Attestation Exemplar

EUREX Clearing Aktiengesellschaft
Frankfurt am Main

Annual Financial Statements for the Period Ending December 31, 2023 and the Management Report for Financial Year 2023

INDEPENDENT AUDITOR'S REPORT

(Translation only - the German text is authoritative)

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Financial Statements and Management Report of Eurex Clearing AG

As at 31.12.2023

Management report for the financial year 2023

1. Basic principles and business model

Eurex Clearing Aktiengesellschaft, Frankfurt/Main, (hereinafter referred to as "Eurex Clearing") is a credit institution licensed through the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin, the German Federal Financial Supervisory Authority), which under the Kreditwesengesetz (KWG, German Banking Act) is authorised to act as a central counterparty (CCP) for financial market transactions in markets connected to it. Since 10 April 2014 Eurex Clearing has also been authorised as a clearing house in accordance with the European Market Infrastructure Regulation (EMIR). Furthermore, Eurex Clearing has had a limited authorisation since 1 August 2013 to operate a deposit and lending business. On 1 October 2013 it initiated this activity, taking into account the restrictions contained in the authorisation.
In connection with this authorisation, it grants loans and extends credit lines for certain affiliated companies and accepts deposits from these companies in connection with cash pooling.

On 1 February 2016, Eurex Clearing was registered with the Commodity Futures Trading Commission (CFTC) as a derivatives clearing organisation (DCO) for clearing OTC interest rate swaps for US clearing members in accordance with the Commodity Exchange Act, and since December 2018, Eurex Clearing has been able to clear customer transactions of US clearing members.

The Temporary Recognition Regime ("TRR") enabled Eurex Clearing to continue offering clearing services in the UK after Brexit; Eurex Clearing was recognized by the Bank of England (BoE) as a non-UK CCP (Recognized Overseas Clearing House) with effect from 26 July 2023. The BoE granted the corresponding recognition pursuant to Article 25 UK EMIR.

Furthermore, Eurex Clearing is listed as a Recognised Clearing House in Singapore. Eurex Clearing has been recognised in Switzerland as a "foreign central counterparty" by the Swiss Financial Market Supervisory Authority (FINMA) since March 2018, and in Japan as a "Foreign Financial Instruments Clearing Organization" by the Japanese Financial Services Agency (JFSA) since 12 March 2020.

Furthermore, Eurex Clearing has been granted a "Permanent Exemption" under the Securities Act (Ontario), which allows Eurex Clearing to provide Ontario clearing services in Canada. The ruling was issued by the Ontario Securities Commission on 14 July 2017 and extended on 6 February 2020.

Eurex Clearing has been granted approval by the Securities and Futures Commission (SFC) to provide Automated Trading Services (ATS) in Hong Kong. The SFC issued the relevant approval notice in accordance with section 95 (2) of the Securities and Futures Ordinance (SFO) on 7 September 2022.

BaFin has classified Eurex Clearing as an institution that potentially poses a threat to the system (section 12 sentence 2 Nr. 3 KWG, German Banking Act). On 22 January 2021, the European Recovery & Resolution Regulation for CCPs (Regulation (EU) 2021/23 (CCP RR)) was published in the Official Journal of the European Union, which went into force in February 2021. Eurex Clearing must comply with requirements of this regulation with respect to CCP recovery and resolution plans.

In July 2023, ECAG established a branch office in Prague, which focuses on clearing operations and risk services. Clearing Operations includes functional helpdesks related to clearing services, activities related to clearing design, oversight of securities and derivatives clearing services and member audit services; Risk Services includes activities related to risk exposure commitment, support to the Risk Exposure Management (REM) department and support in fulfilling the core functions of the ECAG Models and Analytics department.

The key business purposes of Eurex Clearing are effectively protecting customer positions and mitigating counterparty risk by means of the depositing of collateral, and ensuring cost-effective risk and position management for clearing members and their customers as participants in the financial and capital markets.

Eurex Clearing performs the duties of a clearing house, including the operation of a clearing system for cash and unit settlement of transactions on domestic and international securities or derivatives exchanges, multilateral trading platforms and of OTC transactions in various financial instruments such as derivatives, equities and repo transactions. Eurex Clearing guarantees the performance of delivery and payment obligations after transactions are concluded on Eurex Deutschland, Frankfurt/Main; the Frankfurter Wertpapierbörse (FWB®, the Frankfurt Stock Exchange), Frankfurt/Main; Eurex Repo GmbH, Frankfurt/Main; and of off-exchange transactions on approved trade sources.

As a service provider, Eurex Clearing does not engage in research and development activities comparable with those of manufacturing companies. Consequently, this report does not include a section detailing research activities. However, Eurex Clearing does develop system solutions for the implementation of its structural growth objectives. Against this background, the Company is constantly working to maintain and further increase the technology leadership and stability of its electronic systems – in the interests of its customers and the systemic stability of the financial markets.

2. Report on economic position

2.1. Macroeconomic and sector-specific environment

The year 2023 was another challenging year. The risk of a global recession was unchanged throughout the whole year. Russia's war of aggression in Ukraine rolled on, with all the consequences that entails for economic uncertainty, instability in the energy market, ongoing sanctions and the sharp rise in inflation forecasts. In addition, the insolvency of some US banks in mid-March and consolidation in the Swiss banking market fanned concerns of a banking crisis in Europe. The Middle East conflict between Israel and Palestine in the Gaza Strip, triggered by the radical Islamic terrorist group Hamas in October 2023, also exacerbated global political events once again.

The tightening of the expansionary monetary policy of many central banks worldwide, including the eurozone, and the inflation-driven increase in policy rates in the world's major economic regions were decisive factors for Eurex Clearing in 2023. To bring inflation back to the 2 per cent target in the medium term, the ECB is still setting its sights on reducing surplus liquidity. As the direct tensions in financial markets at the start of the year had quickly subsided and rapidly increasing inflation was considered a long-term phenomenon, the ECB held fast to its interest rate policy and raised policy rates in six steps over the course of the year from 2.5 per cent in December 2022 to 4.5 per cent in September 2023. The ECB opted to keep its three interest rates unchanged in October 2023 as it anticipating an inflation rate of 2.9 per cent for 2024, which is close to the long-term target of 2 per cent. The rates for the deposit facility, the main refinancing operations and the marginal lending facility are 4.00 per cent, 4.50 per cent, and 4.75 per cent, respectively. It is expected the ECB will hold interest rates at this level until at least mid-2024. Since there is still a risk of a recession in the eurozone, however, some traders have already priced in earlier interest rate cuts.

The EUR Reference Rate Working Group (EUR RFR WG) completed the majority of its work in 2023, as the USD LIBOR will no longer be published in June 2023. This leaves the EU as the only major region with a status quo of two accepted reference rates – the credit-sensitive Euribor and risk-free Euro STR (€STR). In light of this, Eurex Clearing has expanded its product range to include €STR products and Euribor/€STR spread products to improve market participants' risk management options.

Consultations on the proposed amendments to the European Market Infrastructure Regulation (EMIR), known as EMIR 3.0, have continued throughout the year. Although negotiations on the final text are still ongoing, it appears that some level of Active Account Requirement (AAR) will be included. The AAR would require that counterparties subject to the clearing obligation maintain an account with EU CCPs and that a certain proportion of the counterparties' transactions are cleared through an EU CCP. However, the final definition of the AAR has yet to be approved.

Growth of 0.9 per cent in the EU and 0.8 per cent in the eurozone is expected for 2024. In 2025, economic activity will still grow by 1.7 per cent in the EU and 1.5 per cent in the eurozone[1].A downturn in the economy is forecast for a number of eurozone countries. So fixed-income government bonds are an appealing option for investors looking for alternatives to the equity markets. Market demand has so far been robust enough to absorb new government bonds. Eurex Clearing's Credit Suite is also a valuable tool for investors in light of the anticipated increase in default rates.

2.2. Business developments

The clearing and trading volume was 1,915.1 million contracts for futures and options (previous year: 1,955.7 million). This corresponds to a daily average of around 7.5 million contracts (previous year: 7.6 million).

Clearing of equity index derivatives, including derivatives on dividend and volatility indices, fell by 8.9 per cent year on year to 871.7 million contracts (previous year: 956.5 million). The volume of settled equity derivatives contracts (single-stock options and futures, as well as dividend derivatives on individual securities and various ETF products) in the year under review was 268.7 million (previous year: 271.1 million), a decrease of 0.9 per cent.

The volume of interest rate derivatives cleared in the year under review rose by 6.3 per cent to 771.4 million contracts (previous year: 725.7 million).

At the end of financial year 2023, the OTC interest rate swaps settled via EurexOTC Clear had an outstanding nominal volume of €29,942.8 billion (previous year: €26,186.1 billion), an increase of 14.3 per cent.

At Eurex Repo, the market place for the collateralised money market and for General Collateral Pooling (GC Pooling®), the average outstanding volume rose in 2023 by 64.7 per cent to €239.5 billion (previous year: €145.5 billion, single-counted). Expectations were significantly exceeded for both the securities-driven Repo Special segment and GC Pooling®. The average daily outstanding volume in the Repo Special segment increased by 47.7 per cent to €120.7 billion (previous year: €81.8 billion). Meanwhile, the average outstanding volume in the GC Pooling® segment increased by 122.8 per cent to €101.8 billion in the past financial year (previous year: €45.7 billion).

In cash markets, the clearing volume for transactions involving equities, at 98.1 million transactions, was 34.4 per cent below the previous year's level (previous year: 149.5 million transactions).

Commission income before transfers decreased by 0.7 per cent in 2023 and thus met the expectations of the previous year.

[1] European Commission: European Economic Forecast - Winter 2024

2.3. Results of operations, financial position and net assets

2.3.1. Results of operations

An assessment of Eurex Clearing's business development must take into account the fact that, due to contractual agreements with Eurex Frankfurt AG, the Company conducts its business activities primarily in its own name but for the account of another company. Eurex Clearing does not generate commission income; the fees it receives are transferred via Eurex Frankfurt AG to Deutsche Börse AG and Eurex Global Derivatives AG or directly to Deutsche Börse AG in the case of transactions on the Frankfurt Stock Exchange cleared via Eurex Clearing. Eurex Frankfurt AG assumes the expenses incurred in connection with the operation of the clearing house, plus a profit surcharge, so that for Eurex Clearing this profit surcharge constitutes an essential component of the result before profit transfer.

Net interest income amounted to €147,343 thousand in 2023 (previous year: €151,178 thousand). Included in this are interest income in the amount of €1,211.837 thousand (previous year: €425,716 thousand) and interest expense in the amount of €1,064,493 thousand (previous year: €274,538 thousand). The Company did not generate any commission income after transfers. The commission expense of €13,922 thousand (previous year: €10,028 thousand) is primarily related to bank fees.

Other operating income at Eurex Clearing in 2023 amounted to €115,460 thousand (previous year: €96,920 thousand) and largely comprises income from management services for Eurex Frankfurt AG and Eurex Global Derivatives AG, Zug, Switzerland, and Deutsche Börse AG amounting to €75,462 thousand (previous year: €65,543 thousand), agency agreement services for Deutsche Börse AG amounting to €12,795 thousand (previous year: €19,977 thousand) and income from foreign currency measurement in the amount of €13,647 thousand (previous year: €5,786 thousand) as well as the reversal of provisions in the amount of €8,051 thousand (previous year: €2,896 thousand).

Administrative expenses amounted to €155,120 thousand (previous year: €158,002 thousand) and in the main relate to personnel expenses in the amount of €49,799 thousand (previous year: €46,438 thousand), communication costs in the amount of €29,218 thousand (previous year: €32,629 thousand) and expenses for agency agreement services provided by Deutsche Börse AG amounting to €27,869 thousand (previous year: €27,033 thousand). The increase in personnel expenses is mainly as a result of an increase in wages and salaries by €3,361 thousand. Of this, €1,292 thousand relates to the employees taken on when the branch in Prague was set up. The decrease in marketing and communication costs is mainly due to a fall in expenditure for a partnership programme by €3,139 thousand. The increase of €836 thousand in agency agreement services provided by Deutsche Börse AG is mainly due to an increase in expenses for central functions.

The Company's net profit (before profit transfer to the parent company) was €63,685 thousand (previous year: €55,811 thousand). The rise in net profit is mainly due to the increase in the premium for product development activities and the risk-bearing capital of Eurex Clearing (see section 3.1). Under the existing profit transfer agreement, €63,685 thousand (previous year: €55,811 thousand) was transferred to Eurex Frankfurt AG.

In relation to the average total assets (monthly calculation), the return (based on the net profit before profit transfer) in the financial year was 0.1 per cent (previous year: 0.1 per cent).

2.3.2. Financial position

Eurex Clearing's equity as at 31 December 2023 was €799,778 thousand (previous year: €749,813 thousand).

Funds paid in as collateral by clearing participants of €37,795,559 thousand (previous year: €56,127,173 thousand) were payable on demand. They are secured in the form of repurchase agreements deposited with credit institutions and financial service providers, with the terms of the repurchase agreements ranging from on demand to up to a month. Despite an investment of €104,521 thousand (previous year: €170,244 thousand) in bonds, Eurex Clearing engages in maturity transformation to only a very limited extent. Furthermore, Eurex Clearing has uncollateralised balances at foreign and domestic central banks that are payable on demand. As at 31 December 2023, these amounted to €37,448,237 thousand (previous year: €55,625,677 thousand).

Expenses associated with the operation of the clearing house are reimbursed to the Company regularly during the financial year on the basis of the contractual agreements with Eurex Frankfurt AG and Eurex Global Derivatives AG. In addition, Eurex Frankfurt AG would compensate a loss incurred by Eurex Clearing due to the profit transfer agreement.

Approved credit lines amounting to €900 million, CHF 200 million and USD 300 million, granted by various credit institutions, are available for refinancing purposes. The approved euro credit lines were drawn on regularly during financial year 2023. As at 31 December 2023, these lines had not been drawn down.

Additionally, since the expansion of its authorisation in August 2013, Eurex Clearing has had the option of short-term refinancing with the Deutsche Bundesbank (the German central bank) using intraday or overnight credit lines. In financial year 2023, Eurex Clearing exclusively used intraday loans for secured borrowing. As at 31 December 2023, there was no collateral deposited in the collateral account with the Deutsche Bundesbank and, consequently, no credit line was granted or used.

Total assets after the deduction of margins amounted to €37,795,559 thousand (previous year: €56,127,173 thousand) and total liabilities held in trust €1,452,818 thousand (previous year: €2,017,520 thousand). This results in an equity ratio of 55.1 per cent after adjustment for the said items (previous year: 37.2 per cent).

As at 31 December 2023 Eurex Clearing had a liquidity coverage ratio of 151.4 per cent (previous year: 152.6 per cent).

Liquidity management at Eurex Clearing is based on the principles deriving from the German Banking Act, which are set out in the risk report. No cash flow statement is therefore provided at this point.

In view of the above, the Company had a good liquidity position which allowed it to meet its payment obligations at all times during financial year 2023.

2.3.3. Net assets

The cash reserve in the amount of €37,049,780 thousand (previous year: €47,628,655 thousand) and receivables from credit institutions in the amount of €1,915,198 thousand (previous year: €10,137,115 thousand) mainly comprised the investment of the cash collateral deposited by clearing participants in the amount of €37,795,559 thousand (previous year: €56,127,173 thousand).

Overall, the Company’s results of operations, financial position and net assets were stable. Eurex Clearing was always able to meet its payment obligations in financial year 2023.

2.4. Financial and non-financial performance indicators

2.4.1. Financial performance indicators

In light of the fact that Eurex Clearing primarily operates its clearing business in its own name but for the account of Eurex Frankfurt AG, the net profit of the Company (before profit transfer to the parent company) is considered to be a key management parameter. In the year under review, the profit before profit transfer amounted to €63,685 thousand (previous year: €55,811 thousand). Another financial performance indicator used by Eurex Clearing is commission income before transfers to the parent company. In the year under review, commission income before transfers was €1,049,098 thousand (previous year: €1,056,255 thousand). The changes in general administration costs under the German Commercial Code (HGB) are managed as part of quarterly target/actual and actual/actual comparisons.

2.4.2. Non-financial performance indicators

The growth in its clearing and trading volumes – particularly on the Eurex exchange – is seen as a key factor in the clearing house's performance. The change in clearing and trading volumes is described in the business developments section.

3. Report on expected developments, opportunities and risks

3.1. Report on expected developments

This report describes how Eurex Clearing is expected to perform in 2023 and beyond. It contains statements and information on forward transactions. These forward-looking statements are based on the Company's expectations and assumptions when this report on expected developments was published.

Eurex Clearing identified several factors in the recent business trend that significantly impacted the derivatives and clearing business, and which are considered likely to persist in the coming financial year:

- Economic growth in the eurozone is expected to be 0.8 per cent in 2024 and to rise to 1.5 per cent in 2025[2]. Demand for European exports is also softening. Eurex Frankfurt AG, whose business is settled through Eurex Clearing, can provide support here with its range of equity and index derivatives for hedging purposes.

  ECB interest rates seem to have reached a plateau. Different expectations on interest rate cuts are driving trading activity, with around half of the market expecting them from June 2024. The ECB is expected to keep interest rates at a sufficiently restrictive level and reduce excess liquidity so that inflation should continue to fall over the course of 2024 as anticipated.

- The European Commission will continue pressing for a higher degree of autonomy for the EU financial markets and the ability to manage systemic EU risks within the European Union.

- Global macroeconomic uncertainty and the economic conditions have increased demand for access to benchmark derivatives across all time zones and for trading strategies which capture economic events over shorter time horizons.

- After initiating quantitative tightening in 2023 by winding down the asset purchase programme portfolios, the ECB will continue to normalise the Eurosystem balance sheet. From the second half of 2024, it will reduce the reinvestment of repurchases of securities under the Pandemic Emergency Purchase Programme (PEPP) by an average of €7.5 billion per month, with reinvestment discontinued by the end of 2024. This scenario points to business growth in the repo markets in 2024.

- The EU is in the final stages of negotiations on EMIR 3.0 and the definition of the active account requirement. However, the potential benefits arising from this are hard to predict, as a crucial factor is the definition of the active account requirement. This definition is expected to be agreed in the first half of 2024 but should include specific quantitative elements.

- The transfer pricing rules remained unchanged in 2023. Eurex's commission income will therefore continue to be divided between Deutsche Börse AG and Eurex Global AG using a distribution key of 88:12. For 2024, it is envisaged that the remuneration for product development activities as well as the remuneration for the risk-

[2] European Commission: European Economic Forecast - Winter 2024

bearing capital of Eurex Clearing will be increased, while the cost mark-up margin will remain constant at 13 per cent. As a result of this adjustment, Eurex Frankfurt AG and Eurex Clearing will receive a higher remuneration for the operation of the Eurex business as of financial year 2024.
The increase in the remuneration for the operation of the Eurex business will have a positive effect on the net profit for 2024. As a result, Eurex Clearing expects a net profit (before profit transfer to the parent company) of approximately €75.5 million for 2024.

For 2024 Eurex Clearing plans to increase commission income before transfers by 5.7 per cent. Eurex Clearing is implementing structural growth measures aimed at actively realising sustained growth that is less dependent on cyclical effects.

3.2. Report on opportunities

The factors influencing trading and clearing activity are manifold and not easily predictable. The greatest challenges in the coming financial year will be the introduction and impact of regulatory measures relating to the capital and risk management activities of market participants, structural changes in financial markets, and political uncertainties which would increase the risks faced by market participants.

Given these factors, especially the impending recession in the eurozone, Eurex Clearing is generally anticipating significant market uncertainty in connection with the economic impact of national anti-inflation measures, Russia's ongoing incursion into Ukraine and conflicts in the Middle East.

Eurex Clearing will focus on opportunities for cyclical and structural growth that contribute to revenue growth and reduce dependence on cyclical factors. The Company plans to share in the following developments:

- New interest rate derivatives: Higher interest rates and wider fluctuations in expectations of future rates increase demand for interest rate products as investments and speculative opportunities, and to hedge interest rate risks. We offer an additional incentive by expanding our partnership programme, which enables market participants to share in our economic success.

- Clearing of OTC derivatives: We have used political and regulatory developments, along with our expertise in building liquid markets, and expanded our market share in the clearing of OTC derivatives to around 20 per cent in recent years. In the years ahead we want to profit from overall market growth and increase our market share at the same time. To achieve these goals we use our improved risk model and efficiencies in cross-margining, i.e. offsetting margins for OTC trades with those for exchange-traded business. The current obligation being discussed by the EU supervisory authorities to use an active cross-margining account within the EU could also contribute to gaining additional market share.

- Rising demand for repo products: The retreat by central banks from the money market and higher interest rates have caused demand for secured money market products to rise. We anticipate that we will profit from overall market growth and win new customers for our products at the same time. In addition, we are offering buy-side clients an expansion of direct access models to Eurex Clearing for buy-side customers, in order to actively serve their specific requirements for a solution, efficient in capital and operational terms, for central clearing of repo transactions.

- new equity and equity index derivatives: In addition to a broad range of established international benchmark products, we have introduced a large number of new products in recent years, such as MSCI, total return, dividend and ESG derivatives. These new products reflect changing customer preferences and regulatory requirements, so we expect further significant growth in this area in the coming years.

- Resource management: the need to improve collateral and balance sheet resource management in the face of increasing regulatory requirements, which will drive development further forward:
  - futurisation of equity/index, forex and credit derivatives
  - introduction of cleared repo transactions in dealer-customer business
  - introduction of instruments to increase margin efficiency in connection with portfolio and product cross-margining

- further work on the development of new markets for the clearing and risk management of exchange-traded and over-the-counter currency derivatives

- collaborative arrangements and partnerships with third-party providers to increase the transparency and expand the scope of efficiency gains that can be utilised by Eurex Clearing

- further expansion of the range of sustainable products and services to maintain Eurex Clearing's leading position in this growing market segment

- modernisation of the risk infrastructure to improve the margin models and the IT infrastructure of Eurex Clearing

Technological leadership, a leading risk methodology and the outsourcing strategy remain the key prerequisites for Eurex Clearing to achieve its strategic goals.

Eurex Clearing expects a positive effect on the operating business in the 2024 forecast period and beyond through the implementation of measures such as the expansion of the clearing network, the broadening of the customer base in terms of volume and geographical coverage, as well as the expansion of the range of products and product categories available for clearing.

Eurex Clearing is expanding its services in line with regulatory changes aimed at strengthening the role of central counterparties in risk management and clearing in both exchange-traded and over-the-counter trading. In addition, the gradual expansion of risk management services by linking them to securities collateral held by Clearstream will lead to cost savings across all business areas due to the integrated business model of Deutsche Börse Group. These aspects are anticipated to have a slightly positive effect on Eurex Clearing's commission income (before transfers).

3.3. Risk report

Risk management system and methods

Risk management at Eurex Clearing is anchored in its organisational structure and workflows. The Executive Board has overall responsibility for risk management. In particular, the Executive Board of Eurex Clearing determines risk appetite within the context of the risk strategy. It ensures that the risk appetite is compatible with the Company's short and long-term strategy, business and capital planning, risk-bearing capacity and remuneration systems. The Executive Board of Eurex Clearing also determines which metrics are used to assess risk and how regulatory capital is allocated to the different types of risk. It ensures that the requirements placed on risk strategy and risk appetite are complied with. Eurex Clearing is also included in Deutsche Börse AG's Group-wide risk management. The Supervisory Board of Eurex Clearing assesses and monitors the effectiveness of the risk management system and its ongoing development. In addition, the Supervisory Board discusses the risk strategy (at least) once a year. The individual business areas identify risks and report them in a timely manner to the responsible Enterprise Risk Management function, which assesses all existing and new risks.

Using a range of tools, Eurex Clearing evaluates and monitors material risks on an ongoing basis. It applies both the normative and economic perspective to aggregate risks at Company level.

- Normative perspective: The aim of this perspective is to ensure that Eurex Clearing meets all regulatory capital requirements at all times and is considered a management parameter for capital adequacy. The calculation of risk for credit, market and operational risks is based on the calculation logic of the legal requirements of Capital Requirements Regulation (EU) No 575/2013 ("CRR") and the amending Regulation (EU) 2019/876 ("CRR II") of the European Parliament and of the Council. In addition, the capital requirements from Regulation (EU) No 648/2012 ("EMIR") of the European Parliament and of the Council must also be met as part of the authorisation as a central counterparty.

- Economic perspective: The normative perspective is complemented by an economic perspective, which is a capital adequacy concept based on considerations regarding economic value, independent of regulatory requirements. Eurex Clearing's most important instrument for quantifying risks from an economic perspective is the "value at risk" (VaR) model. The model assumes a confidence level of 99.9 per cent, which means that the quantified risk value (cumulative loss amount, hereinafter referred to as required economic capital or REC) will not be exceeded more than once in a thousand years. The risk-bearing capacity set against the required economic capital which currently amounts to €800 million is the available capital. For the purpose of risk management, at least once a quarter Eurex Clearing calculates as a metric the REC in relation to its risk-bearing capacity.

- In addition, Eurex Clearing develops several extreme scenarios and factors these into its risk management. These include both stress tests across risk types and stress tests for particular material risk types.

An early warning system is used for both perspectives in order to utilise the risk-bearing capacity. This shows green, yellow, orange or red. In addition to the quantification of risks, risk reporting also includes qualitative information on the risk profile in the form of risk indicators or analyses of internal loss data. Events relevant to risk are comprehensively explained, and possible countermeasures are described. A corresponding risk report is submitted to the Executive Board of Eurex Clearing at least once a quarter. The Supervisory Board, the EMIR Risk Committee and the Audit and Risk Committee also receive quarterly risk reports.

Internal Auditing checks the risk controlling function independently.

Risk profile

Eurex Clearing distinguishes between operational and financial risks, which in turn are divided into credit, market and liquidity risks, as well as business risk. These risks have undergone a risk materiality analysis, and operational, credit and liquidity risks have been assessed and treated as material risks.

Operational risks

Operational risks are defined as inadequate or faulty processes, people and systems or result from external events. These risks are quantified based on implemented operational risk scenarios and cover the entire operational risk profile of Eurex Clearing. The share of operational risk in the REC of Eurex Clearing was 42 per cent as at 31 December 2023 (previous year: 45 per cent).

Eurex Clearing has implemented robust management of operational risks, which includes key steps such as identification, evaluation, controlling and reporting, and is based on the standards of PFMI and EMIR. To reduce operational risks, Eurex Clearing has implemented targeted measures and a range of controls tailored to the risk profile.
Business continuity management (BCM) covers all processes that ensure continuing operations in an emergency. It covers arrangements for all key resources (systems, rooms, employees, suppliers/service providers), including the redundant

design of all critical IT systems and the technical infrastructure, as well as backup workstations for employees in critical functions.
Furthermore, Eurex Clearing has a compliance organisation and associated procedures aimed at ensuring adherence to legal requirements.
Information security measures are based on the international security standard ISO/IEC 27001, which includes a comprehensive framework of guidelines and processes. With regard to the physical security of employees and buildings, the Company has developed a comprehensive risk management process to proactively and reactively protect employees and assets from internal and external attacks and threats.
Similarly, operational risks that we do not want to cover ourselves are transferred to insurance companies if this is possible for a reasonable cost.
Material operational losses are considered to be realised individual cases which exceed a loss amount of €200 thousand. In the reporting year 2023, an operational loss of €208 thousand arose due to expenses for utilised external legal support services.

Financial risks

Eurex Clearing divides financial risks into credit, market and liquidity risks. Liquidity risks are not quantified as part of the REC calculation but instead are monitored separately. Financial risks had a share of 58 per cent (previous year: 55 per cent) of the REC of Eurex Clearing as at 31 December 2023.

(a) Credit risk

Credit risk (counterparty default risk) describes the danger that a counterparty might not meet its contractual obligations, or not meet them in full. The credit risk faced by Eurex Clearing is broken down into credit risks from the clearing business and credit risks that may arise from cash investments. Credit risk had a share of 57 per cent of the REC of Eurex Clearing as at 31 December 2023 (previous year: 54 per cent).

Principally, risk concentrations arise from the large proportion of European banks among clearing members and the concentration of business activity on clearing as a result of the business model.

Credit risk from the clearing business

Under its terms and conditions, Eurex Clearing only enters into transactions with its clearing members. Clearing mainly relates to defined securities, pre-emptive rights and derivatives that are traded on specific stock exchanges. Eurex Clearing also offers this service for over-the-counter (OTC) products such as interest rate swaps and forward rate agreements. As a central counterparty, it stands between transactional counterparties. Through offsetting claims and requiring clearing members to post collateral, Eurex Clearing mitigates credit risk.

Each clearing member must prove that it has liable capital or, in the case of funds, assets under management, equal to at least the amounts that Eurex Clearing has defined for the different markets. The amount of capital or assets under management for which evidence must be provided depends on the risk. To mitigate Eurex Clearing's risk that clearing members might default before settling open transactions, members are obliged to deposit collateral in the form of cash or securities (margins) on a daily basis and, if required, to meet additional intraday margin calls.

Eurex Clearing only permits collateral with a high level of credit quality and liquidity as collateral to meet margin and default fund requirements. In determining credit quality, both an internal evaluation and external ratings are used. On the basis of these consolidated ratings, only collateral classed at least as investment grade is permitted. For bank bonds, the threshold is raised to at least "A-" in view of the potential "wrong way" risks. The eligibility criteria are reviewed on an ongoing basis. In addition, the market price risk is covered with a confidence level of at least 99.9 per cent through corresponding margins. Larger safety margins therefore apply to securities from issuers with lower credit quality than to securities with a high level of credit quality. If eligible collateral fails at a later point in time to meet the high requirements (e.g. because of a new consolidated rating), it is excluded. Risk inputs are regularly checked and the safety margins are recalculated daily for each security. In addition, a minimum safety margin applies to all securities.

Margins are calculated separately for clearing member accounts and their client accounts.

In addition to collateralising newly entered transactions, any profit and loss arising from changes in the values of financial instruments during the day is deposited as collateral at Eurex Clearing until the next due settlement payment between the counterparties, either in the form of a variation margin or, in the case of premium-style options, in the form of a premium margin. In the case of bond, repo or equity transactions, the margin is collected from either the buyer or the seller (current liquidating margin), depending on how the transaction price performs compared to the current value of the financial instruments. The purpose of these margins is to offset gains and losses already accumulated.

In addition, Eurex Clearing uses additional collateral to protect itself in the case of default by a clearing member against any risk that the value of the positions in the member's account will deteriorate in the period before the account is settled. This additional collateral is known as the initial or additional margin. The target confidence level here is at least 99.0 per cent (with a minimum two-day holding period) for exchange-traded transactions, or 99.5 per cent (with a five-day holding period) for OTC transactions. Eurex Clearing checks each day whether the margins meet the required confidence level. The initial/additional margin is currently calculated using two methods: (a) the Eurex Clearing Prisma method and (b) the risk-based margining method. The Eurex Clearing Prisma method is available for all derivatives contracts traded. It takes into account the clearing member's entire portfolio and takes historical and stress scenarios into account when calculating the margin requirements. The objective is to cover market fluctuations for the entire liquidation period until the account is settled. At present, the risk-based margining method is still used for cash market products, physical deliveries and repo transactions.

In addition to the margins for current transactions, each clearing member contributes to a default fund, with the contributions based on its individual risk profile. This fund is jointly liable for the financial consequences of a default by one or more clearing members to the extent that this cannot be covered by the member's individual margin, its own contributions to the default fund and a contribution from Eurex Clearing itself. Eurex Clearing checks by means of daily stress tests whether its default fund is large enough to absorb the default of the two largest clearing members. This involves subjecting all current transactions and their collateral to market price fluctuations at a confidence level of at least 99.9 per cent. In order to be able to determine potential losses in excess of the individual margins, the impact on the default fund of a potential default is simulated. Eurex Clearing has defined limits which, when exceeded, trigger an immediate adjustment to the size of the default fund if necessary. The following lines of defence are available for the case that a clearing member is unable to meet its obligations to Eurex Clearing due to a delay in performance or a default:

- First, the relevant clearing member's outstanding positions and transactions can be netted and/or closed from a risk perspective by entering into appropriate back-to-back transactions, or they can be settled in cash. Customer segregation models are taken into account.

- Any potential shortfall that might be incurred in connection with such a closing or cash settlement, as well as the associated costs, would be covered in the first instance by the collateral provided by the clearing member concerned. As at 31 December 2023, collateral amounting to €97,697 million had been provided for the benefit of Eurex Clearing (previous year: €135,112 million (after safety margins)).

- After this, the relevant clearing member's contribution to the default fund would be used to cover the open amount. As at 31 December 2023, contributions made ranged from €100 thousand to €353 million (previous year: from €1 million to €391 million).

- Any remaining shortfall would initially be covered by Eurex Clearing's own contribution to the default fund ("first skin in the game"). As at 31 December 2023, the contribution of Eurex Clearing stood at €143 million. Any remaining shortfall after that would then be offset by the utilisation of the contributions made by all other participants to the clearing fund and the additional own contribution made by ECAG to the default fund (second skin in the game) in the amount of €57 million as at 31 December 2023. As at 31 December 2023, aggregate default fund contribution requirements for all clearing members of Eurex Clearing amounted to €6,337 million (previous year: €4,840 million). The collateral actually posted, including overcollateralization, amounted to € 7,741 million (previous year: € 6,671 million).

- After the contributions have been utilised in full, Eurex Clearing can request additional contributions from each clearing member, which can be a maximum of twice as high as their original default fund contributions. In parallel to these additional contributions, Eurex Clearing provides additional funds of up to €300 million, provided via a letter of comfort from Deutsche Börse (see below). These additional funds will be realised together with the additional clearing members and Eurex Clearing contributions, on a pro rata basis.

- Subsequently, the portion of Eurex Clearing's equity capital in excess of the regulatory capital requirement would be utilised.

- Finally, Eurex Clearing's remaining minimum equity capital under the regulatory requirements would be used.

- Deutsche Börse AG has issued a letter of comfort in favour of Eurex Clearing. With this letter of comfort, Deutsche Börse AG commits to provide the funds to Eurex Clearing required to fulfil its obligations – including the obligation to provide additional funds of up to €300 million, as mentioned above. The maximum amount to be provided under the letter of comfort amounts to €600 million, including the payments made already. Third parties are not entitled to any rights under the letter of comfort.

In the event of a clearing member defaulting, Eurex Clearing carries out a Default Management Process (DMP). The aim of the DMP is to close out all positions taken over as a result of the default. Costs arising in connection with closing out the positions are covered through the collateral available through Eurex Clearing's lines of defence. At its core, the DMP ensures that products with similar risk characteristics are assigned to liquidation groups that have been closed out collectively. Within a liquidation group, Eurex Clearing rebalances itself by transferring the defaulted positions to other clearing members either by means of an auction process or through a bilateral private sale. Any claims against Eurex Clearing arising from the closing out of the positions taken over from the defaulted clearing member are covered by the collateral available through the cascade of lines of defence. If necessary, this collateral is sold on the market through bilateral private sales in order to cover the outstanding claims from the closing out of open positions. In this way the DMP not only contributes to the security and integrity of the capital markets, it also protects non-defaulting clearing members from the potential negative consequences that may result from a participant defaulting.

To date, the DMP at Eurex Clearing has been triggered four times: Gontard & MetallBank (2002), Lehman Brothers (2008), MF Global (2011) and Maple Bank (2016).

In each of the above-mentioned cases, the funds deposited by the defaulting clearing member as collateral were sufficient to cover the losses incurred in the closing out and to return a substantial portion of the resources to the defaulting clearing member.

Credit risk arising from cash investments

Credit risk can also arise from cash investments. Eurex Clearing reduces its risk when investing cash belonging to Group companies and cash deposited by customers by distributing investments across multiple counterparties, all with a high credit quality, by defining investment limits for each counterparty and by investing cash primarily in the short term and in collateralised form if possible. Investment limits are established for each counterparty on the basis of at least annual credit checks and using ad hoc analyses, as necessary. Since extending its licence as a deposit and credit institution under the German Banking Act, Eurex Clearing can also use the permanent facilities of the Deutsche Bundesbank and is therefore able to manage a large part of its customer cash in the central bank framework. Investment losses on currencies for which Eurex Clearing has no access to central banks will be borne, on a pro rata basis, by Eurex Clearing and by those clearing members active in the currency where losses were incurred. The maximum amount which each clearing member will have to contribute in this manner is the total amount such a clearing member has pledged with Eurex Clearing as cash collateral in this currency. The maximum amount to be borne by Eurex Clearing is €50 million.

(b) Market price risk

Market price risks include risks of an adverse change in interest rates, currencies or other market prices. Market price risk had a share of 1 per cent (previous year: 1 per cent) of the REC of Eurex Clearing as at 31 December 2023. Due to the short maturities of the cash investments and liabilities, the interest rate risk is low.

Eurex Clearing avoids open currency positions whenever possible. In addition, to further reduce risk ECAG exchanges the cash margins received in Japanese yen for euros using foreign currency transactions and deposits this money with the central bank. Market price risks may also arise from ring-fenced pension plan assets (Contractual Trust Arrangement – CTA). The Company reduced its risk of extreme losses by deciding to invest a predominant proportion of the CTA on the basis of a value preservation mechanism.

(c) Liquidity risk

A liquidity risk arises if payment obligations cannot be fulfilled or can be fulfilled only at increased refinancing costs. Eurex Clearing has to meet stringent liquidity requirements and comply with a conservative investment policy due to its status as a central counterparty. Daily monitoring ensures an appropriate supply of liquidity. Since extending its licence as a deposit and credit institution under the German Banking Act, Eurex Clearing can use the Deutsche Bundesbank's permanent facilities.

In order to analyse the liquidity risk of Eurex Clearing and to ensure that sufficient liquid financial resources are maintained at all times, daily stress test calculations are carried out. To this end, Eurex Clearing has implemented various scenarios that take into consideration sources of liquidity risk both within the Company itself and throughout the entire market. In accordance with regulatory requirements, Eurex Clearing performs a daily calculation of the need for liquidity that would result in the event of the default of its two largest clearing members, and maintains sufficient liquidity to meet this identified need. A threshold of 35 per cent is used for the liquidity buffer as an early warning system. The liquidity buffer should not fall below a value of 20 per cent.

In the reporting year 2023, Eurex Clearing had sufficient liquidity at all times with a liquidity buffer of 139 per cent as at 31 December 2023 (previous year: 610 per cent).

With effect from 2 January 2024, the Securities Collateral Concentration Add-on Fee ("add-on fee") will be introduced, with the aim of keeping Eurex Clearing's overall liquidity coverage at around 40 per cent to maintain an appropriate level of liquidity. If the ratio of cash to the total margin requirements of the clearing members falls below 40 per cent, the add-on fee of 10 basis points will be charged.

Business risk

Business risk reflects sensitivity to macroeconomic developments and vulnerability to event risks arising from external threats such as regulatory adjustments or changes in the competitive environment or internal weaknesses (including incorrect strategic management decisions). With regard to the clearing business, Eurex Clearing considers business risk in accordance with regulatory requirements. Concerning banking business – the operation of the cash pool – Eurex Clearing is not exposed to substantial business risk.

Business risk is considered at Eurex level. In the context of current geopolitical events in Ukraine and the potential resulting monetary policy consequences, Eurex has analysed which fundamental risks could come to bear. Due to the low level of business relations with the affected countries and the resulting low number of potentially affected assets, it was determined at the time of completion of this report that Eurex is only exposed to a low level of direct economic risk overall. Indirect risks, such as those arising from our customers' business activities in those countries, as well as medium and long-term risks, such as those that could arise from further economic sanctions that are not yet foreseeable, are monitored on an ongoing basis and, if necessary, controlled by means of further risk mitigation measures.

Summary

The risk profile did not change significantly in financial year 2023. As at 31 December 2023 the REC of Eurex Clearing amounted to €359 million (previous year: €376 million), with the REC composition for the individual risk types as follows:

For operational and financial risk, the REC was €152 million (previous year: €168 million) and €207 million (previous year: €208 million) respectively. Financial risk was made up of credit risk with REC of €203 million (previous year: €203 million) and market risk with REC of €4 million (previous year: €5 million).

The capital requirements for the risk-weighted assets (RWA) of Eurex Clearing in the amount of €122.7 million (previous year: €143.4 million) as at 31 December 2023 were at all times met by a sufficient amount of regulatory capital in the financial year. The regulatory capital as at the end of the financial year totalled €799.6 million (previous year: €725 million). The overall capital ratio as at 31 December 2023 was 52.1 per cent (previous year: 40.5 per cent). The regulatory capital requirement pursuant to Article 16 EMIR was €255.2 million (previous year: €255.8 million) as at 31 December 2023.

Outlook

Eurex Clearing evaluates its risk situation on an ongoing basis. Based on stress tests and the calculated REC and using the risk management system, the Executive Board of Eurex Clearing concludes that the available risk-bearing capacity is sufficient. Furthermore, from the current perspective no risk can be identified that would jeopardise Eurex Clearing as a going concern.

Balance Statement as at 31 December 2023

Assets

	31.12.2023 €	31.12.2022 T €
1. Liquid funds		
a) Balances with central banks thereof: with Deutsche Bundesbank 37,049,780,138.04 € (previous year. 47,628,655 T€)	**37,049,780,138.04**	**47,628,655**
2. Receivables from credit institutions		
a) Payable on demand	757,120,841.35	9,143,357
b) Other receivables	1,158,077,318.24	993,758
	1,915,198,159.59	**10,137,115**
3. Receivables from customers	**145,766,211.21**	**198,014**
4. Bonds and other fixed-interest securities		
a) Bonds and debt instruments of public-sector issuers thereof: eligible as collateral with Deutsche Bundesbank 104,520,517.05 € (previous year: 104,197 T€)	**104,520,517.05**	**170,244**
5. Assets held in trust	**123,742,936.77**	**107,090**
6. Intangible assets		
a) Goodwill	**223,627.03**	**0**
7. Property, plant and equipment	**611.00**	**2**
8. Other assets	**32,639,529.50**	**10,607**
9. Deferred expenses	**242,058.29**	**56**
10. Excess of plan assets over liabilities	**7,015.86**	**0**
Total assets	**39,372,120,804.33**	**58,251,783**

Liabilities

	31.12.2023 €	31.12.2022 T €
1. Liabilities to credit institutions		
a) Payables on demand thereof: to affiliated companies 105,854.78 € (previous year: 0 T€)	29,834,489,962.01	41,956,260
b) Other payables thereof: to affiliated companies 728,725.11 € (previous year: 0 T€)	585,754,826.31	653,267
	30,420,244,788.32	**42,609,527**
2. Liabilities to customers		
a) Other liabilities		
aa) Payables on demand thereof: to affiliated companies 48,869,987.00 € (previous year: 36.681 T€)	7,850,797,030.36	14,612,382
bb) Other payables thereof: to affiliated companies 812,000.00 € (previous year: 0 T€)	23,414,956.47	23,429
	7,874,211,986.83	**14,635,811**
3. Liabilities held in trust	**123,742,936.77**	**107,090**
4. Other liabilities	**90,072,113.82**	**85,878**
5. Provisions		
a) Provisions for pensions and similar obligations	9,655,180.31	8,325
b) Provisions on taxes	925,307.44	6,683
c) Other provisions	53,490,884.12	48,656
	64,071,371.87	**63,664**
6. Equity		
a) Subscribed capital	25,000,000.00	25,000
b) Capital reserves	765,312,845.52	715,313
c) Retained earnings	9,464,761.20	9,500
ca) Legal reserves	2,500,000.00	2,500
cb) Other retained earnings	6,964,761.20	7,000
d) Unappropriated surplus	0.00	0,00
	799,777,606.72	**749,813**
Total shareholders' equity and liabilities	**39,372,120,804.33**	**58,251,783**

Other obligations		
Irrevocable credit commitments	2,000,000	2,000

Income Statement

for the period from 1 January to 31 December 2023

	01.01. - 31.12.2023 €	01.01. - 31.12.2022 T€
1. Interest income from		
a) loan and money market business		
aa) Loan and money market business with positive interest rates	1,208,681,076.35	212,082
ab) Loan and money market business with negative interest rates	1,645,551.52	210,488
b) fixed-interest securities and debt register claims		
aa) Fixed-interest securities and debt register claims with positive interest rates	1,510,033.22	3,146
	1,211,836,661.09	**425,716**
2. Interest expense		
a) Interest expense from business with positive interest rates	-1,064,250,497.94	-150,488
b) Interest expense from business with negative interest rates	-242,860.49	-124,050
	-1,064,493,358.43	**-274,538**
	147,343,302.66	**151,178**
3. Commission expense	-13,921,825.34	-10,028
4. Other operating income	115,460,137.22	96,920
thereof from currency translation 13,647,365.08 € (previous year 5,786 T€)		
5. General administrative expenses		
a) Personnel expenses		
aa) Wages and salaries	-43,090,854.53	-40,002
ab) Social security and expenses for pensions and other employee benefits thereof for pensions -1,522,459.03 € (previous year -2,057 T€)	-6,708,024.31	-6,436
b) Other administrative expenses	-105,321,518.92	-111,564
	-155,120,397.76	**-158,002**
6. Depreciation and amortization of fixed and intangible assets	-26,656.29	-2
7. Other operating expenses	-33,412,886.51	-18,679
thereof from currency translation -27,638,160.55 € (previous year -12,134 T€)		
thereof from accumulation -21,233.98 € (previous year -29 T€)		
8. Amortisation attributable to write-downs for receivables and certain	-1,986.42	-5,576
Securities as well as the increase of provisions in lending business		
9. Income from write-ups to claims and certain securities and reversal of provisions	3,456,956.19	0
in lending business		
10. Net operating income	**63,776,643.75**	**55,812**
11. Income tax expense	-91,147.78	-1
12. Profit transferred under profit transfer agreement	-63,685,495.97	-55,811
13. Net income for the year	**0.00**	**0**
14. Unappropriated surplus	**0.00**	**0**

Notes to the financial statements for financial year 2023

Accounting policies

Eurex Clearing Aktiengesellschaft (hereinafter “Eurex Clearing”), which has its registered office in Frankfurt am Main, Germany, is registered in the Commercial Register of Frankfurt am Main District Court under the number HRB 44828.

The annual report of Eurex Clearing for financial year 2023 was prepared in accordance with the provisions of the Handelsgesetzbuch (HGB, German Commercial Code), the Aktiengesetz (AktG, German Stock Corporation Act) and the Verordnung über die Rechnungslegung der Kreditinstitute und Finanzdienstleistungsinstitute (RechKredV, German Ordinance Regulating the Accounting Requirements for Financial Institutions and Financial Service Providers).

Under its SAP/S4 Hana transformation, the Company implemented a parallel general ledger for HGB and IFRS accounting in the year under review and redesigned the current chart of accounts. The separate general ledger accounting for HGB and IFRS now facilitates parallel processing of data and the new chart of accounts and optimisation of interface systems allow for greater data granularity. Reporting of individual accounting issues is therefore more precise, which may lead to different recognition compared to the previous approach. The Company’s figures for the previous year have not been adjusted. The effects of the transition will be presented separately in the notes to the respective balance sheet items.

Due to commercial rounding, there may be slight deviations from the published figures from the previous year and from the addition of rounded individual values.

Cash on hand and balances with central banks are reported as cash reserve and measured at their nominal value.

Receivables and other assets are always carried at their nominal amount. Item-by-item valuation allowances are established for all discernible risks, while latent risks are considered on a portfolio basis.

Accounts receivable and other assets, as well as bank balances in foreign currency, are translated at Bloomberg average spot exchange rates upon acquisition. Subsequent measurement takes place on the reporting date in accordance with section 256a HGB.

If the receivables and liabilities denominated in foreign currency have a residual maturity of one year or less, then sections 253 (1) sentence 1 and 252 (1) no. 4 clause 2 HGB were not applied.

Bonds and other fixed-interest securities are recognised at acquisition cost according to the moderate lower of cost or market principle in compliance with the requirement to reinstate original values. Eurex Clearing makes use of the option in section 253 (3) sentence 6 HGB to recognise impairment losses even in the impairment is not expected to be permanent.

The receivables held in trust relate to receivables from credit institutions and from customers for remunerations that are collected by Eurex Clearing AG in its own name and for the account of third parties for Deutsche Börse AG and Eurex Global Derivatives AG. The corresponding liabilities held in trust arise from the obligation of Eurex Clearing AG to forward these fees via Eurex Frankfurt AG to Deutsche Börse AG and Eurex Global Derivatives AG.

Acquired intangible assets are carried at cost and amortised using the straight-line method or valued at the lower fair value. The goodwill is amortised over a useful life of five years.

Property, plant and equipment is carried at cost. Depreciable property, plant and equipment is depreciated using the straight-line method over its useful life or valued at its lower fair value. Operating and office equipment is depreciated over a useful life of between five and eight years.

Derivative financial instruments consist solely of foreign-exchange forwards. These are not combined with other transactions to form a single valuation unit. Gains and losses realised on these transactions are taken into account in the income statement. Unrealised losses from the foreign-exchange forwards are taken into account in accordance with section 249 (1) sentence 1 HGB.

Prepaid expenses generally include expenditure incurred before the reporting date if it represents an expense for a certain period after that date.

In accordance with section 253 (1) sentence 2 HGB, liabilities are recognised with their respective settlement amounts.

Foreign currency liabilities are translated at Bloomberg average spot exchange rates upon acquisition. Subsequent measurement takes place on the reporting date in accordance with section 256a HGB.

If the margin that clearing members are required to deposit with Eurex Clearing as collateral or a contribution to the default fund is paid in cash, Eurex Clearing recognises them as liabilities towards credit institutions or customers (under member cash deposits). The margins to be paid are calculated at time "t" and are due at "t+1". Margin payments are calculated only after the post-trading period. In accordance with standard sector practice, the margin payments to be deposited as collateral are recognised only after the margins have been collected.

With respect to transactions settled via the central counterparty (CCP), Eurex Clearing AG by virtue of its special business purpose is neither financially burdened by nor is a financial beneficiary of the contractual provisions in the clearing conditions as well as the special security mechanisms. Therefore, transactions are not recognised on the balance sheet by Eurex Clearing AG. Further information can be found in the "Other information about the clearing business" section. The open positions from the CCP business are determined for each clearing member and shown as assets and liabilities.

Provisions for pensions and similar obligations have been stated on the basis of actuarial tables using the projected unit credit method based on the 2018 G mortality tables (generation tables) developed by Dr Klaus Heubeck.

Actuarial assumptions

	31.12.2023 %	31.12.2022 %
Pensions and similar obligations		
10-year average discount rate	1.83	1.79
7-year average discount rate	1.76	1.45
Salary growth	3.00	3.00
Pension growth	2.20	2.20
Staff turnover rate (up to age 50, thereafter 0.00%)	2.00	2.00
Deferred compensation programme		
Discount rate	1.83	1.79

In accordance with section 253 (2) sentence 1 HGB, provisions for pension obligations with a residual term of more than one year are discounted using the average market interest rate for the past ten financial years that corresponds to their residual term. Section 253 (2) sentence 2 HGB provides the option of using the average market interest rate based on an assumed duration of 15 years in order to discount the total pension obligations. Use has been made of this option. The discount rates are calculated and announced by the Deutsche Bundesbank. The calculation methodology and the modes of publication are in accordance with the Rückstellungsabzinsungsverordnung (RückAbzinsV, German Regulation on the Discounting of Provisions).

The 10-year interest rate of 1.83 percent that was forecast in September 2023 for the calculation of pension provisions differs by one basis point from the interest rate of 1.82 percent announced by the Deutsche Bundesbank as at 31 December 2023. The 7-year interest rate of 1.76 per cent that was forecast differs by two basis points from the interest rate of 1.74 percent published by the Deutsche Bundesbank as at 31 December 2023. These do not lead to significant differences in the extent of the obligation.

In accordance with section 246 (2) HGB the settlement amount of pension liabilities as at the reporting date was offset against the fair value of those assets that are protected from all creditors and exclusively serve the purpose of meeting liabilities arising from pension obligations or comparable long-term commitments to employees ("plan assets"). The accumulated acquisition costs of these assets were €22,174 thousand (previous year: €22,209 thousand).

An amendment to the law relating to the implementation of the Mortgage Credit Directive requires that pension provisions are discounted since 2016 using a 10-year average discount rate (until 2015: the 7-year average discount rate was used). The resulting difference is as follows:

	€ thousand
Pension provision discounted using a 10-year average	33,587
Pension provision discounted using a 7-year average	33,931
Difference	344

The difference less deferred taxes may not be distributed, in accordance with section 253 (6) HGB.

The other provisions take into account all recognisable risks and uncertain liabilities as at the reporting date and were recognised at the amount required to settle the obligation based on a reasonable commercial assessment. Provisions with a maturity of more than one year are discounted using the market interest rates published by the Deutsche Bundesbank according to the remainder of their maturity pursuant to section 253 (2) HGB. If the fair value of the plan assets for partial retirement exceeds the fulfilment provisions, the difference is recognised as an asset difference resulting from netting.

The values of the provisions for the Stock Bonus Plan and Long-term Sustainable Instrument (LSI) are calculated on the basis of the price of Deutsche Börse AG's shares on the reporting date.

The provisions for anniversary payments and early retirement were measured at the amount to be paid in accordance with actuarial principles, and for early retirees at present value. The projected unit credit method was applied as the basis of this assessment. In the reporting year, the forecast interest rate of 1.76 percent (previous year: 1.45 percent) was applied. The 2018 G mortality tables developed by Dr Klaus Heubeck were the basis of these projections. In this case, too, the simplification provision of section 253 (2) sentence 2 HGB was applied.

Deferred taxes are calculated in accordance with section 274 HGB on temporary differences between the carrying amounts according to commercial law and their taxable values. Deferred tax liabilities are reported only insofar as they exceed deferred tax assets. In view of the existing single-entity relationship for tax purposes with Eurex Frankfurt Aktiengesellschaft, Frankfurt/Main (hereinafter "Eurex Frankfurt"), temporary differences between the carrying amounts according to commercial law and the taxable values were accounted for at the level of the controlling company, Eurex Frankfurt. The calculation of deferred taxes is based on the expected, combined income tax rate of all the companies comprising the single entity for tax purposes with Eurex Frankfurt AG, which is currently 27.4 percent.

The income tax rate is calculated taking into account the corporation tax rate of 15 per cent plus the solidarity surcharge of 5.5 percent and the trade tax for Eschborn of approx. 11.6 percent.

In October 2021, as part of the "OECD/G20 Inclusive Framework on Base Erosion and Profit Shifting (BEPS)", over 135 countries agreed to introduce a global minimum taxation for multinational corporations with a consolidated annual turnover of at least €750 million. The objective of the proposed Pillar Two reform is to ensure effective minimum taxation of the profits of multinational groups concerned at 15 per cent per jurisdiction. This should limit international tax competition and ensure fair and appropriate taxation.
After the OECD published the Pillar Two model rules in December 2021, the EU member states agreed on 12 December 2022 on a directive for the effective minimum taxation of multinational groups, which was required to be transposed into domestic law by 31 December 2023. On 10 November 2023, the German Bundestag adopted a draft bill to implement the Minimum Taxation Act (MinStG) with effect for financial years as from 1 January 2024; corresponding provisions also apply in the majority of jurisdictions outside the EU that are relevant for Deutsche Börse Group.
No material tax effects are expected for the Company in the first year of application 2024. The Company itself as well as its foreign office are located in jurisdictions whose nominal tax rates are higher than the minimum tax rate of 15 per cent. The amendments to section 274 (1) HGB brought about by the Minimum Taxation Directive Implementation Act provide for a temporary exemption from the obligation to recognise deferred taxes in connection with the introduction of the global minimum taxation.

Income and expenses denominated in foreign currency were translated on the posting date at the Bloomberg rates.

Interest income and expenses are classified as transactions with positive interest rates and transactions with negative interest rates according to their source. They are reported based on this classification in sub-positions of the interest result.

Balance sheet disclosures

Cash reserve

As at the reporting date, the cash reserve of Eurex Clearing AG amounted to €37,049,780 thousand (previous year: 47, 628,655 thousand) and consisted exclusively of the credit balance at the Deutsche Bundesbank.

The cash reserve in the amount of €37,049,780 thousand (previous year: €47,628,655 thousand), receivables from credit institutions in the amount of €1,915,198 thousand (previous year: €10,137,115 thousand) and receivables from customers in the amount of €145,766 thousand (previous year: €198,014 thousand) were mainly offset by the cash collateral deposited by clearing members, which is reported under the liabilities towards credit institutions in the amount of €30,042,606 thousand (previous year: €41,541,405 thousand) and liabilities towards customers in the amount of €7,753,766 thousand (previous year: €14,585,768 thousand).

Assets in foreign currency

Assets in foreign currency as at the reporting date amounted to €1,714,647 thousand (previous year: €9,293,712 thousand).

Receivables from credit institutions

Of receivables from credit institutions in the amount of €1,915,198 thousand (previous year: €10,137,115 thousand), €664 thousand (previous year: €1,723 thousand) related to receivables from affiliated companies.

As part of the SAP/S4 Hana migration as at 1 January 2023, €429,201 thousand of receivables from credit institutions were reclassified as receivables from customers for a more precise representation of the balance sheet item.

Receivables from credit institutions break down as follows:

Composition of receivables from credit institutions

	31.12.2023 € thousand	31.12.2022 € thousand
Payable on demand		
Balances at foreign central banks	398,457	7,997,022
Bank balances and receivables from the clearing business	345,859	1,138,717
Interest receivables from the clearing business	12,805	7,618
	757,121	**9,143,357**
Term up to 3 months		
Reverse repo investments	1,158,077	993,758
	1,158,077	**993,758**
Total	**1,915,198**	**10,137,115**

Receivables from customers

Receivables from customers amounting to €145,766 thousand (previous year: €198,014 thousand) were payable on demand and consisted primarily of reverse repo investments in USD amounting to €141,585 thousand (previous year: €197,741 thousand).

As part of the SAP/S4 Hana migration as at 1 January 2023, €429,201 thousand of receivables from credit institutions were reclassified as receivables from customers for a more precise representation of the balance sheet item.

Bonds and other fixed-interest securities

The bonds held as at the reporting date were exchange-listed securities in the amount of €104,521 thousand (previous year: €170,244 thousand), of which €70,999 thousand mature in less than one year and €33,522 thousand between one and three years. There were no bonds whose maturity exceeds five years.

Assets held in trust

This item concerns receivables from clearing members arising from turnover related to remuneration that is collected via Eurex Frankfurt AG for Deutsche Börse and Eurex Global Derivatives AG, Zug, Switzerland, on a fiduciary basis. As at the reporting date, these receivables amounted to €123,743 thousand (previous year: €107,090 thousand) of which €78,447 thousand were from credit institutions (previous year: €77,116 thousand) and €45,296 thousand were from customers (previous year: €29,974 thousand).

As part of the SAP/S4 Hana migration as at 1 January 2023, €5,537 thousand of receivables from customers were reclassified as receivables from credit institutions for a more precise presentation.

Fixed assets

The changes in non-current assets are described in the statement of changes in fixed assets.

Purchased goodwill of €224 thousand (previous year: €0 thousand) is the goodwill resulting from the asset deal for the establishment of Eurex Clearing AG in Prague.

Property, plant and equipment comprised operating and office equipment in the amount of €1 thousand (previous year: €2 thousand).

Other assets

Other assets as at the reporting date comprised the following:

Composition of other assets

	31.12.2023 € thousand	31.12.2022 € thousand
Receivables from Eurex Frankfurt AG	14,753	5,431
Receivables from taxes	8,244	583
Receivables from Deutsche Börse AG	7,020	2,527
Receivables from Deutsche Börse Systems Inc.	1,619	308
Receivables from European Commodity Clearing AG	168	0
Receivables from Clearstream Banking AG	143	132
Receivables from Clearstream Operations Prague s.r.o	70	0
Receivables from Eurex Repo GmbH	21	17
Personnel-related receivables	9	0
Receivables from Clearstream Holding AG	1	0
Receivables from European Energy Exchange AG	0	478
Receivables from incentive programmes	0	120
Miscellaneous other assets	592	1,011
Total	**32,640**	**10,607**

Prepaid expenses

Prepaid expenses included accruals and deferrals for invoices received from deliveries and services amounting to €242 thousand (previous year: €56 thousand).

Liabilities in foreign currency

As at the reporting date, liabilities in foreign currency amounted to €2,287,170 thousand (previous year: €9,664,823 thousand).

Liabilities towards credit institutions

Of the liabilities towards credit institutions in the amount of €30,420,245 thousand (previous year: €42,609,527 thousand), €29,834,490 thousand (previous year: €41,956,260 thousand) were payable on demand and mainly comprised margins paid in cash by clearing members amounting to €29,457,579 thousand (previous year: €40,888,138 thousand) and liabilities from the clearing business in the amount of €286,450 thousand (previous year: €1,021,497 thousand). Liabilities towards affiliated companies of €106 thousand are also included. In addition, €585,755 thousand (previous year: €653,267 thousand) is included in liabilities towards credit institutions with an agreed term of up to one year. These comprised mainly margins paid in cash by clearing members. Liabilities towards affiliated companies of €729 thousand (previous year: €0 thousand) are also included. There were no liabilities towards credit institutions whose maturity exceeds one year.

As part of the SAP/S4 Hana migration as at 1 January 2023, €755 thousand of liabilities from open CCP positions towards credit institutions were reclassified as liabilities towards customers for a more precise representation of the balance sheet item. Furthermore, member cash deposits amounting to €3,381,971 thousand were reclassified from liabilities towards customers to liabilities towards credit institutions.

Liabilities towards customers

Of the liabilities towards customers amounting to €7,874,212 thousand (previous year: €14,635,811 thousand), €7,850,797 thousand (previous year: €14,612,382 thousand) were payable on demand and mainly comprised margins paid in cash by clearing members amounting to €7,730,351 thousand (previous year: €14,562,338 thousand), as well as liabilities towards affiliated companies from cash pooling amounting to €48,870 thousand (previous year: €36,681 thousand). In addition, there were liabilities towards customers with an agreed term of up to one year of €23,415 thousand (previous year: €23,429 thousand). These comprised mainly margins paid by clearing members. There were also liabilities towards affiliated companies of €812 thousand (previous year: €0 thousand). There were no liabilities towards customers whose maturity exceeds one year.

As part of the SAP/S4 Hana migration as at 1 January 2023, €755 thousand of liabilities from open CCP positions towards credit institutions were reclassified as liabilities towards customers for a more precise representation of the balance sheet item. Furthermore, member cash deposits amounting to €3,381,971 thousand were reclassified from liabilities towards customers to liabilities towards credit institutions.

Liabilities held in trust

Liabilities held in trust are liabilities towards customers associated with the collection of remuneration on a fiduciary basis that has not yet been forwarded via Eurex Frankfurt to Deutsche Börse and Eurex Global Derivatives AG.

Other liabilities

Composition of other liabilities

	31.12.2023 € thousand	**31.12.2022** € thousand
Liabilities towards Eurex Frankfurt AG	63,944	72,167
Trade payables	12,529	3,967
Liabilities towards Deutsche Börse AG	8,378	5,436
Liabilities from taxes	1,436	1,292
Liabilities towards Deutsche Börse Systems Inc.	1,319	0
Liabilities towards Eurex Repo GmbH	979	197
Liabilities towards Eurex Frankfurt AG Singapore Branch	762	261
Liabilities towards Eurex Global Derivatives AG	277	64
Liabilities towards Clearstream Services S.A.	259	950
Liabilities towards Deutsche Börse AG Prague Branch Services GmbH	98	0
Liabilities towards Clearstream Banking S.A.	15	184
Liabilities towards Clearstream Operations Prague	2	246
Liabilities towards Clearstream Banking AG	0	745
Miscellaneous other liabilities	74	370
Total	**90,072**	**85,879**

Provisions for pensions and similar obligations

The netted assets, which corresponded to a 6.1 per cent share in a special fund within the meaning of section 1 (10) of the Kapitalanlagegesetzbuch (KAGB, German Capital Investment Code), had a fair value as at the reporting date of

€24,017 thousand (previous year: €22,787 thousand), which corresponds to the market value within the meaning of section 278 in conjunction with section 168 KAGB. When calculating the fair value, the historical value is adjusted to take into account changes in market value. In addition, the amount of €0 thousand (previous year: €0 thousand) was added to the special fund in the year under review and an amount of €35 thousand (previous year: €46 thousand) was transferred. The assets are protected from all creditor claims and are not repayable on demand.

Interest rate effects from pensions and plan assets from the clearing item in accordance with section 246 (2) HGB, in the amount of €115 thousand, are included under other operating expenses in the financial year (previous year: €3,318 thousand).

Pension liabilities on the basis of section 246 (2) sentence 2 HGB

	€ thousand
Pension obligations payable	33,672
Fair value of plan assets	24,017
Provisions for pensions and similar obligations	**9,655**

Netting of profit and loss

	€ thousand
Expenses arising from pension obligations	173
Net expense stated under personnel expenses	**173**
Interest expense arising from pension obligations	1,475
Reversals of impairments to cover assets	-1,265
Income from cover assets	-95
Net expense stated under other operating expenses	**115**

Other provisions

Other provisions, amounting to €53,491 thousand, comprised the following:

Change in other provisions

	31.12.2023 € thousand	31.12.2022 € thousand
Outstanding invoices	29,207	22,172
Personnel provisions	19,549	17,806
of which, share-based remuneration components	8,755	7,455
of which, bonus	7,565	6,768
of which, restructuring programme	1,295	1,703
of which, flexitime credits	928	889
of which, other personnel provisions	1,006	991
Provisions for claims for damages	1,498	2,188
Provisions for anticipated losses	1,389	128
Provisions for incentive programme	900	2,001
Provisions for Supervisory Board remuneration	358	331
Other provisions	590	4,030
Total	**53,491**	**48,656**

As at the reporting date, provisions for outstanding invoices included foreign currency amounts equivalent to €542 thousand (previous year: €890 thousand).

In accordance with section 246 (2) HGB, the settlement amount of the obligations under the partial retirement programme as at the reporting date was offset against the fair value of those assets that are protected from all creditors and exclusively serve the purpose of meeting liabilities arising from pension obligations or comparable long-term commitments to employees (plan assets). The accumulated acquisition costs of these assets were €137 thousand (previous year: €0). The amount of the plan assets in excess of the settlement amount was recognised as an asset difference resulting from netting pursuant to section 246 (2) HGB.

Pension liabilities on the basis of section 246 (2) sentence 2 HGB

	2023 € thousand	2022 € thousand
Settlement amount of obligations under partial retirement programme	-136	0
Fair value of plan assets	143	0
Asset difference resulting from netting	**7**	**0**

Netting of profit and loss

	2023 € thousand	2022 € thousand
Expenses from obligations under partial retirement programme	-137	0
Net expense stated under personnel expenses	**-137**	**0**
Interest income from obligations under partial retirement programme	1	0
Write-ups of plan assets	6	0
Income from plan assets	0	0
Net revenue stated under other operating income	**7**	**0**

Equity

The share capital of Eurex Clearing remains unchanged at €25,000,000. It is divided into 2,000,000 no-par value registered shares. The shares may be assigned only with the Company's consent. As in the previous year, the calculated par value per share is €12.50.

Equity changed as follows:

Change in equity

	Subscribed capital € thousand	Capital reserves € thousand	Legal reserves € thousand	Other retained earnings € thousand	Total € thousand
Carried forward as at 1 January 2023	25,000	715,313	2,500	7,000	**749,813**
Addition	0	50,000	0	0	**50,000**
Addition from 2023 net income	0	0	0	0	**0**
Currency translation difference	0	0	0	-36	-36
Balance as at 31 December 2023	**25,000**	**765,313**	**2,500**	**6,964**	**799,777**

The allocation to capital reserves of €50,000 thousand resulted from an additional cash payment from the sole shareholder in accordance with section 272 (2) no. 4 HGB in 2023.

The change in other retained earnings resulted from translation differences associated with the Eurex Clearing branch office in Prague in the amount of €36 thousand.

Since the market price of the plan assets is higher than their acquisition cost, there is a block on distributions of €1,338 thousand in accordance with section 268 (8) HGB in conjunction with section 301 AktG (previous year: €419 thousand).

Income statement disclosures

Interest income

Interest income and other operating income are primarily generated in Germany; a breakdown by geographical markets in accordance with section 34 (2) no. 1 RechKredV has therefore not been carried out. Interest income in the amount of €1,211,837 thousand (previous year: €425,716 thousand) was mainly the result of lending and money market transactions with positive and negative interest rates.

Interest expense

Interest expense in the amount of €1,064,493 thousand (previous year: €274,538 thousand) mainly comprised interest expense from transactions with positive and negative interest rates.

Commission expense

Commission expense amounted to €13,922 thousand (previous year: €10,028 thousand) in the year under review, and was primarily related to bank fees.

Other operating income

Other operating income amounting to €115,460 thousand (previous year: €96,920 thousand) comprised:

Composition of other operating income

	2023 € thousand	2022 € thousand
Services for Eurex Frankfurt AG	75,772	65,920
of which from operational management services	75,462	65,543
Income from currency valuation	13,647	5,786
Services for Deutsche Börse AG	12,795	19,977
Income from the reversal of provisions	8,051	2,896
Services for European Commodity Clearing AG	306	482
Services for Eurex Repo GmbH	194	205
Services for Clearstream Banking AG	0	147
Services for Clearstream Banking S.A.	0	101
Services for Clearstream Services S.A.	0	14
Services for Eurex Securities Transaction Services GmbH	0	8
Miscellaneous other operating income	4,695	1,384
Total	**115,460**	**96,920**

Other operating income also included income not related to the accounting period in the amount of €1,464 thousand.

General administration expenses

Other administration expenses are broken down as follows:

Composition of other administration expenses

	2023 € thousand	2022 € thousand
Agency agreement services	44,461	48,661
provided by Deutsche Börse AG	27,869	27,033
provided by Eurex Frankfurt AG London Branch	5,742	4,524
provided by Eurex Frankfurt AG	2,942	5,516
provided by Eurex Repo GmbH	1,866	2,882
provided by Clearstream Operations Prague s.r.o.	1,730	3,016
provided by Eurex Frankfurt AG Singapore Branch	1,351	1,325
provided by Clearstream Services S.A.	1,129	1,005
provided by Eurex Global Derivatives AG	503	670
provided by Clearstream Holding AG	415	204
provided by Clearstream Banking S.A.	413	219
provided by Deutsche Börse Systems Inc.	216	826
provided by Clearstream Services S.A. Prague Branch	150	0
provided by Deutsche Börse AG Prague Branch	82	0
provided by Clearstream Banking AG	53	1,116
provided by Deutsche Börse AG Paris Branch	0	190
provided by Eurex Securities Transaction Services GmbH	0	135
Marketing and communications	29,218	32,629
Cooperation costs with Nasdaq OMX	8,129	1,237
External consultancy costs	7,879	10,090
Non-deductible input tax	7,307	6,500
IT costs	4,739	9,178
of which, provided by Deutsche Börse AG	2,039	7,305
provided by Eurex Frankfurt AG	413	0
provided by Clearstream Services S.A.	35	0
Other	2,252	1,873
Marketing costs	1,475	1,641
Other administration expenses	2,114	1,629
Total	**105,322**	**111,564**

The increase in the cooperation costs with Nasdaq OMX was largely due to expenses in relation to the termination of this cooperation in the fourth quarter of 2023.

General administration expenses included expenses not related to the accounting period in the amount of €168 thousand.

Other operating expenses

Other operating expenses amounting to €33,413 thousand (previous year: €18,679 thousand) mainly comprised expenses relating to currency translation of €27,638 thousand (previous year: €12,134 thousand), expenses for plan assets of €115 thousand (previous year: €3,334 thousand) and expenses for voluntary reimbursements made to customers of €1,754 thousand (previous year: €1,700 thousand).

The other operating expenses also included interest rate effects from the addition of discounted interest for other provisions.

Other operating expenses included expenses not related to the accounting period in the amount of €120 thousand.

Transfer of profit

Based on the profit transfer agreement with Eurex Frankfurt, an amount of €63,685 thousand was transferred (previous year: €55,811 thousand).

Auditor's fee

In accordance with section 285 no.17 HGB, disclosures on the auditor's fee are contained in the notes to the consolidated financial statements of Deutsche Börse AG.

In addition to the annual financial statements and management report of Eurex Clearing, the auditor also conducted an audit of the separate financial statements of Eurex Clearing, which are prepared voluntarily in accordance with IFRS.

Other information about the clearing business

As at 31 December 2023, market participants had netting-eligible gross payment obligations from open positions due to transactions traded via the central counterparties with a total value of €145.5 billion (previous year: €138.8 billion). From the point of view of Eurex Clearing, the receivables and liabilities from these open positions always fully offset each other. The total value of €145.5 billion takes into account gross payment obligations, i.e. the risk-oriented net view would lead to a significantly lower value.

To hedge Eurex Clearing's risk in the event of the default of a clearing member, the clearing conditions require clearing members to deposit margins in the form of cash or securities on a daily or intraday basis in the amount stipulated by Eurex Clearing.

The aggregate margin calls based on the executed transactions and clearing fund requirements amounted to €85,137.9 million at the reporting date (previous year: 122,415.1 million). The actual collateral deposited was as follows:

Composition of Eurex Clearing's collateral (after haircuts)

	Collateral value as at 31.12.2023 €m	Collateral value as at 31.12.2022 €m
Cash collateral (cash deposits)	37,709.18[1)]	55,893.1[1)]
Securities and book-entry securities collateral	67,728.73[1)]	85,889.9[1)]
Total	**105,437.91[1)]**	**141,783.0[1)]**

1) Including clearing fund. The values are not equal to the amounts deposited, as they are converted using the ECB reference rates and a haircut was applied for risk management purposes.

As at December 2023, the volume of the Eurex Clearing default fund stood at €7,741.0 million (previous year: €6,671.1 million).

Other financial obligations

Other financial obligations

	Total amount		Of which up to 1 year		Of which 1–5 years	
	31.12.2023 €m	31.12.2022 €m	31.12.2023 €m	31.12.2022 €m	31.12.2023 €m	31.12.2022 €m
Rental, leasing and maintenance contracts	0.5	0.2	0.2	0.1	0.3	0.1
Other contracts	3.3	2.0	3.3	2.0	0	0
Management and agency agreements	40.0	19.4	40.0	19.4	0	0
Of which, towards affiliated companies	40.0	19.4	40.0	19.4	0	0
Total amount	**43.8**	**21.6**	**43.5**	**21.5**	**0.3**	**0.1**

There were no other financial obligations that exceed five years.

Other disclosures

Disclosures regarding derivative financial instruments

As at the reporting date, there were outstanding forward exchange transactions in the amount of JPY 269 billion (previous year: JPY 168 billion) to cover exchange rate fluctuations. The fair value of these derivatives depends on the exchange rate. In the event of a negative fair value of a derivative on the reporting date, a provision for contingent losses is set aside. As at 31 December 2023, it amounted to €1,389 thousand.

Supervisory Board

The members of the Supervisory Board are:

Jeffrey Tessler *Chairman*	Chairman of the Supervisory Board of Eurex Frankfurt AG, Frankfurt/Main Member of the Supervisory Board of China Europe International Exchange AG, Frankfurt/Main Member of the Board of Directors of Hanni Inc., Atlanta
Gregor Pottmeyer *Deputy Chairman*	Member of the Executive Board and Chief Information Officer, Deutsche Börse AG, Frankfurt/Main Deputy Chairman of the Supervisory Board of Clearstream Holding AG, Frankfurt/Main Deputy Chairman of the Supervisory Board of Clearstream Banking S.A., Luxembourg Deputy Chairman of the Supervisory Board of Eurex Frankfurt AG, Frankfurt/Main Member of the Supervisory Board of UBS Europe SE, Frankfurt/Main
Prof. Dr Christina Bannier	Professor for Banking and Finance at the Justus-Liebig University in Giessen, Germany

	Member of the Supervisory Board of Clearstream Banking AG, Frankfurt/Main Member of the Supervisory Board of DWS Group GmbH & Co KGaA, Frankfurt/Main
Charles Bristow (until 30 November 2023)	Global Head of Treasury and Chief Investment Officer, JPMorgan Chase & Co., London
Dr Tammo Diemer	Member of the Executive Board of Bundesrepublik Deutschland Finanzagentur GmbH, Frankfurt/Main Member of the Supervisory Board of FMS-Wertmanagement AöR, Munich
David Feldmann	Managing Director and Head of Markets Germany, Austria and Switzerland, Deutsche Bank AG, Frankfurt/Main
Wim den Hartog	Managing Director, STX Group B.V., Amsterdam
Dr Karin Labitzke	Member of the Supervisory Board of European Energy Exchange AG, Leipzig Member of the Supervisory Board of European Commodity Clearing AG, Leipzig
Tong Lee	Head of Risk Engine and Capital Optimization within Markets, UniCredit S.p.A., Milan
Clifford M. Lewis	
Raphael Masgnaux	Head of Global Technology Platforms for Global Markets, BNP Paribas S.A., Paris
Dr Thilo Roßberg	Head of Fixed Income Currency & Commodity Markets, Landesbank Baden-Württemberg, Stuttgart

The members of the Supervisory Board received remuneration of €301 thousand in the year under review.

Executive Board

The members of the Executive Board are:

Erik Tim Müller *Chairman*	Chief Executive Officer (CEO) Responsible for Human Resources, Compliance, Internal Audit, Legal, Corporate Office, Sales, Communication & Media, Treasury Front Office
Matthias Graulich	Chief Strategy Officer Responsible for Business Development, Strategy, Pricing, Marketing
Dr Dmitrij Senko	Chief Risk Officer Responsible for Models & Analytics, Model Validation, Default Management, Risk Exposure Management, Credit, Enterprise Risk Management, Financial Accounting & Controlling, Business Continuity Management, Business Information Security, Corporate Tax, Treasury Middle Office
Manfred Matusza	Chief Technology Officer

	Responsible for Clearing & Risk IT, System Architecture, Networks & Infrastructure, SAP & Office Automation, Group Security
Jens Janka	Chief Operating Officer Responsible for Clearing Design, Clearing Models, Clearing Delivery & Control, Member Services & Admission, Vendor Relations & Market Readiness, Facility Management, Purchasing & Resourcing, Outsourcing Management, Product Tax, Treasury Back Office

In 2023 the total remuneration of members of the Executive Board amounted to €4,633 thousand (previous year: €4,341 thousand). Total remuneration included share-based compensation of €1,594 thousand (previous year: €1,414 thousand). The corresponding shares were valued in the year under review at the market price on the reporting date.

The estimated number of shares (2,469) is based on the share price of Deutsche Börse on the reporting date.

A total of €3,853 thousand has been reserved for pension obligations to former members of the Executive Board and their surviving dependants.

Appointments to supervisory boards and other supervisory committees

In accordance with section 340a (4) no. 1 HGB, a list of appointments to supervisory boards and other supervisory committees is presented below:

Matthias Graulich	Member of the Board of Directors, Wematch.Live R&D Ltd., Tel Aviv

Employees

As at 31 December 2023, the number of employees at Eurex Clearing AG (excluding the Executive Board) was 359.1 (previous year: 306.1). The average number of employees during financial year 2023 was 334.6 (previous year: 302.6).

	Male	Female	Total
Management employees	16.2	5.0	21.2
Non-management employees	188.0	125.4	313.4
Number of employees	**204.2**	**130.4**	**334.6**

Intercompany agreements

As part of the profit transfer agreement concluded between Eurex Clearing and Eurex Frankfurt, Eurex Clearing is obliged to transfer its net income for the year to Eurex Frankfurt, less any losses carried forward from the previous year and the amount to be added to the reserves, as required by section 300 of the AktG. At the same time, Eurex Frankfurt is required during the term of the agreement to make up any annual deficit incurred at Eurex Clearing through loss absorption, provided such losses have not already been offset through transfers from other retained earnings added during the term of the agreement.

A shareholders' agreement is in place between Deutsche Börse AG and Eurex Global Derivatives AG, which governs in particular the collaboration of the Eurex companies (EFAG and ECAG), the distribution of turnover and the reimbursement of operational management expenses. With respect to Deutsche Börse AG, it is important to emphasise the operational management agreement with Eurex Frankfurt AG and the "clearing" agency agreement between Eurex Frankfurt AG and Eurex Clearing AG. Identical agreements are in place between Eurex Global Derivatives AG and Eurex Frankfurt AG and Eurex Clearing AG. On the basis of the "clearing" agency agreement, Eurex Clearing AG receives the combined trading and clearing fees for operating and clearing on the Eurex derivatives market in its own name and for the account of third parties for Deutsche Börse AG and Eurex Global Derivatives AG. The corresponding fees will be divided between Deutsche Börse AG and Eurex Global Derivatives AG at a ratio of 88:12. Fees for connecting trading participants to the Eurex systems are invoiced centrally to Eurex Frankfurt AG for all Eurex companies and are forwarded in full at a ratio of 88:12. On the basis of the shareholders' agreement, it was stipulated between Deutsche Börse AG and Eurex Global Derivatives AG that the operational management expenses of Eurex Frankfurt AG and Eurex Clearing AG are assumed by Deutsche Börse AG and Eurex Global Derivatives AG at a ratio of 88:12.

Group structure

Eurex Clearing AG is a wholly owned subsidiary of Eurex Frankfurt AG, which has its registered office in Frankfurt/Main. In addition, Eurex Frankfurt AG is a wholly owned subsidiary of Deutsche Börse AG, which has its registered office in Frankfurt/Main.

Eurex Clearing AG is included in the consolidated financial statements of Deutsche Börse AG (largest consolidated group), Frankfurt/Main. These consolidated financial statements exempt Eurex Frankfurt AG (smallest consolidation group) from the requirement to produce accounts. The consolidated financial statements of Deutsche Börse are prepared on the basis of International Financial Reporting Standards (IFRS) and published in the electronic German Federal Gazette.

In accordance with section 20 (4) AktG, Deutsche Börse and Eurex Frankfurt have notified us that they hold a majority interest in the Company.

Report on events after the reporting date

No major, reportable events occurred after the end of financial year 2023.

Statement of changes in non-current assets

Statement of changes in non-current assets for the period from 1 January to 31 December 2023

	Operating and business equipment €	Goodwill €	Bonds and other fixed-interest securities €
Historical costs as at 1 January 2023	**31,653.47**	**0.00**	**175,851,192.53**
Additions	0,00	248,701.60	981,017.13
Disposals	-30,071.47	0.00	-67,087,570.39
Exchange rate differences	0,00	0.00	-3,074,433.10
Historical costs as at 31 December 2023	**1,582.00**	**248,701.60**	**106,670,206.17**
Amortisation and impairment losses as at 1 January 2023	**29,840.47**	**0.00**	**5,606,645.31**
Amortisation	1,114.00	25,454.29	0.00
Disposals	-30,071.47	0.00	0.00
Impairment losses	88.00	0.00	0.00
Exchange rate differences	0,00	-379.71	0.00
Reversals	0,00	0.00	-3,456,956.19
Amortisation and impairment losses as at 31 December 2023	**971.00**	**25,074.57**	**2,149,689.12**
Carrying amount as at 31 December 2023	**611.00**	**223,627.03**	**104,520,517.05**
Carrying amount as at 31 December 2022	**1,813.00**	**0.00**	**170,244,547.22**

Frankfurt/Main, 8 March 2024

Eurex Clearing Aktiengesellschaft

Erik Tim Müller   Matthias Graulich   Manfred Matusza

Dr. Dmitrij Senko   Jens Janka

INDEPENDENT AUDITOR'S REPORT

To EUREX Clearing Aktiengesellschaft, Frankfurt am Main

Audit assessments

We have audited the annual financial statements of EUREX Clearing Aktiengesellschaft, Frankfurt am Main, which comprise the balance sheet as at December 31, 2023, and the income statement for the financial year from January 1 to December 31, 2023, and notes to the financial statements, including the recognition and measurement policies presented therein. In addition, we have audited the management report of EUREX Clearing Aktiengesellschaft for the financial year from January 1 to December 31, 2023.

In our opinion, based on the findings of our audit

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law and give a true and fair view of the assets, liabilities and financial position of the company as at December 31, 2023 and of its financial performance for the financial year from January 1 to December 31, 2023 in compliance with German Legally Required Accounting Principles, and
- the accompanying management report as a whole provides a suitable view of the Company's position. In all material respects, this management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development.

Pursuant to § 322 Abs. 3 Satz 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the management report.

Basis for the audit opinions

We conducted our audit of the annual financial statements and of the management report in accordance with § 317 HGB and the EU Audit Regulation (No 537/2014, referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Management Report" section of our auditor's report. We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the annual financial statements and on the management report.

Key audit matters in the audit of the annual financial statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual financial statements for the financial year from January 1 to December 31, 2023. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In our view, the following matter was the most significant in our audit:

❶ Determination of other operating income from services

We have structured our presentation of this key audit matter as follows:

① Facts and problem definition

② Audit approach and findings

③ Reference to further information

In the following, we present the key audit matter:

❶ **Determination of other operating income from services**

① In the annual financial statements of EUREX Clearing AG, the income statement item "Other operating income" includes income from services for Eurex Frankfurt AG and Deutsche Börse AG totaling €88.6 million.

There are agency and operational management agreements between EUREX Clearing AG, Eurex Frankfurt AG and Deutsche Börse AG. Under these agreements, EUREX Clearing AG provides clearing services on the markets operated by Eurex Frankfurt AG and Deutsche Börse AG. In return, EUREX Clearing AG receives reimbursement from these companies for the expenses incurred plus a profit mark-up, which it reports under other operating income. Due to the extensive service relationships between EUREX Clearing AG and companies of Deutsche Börse Group and the material significance of other operating income from services for the earnings position of the company, this matter was of particular significance in the context of our audit.

② As part of our audit, we first inspected the relevant contracts for the intra-group invoicing of services and obtained an understanding of the contractual agreements and assessed their accounting treatment.

Based on this, we assessed the appropriateness of the design of the controls in the company's relevant internal control system and tested the effectiveness of the controls. In doing so, we also considered the IT systems used and the relevant accounting processes. In addition, we assessed the amount of income received on the basis of random samples. On the basis of our audit procedures, we were able to satisfy ourselves overall that the procedure for determining other operating income from services is appropriate.

③ The company's disclosures on services for Eurex Frankfurt AG and Deutsche Börse AG are contained in the "Other operating income" section of the notes. The contractual basis is presented in the section "Intercompany agreements and other agreements".

Responsibility of the legal representatives and the Supervisory Board for the annual financial statements and the management report

Management is responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles. In addition, management is responsible for such internal control as they, in accordance with German Legally Required Accounting Principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud (i.e. accounting fraud or fraudulent misrepresentation) or error.

In preparing the annual financial statements, the legal representatives are responsible for assessing the company's ability to continue as a going concern. Furthermore, they are responsible for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless factual or legal circumstances dictate otherwise.

Furthermore, management is responsible for the preparation of the management report that, as a whole, provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, management is responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the management report.

The Supervisory Board is responsible for overseeing the company's financial reporting process for the preparation of the annual financial statements and of the management report.

Auditor's responsibilities for the audit of the annual financial statements and of the management report

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the management report as a whole provides an appropriate view of the Company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the annual financial statements and on the management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements and management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. In addition

- Identify and assess the risks of material misstatement of the annual financial statements and of the management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures (systems) relevant to the audit of the management report 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 these systems of the Company.

- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of accounting estimates and related disclosures made by the executive directors.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the management report or, if such disclosures are inadequate, to modify our respective opinions. We draw our conclusions on the basis of the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the company in compliance with German Legally Required Accounting Principles.

- Evaluate the consistency of the management report with the annual financial statements, its conformity with German law, and the view of the Company's position it provides.

- Perform audit procedures on the prospective information presented by the legal representatives in the management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by management as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the forward-looking statements or on the underlying assumptions. There is a significant unavoidable risk that future events will differ materially from the forward-looking statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken or safeguards applied to address independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

OTHER STATUTORY AND OTHER LEGAL REQUIREMENTS

Other information pursuant to Article 10 EU-APrVO

We were elected as auditor by the annual general meeting on April 25, 2023. We were engaged by the supervisory board on October 23, 2023. We have been the auditor of EUREX Clearing Aktiengesellschaft, Frankfurt am Main, without interruption since the financial year 2021.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (audit report).

RESPONSIBLE AUDITOR

The German Public Auditor responsible for the engagement is Dr. Michael Rönnberg.

Frankfurt am Main, March 8, 2024

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Signed by Dr. Michael Rönnberg Wirtschaftsprüfer (German Public Auditor)	Signed by Benjamin Kunz Wirtschaftsprüfer (German Public Auditor)