Expansion of Dematerialised Eurobonds under English Law

to non-UK incorporated Issuers

From **November 2026**, issuers incorporated in a jurisdiction **outside the UK** will have the option to issue dematerialised debt securities under **English law.** The extension will apply to securities issued in standalone form or under a programme facility**.**

To benefit from this extension, issuers must ensure their issuance programmes are updated prior to any intended issuance from November onwards:

- **Programme updates**: Issuers wishing to amend their programmes should submit the relevant updated documentation to the issuance teams[1]
- **Programme approval**: Following review and validation, the ICSDs will confirm acceptance and completion of the programme amendments.

Only programmes approved by the ICSDs will be eligible for **dematerialised issuance under English law**.

For **standalone securities**, Issuers must ensure their documentation is drafted in alignment with the published guidelines and submitted to the ICSDs via the established channels.

As a key milestone, a pioneering issuance in dematerialized form will be processed in July, ahead of the November expansion. This landmark transaction will showcase the new issuance model in a live market environment while demonstrating its operational readiness, scalability and benefits to issuers and intermediaries. That issuance will also demonstrate the enhanced framework, helping to support wider adoption ahead of the full rollout.

[1] For Euroclear : Euroclear Bank SA/NV New Issues Department 1 Boulevard du Roi Albert II B-1210 Brussels, Belgium. Email : newissues.issueragreement@euroclear.com.
For Clearstream : Clearstream Banking S.A. New Issues Department 42 Avenue J.F. Kennedy L-1855 Luxembourg. Email : Issuance.programrequest@clearstream.com

Future developments

Please note that, owing to existing taxation processes, issuer jurisdictions listed below are not currently eligible for inclusion in the November 2026 scope extension.

United States, Italy, Japan, Spain, Czech Republic, Iceland, Portugal, Romania, and Switzerland.

These issuer jurisdictions' tax processes are however under review, and updates regarding their compatibility with dematerialisation will be announced in due course.

European Pre-Issuance Messaging Service (EPIM) dematerialisation enablement

To support dematerialised Eurobond issuance of money market instruments, EPIM has been enhanced with new values and validations.

Before submitting a dematerialised issuance via EPIM, the relevant programme facility must be enabled for dematerialised securities; otherwise, the request will be rejected.

To minimise user impact, no new fields have been added. Instead, new values have been introduced in existing fields:

- **Form of Securities**:
    - **DC** = Dematerialised, Clearstream as Common Recordkeeper (CRK)
    - **DE** = Dematerialised, Euroclear as Common Recordkeeper (CRK)
- **Security Legal Form**:
    - **D** = Dematerialised

These fields must be used consistently: if one indicates a dematerialised security, the other must also be set to the corresponding dematerialised value.

In addition, the **ECB Potential Eligibility** field becomes mandatory for dematerialised issuances. EPIM will require the field to be completed, although responsibility for selecting the correct value (**Yes/No**) remains with the dealer or issuer agent.

The selected Common Recordkeeper also affects **duplicate detection and ISIN allocation**. For dematerialised securities, transactions with different CRKs may result in distinct ISINs rather than being treated as mark-ups of an existing ISIN. Selecting the correct **Form of Securities** value is therefore essential.

<u>Detailed documentation, including testing guidance and implementation timelines, will be available during Q3.</u>

Issuance & Processing Taxonomy (IPT)

The ICSDs have developed a data standard for international securities issuance, enhancing the seamless exchange of information throughout the Eurobond acceptance and issuance process. The standard improves data consistency, efficiency and automation, helping to reduce operational risk and supporting a smoother issuance experience for market participants. The taxonomy works in tandem with fully dematerialized (paperless) securities issuance, as timely provision of accurate issuance data compresses processing timelines and reduces operational risk.