



Financial Statements 2021

SIX SIS Ltd



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Balance Sheet

CHF 1,000	Notes	31/12/2021	31/12/2020
Assets			
Liquid assets		1,539,177	2,254,593
Amounts due from banks		479,260	1,026,628
<i>thereof custodians</i>		376,302	895,438
Amounts due from securities financing transactions	1	1,753,727	1,596,767
Amounts due from customers	2	1,526	1,289
Positive replacement values of derivative financial instruments	3	259	1,126
Accrued income and prepaid expenses		12,521	11,941
Participations		1,004	1,320
Tangible fixed assets		36,780	34,355
Other assets	4	111,424	80,252
Total assets		3,935,678	5,008,272
Liabilities and equity			
Amounts due to banks		2,510,730	3,573,623
<i>thereof collaterals</i>		1,485,498	1,855,525
Liabilities from securities financing transactions	1	475,062	572,216
Amounts due to customers		459,600	475,361
Negative replacement values of derivative financial instruments	3	965	1,667
Accrued expenses and deferred income		19,389	15,940
Other liabilities	4	116,971	97,242
Provisions	7	506	544
Share capital	8	26,000	26,000
Statutory reserves			
Tax-exempt capital contribution reserve		5,000	5,000
Statutory retained earnings		18,300	18,300
Voluntary reserves			
Other voluntary reserves		235,100	163,100
Retained earnings		14,279	12,549
Profit for the year		53,776	46,729
Total liabilities and equity		3,935,678	5,008,272

Income Statement

CHF 1,000	Notes	2021	2020
Interest and discount income		-9,259	-13,912
Interest income from financial investments		259	336
Interest expenses		23,403	34,414
Gross result from interest operations		14,403	20,837
Changes in value adjustments for default risks		-	-
Result from interest operations	20	14,403	20,837
Commission income from clearing & settlement		267,488	237,779
Commission income from other services		13,648	12,604
Commission expenses		-81,682	-65,267
Result from commission business and services		199,454	185,116
Result from trading activities	15	199	210
Result from sale of financial instruments		-125	-57
Other ordinary income		7,568	8,687
Other ordinary expenses		-55	-
Result from other ordinary activities		7,388	8,630
Personnel expenses	16	-42,639	-42,713
General and administrative expenses	17	-113,533	-115,274
Operating expenses		-156,172	-157,987
Changes in value adjustments on participations and depreciation of tangible fixed assets		-2,218	-1,240
Changes to provisions and other value adjustments, and losses	7	46	141
Operating result		63,101	55,707
Extraordinary income	18	412	-
Taxes	19	-9,737	-8,978
Profit for the year		53,776	46,729
Appropriation of profit			
Profit carried forward from the previous year		14,279	12,549
Distributable profit		68,055	59,279
Dividend		-43,000	-45,000
Profit carried forward		25,055	14,279

Statement of Changes in Equity

CHF 1,000	Share capital	Statutory reserves		Voluntary reserves		Profit for the year	Total
		From capital contributions	From retained earnings	Other voluntary reserves	Retained earnings		
1 January 2021	26,000	5,000	18,300	163,100	12,549	46,729	271,679
Appropriation of profit					46,729	-46,729	-
Capital contributions				72,000			72,000
Dividends					-45,000		-45,000
Profit for the year						53,776	53,776
31 December 2021	26,000	5,000	18,300	235,100	14,279	53,776	352,455
1 January 2020	26,000	5,000	18,300	63,100	99,608	42,942	252,048
Appropriation of profit					42,942	-42,942	-
Capital contributions				100,000			100,000
Dividends					-130,000		-130,000
Profit for the year						46,729	46,729
31 December 2020	26,000	5,000	18,300	163,100	12,549	46,729	271,679

Notes to the Financial Statements

General Information

SIX SIS Ltd's core business is the settlement of securities transactions and the safe custody and administration of securities both in Switzerland and abroad. As the national central securities depository (CSD) for Switzerland, the company is a key element of the Swiss Value Chain. It provides securities settlement on a simultaneous, final and irrevocable delivery versus payment basis. By playing the role of an international central securities depository (ICSD), SIX SIS Ltd also offers a wide range of customized global custody services for financial institutions around the world.

To facilitate the settlement of securities transactions, particularly cross-border, national and international market participants and foreign custodians hold accounts in various currencies with SIX SIS Ltd. Interim financing as a means of guaranteeing the smooth settlement of securities transactions is exclusively short-term in nature and provided on a collateralized basis; commercial financing is not provided.

At year-end 2021 SIX SIS Ltd had 276.9 employees on a full-time equivalent basis (year-end 2020: 277.2).

SIX SIS Ltd is licensed as a CSD under the Swiss Financial Market Infrastructure Act (FMIA) and is subject to the supervision of the Swiss Financial Market Supervisory Authority (FINMA). Pursuant to the National Bank Act, it is also supervised by the Swiss National Bank (SNB) with respect to systemic risks.

The risk management is headed by the Chief Risk Officer (CRO) of SIX SIS Ltd. Under the supervision of the CRO of SIX SIS Ltd, conceptual and methodological aspects of risk management are carried out by dedicated risk management teams in the centralized CRO unit of SIX Group Services Ltd.

SIX SIS Ltd has outsourced the operation and maintenance of its data center to SIX Group Services Ltd. The outsourcing arrangements with SIX Group Services Ltd are governed by service level agreements in compliance with FINMA regulations and their staff members are required to maintain banking secrecy.

In March 2021, Standard & Poor's Global Ratings (S&P) affirmed the issuer credit rating of SIX SIS Ltd (A+/A-1). The outlook is stable.

Key figures

	2021	2020
Number of settlement transactions (in 1,000)	54,626	53,164
Average deposit volume per month (in CHF million)	4,079,651	3,522,902

Board of Directors

<i>Thomas Zeeb</i>	Chairman (until 01.07.2021)
<i>Søren Mose**</i>	Chairman (from 01.07.2021), external member
<i>Christoph Landis*</i>	Member
<i>Josef Landolt</i>	External member
<i>Daniel Schmucki*</i>	Member
<i>Andreas Wolf</i>	External member
<i>Jochen Dürr**</i>	Member

Addresses

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* Resigned from the BoD as per 01.07.2021

** Elected for the BoD as per 01.07.2021

Risk Management

Risk Governance

As a part of SIX, SIX SIS Ltd is an important pillar of the Swiss financial center, laying great emphasis on reliability and security, and creating the trust that is essential for the financial center's smooth functioning.

The Board of Directors of SIX SIS Ltd acknowledges and supervises the risk governance, organization and management of SIX SIS Ltd and approves the adequacy and effectiveness of the internal control system. The risk appetite defined at legal entity level follows the principles outlined at SIX Group level.

A "three lines of defense" governance model forms the basis of the risk governance framework. Each line has its specific role and responsibilities. Close collaboration between all lines ensures the identification, assessment and mitigation of risks. Senior executives of SIX SIS Ltd, as the "first line of defense", are accountable for managing the specific risks faced by business management. They maintain effective processes and manage their risks properly, including comprehensive controls and documented procedures.

The Chief Risk Officer (CRO) of SIX SIS Ltd., who is a member of the Management Committee of SIX SIS Ltd., is part of the second line of defense and responsible for risk control measures at SIX SIS Ltd level and thereby supported by dedicated risk management teams.

Independent assurance providers such as Internal Audit form the "third line of defense", supervising the overall risk situation, internal controls and risk management. They monitor risk management and controlling to evaluate their effectiveness, including an assessment of how the first and second lines of defense meet their risk objectives.

Pursuant to the National Bank Act and the Swiss Financial Market Infrastructure Act, SIX SIS Ltd is supervised by the Swiss Financial Market Supervisory Authority and the Swiss National Bank. The legal and compliance functions within SIX are responsible for implementing the instructions and requirements issued by the legislator, the supervisor and other relevant institutions. They ensure that the business management of SIX SIS Ltd complies with due diligence and meets the current rules, regulations and obligations of a financial intermediary.

Risk Groups

Strategic Risk and Business Risk

Strategic risk and business risk arise both from the implementation of SIX SIS Ltd's strategy and from the implementation of the strategies on SIX Group level. They comprise

the danger of external and internal events or decisions resulting in strategic and business objectives not being attained. Strategic risks and business risks are the responsibility of the ExB of SIX and of the Management Committees of the subsidiaries. They are reviewed annually based on their risk profiles.

Reputational Risk

Reputational risk involves the risk of the reputation of SIX SIS Ltd being tarnished and of negative perception impacting business relations. As reputational risk is largely inherent in business activities, reputational risk management mainly consists of ensuring competency, integrity, responsibility and compliance. Reputational risk management includes all operational and strategic management instruments of SIX SIS Ltd, in particular financial reporting, monitoring of key performance figures and surveys of client and staff satisfaction. Besides a number of measures to mitigate potential reputational risk, a well-established emergency organization system ensures that in the event of a crisis, potential reputational risks are identified and handled with due care.

Credit Risk (Counterparty Risk, Default Risk)

Credit risk, counterparty risk or default risk is defined as the danger of a loss caused by a counterparty not fulfilling its contractual obligations. This notably includes settlement risk, i.e. the risk that a counterparty does not deliver a security or its value in cash as per the trade agreement. Within SIX SIS Ltd, credit exposures mainly relate to short-term interim financing undertaken for the purpose of settling securities transactions. With the exception of a few counterparties, such as the Swiss National Bank or SIX affiliates, all short-term financing for settlement purposes is fully covered by collateral in the form of cash and securities eligible for SNB repos.

SIX SIS Ltd applies a conservative risk and credit policy. New clients of SIX SIS Ltd are required to meet strict regulatory standards. Clients that are not subject to adequate financial institution and money laundering regulation and supervision are not accepted.

Credit risk management is effected via limits granted to clients by the relevant bodies within SIX pursuant to the competency rules. Every participant with a credit limit is subject to an initial credit risk assessment and rating assignment and a periodic review. No credit limits are granted without a prior risk assessment and rating assignment. Any credit limit is assessed and approved by an independent authority that is independent from the risk manager preparing the credit application. The credit limits are monitored

constantly to ensure that the risk profile is always in line with the SIX SIS Ltd risk appetite and policy.

SIX SIS Ltd applies a risk-based approach for defining the frequency of counterparty reviews. Every counterparty has been assigned to a risk group. The depth and frequency of the review depends on the affiliation of the counterparty to the specific risk group. Counterparties in a higher risk group (high risk equivalent, poor credit rating) are reviewed more often and monitored more closely than those in a lower risk group.

The credit risk exposures of SIX SIS Ltd (and hence the allocation of counterparties to risk groups) are determined by the following two dimensions:

- **Creditworthiness:** The credit exposure borne by SIX SIS Ltd is influenced in part by the credit standing of the counterparty that gives an indication of its probability of default. The counterparty's credit standing is measured by its credit rating.
- **Risk equivalent:** The credit exposure borne by SIX SIS Ltd is also driven by the amount that is at risk in a default scenario. The amount at risk is expressed by the "risk equivalent", which is a conservative estimate of the amount of credit loss that might occur in a default scenario after considering collateral and other factors that would mitigate the amount of losses incurred.

SIX SIS Ltd is linked online and in real time with SIX Swiss Exchange and with the SIC/euroSIC systems. The system of real-time settlement of irreversible transactions on the basis of simultaneous delivery versus payment (DVP) offers the best guarantee of eliminating settlement risk. This system does not function for cross-border securities transactions, however. The resulting receivables from and liabilities towards banks are subject to counterparty risk and market risk. These risks, which are of extremely short duration, are fully collateralized and strictly monitored through detailed procedures for managing limits.

In addition to pre-financing for settlement purposes, counterparty risk can be a result of treasury activities, whereas credit exposures are managed on an uncollateralized basis because no or insufficient collateralized alternatives, such as reverse repo investments, are available. Uncollateralized treasury placements or FX transactions are in any case managed through counterparty ratings and limits.

Market Risk

According to Basel III, market risk is defined as "the risk of loss arising from movements in market prices" and comprises the risk of a loss due to value fluctuations of a position triggered by a change in the underlying factors (e.g. equity or commodity prices, exchange rates and interest

rates and their respective volatilities). Market risk exposure of SIX SIS Ltd primarily relates to the pre-financing of cross-border settlements and to treasury investments such as bond purchases.

Market risk exposure may arise from cross-border settlements if a participant of SIX SIS Ltd were to default. This type of risk is managed by a settlement line. The settlement line controls the volume of cross-border settlement instructions transmitted for an individual client. With every cross-border instruction forwarded, a settlement margin of the overall transaction volume is charged against the settlement line.

Liquidity Risk

Liquidity risk relates to the inability to meet payment obligations when they are due. Under normal market circumstances SIX SIS Ltd is not exposed to any significant liquidity risk. In stressed market conditions, however – e.g. in the event of a participant default – SIX SIS Ltd may be subject to substantial liquidity requirements. In particular, a scenario in which clearing members default and fail to meet their payment obligations may create a large liquidity demand for SIX SIS Ltd as liquidity provider for SIX x-clear Ltd and therefore give rise to liquidity risk.

Another source of liquidity risk for SIX SIS Ltd results from cross-border settlements of its participants. In the event of the default of a SIX SIS Ltd participant, SIX SIS Ltd has an obligation to fulfill matched receipt versus payment (RVP) instructions in cross-border markets if no bilateral cancellation agreement can be reached with the counterparty.

Under normal conditions, the liquidity of SIX SIS Ltd is managed by Treasury as part of their daily operation.

In a stress scenario the contingent liquidity risk is monitored by:

- Monitoring the aggregated stressed liquidity balances of SIX x-clear Ltd and SIX SIS Ltd, assuming (as a stress assumption) the default of the two participant groups causing the largest payment obligation.
- Providing a waterfall of available liquidity resources that could be drawn in the event of a liquidity shortage. The available liquidity resources mainly consist of cash and securities collateral provided by the clearing members and participants. Securities may be turned into cash through use of the interbank repo market or at the central bank.

Interest Rate Risk

SIX SIS Ltd does not engage in conventional credit business and does not enter into material medium-term or long-term fixed interest transactions. However, interest

rate fluctuations resulting from short-term investments may influence the treasury result.

Foreign Exchange Risk

In principle, SIX SIS Ltd does not hold any relevant foreign currency positions for its own account. In addition, all receivables from and liabilities towards clients and custodians are matched by currency. Therefore, foreign exchange risks are generally limited to the net amounts from interest received and paid, commissions and fees.

Operational Risk

According to Basel III, operational risk is defined as “the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events”. The definition also covers all legal risks, including fines from supervisory bodies and settlements. However, strategic risks and reputational risks are excluded.

To ensure reliability as a key pillar of the Swiss financial center, SIX SIS Ltd has implemented the systematic management of operational risks. Operational risk management is regulated in a framework that defines all responsibilities and processes as well as the risk appetite and risk tolerance. The framework is based on the “Principles for the Sound Management of Operational Risk” issued by the Basel Committee on Banking Supervision and the “Principles for Financial Market Infrastructure” issued by CPMI-IOSCO. The Board of Directors of SIX SIS Ltd conducts an annual review of the framework which, in conjunction with the supporting directives, forms the basis for the management of operational risks.

Operational risks are assessed by determining the potential damage. The direct financial loss is calculated, then the potential future financial impact in terms of a loss of client trust and reputational risks is also taken into account. Any risks identified and cases of damage, along with the losses incurred, are tracked in a database and linked to the internal control system in order to systematically identify risks and support ongoing risk assessment.

Operational risk management is a task assumed at all management levels. Operational risks are limited by means of internal regulations and directives on organization and control. These allow operational risks to be tracked and reduced through systematic risk controls. These risk controls include a mechanism that enables the risk management team to identify and eliminate risks before they actually occur. As a second line of defense, the risk management team also considers instruments to reduce the effective risks. In an annual assessment, all departments evaluate the appropriateness and operational effectiveness of the internal control system and adapt it where necessary.

Business processes are reviewed continuously by the risk management team to identify and assess potential risks. The team also defines measures to further decrease operational risks. The risks identified and measures defined to minimize the risks are regularly reported to the Board of Directors and the management of SIX SIS Ltd. Business process risks are also systematically assessed by Internal Audit and adequate measures are implemented.

The risk inherent in relying on information technology is addressed by SIX SIS Ltd’s business continuity planning, which is in line with customary industry practice and includes measures aimed at reducing the probability of such failures occurring, such as by maintaining an IT back-up center. Corresponding measures on the part of our outsourcing partners are subject to contractual agreements. Business contingency management is tested annually to ensure its effectiveness. The results of this testing are reported to the Board of Directors and the management of SIX SIS Ltd. Improvement measures are also summarily approved by the Board of Directors and the management.

Operational risks are backed with capital according to the basic indicator approach under Basel III.

Financial Crime Risk

The securities industry is exposed to financial crime risk. SIX SIS Ltd proactively identifies, monitors, manages, mitigates and reports potential legal and compliance risks, which includes but is not limited to detecting and preventing money laundering, enforcing terrorist financing regulation and implementing controls in respect of international sanctions regimes. A risk-based program including optimized controls, detection and monitoring systems and procedures designed to reduce vulnerabilities associated with financial crime risk has been implemented.

Accounting and Valuation Policies

Amounts shown in the financial statements have been rounded. The totals may therefore deviate from the sum of the individual values.

General principles

The accounting, reporting and valuation principles for SIX SIS Ltd comply with the provisions of the Swiss Code of Obligations (CO), the accounting rules of the Swiss banking ordinance, the accounting rules of the FINMA ordinance (ReIV-FINMA) and the accounting rules for banks of the Swiss Financial Market Supervisory Authority (ARB FINMA circ. 2020/1) for statutory single-entity financial statements with reliable assessment.

ReIV-FINMA and ARB FINMA circ. 2020/1 are applied pursuant to an individual FINMA ruling. The financial statement reporting date is 31 December. In general, business transactions are recorded using the trade date accounting principle. Detail positions reported under a specific balance sheet item are valued item-by-item.

In line with art. 86 of ReIV-FINMA, certain information is disclosed in the consolidated financial statements of SIX Group only.

Foreign Currency Translation

Transactions in foreign currencies are posted at the current exchange rates. Balance sheet items in foreign currencies are translated into Swiss francs at the exchange rates applicable on the balance sheet date if no historical valuation is applicable (i.e. participations). Income statement items are translated on the basis of daily rates. Exchange rate gains or losses are credited or debited to the income statement.

	EUR	USD	GBP	JPY	NOK	CAD
Unit	1	1	1	100	100	1
Exchange rate as at current year-end	1.03	0.91	1.23	0.79	10.38	0.72
Exchange rate as at previous year-end	1.08	0.88	1.20	0.86	10.32	0.69

Liquid Assets

Liquid assets are measured at their nominal value.

Amounts Due to and from Banks and Customers

Receivables and liabilities are recorded at their nominal values less necessary value adjustments.

Receivables from and liabilities towards banks arise mainly from settlement activities with banks and financial

organizations in Switzerland and abroad. SIX SIS Ltd holds accounts with custodians for settlement purposes. The total amount due from custodians is disclosed in the balance sheet as “thereof custodians” in the line item “Amounts due from banks”. The remaining accounts mainly consist of regular bank accounts and vostro money accounts of central counterparties (CCP) and participants. Those accounts are primarily used for settlement activities.

In order to reduce risks in connection with open or late settlement, SLB or repo transactions, parts of the liabilities towards banks are pledged in favor of SIX SIS Ltd. The cash collateral delivered by participants is disclosed in the balance sheet as “thereof collaterals” in the line item “Amounts due to banks”.

Amounts Due from and Liabilities from Securities Financing Transactions

In accordance with the accounting guidelines, the substance over form principle applies for securities lending and repurchase transactions.

Securities Lending and Borrowing

SIX SIS Ltd lends and borrows securities for its own account and risk (principal status). The receivables and liabilities arising from the lending or borrowing of non-monetary instruments are valued at market value. Lending transactions in securities or money market papers are treated like repurchase agreements, provided they are covered by cash collateral and subject to daily margining. Lending transactions in securities or money market papers that are not covered by cash collateral are not included in the balance sheet, but disclosed in the notes. If the borrowed securities are resold, a non-monetary liability is recognized. Fees paid and received are shown under commission income.

Repurchase and Reverse Repurchase Agreements

Repurchase agreements are shown in the balance sheet as cash deposits against pledge of own securities. Reverse repurchase agreements are treated as loans covered by securities collateral. This emphasizes the nature of such transactions as financing instruments. The transfer of securities is treated as if the securities had been pledged as collateral to cover the loan. Interest paid and received is shown in the result from interest operations.

Positive and Negative Replacement Values of Derivative Financial Instruments

SIX SIS Ltd does not engage in trading activities for its own account. Replacement values arise from the market valuation of liabilities from borrowed securities and from foreign currency forwards to mitigate SIX SIS Ltd's exposure to foreign exchange risk arising from operational activities.

Participations

Participations are valued according to their acquisition cost. All participations are regularly assessed with respect to a possible impairment of their value.

Tangible Fixed Assets

Tangible fixed assets are shown in the balance sheet at cost less necessary depreciation. Depreciation is calculated using the straight-line method. All tangible fixed assets are regularly assessed with respect to a possible impairment of their value.

The following depreciation rates are applied:

Asset class	Estimated lifetime	Depreciation rate
Installations	7	14%
Furnishings and equipment	5	20%
Hardware	5	20%
Buildings and building installations	35	3%
Land	not depreciated	0%
Software	3–5	20–33%

Provisions

Provisions are created for operational risks on the basis of the expected resource outflow.

Pension Benefit Obligations

Pension benefit obligations are treated according to Swiss GAAP FER 16. SIX SIS Ltd offers defined contribution plans.

Other Assets and Liabilities

Other assets and other liabilities are shown at their nominal value.

Off-Balance-Sheet Transactions

Off-balance-sheet transactions requiring disclosure concern irrevocable commitments.

Taxes

Current taxes for the year under review are reported on an accrual basis.

Value adjustments for financial assets

SIX SIS Ltd recognizes loss allowances for expected credit losses (ECL) on the following financial assets:

- Liquid Assets
- Amounts due from banks
- Amounts due from customers
- Financial Investments

SIX SIS Ltd measures the loss allowances at an amount equal to 12-month ECL (Stage 1), except for the following assets, for which the loss allowance is measured at an amount equal to lifetime ECL (Stage 2):

- Invoiced amounts due from banks and customers including operating lease receivables (simplified approach according to IFRS 9)
- Financial assets on which credit risk has increased significantly since initial recognition

In order to assess a significant increase in credit risk, SIX SIS Ltd applies a low credit risk threshold equivalent to “investment grade” and past due status information. When the credit risk increases significantly, the loss allowance is measured at an amount equal to lifetime ECL (i.e. stage 2).

SIX SIS Ltd considers a financial asset to be in default when a counterparty is unable or likely to be unable to fully meet its financial obligation when due.

In assessing if a counterparty is in default, the following information is considered:

- qualitative, e.g. the counterparty has been declared to be in default; and/or
- quantitative, i.e. overdue status

The assessment as to whether a financial asset is in default may vary by instrument type. The following reasons give rise to a default event for the respective financial assets:

- Trade and other receivables: A default situation occurs when receivables are more than 180 days past due.
- Debt instruments: A default situation occurs when (re-) payments of interests and/or notional amounts are not received in full on time.

Management's view is that the above events best depict the default situations of the respective financial assets. A default event results in a transfer to the credit impaired financial asset category (i.e. stage 3).

The measurement of expected credit losses for financial assets – except for trade and other receivables and contract assets – is a function of the probability of default (PD), the exposure at default (EAD) and loss given default (LGD):

- The PD represents the likelihood of a counterparty defaulting on its financial obligation either over 12 months or over the remaining lifetime of the obligation. The PDs are generally derived from internally developed statistical models and are updated at least annually. SIX SIS Ltd has established global PDs per rating classes which are applied to the exposures based on the counterparty rating (i.e. exposures are grouped by counterparty-rating). PDs are based on credit default swaps (CDS) spreads observed in the market. These CDS spreads include market

expectation of default (i.e. forward-looking information). The 12-month PDs are adjusted when the contractual period is less than 12 months (i.e. on demand deposits have a contractual period of 1 day). If no rating is available for the counterparty, the PD level is assumed to be in the sub-investment grade area.

- EAD is based on the amounts outstanding at the time of the default. SIX SIS Ltd assumes that the EAD is equal to the gross carrying amount.
- LGD represents the expectation of SIX SIS Ltd regarding the extend of loss on a defaulted exposure. LGD considers the availability of collaterals received and the potential to pass on losses to market participants in the CSD business.

The expected credit losses for trade and other receivables and contract assets are based on historical loss rate data adjusted by current conditions and future expectation. The historical loss rate is applied to the gross carrying amount of these assets. Generally, trade and other receivables more than 180 days past due are considered as C-rating equivalent and the corresponding PD is applied to those exposures in order to calculate the impairment amount. Exposures which are more than 360 days past due are generally considered as D-rating equivalent. D-rated assets are fully credit impaired.

The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial assets. The creation and release of loss allowances are recognized in “Changes to provisions and other value adjustments, and losses”. SIX SIS Ltd writes off a financial asset when the collection activities are completed and there is no realistic prospect of recovery. This is generally the case when SIX SIS Ltd receives evidence of insolvency (e.g. loss certificate). Financial assets that are written off can still be subject to enforcement activities even if recovery is very unlikely.

Changes in Accounting and Valuation Policies

There have been no changes in accounting and valuation policies.

Subsequent Events

No subsequent events requiring disclosure occurred.

Information on the Balance Sheet

1. Securities Financing Transactions

CHF 1,000	31/12/2021	31/12/2020
Book value of receivables from cash collateral delivered in connection with securities borrowing and reverse repurchase transactions ¹	1,753,727	1,596,767
Book value of obligations from cash collateral received in connection with securities lending and repurchase transactions ¹	445,425	362,405
Book value of securities lent in connection with securities lending or delivered as collateral in connection with securities borrowing as well as securities in own portfolio transferred in connection with repurchase agreements	68,738	93,288
<i>with unrestricted right to resell or pledge</i>	68,738	93,288
Fair value of securities received and serving as collateral in connection with securities lending or securities borrowed in connection with securities borrowing as well as securities received in connection with reverse repurchase agreements with an unrestricted right to resell or repledge	1,861,475	1,926,907
<i>of which repledged securities</i>	–	–
<i>of which resold securities</i>	29,637	209,811

¹ Before netting agreements

Breakdown of Book Value by Transaction Type

CHF 1,000	31/12/2021	31/12/2020
Reverse repurchase agreements	1,753,727	1,596,767
Total amounts due from securities financing transactions	1,753,727	1,596,767
Repurchase agreements	445,425	362,405
Obligation to return resold securities received in connection with securities borrowing transactions	29,637	209,811
Total liabilities from securities financing transactions	475,062	572,216

2. Collateral for Loans, Receivables and Off-Balance-Sheet Transactions as well as Impaired Loans and Receivables

CHF 1,000	31/12/2021	31/12/2020
Amounts due from customers		
Amounts due from customers (unsecured, before netting with value adjustments)	1,526	1,289
<i>of which impaired</i>	–	–
Total before offsetting with value adjustments	1,526	1,289
Total after offsetting with value adjustments	1,526	1,289

3. Derivative Financial Instruments

CHF 1,000	31/12/2021 Trading instruments		
	Positive replacement values	Negative replacement values	Contract volumes
Interest rate instruments			
Forward contracts	0	188	52,360
Foreign exchange products			
Forward contracts	6	4	3,045
Equity securities and indices			
Forward contracts	253	773	44,526
Total before netting agreements	259	965	99,931
<i>Previous year</i>	<i>1,126</i>	<i>1,667</i>	<i>211,806</i>
Recognized netting agreements	–	–	–
Total after recognized netting agreements	259	965	99,931
<i>Previous year</i>	<i>1,126</i>	<i>1,667</i>	<i>211,806</i>
Unrecognized netting agreements	–	–	–
Total after netting agreements	259	965	99,931
<i>Previous year</i>	<i>1,126</i>	<i>1,667</i>	<i>211,806</i>

SIX SIS Ltd does not engage in trading activities for its own account. The derivative financial instruments arise from liabilities from borrowed securities and from foreign currency forwards to mitigate SIX SIS Ltd's exposure to foreign exchange risk arising from operational activities.

No internal model was used to calculate the fair values of the derivative financial instruments.

Breakdown by Counterparty

CHF 1,000	Central clearing houses	Banks	Total
Positive replacement values (after netting agreements)	113	146	259

4. Other Assets and Liabilities

CHF 1,000	Other assets		Other liabilities	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
SECOM settlement accounts	866	2,330	1,794	7,019
OFAC accounts ¹	98,927	75,812	98,927	75,812
Indirect taxes	11,631	1,926	14,974	13,485
Sundry assets and liabilities	–	183	1,276	925
Total	111,424	80,252	116,971	97,242

¹ Assets from beneficial owners which are under sanctions of the Office of Foreign Asset Control (OFAC) are blocked at foreign custodians until sanctions are released. Corporate actions on such assets are also blocked and resulting in SIX SIS Ltd having a receivable against the foreign custodian and a liability against the financial institution of the beneficial owner.

5. Assets Pledged or Assigned to Secure Own Commitments

As at the balance sheet date, no assets were pledged or assigned to secure own commitments.

6. Pension Funds

Employer Contribution Reserves

CHF 1,000	Notes	31/12/2021	31/12/2020
Nominal value as at previous year-end		5,634	5,634
– creation		–	–
– transfer to/from other group entities		–	–
– withdrawal		–	–
– utilization		–	–
Nominal value as at current year-end		5,634	5,634
<i>of which with waiver of use</i>		<i>5,634</i>	<i>5,634</i>
Value adjustments offset	7	-5,634	-5,634
Net value as at current year-end		–	–

The influence of employer contribution reserves on personnel expenses was CHF 0 (previous year: CHF 0).

Economic Benefit from Surplus Cover and Pension Fund Expenses

SIX SIS Ltd is connected to the pension fund of SIX Group. The coverage ratio of the Occupational Benefits Foundation of SIX was 118.5% as at the last audited financial statements (2020). SIX SIS Ltd does not gain any economic benefits in the event of surplus cover. SIX SIS Ltd offers defined

contribution plans. As at the balance sheet date, SIX SIS Ltd had no liabilities in excess of the regulatory contributions. The Occupational Benefits Foundation of SIX does not hold any equity instruments of SIX SIS Ltd.

Pension fund expenses amounted to CHF 3,630 thousand in the current year (previous year: CHF 3,567 thousand).

7. Value Adjustments and Provisions

CHF 1,000	Balance at previous year-end	Use in conf. with designated purpose	Recoveries	Foreign exchange translation differences	New creations charged to income	Releases to income	Balance at current year-end
Provisions for operational risks ¹	–	–	–	–	128	-128	–
Other provisions	544	–	–	–	–	-38	506
Total provisions	544	–	–	–	128	-166	506
Value adjustments for doubtful receivables	0	–	–	–	2	-2	0
Value adjustments for expected losses	12	–	–	–	3	-11	3
Value adjustments for employer contribution reserves (offset) ²	5,634	–	–	–	–	–	5,634
Value adjustments	5,646	–	–	–	5	-13	5,638

¹ Provisions for operational risks are calculated on the basis of actual operational risks.

² Employer contribution reserves with waiver of use (CHF 5'634.4 thousand, see note 6).

8. Share Capital and Significant Shareholders

1,000 units/CHF 1,000	Number of shares	Total nominal value	Capital eligible for dividend
Share capital at previous year-end	260	26,000	26,000
Share capital at current year-end	260	26,000	26,000

All registered shares and therefore all voting rights (1 share = 1 vote) of SIX SIS Ltd are held by its parent company, SIX Securities Services Ltd. The share capital is fully paid in. As there is no capital increase planned, no authorized or conditional capital exists.

SIX Securities Services Ltd is wholly owned by SIX Group Ltd. 120 national and international financial institutions hold shares in SIX Group Ltd, but no owner holds more than 20% of SIX Group Ltd's total equity. The shares are distributed

such that no owner or type of bank has an absolute majority. All shareholders are bound by a shareholders' agreement. Therefore, no securities are held by executives, directors or employees. Furthermore, no employee participation scheme is in place.

The statutory reserves below 50% of the nominal share capital are not freely distributable and may only be used to cover losses.

Shareholders with more than 5% of all voting rights in SIX Group Ltd

CHF 1,000/in %	2021		2020	
	Nominal value	% of equity	Nominal value	% of equity
UBS AG	3,380	17.3	3,380	17.3
Credit Suisse Group	3,241	16.6	3,141	16.1
Raiffeisen Schweiz Genossenschaft	1,074	5.5	1,074	5.5

9. Amounts Due from/to Related Parties

All transactions with related parties and other entities of SIX Group Ltd are conducted at prices in line with the market ("at arm's length").

CHF 1,000	Assets		Liabilities	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
SIX Securities Services Ltd	–	2	219,340	17,285
SIX x-clear Ltd	20,414	106,616	524,034	662,940
Other entities of SIX Group	544,322	385,337	6,998	8,152
Indirect shareholder SIX Group Ltd	–	119	225,953	430,564
Other qualified indirect shareholders (>10% of equity)	48,157	68,642	456,359	1,068,558

Intragroup Income and Expenses

The following figures show income from and expenses paid to other entities of SIX Securities Services.

CHF 1,000/in %	2021		2020	
	CHF	% of item	CHF	% of item
Result from interest operations	3,618	25.1	2,988	14.3
Result from commission business and services	1,279	0.6	621	0.3
Result from other ordinary activities	3,555	48.1	4,305	49.9
Operating expenses	-9,374	6.0	-10,064	6.4
Net intragroup income and expenses	-921		-2,150	

10. Maturity Structure of Financial Instruments

CHF 1,000	At sight	Cancellable	Due <3 months	Due 3–12 months	Due 12–60 months	Total
Financial assets						
Liquid assets	1,539,177	–	–	–	–	1,539,177
Amounts due from banks	454,071	–	25,190	–	–	479,260
<i>thereof custodians</i>	376,302	–	–	–	–	376,302
Amounts due from securities financing transactions	–	–	1,753,727	–	–	1,753,727
Amounts due from customers	60	–	1,466	–	–	1,526
Positive replacement values of derivative financial instruments	259	–	–	–	–	259
Participations	1,004	–	–	–	–	1,004
Total financial assets	1,994,570	–	1,780,383	–	–	3,774,953
<i>Previous year</i>	<i>3,261,339</i>	<i>–</i>	<i>1,606,275</i>	<i>14,110</i>	<i>–</i>	<i>4,881,724</i>
Financial liabilities						
Amounts due to banks	2,508,442	–	2,288	–	–	2,510,730
<i>thereof collaterals</i>	1,485,498	–	–	–	–	1,485,498
Liabilities from securities financing transactions	29,637	–	445,425	–	–	475,062
Amounts due to customers	447,638	–	11,962	–	–	459,600
Negative replacement values of derivative financial instruments	965	–	–	–	–	965
Total financial liabilities	4,472,181	–	459,675	–	–	3,446,357
<i>Previous year</i>	<i>6,103,583</i>	<i>–</i>	<i>374,808</i>	<i>–</i>	<i>–</i>	<i>4,622,867</i>

11. Assets by Country/Group of Countries

	Rating	31/12/2021		31/12/2020	
		CHF 1,000	Share in %	CHF 1,000	Share in %
Europe		3,604,413	91.6	4,154,025	82.9
Switzerland	AAA	2,853,441	72.5	3,374,134	67.4
Germany	AAA	543,703	13.8	385,531	7.7
United Kingdom	AA	83,448	2.1	219,551	4.4
Luxembourg	AAA	70,892	1.8	70,298	1.4
Denmark	AAA	52,929	1.3	104,511	2.1
Australia	AAA	63,556	1.6	182,175	3.6
North America		137,925	3.5	488,343	9.8
United States	AA	124,809	3.2	382,590	7.6
Canada	AAA	13,116	0.3	105,752	2.1
Asia		36,886	0.9	68,573	1.4
Japan	A	36,886	0.9	68,573	1.4
Other countries ¹	n/a	92,899	2.4	115,156	2.3
Total assets		3,935,678	100.0	5,008,272	100.0

¹ None of the countries included in this category has a share of more than 1%.

As SIX SIS Ltd does not offer common credit services, but needs to reliably satisfy settlement counterparties, the distribution of the assets by country originates from a liquidity point of view. The risk domicile does not deviate from the assets' domicile shown above.

12. Breakdown of Assets by Country Rating

Country rating	31/12/2021		31/12/2020	
	in CHF 1,000	in %	in CHF 1,000	in %
AAA-AA	3,880,382	98.6	4,909,336	98.0
A	44,682	1.1	89,082	1.8
BBB	6,812	0.2	9,394	0.2
BB	3,711	0.1	349	0.0
B and lower	90	0.0	111	0.0
Total assets	3,935,678	100.0	5,008,272	100.0

The rating categories presented above are based on the rating scale of Standard & Poor's.

13. Assets and Liabilities by Domestic and Foreign Origin

CHF 1,000	31/12/2021			31/12/2020		
	Domestic	Foreign	Total	Domestic	Foreign	Total
Assets						
Liquid assets	995,755	543,421	1,539,177	1,869,810	384,783	2,254,593
Amounts due from banks	86,594	392,666	479,260	121,314	905,314	1,026,628
<i>thereof custodians</i>	–	376,302	376,302	–	895,438	895,438
Amounts due from securities financing transactions	1,708,007	45,720	1,753,727	1,330,093	266,674	1,596,767
Amounts due from customers	1,027	498	1,526	1,055	235	1,289
Positive replacement values of derivative financial instruments	259	–	259	1,126	–	1,126
Accrued income and prepaid expenses	12,521	–	12,521	11,941	–	11,941
Participations	–	1,004	1,004	–	1,320	1,320
Tangible fixed assets	36,780	–	36,780	34,355	–	34,355
Other assets	12,497	98,927	111,424	4,440	75,812	80,252
Total assets	2,853,441	1,082,237	3,935,678	3,374,134	1,634,138	5,008,272
Liabilities and equity						
Amounts due to banks	1,111,339	1,399,391	2,510,730	1,986,852	1,586,771	3,573,623
<i>thereof collaterals</i>	697,584	787,914	1,485,498	1,186,642	668,883	1,855,525
Liabilities from securities financing transactions	475,062	–	475,062	572,216	–	572,216
Amounts due to customers	459,353	247	459,600	475,345	16	475,361
Negative replacement values of derivative financial instruments	965	–	965	1,667	–	1,667
Accrued expenses and deferred income	19,389	–	19,389	15,940	–	15,940
Other liabilities	107,546	9,425	116,971	91,585	5,657	97,242
Provisions	506	–	506	544	–	544
Share capital	26,000	–	26,000	26,000	–	26,000
Statutory reserves						
Tax-exempt capital contribution reserve	5,000	–	5,000	5,000	–	5,000
Statutory retained earnings	18,300	–	18,300	18,300	–	18,300
Voluntary reserves						
Other voluntary reserves	235,100	–	235,100	163,100	–	163,100
Retained earnings	14,279	–	14,279	12,549	–	12,549
Profit for the year	53,776	–	53,776	46,729	–	46,729
Total liabilities and equity	2,526,616	1,409,062	3,935,678	3,415,827	1,592,444	5,008,272

14. Assets and Liabilities by Most Significant Currencies

CHF 1,000	CHF	EUR	USD	GBP	SEK	JPY	Other ¹	Total
Assets								
Liquid assets	995,755	543,421	–	–	–	–	–	1,539,177
Amounts due from banks	36,732	20,521	91,546	76,274	13,850	40,166	200,171	479,260
<i>thereof custodians</i>	2,546	11,369	182,019	70,871	7,272	37,671	64,555	376,302
Amounts due from securities financing transactions	700,000	–	823,874	197,520	–	–	32,333	1,753,727
Amounts due from customers	1,526	–	–	–	–	–	–	1,526
Positive replacement values of derivative financial instruments	259	–	–	–	–	–	–	259
Accrued income and prepaid expenses	12,521	–	–	–	–	–	–	12,521
Participations	–	1,004	–	–	–	–	–	1,004
Tangible fixed assets	36,780	–	–	–	–	–	–	36,780
Other assets	145	352	110,913	–	–	0	15	111,424
Total assets	1,783,718	565,298	1,026,334	273,794	13,850	40,166	232,519	3,935,678
Delivery entitlements from spot exchange, forward forex and forex options transactions	–	–	1,772	–	–	–	1,269	3,041
Total assets	1,783,718	565,298	1,028,106	273,794	13,850	40,166	233,788	3,938,719
Liabilities and equity								
Amounts due to banks	943,506	338,851	862,316	81,393	12,781	40,090	231,792	2,510,730
<i>thereof collaterals</i>	796,859	177,091	404,757	106,108	–	3	681	1,485,498
Liabilities from securities financing transactions	-684	228,055	53,345	192,897	929	–	520	475,062
Amounts due to customers	454,260	2,382	2,814	23	79	37	5	459,600
Negative replacement values of derivative financial instruments	965	–	–	–	–	–	–	965
Accrued expenses and deferred income	19,389	–	–	–	–	–	–	19,389
Other liabilities	6,995	377	109,545	23	22	0	9	116,971
Provisions	506	–	–	–	–	–	–	506
Share capital	26,000	–	–	–	–	–	–	26,000
Statutory reserves								
Tax-exempt capital contribution reserve	5,000	–	–	–	–	–	–	5,000
Statutory retained earnings	18,300	–	–	–	–	–	–	18,300
Voluntary reserves								
Other voluntary reserves	235,100	–	–	–	–	–	–	235,100
Retained earnings	14,279	–	–	–	–	–	–	14,279
Profit for the year	53,776	–	–	–	–	–	–	53,776
Total liabilities and equity	1,777,393	569,666	1,028,020	274,335	13,811	40,128	232,326	3,935,678
Delivery obligations from spot exchange, forward forex and forex options transactions	659	–	1,062	–	–	–	1,319	3,040
Total liabilities and equity	1,778,051	569,666	1,029,082	274,335	13,811	40,128	233,645	3,938,718
Net position per currency	5,667	-4,368	-976	-541	39	38	143	1
Previous year	3,304	-2,624	-562	-152	-101	-1	135	-1

¹ None of the currencies included in the category "Other" has a share of more than 1% of the assets.

Information on the Income Statement

15. Result from Trading Activities

CHF 1,000	2021	2020
Net valuation result from the translation of foreign exchange positions	199	210
Total result from trading activities	199	210

16. Personnel Expenses

CHF 1,000	2021	2020
Salaries (incl. bonuses)	-34,832	-34,792
Social insurance benefits	-6,924	-6,798
Other personnel expenses	-883	-1,123
Total personnel expenses	-42,639	-42,713

17. General and Administrative Expenses

CHF 1,000	2021	2020
SECOM expenses, cost of equipment	-45,001	-45,149
Consultancy and other services	-52,090	-56,285
Fees of audit firm	-586	-607
<i>of which for financial and regulatory audits</i>	-472	-390
<i>of which for other services</i>	-114	-217
Cost of premises	-6,930	-4,587
Advertising and marketing expenses	-4,380	-4,462
Indirect taxes and other fees	-2,328	-2,348
Other operating expenses	-2,218	-1,836
Total general and administrative expenses	-113,533	-115,274

18. Losses and Extraordinary Items

Sale of assets (participation SWIFT) resulted in extraordinary income of CHF 0.4 million . There were no extraordinary items in the previous year.

Net hidden reserves of CHF 1.8 million were released in the reporting year.

19. Taxes

CHF 1,000	2021	2020
Expenses (income) from taxes in previous years	178	0
Expenses for current taxes	-9,915	-8,978
Total taxes	-9,737	-8,978
Weighted average tax rate on operating result before tax (including extraordinary items)	15.6%	16.1%

20. Result from Interest Operations

According to the accounting rules for banks (ARB FINMA), negative interest paid is to be offset against interest income, while negative interest received is to be offset against interest expenses. In the reporting year, negative interest paid amounted to CHF 15.4 million (previous year: CHF 23.8 million), while negative interest received amounted to

CHF 28.1 million (previous year: CHF 39.6 million). The following table shows the result from interest operations as if negative interest paid was included in the position "Interest expenses" and interest received was included in the position "Interest and discount income".

CHF 1,000	2021		
	Income statement	Adjustment neg. interest	Adj. income statement
Interest and discount income	-9,259	43,583	34,324
Interest income from financial investments	259	-	259
Interest expenses	23,403	-43,583	-20,179
Gross result from interest operations	14,403	-	14,403
Changes in value adjustments for default risks	-	-	-
Result from interest operations	14,403	-	14,403

CHF 1,000	2020		
	Income statement	Adjustment neg. interest	Adj. income statement
Interest and discount income	-13,912	63,408	49,495
Interest income from financial investments	336	-	336
Interest expenses	34,414	-63,408	-28,994
Gross result from interest operations	20,837	-	20,837
Changes in value adjustments for default risks	-	-	-
Result from interest operations	20,837	-	20,837

Information on Off-Balance-Sheet Transactions

21. Contingent Liabilities and Subordinated Assets and Liabilities

	2021	2020
Joint liability from consolidated value-added tax filing status	p.m.	p.m.

In the course of its business activities, different legal interpretations may arise between SIX SIS Ltd and third parties (contracting parties, authorities, etc.) which may give rise to legal disputes. SIX SIS Ltd assesses the corresponding risks and recognizes provisions if it considers the likelihood of occurrence to be probable. No provisions are recognized for risks whose probability of occurrence SIX SIS Ltd currently considers to be less than probable or highly unlikely. However, it cannot be ruled out that risks will be assessed differently in the future due to new findings and that cash outflows will occur. This is in particular because the assessment of legal uncertainties contains a latitude of judgment, and also because legal developments can lead to different assessments in the future.

Report of the Statutory Auditor on the Financial Statements



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To the General Meeting of
SIX SIS Ltd, Olten

Zurich, 22 April 2022

Report of the statutory auditor on the financial statements

As statutory auditor, we have audited the accompanying financial statements of SIX SIS Ltd, which comprise the balance sheet, income statement, statement of changes in equity and notes (page 3 to 24), for the year ended 31 December 2021.



Board of Directors' responsibility

The Board of Directors is responsible for the preparation of the financial statements in accordance with the requirements of Swiss law and the company's articles of incorporation. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.



Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the financial statements for the year ended 31 December 2021 comply with Swiss law and the company's articles of incorporation.

Report of the Statutory Auditor on the Financial Statements



Report on other legal requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO and article 11 AOA) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the Board of Directors.

We further confirm that the proposed appropriation of available earnings complies with Swiss law and the company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

Ernst & Young Ltd

Jan Marxfeld
Licensed audit expert
(Auditor in charge)

Harald Schrenk
Chartered Certified Accountant (ACCA)

Regulatory Disclosure

Capital Adequacy

SIX SIS Ltd is obliged to comply with the capital adequacy regulations set out in the Swiss Financial Market Infrastructure Act. The Basel III capital adequacy framework is integrated into the FMI-specific regulations and additional FMI-specific requirements must also be fulfilled. SIX SIS Ltd must have a minimum of 110% of the required capital at all times.

CHF 1,000	31/12/2021	31/12/2020
Tier 1 capital	286,441	215,687
Tier 2 capital	–	–
Eligible capital	286,441	215,687
Required capital	185,044	135,461
of which for credit risk	20,526	24,496
of which for non-counterparty-related risks	1,963	2,007
of which for market risks	556	393
of which for operational risks	31,205	30,865
of which required capital for wind-down ¹	80,790	77,696
of which for intraday credit risk ²	3	4
of which for recovery capital ³	50,000	–
Capital fulfillment ratio	154.8%	159.2%
p.m. CET1 ratio	42.2%	29.9%
p.m. Basel III capital ratio	42.2%	29.9%

¹ This requirement is FMI-specific (non-Basel III) and therefore regulated in the Swiss Financial Market Infrastructure Ordinance (Art. 56 FMIO).

² Based on Capital Adequacy Ordinance (Art. 45 CAO) FINMA requires additional capital for intraday credit risks.

³ Additional capital requirements from FINMA for recovery scenarios.

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