

FrontLine SIX x-clear AG

Cash Clearing Platform: Implementation of new margin methodology

1. Overview

SIX x-clear AG (SIX x-clear) plans to implement a new hybrid risk model consisting of a stress VaR component and a Monte Carlo VaR, complemented by a “Risk currency of choice” functionality.

2. Effective date

23 June 2025

Additional note: The implementation of the new margin methodology in the production environment is subject to regulatory approval.

3. Impact on participants

Members will benefit from a new margin methodology with enhanced risk modeling functionality and the ability to select appropriate risk currencies for their respective clearing portfolios. This is intended to enable more efficient collateral management by allowing members to select the appropriate “Risk currency of their choice,” thereby avoiding cross-currency haircut measures on their collateral.

Please be assured that the impact on members will be kept to a minimum. More detailed information on the new margin methodology and the impact on existing reports can be found at www.six-group.com > Login > Securities Services Private > Clearing > Project Cash Clearing Platform > Downloads.

Nordic Members connected to the SIX Clearing Platform (SCP) are not impacted by this implementation.

4. Details

The goal of our updated model framework is to offer a clear and comprehensive risk assessment that effectively addresses any portfolio composition and market dynamics. This innovative hybrid model will reduce dependencies on specific data sets and incorporate a wider range of scenarios, ensuring more accurate and reliable estimates under diverse market conditions.

Additionally, SIX x-clear is excited to introduce the new “Risk currency of choice” functionality, providing you with greater flexibility in managing your risk.

Member testing is not mandatory, but if any risk related reporting is currently used, SIX x-clear recommends conducting the testing. SIX x-clear can assist if specific portfolios or combinations of such are required for testing.

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5. Contact

For further information relating to this Frontline, please contact us clearingplatform@six-group.com or your Relationship Manager.

In this context, SIX x-clear AG draws the Members' attention to **clause 7.7, chapter 14 and 15** of the Rulebook of SIX x-clear AG stipulating that the Member is responsible for compliance with the applicable laws (in particular domestic and foreign tax, foreign exchange and stock market regulations as well as with company law and articles of association) with respect to the Clearing services obtained from SIX x-clear AG.

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