IT SYSTEM CHANGES IN 2027

KDPW & KDPW_CCP

Meeting with Participants

19 November 2026

Agenda

1. Introduction
2. Autumn 2027 IT implementation window:

- T+1 settlement cycle (Phase I)
- Cross-CSD transfers
- Split and reverse-split in accordance with international standards
- Withholding tax relief – US securities

4. IT Implementations driven by regulations and international standards

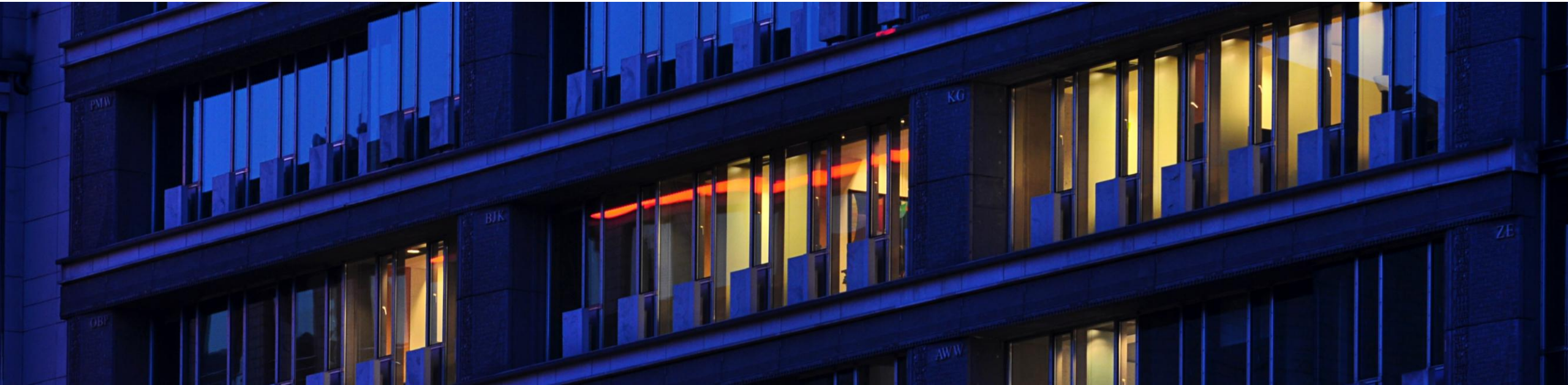
- Shareholder identification – amendment to the Commercial Companies Code (CCC)
- ISO 20022 – General Meetings (Standards Release 2026)
- Alignment with the AML Regulation
- ISO 20022 – General Meetings and shareholder identification (SR 2027)

4. Other 2027 IT implementations and ongoing projects

- Structured instruments registration application (RPW)
- Modification of the default fund and guarantee funds calculation algorithm
- Margin simulator (EMIR 3.0)
- Multilateral compression of OTC transactions
- Sponsored clearing
- CSDonDLT – DLT layer market pilot

1.

Introduction



Introduction (1)

2027 – A Coordinated Market-Wide Roll-Out

1

Implementation window

11 October 2027 – consolidating multiple annual windows into a single release centred around the transition to T+1

4

Regulatory deadlines

18.02 · 14.06 · 10.07 · 22.11 – mandated by regulations and standards, independent of the window

I 2027

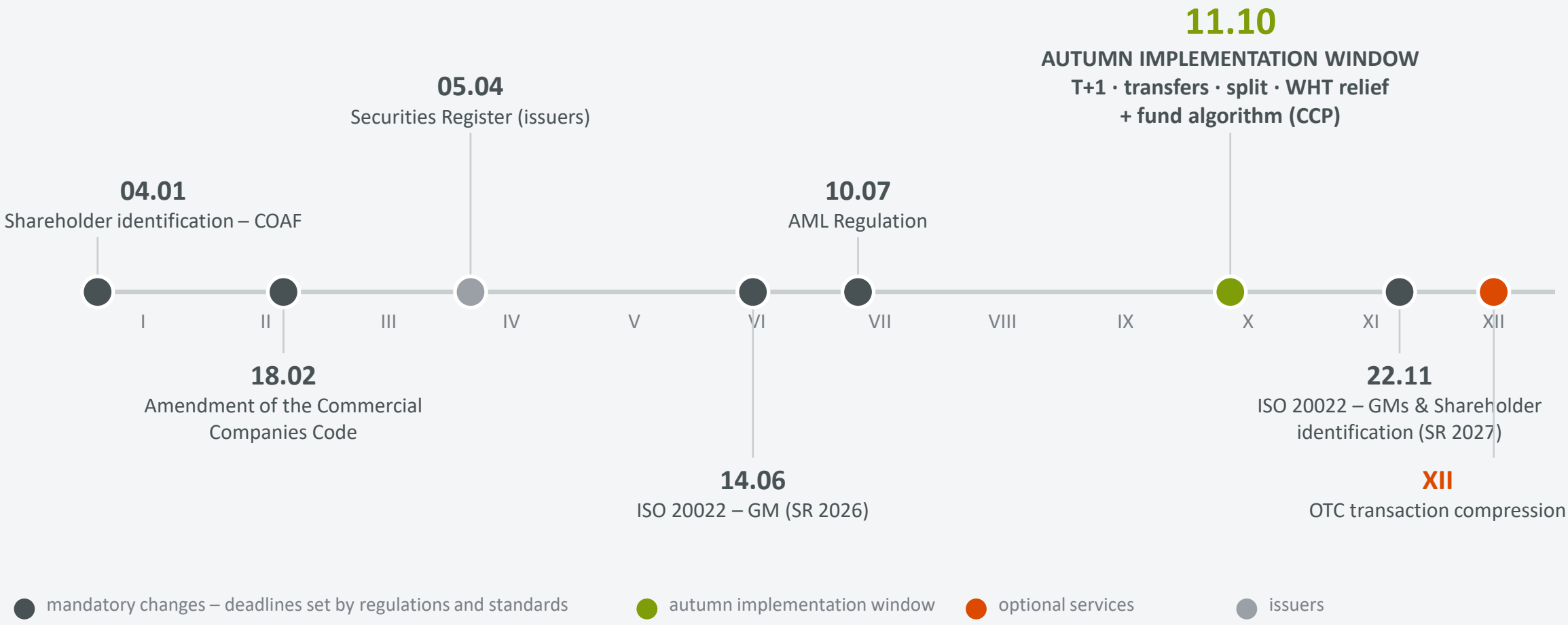
Start of testing

First test environments with new functionalities made available in January

7 mandatory changes · **4** optional projects · new services and ongoing initiatives

Introduction (2)

2027 Production Implementation Calendar



Introduction (3)

Preparing the market together

1

Planning resources now

IT budgets and teams for 2027 should account for both regulatory deadlines and the autumn window.

2

Documentation and testing from day one

Technical specifications are being released in phases Oct 2026 to May 2027; test environments will be made available starting January.

3

Flagging risks early

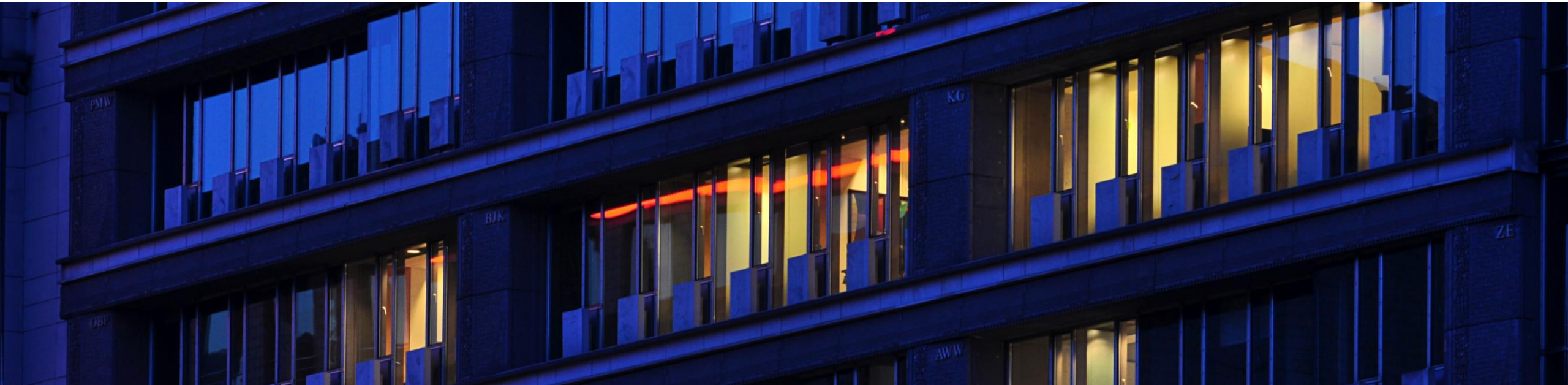
Changes related to T+1 result from market consultations – we want to continue this dialogue throughout the preparation period.

Purpose of today's meeting

- discuss the scope and deadlines of each project
- highlight areas requiring participant adaptation
- collect questions and comments – Q&A session at the end

2.

Autumn 2027 IT Implementation window



Autumn 2027 implementation window

11 October 2027 – four projects in one window

2.1

T+1 settlement cycle (Phase I)

materials from: 10–11.2026
testing from 04.2027

implementation 11.10.2027

2.2

Cross-system transfers with foreign CSDs

materials from : 11.2026
testing from 08.2027

implementation 11.10.2027

2.3

Split and reverse-split in accordance with international standards

materials from : 10.2026
testing from 07.2027

implementation 11.10.2027

2.4

Withholding tax relief – US securities

materials from : 01.2027
testing from 07.2027

implementation 11.10.2027

+ KDPW_CCP: modification of the guarantee fund and margin algorithm (Cover 2) – synchronised with the window

2.1 T+1 Settlement Cycle (Phase I)

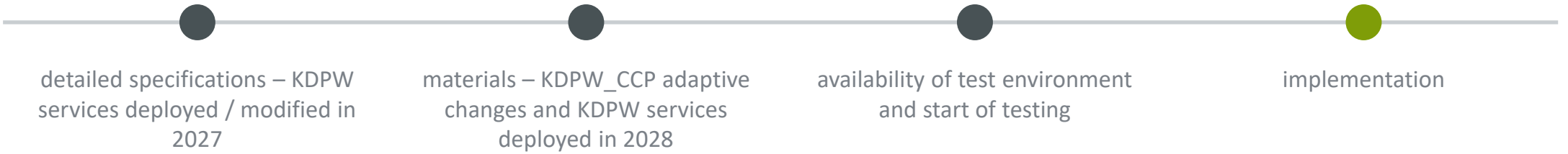
Planned changes and deadlines

Presenter: **Krzysztof Ołdak**

1. **Allegement report** new message type – KDPW notifies participants of a pending settlement instruction submitted by a counterparty
2. **Unique BIC codes** a unique BIC code for each KDPW participation code as a standard requirement for participants
3. **Partial settlement** changes to the service, including the default application rule for the partial settlement mechanism
4. **Corporate actions** changes in corporate action processing
5. **Depository system operating times** acceptance of settlement instructions and execution of matching processes
6. **ISO 20022 messages** update of messages in the settlement area – in accordance with Swift Standards Release 2026
7. **Proprietary XML messages** changes related to the implementation of new functionalities or modification of existing solutions
8. **Reporting to the NCA** settlement fails, including methodology for ranking participants with the highest fail rate

2.1 T+1 Settlement Cycle (Phase I)

Timetable



Earlier deadline: allegement report and update of ISO 20022 settlement messages Implementation planned before 11 October 2027 – exact date provided in the detailed materials made available in October 2026..

Available materials

Documents

1. **T+1 settlement cycle adaptation plan**
   version 1.1

2. **System changes related to the implementation of the T+1 settlement cycle**

3. **Information materials related to changes in corporate action processing**
   Additional materials on system changes

T+1 page on the KDPW website

Page on the KDPW website dedicated to the implementation of the T+1 settlement cycle

https://www.kdpw.pl/en/implementation-of-the-t1-settlement-cycle.html

Partial settlement and allegement report

1 Partial settlement

- **Default position**
- No changes to the entity account message
- Opt-in/opt-out flag for partial settlement – ZGODA [CONSENT]
- Opt-out of partial settlement (RwC) – specified exclusively within the settlement instruction

2 Allegement report

- Message compliant with ISO 20022: sese.028.001.12
- Retention of current rules for distributing instruction status information
- Message structure: MyStandards platform

BIC11 codes and ISO 20022 messages

1 Use of BIC11

- Mandatory requirement to provide the BIC11 code
- Unique for each KDPW participation code
- Used in settlement instructions to indicate the settlement party
- No changes in system messages – the field already exists in the XML message structures currently in use

2 Update of ISO 20022 settlement messages

- Compliant with Swift Standards Release 2026
- Message exchange within a CUG (closed user group)
- Message structures: MyStandards platform

Proprietary XML messages and corporate actions

1 Proprietary XML messages

Changes apply to 3 messages – new versions:

sese.tec.001.02	**sese.tec.001.03**
sese.sts.001.05	**sese.sts.001.06**
sese.ins.001.03	**sese.ins.001.04**

Message structure: https://www.kdpw.pl/en/changes-to-system-messages.html

2 Corporate action processing

- Change in rules for determining the ex-date
- Key dates, in particular "last trading date", in system notifications
- Enrichment of the sese.sts message (settlement instruction status) to confirm transformation execution

Settlement schedules and system availability

NO CHANGES

Settlement schedules

Current settlement session schedules remain unchanged

until 23:59

System availability

Extension of system operating hours for the purpose of accepting settlement instructions and executing matching processes

Note: extending system availability is not equivalent to performing settlement.

System changes planned in 2028

1 Partial release

Implementation of partial release

11.10.2027 — changes to system messages (preparation for implementation)

10.2028 — implementation

2 Discontinuation of netting analytics reporting

KDPW will discontinue analytical reporting for net instructions:

semt.nta.001	status of instructions included in a net instruction
semt.nta.002	statements of settled component transactions of a net instruction

Instead: KDPW_CCP will provide a report detailing the underlying transactions included in a net settlement instruction – after the close of the trading session on day T (secl.004 Net position report message)

2.2 Cross-system transfers with foreign CSDs

Planned changes and deadlines

Presenter: **Przemysław Domański**

Planned changes:

1. **Expanded transfer service scope** forwarding of "external" instruction statuses (assigned by the foreign CSD)

2. **Instruction cancellation (cancel)**
   submission of instruction cancellation requests using standard kdpw_stream system messages

Deadlines

- **11.2026**
  detailed materials on planned changes
- **from 08.2027**
  test environment and start of testing
- **11.10.2027**
  implementation

2.2 Cross-system transfers with foreign CSDs

How it will work

1 Automation of status transmission



Statuses received from foreign CSDs (MT548/MT598 and sese.024.001.XX) will be automatically forwarded to participants via the sese.sts.001.05 message. These statuses are for information only and do not alter the internal PEND/NCON status of the instruction until settlement confirmation, cancellation, or rejection of the participant's instruction.

2 Automation of instruction cancellation (CANC)



A transfer cancellation request sent via sese.tec.001.03 (CANC) automatically initiates cancellation in the foreign CSD. Upon confirmation, KDPW automatically cancels the instruction and sends confirmation via the sese.sts.001.06 message. For DN [delivery] instructions, securities will also be unblocked.

2.3 Split and reverse-split

Planned changes and deadlines

Presenter: **Leszek Kołakowski, Żaneta Skorupska-Świrska**

Planned changes:

Scope: KDPW and KDPW_CCP

Alignment of split (SPLF) and reverse-split (SPLR) processing with international standards and recommendations

specifically:

1. **assigning a new ISIN code to securities**
   following the corporate action
2. **notifying settlement parties of instruction updates**
   resulting from enrichment
3. **determination of key dates**

Deadlines

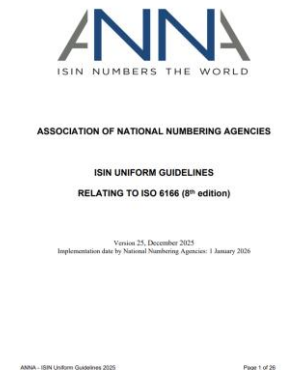
10.2026
detailed materials on planned changes

from 07.2027
test environment and start of testing

11.10.2027
implementation

2.3 Split and reverse-split

Standards and recommendations



ANNA

ISIN Uniform Guidelines

Open document ›



Ami-SeCo

Single Collateral Management Rulebook for Europe (SCoRE). Corporate Actions

Open document ›



CAJWG

Market Standards for Corporate Actions Processing

Open document ›



Ami-SeCo CEG

T+1 Harmonised Implementation Guide

Open document ›

SPLIT (SPLF) – share split

Principle

Execution with an ISIN code change

Underlying ISIN
ISIN prior to the split – instructions refer to the number of securities prior to the split

split

Resulting ISIN
ISIN following the split – instructions refer to the number of securities following the split

LTD = RD

Last Trading Date = Record Date

Enrichment of pending instructions (transformation)

Replacement of the underlying ISIN with the resulting ISIN, alongside an automatic recalculation of security quantities based on the split ratio.

Status messages sese.sts.001.xx – in addition to the new ISIN and volume, will contain:

CARef	reference to the SPLF event in the GnlInf/Lnk/CARef field
TRAN	code value in the new SttlmTxCond field

REVERSE-SPLIT (SPLR) – reverse share split

Principle

Execution with an ISIN code change

Underlying ISIN
ISIN prior to the reverse-split – instructions refer to the number of securities prior to the reverse-split

Reverse-split

Resulting ISIN
ISIN following the reverse-split – instructions refer to the number of securities following the reverse-split

RD – 3

Last Trading Date = 3 business days prior to Record Date

1. **No need to enrich pending instructions**
   Due to trading suspension

2. **No changes to the rules for completing CA instructions**
   (seev.033.001.xx)

2.4 WHT relief – US securities

Planned changes and deadlines

Presenter: **Leszek Kołakowski**

Planned changes:

1. **Distributions on US securities**
   new functionality for processing distributions - specifically dividends on shares listed on the WSE GlobalConnect platform

2. **Preferential withholding tax rate**
   application of the preferential dividend tax rate for eligible beneficial owners

Deadlines

- **01.2027**
  detailed materials on planned changes
- **from 07.2027**
  test environment and start of testing
- **11.10.2027**
  implementation

New KDPW service – who it is for, how it works and key benefits

1 Who is it for?

For KDPW participants holding QI (Qualified Intermediary) status

NEW KDPW SERVICE

2 How does it work?

- **KDPW acts as an NQI (Non-Qualified Intermediary)**
- **An ICSD* remains the upstream entity servicing the US market**
- **The ICSD holds QI (Qualified Intermediary) status**
- **KDPW offers access to withholding tax relief via the ICSD QI**

3 Key benefits

15% **instead of 30%**

preferential US dividend withholding tax rate deducted at source:

- in accordance with the Double Taxation Treaty (DTT)
- without the requirement to submit beneficial owners' tax documentation to KDPW or the ICSD

** Clearstream Banking or Euroclear Bank*

2.4 WHT relief – US securities

Service model

1

Account segregation in KDPW

The QI participant opens a dedicated depository account in KDPW for preferential tax treatment (preferential account)

2

Account segregation in the ICSD

KDPW allocates assets from the preferential account to a segregated account in the ICSD to which the preferential tax rate applies.

3

Asset transfer

KDPW processes transfers of securities between the standard account and the preferential account – at both the ICSD and KDPW levels.

4

Dividend processing in the ICSD

The ICSD performs tax processing in accordance with the account status, applying the preferential tax rate.

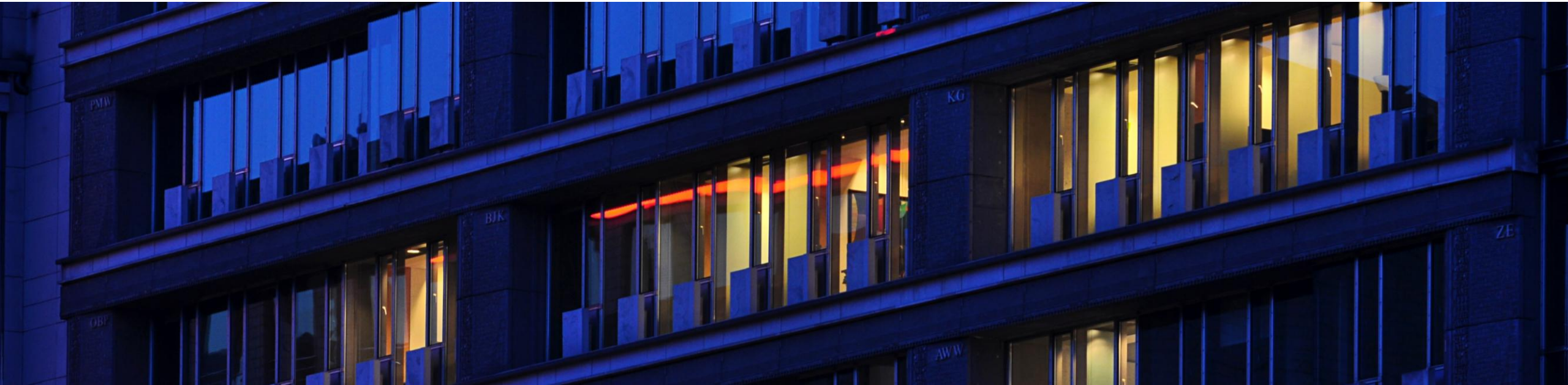
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Dividend processing in KDPW

KDPW passes through the net dividend received from the ICSD ensuring the QI participant receives the distribution taxed at the preferential rate.

3.

Implementations driven by regulations and international standards



3.1 Shareholder identification – amendments to the Polish Commercial Companies Code

Planned changes and deadlines

Presenter: **Leszek Kołakowski**

Planned changes:

1. **Scope of disclosed data**
   varies depending on whether the disclosure request is initiated by the issuer or by a shareholder

2. **Report delivery deadline**
   new deadline determination rules – report for the company or shareholder provided within 6 business days from the date of request submission

Deadlines

- **05.2026**
  materials describing the changes
- **11.2026**
  testing: COAF identifier generation
- **01.2027**
  testing: statutory amendments
- **04.01.2027**
  implementation: COAF generation rules for requests from non-public companies
- **18.02.2027**
  implementation: statutory amendments

Changes in ISO messages (seev.045 and seev.047)

1 seev.045 – disclosure request

Differentiation by requesting party type: issuer or shareholder

New request identifier (COAF) methodology – a single-letter code following the KSPN prefix:

E **Issuer** e.g.. PL26KSPN**E**000000000000000

A **Shareholder** e.g. PL26KSPN**A**000000000000000

Identity Record Date (RD) = **date of request submission**

2 seev.047 – response

In response to a request submitted by a shareholder:

- no address details of individual (natural-person) shareholders may be disclosed;
- the same restrictions apply to data of individual pledgees and beneficial owners of shares that are natural persons

Abolition of the distinction between registered and bearer shares

18.02.2027

Entry into force of amendments to the Commercial Companies Code

In the depository system, the statutory division of shares into registered and bearer shares will be abolished.

Impact – for shares of Polish companies:

change of CFI codes

Classification of Financial Instruments – ISO 10962

change of FISN codes

Financial Instrument Short Name – ISO 18774

This transition will be performed without changing existing ISIN codes.

New CFI code values may appear, which may impact the configuration of your systems

3.2 ISO 20022 – General meetings (Standards Release 2026)

Planned changes and deadlines

Presenter: **Leszek Kołakowski**

GM processing messages

New version	Message	KDPW current version
seev.001.001.13	**Meeting Notification**	v.12
seev.004.001.11	**Meeting Instruction**	v.10
seev.006.001.12	**Meeting Instruction Status**	v.11
seev.007.001.12	**Meeting Vote Execution Confirmation**	v.11

Versions of messages seev.002.001.10, seev.003.001.10 and seev.005.001.10 remain unchanged in accordance with SWIFT Standards Release 2026.

Deadlines

05.2026
materials describing the changes

01.2027
test environment and start of testing

14.06.2027
implementation

3.3 Alignment with the AML Regulation

Planned changes and deadlines

Presenter: **Agnieszka Zalewska-Czajka**

Planned changes:

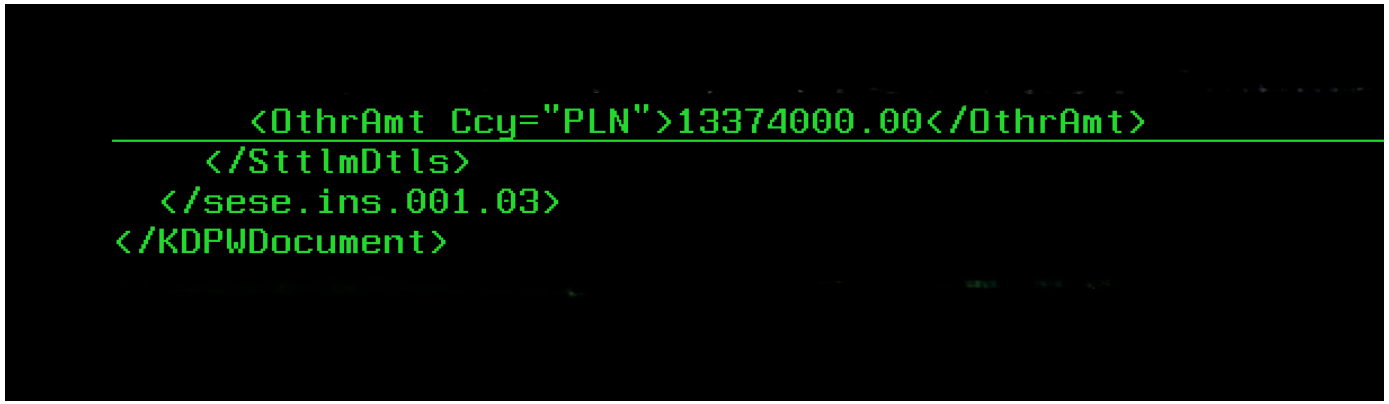
10 July 2027 - Regulation (EU) 2024/1624 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing comes into force – from that day, KDPW will subject all direct participants to AML verification.

1. **Transaction value in every instruction**
   also in FoP instructions, in which the transaction value must be entered in the "Value and currency code for reporting purposes" field
2. **Validation of FoP instructions**
   automatic validation ensuring that the field is populated, with automatic rejection if data is missing
3. **Expansion of transaction monitoring**
   covering transactions of all KDPW direct participants

Deadlines

- **02.2027**
  additional information, including materials describing the changes
- **06.2027**
  test environment and start of testing
- **10.07.2027**
  implementation

Example of populating field 3.19 in a settlement instruction



3.19		OthrAmt	Value and currency code for reporting purposes	[0..1]	CurrencyAndAmount

Example of populating field 3.19 in section 3 of the instruction – "Settlement details"

Pole 3.19

„Value and currency code for reporting purposes”

- **Section 3** of the instruction – „settlement details”
- **Element** OthrAmt with currency attribute (Ccy)
- **Mandatory** in each instruction, including FoP – missing data results in instruction rejection

Planned changes and deadlines

Presenter: **Leszek Kołakowski**

Planned changes:

Update of ISO 20022 messages in accordance with SWIFT Standards Release 2027 (SR 2027) in the areas of:

General Meetings

General Meeting: seev.001–007

Shareholder identification

Shareholder Identification: seev.045–049

Detailed information on the planned changes will be made available to KDPW participants in May 2027.www.iso20022.org

www.iso20022.org

Deadlines

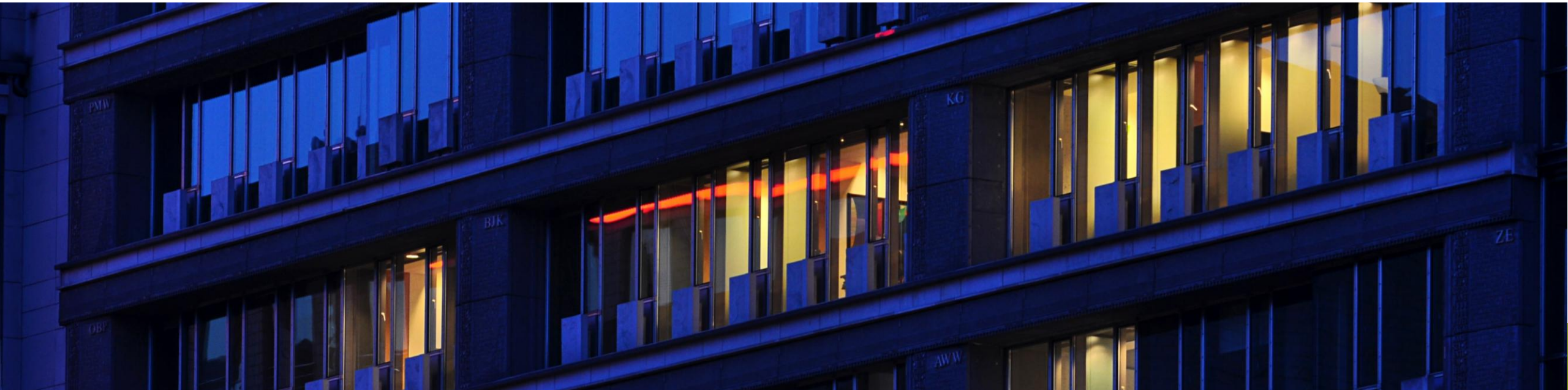
05.2027
detailed information, including materials describing the changes

09.2027
test environment and start of testing

22.11.2027
implementation

4.

Other 2027 IT implementations and ongoing projects



4.1 Securities Registration Application – structured instruments

Planned changes and deadlines

Presenter: **Marcin Wrona**

Planned changes:

1. **New RPW (Securities Registration) application in the KDPW Group Service Portal**
   Securities Registration (RPW) – for Polish and foreign issuers

2. **Applications for registration of structured instruments**
   bank derivative rights (Polish issuers only), structured products: structured certificates, bonds and warrants

3. **Replacement of the traditional process**
   the portal application will replace the current manual process of submitting registration applications

4. **Permissions administrator**
   Access to the RPW application managed by the Permissions Administrator within the Issuer group

Deadlines

11.2026
detailed information on how the application operates

01.2027
test environment and start of testing

05.04.2027
launch of the RPW application

How the application will work

1 RPW forms

instrument characteristics and all declarations submitted via application forms

2 XML message

for a multi-issue application – a dedicated message populates the form

3 Maximum issue size

indicated by the issuer in the application

Following application approval – depending on KDPW's role:

KDPW as issuer CSD	KDPW as investor CSD
Registration: performed by the Issue Agent designated in the application	**Registration:** carried out via cross-border transfers
Instrument identification: the issuer first applies to KDPW for the assignment of a preliminary ISIN code; CFI and FISN codes are assigned during application verification	**Instrument identification:** the issuer indicates the ISIN, CFI and FISN codes in the registration application

4.2 KDPW_CCP fund algorithm (Cover 2)

Planned changes and deadlines

Presenter: **Paweł Popławski**

Planned changes:

1. **Cover 2 approach**
   updated methodology for determining the size of default funds

2. **Coverage of losses of two capital groups**
   the fund covers losses resulting from the simultaneous default of two capital groups of clearing members with the largest exposures – under extreme but plausible market conditions

Deadlines

10.2027
implementation synchronized with the change of the settlement cycle to T+1 –mitigates potential increases in the default fund for organised trading arising from cash market exposures

11.10.2027
implementation

4.2 KDPW_CCP fund algorithm (Cover 2)

Cover 1 vs. Cover 2

COVER 1

now

Default of the clearing member with the largest exposure under extreme but plausible market conditions, or the 2nd and 3rd largest clearing members if the sum of their exposures is greater.

COVER 2

from 11.10.2027

Default of clearing members belonging to the two capital groups with the largest exposures under extreme but plausible market conditions.

The Cover 2 Model

- accounts for group concentration risk
- complies with market standards and EMIR (Cover 1 as the minimum variant)
- is applied by the majority of clearing houses
- will be subject to validation by an independent entity and approval by PFSA (KNF)/ESMA

4.3 Margin simulator (EMIR 3.0)

Planned changes and deadlines

Presenter: **Paweł Popławski**

Planned changes:

1. **Margin requirement simulations**
   a new tool for portfolios of instruments cleared by KDPW_CCP on the organised market and OTC

2. **Transparency of risk models**
   disclosure via GUI of the risk management models and methodologies applied

Commission Delegated Regulation (EU) supplementing Regulation (EU) No 648/2012 with regard to regulatory technical standards specifying the requirements for margin transparency and the margin simulation tool for central counterparties and margin transparency and simulation for clearing service providers.

Deadlines

I H 2027
detailed materials on changes in KDPW_CCP systems

IV Q. 2027
Implementation - in line with the entry into force of the RTS on margin transparency and margin simulation tool*

4.3 Margin simulator (EMIR 3.0)

Simulator functionality

1

Current market conditions

estimation of margin based on current market conditions

2

Actual / hypothetical portfolio

actual portfolio, actual portfolio with additional transactions, or hypothetical portfolio

3

Extreme scenarios

extreme scenarios defined by KDPW_CCP – min. 3 hypothetical and 2 historical

4

Margin breakdown

breakdown components (IM, add-ons) showing the specific risk types covered

5

Access via GUI

secure access for clearing members; simulator for each market cleared by KDPW_CCP

EMIR 3.0

Margin transparency requirements

4.4 Multilateral compression of OTC transactions

Planned changes and deadlines

Presenter: **Żaneta Skorupska-Świrska**

Planned changes:

1. **Compression in cooperation with OSTTRA / TriOptima** launch of the multilateral compression process for OTC derivatives in KDPW_CCP

2. **Partial automation**
   of clearing processes reflecting the multilateral compression of OTC derivatives

3. **OSTTRA – Reduce process**
   requires formal opt-in and active participation from OTC clearing member banks; compression runs will be conducted on a regular cycle

Deadlines

01.2027
delivery of information materials

08.2027
test environment and start of testing

12.2027
implementation

4.5 Sponsored clearing

Planned changes and deadlines

Presenter: **Żaneta Skorupska-Świrska**

Planned changes:

1. **New service for repo transactions**
   a clearing model giving buy-side entities direct access to KDPW_CCP through a clearing member (sponsoring bank / agent member)

2. **Proven market model**
   well established in government bond and repo markets – e.g. FICC in the US and LCH in Europe

Deadlines

- **06.2027**
  detailed materials on planned changes
- **10.2027**
  test environment and start of testing
- **12.2027**
  implementation

4.6 CSDonDLT – DLT layer market pilot program

Plans and deadlines

Presenter: **Michał Krystkiewicz**

Planned activities

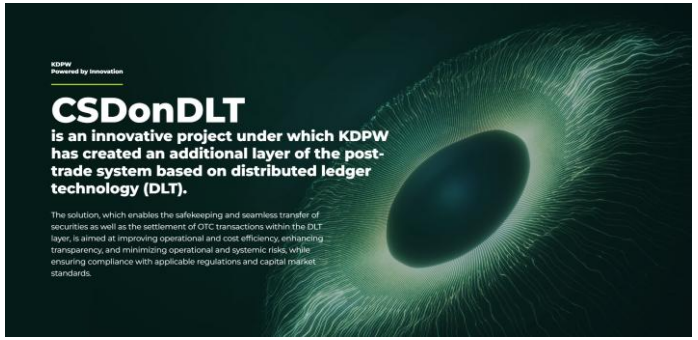
1. **Pilot program with interested participants**
   carried out in the test environment

2. **DvP settlement**
   using an external digital currency solution

3. **Participants' proprietary solutions**
   cooperation in building solutions based on the DLT layer of the depository and settlement system

Deadlines

IV Q 2027



The DLT layer model and related operations are described in the CSDonDLT White Paper: KDPW CSDonDLT

4.6 CSDonDLT – DLT layer market pilot program

How to take part in the pilot programme

1

KDPW Service Portal

logging in to the application for direct participants

2

Single view

accounts, balances and operations from both layers

3

DLT accounts

account management in the DLT layer

4

Transfer

transfer of securities between layers

No need

to run your own CSDonDLT network node

All you need

is access to the KDPW Service Portal – enabling testing with minimal organisational and technical overhead

4.6 CSDonDLT – DLT layer market pilot program

Two pilot streams

STREAM 1

DvP settlement in digital currency

- Integration with an external digital currency solution
- Transfer of securities linked to payment
- Testing of mechanisms preventing single-sided execution

STREAM 2

Platform for participant and partner services

- Building, integration and testing of proprietary solutions on the DLT layer
- Initiating DvP settlement from proprietary applications
- Also open to market infrastructure entities

Pilot program objective: test DvP in practice and launch the first partner services on KDPW infrastructure

Q & A



Questions & Discussion

Thank you for your attention. We now welcome your questions and feedback on the initiatives presented today.

11.10.2027
Autumn implementation window

4
Regulatory deadlines

I 2027
Start of testing

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Thank you for your attention