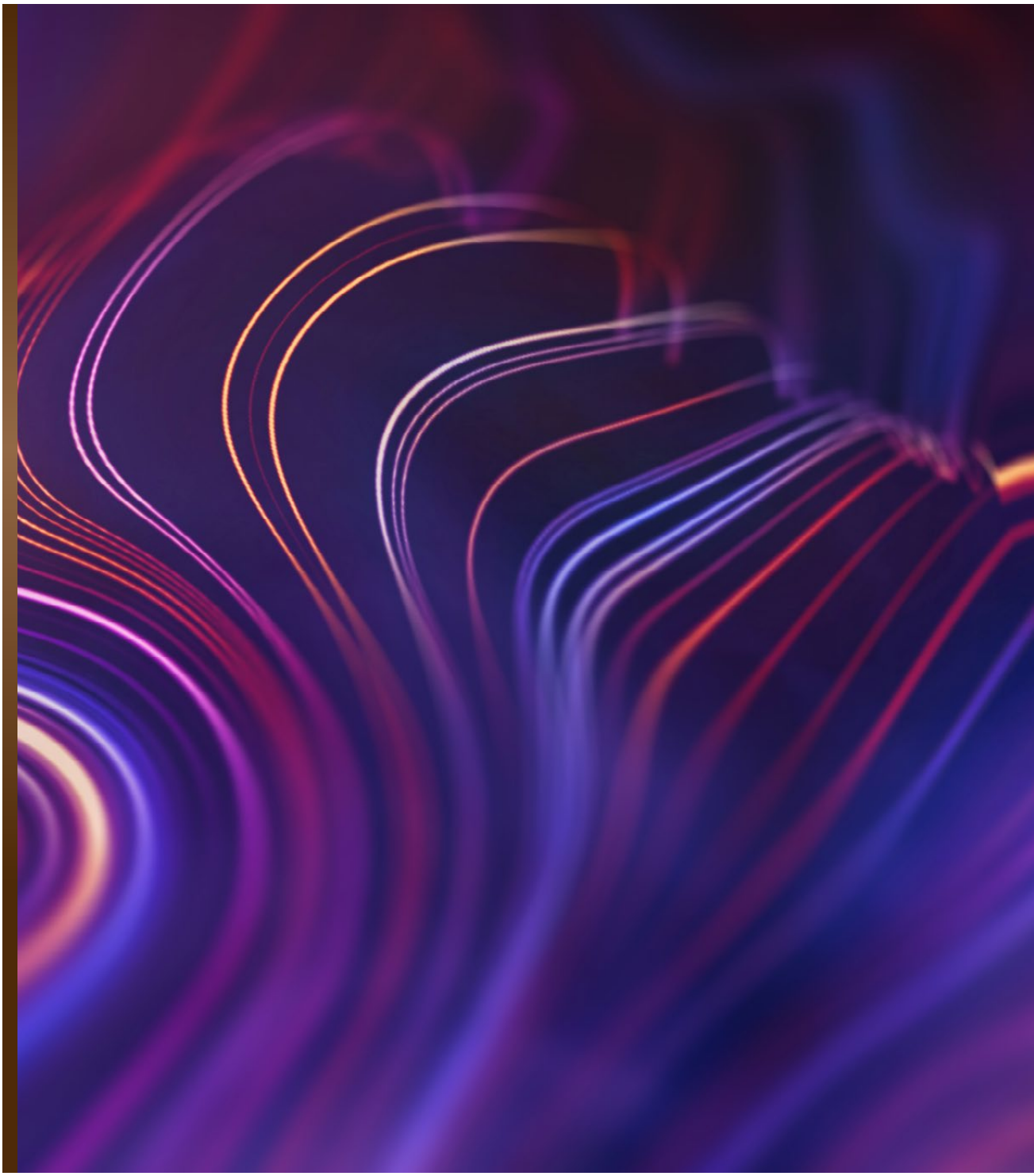


Appendix - Glossary

ACATS	Automated Customer Account Transfer Service
AFME	Association for Financial Markets in Europe
AFSL	Australian Financial Services License
AGC	Association of Global Custodians
AGMs	Annual General Meetings
AIFMD	Alternative Investment Fund Managers Directive
AMLA	Anti-Money Laundering Authority
ANBIMA	Associação Brasileira das Entidades dos Mercados Financeiro e de Capitais
ASIFMA	Asia Securities Industry & Financial Markets Association
AST	(U.K.) Accelerated Settlement Taskforce
ASX	Australian Stock Exchange
B3	Brazilian Stock Exchange
BCBS	Basel Committee for Banking Supervision
BoE	Bank of England
BOT	Bank of Thailand
BRVM	Bourse Régionale des Valeurs Mobilières (WAEMU exchange)
CCP	Central Counterparty
CFTC	Commodity Futures Trading Commission
CMA	Saudi Capital Markets Authority

CMIs	Saudi Capital Markets Institutions
CRD VI	Capital Requirements Directive VI
CSD	Central Securities Depository
CSDR	Central Securities Depositories Regulation
CSDR ReFIT	Amended version of CSDR following the EC review of CSDR
DBV	Delivery by Value
DC/BR	Dépositaire Central/Banque de Règlement (WAEMU CSD)
DLT	Distributed Ledger Technology
DSS	Digital Securities Sandbox
DTCC	Depository Trust & Clearing Corporation
DVP	Delivery Versus Payment
EBA	European Banking Authority
EC	European Commission
ECB	European Central Bank
ECB AMI-SeCo	ECB Advisory Group on Market Infrastructures for Securities and Collateral
ECB SCoRE	Single Collateral Management Rulebook for Europe
Edaa	Kingdom of Saudi Arabia's Central Securities Depository
EMIR	European Market Infrastructure Regulation
EOD	End-of-Day
ESMA	European Securities and Markets Authority
ETF	Exchange Traded Fund
E.U.	European Union
EUI	Euroclear U.K. & International Limited
FASTER	Faster and Safer Relief of Excess Withholding Taxes
FCA	Financial Conduct Authority
FICC	Fixed Income Clearing Corporation
FDIC	Federal Deposit Insurance Corporation
FMI	Financial Market Infrastructure
FPI	Foreign Portfolio Investors in India
FRB	Federal Reserve Board
FSC	(Korea) Financial Services Commission
HKEX	Hong Kong Exchanges and Clearing Limited
HKMA	Hong Kong Monetary Authority
HMT	His Majesty's Treasury (U.K. Government Treasury Department)
IC	(E.U.) Industry Committee
IRS	U.S. Internal Revenue Service
ISITC	International Securities Association for Institutional Trade Communication
ISO 20022	An open global standard for financial information
KYC	Know Your Customer
LEI	Legal Entity Identifier
MiCA	Markets in Crypto Assets

MIFID	Markets in Financial Instruments Directive
MISP	Market Integration and Supervision Package
NSCC	National Securities Clearing Corporation
OCC	Office of the Comptroller of the Currency
OFNAs	Omnibus Foreign Nominee Accounts
PSAF	Place of Safekeeping
PSET	Place of Settlement
PTTP	Kingdom of Saudi Arabia Post-Trade Technology Program
QFMA	Qatar Financial Markets Authority
RBI	Reserve Bank of India
RTS	Regulatory Technical Standards
SEBI	Securities and Exchange Board of India
SEC	Securities and Exchange Commission
SFC	Hong Kong Securities and Futures Commission
SFD	Settlement Finality Directive
SFT	Securities Financing Transactions
SI	Statutory Instrument
SIFMA	Securities Industry and Financial Markets Association
SRD	Shareholder Rights Directive
SSC	Vietnamese State Securities Commission
SSI	Standing Settlement Instructions
T2S	Target-2 Securities
UBO	Ultimate Beneficial Owner
UCITS	Undertakings for Collective Investment in Transferable Securities
UTI	Unique Transaction Identifier
WAEMU	Western African Economic Monetary Union



J.P. Morgan is a marketing name for the Securities Services businesses of JPMorgan Chase Bank, N.A. and its affiliates worldwide.

JPMorgan Chase Bank, N.A., organised under the laws of U.S.A. with limited liability, is regulated by the Office of the Comptroller of the Currency in the U.S.A., as well as the regulations of the countries in which it or its affiliates undertake regulated activities. For additional regulatory disclosures regarding J.P. Morgan entities, please consult: www.jpmorgan.com/disclosures.

These materials have been prepared exclusively for the internal use of J.P. Morgan's clients and prospective clients to whom it is addressed (including the clients' affiliates, the "Company") in order to assist the Company in evaluating, on a preliminary basis, certain products or services that may be provided by J.P. Morgan. These materials may not be disclosed, published, disseminated or used for any other purpose without the prior written consent of J.P. Morgan.

The information provided in this document is for informational purposes only and does not constitute an offer, solicitation, or recommendation, to purchase any financial instruments. If the recipient of this communication is in Switzerland, where applicable, the information provided in this document constitutes an advertisement (within the meaning of art. 69 of the Swiss Financial Services Act) for the financial services referred to herein.

The statements in this document are confidential and proprietary to J.P. Morgan and are not intended to be legally binding. In preparing this document, J.P. Morgan has relied upon and assumed, without independent verification, the accuracy and completeness of all information available from public sources. Neither J.P. Morgan nor any of its directors, officers, employees or agents shall incur any responsibility or liability whatsoever to the Company or any other party in respect of the contents of this document or any matters referred to in, or discussed as a result of, this document. J.P. Morgan makes no representations as to the legal, regulatory, tax or accounting implications of the matters referred to in this document.

The products and services described in this document are offered by JPMorgan Chase Bank, N.A. or its affiliates subject to applicable laws and regulations and service terms. Not all products and services are available in all locations. Eligibility for particular products and services will be determined by JPMorgan Chase Bank, N.A. and/or its affiliates.

©2026 JPMorgan Chase & Co. All rights reserved.

J.P.Morgan