

SIX Group AG SDX - SIX Digital Exchange

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Marrakech, 11. April 2019

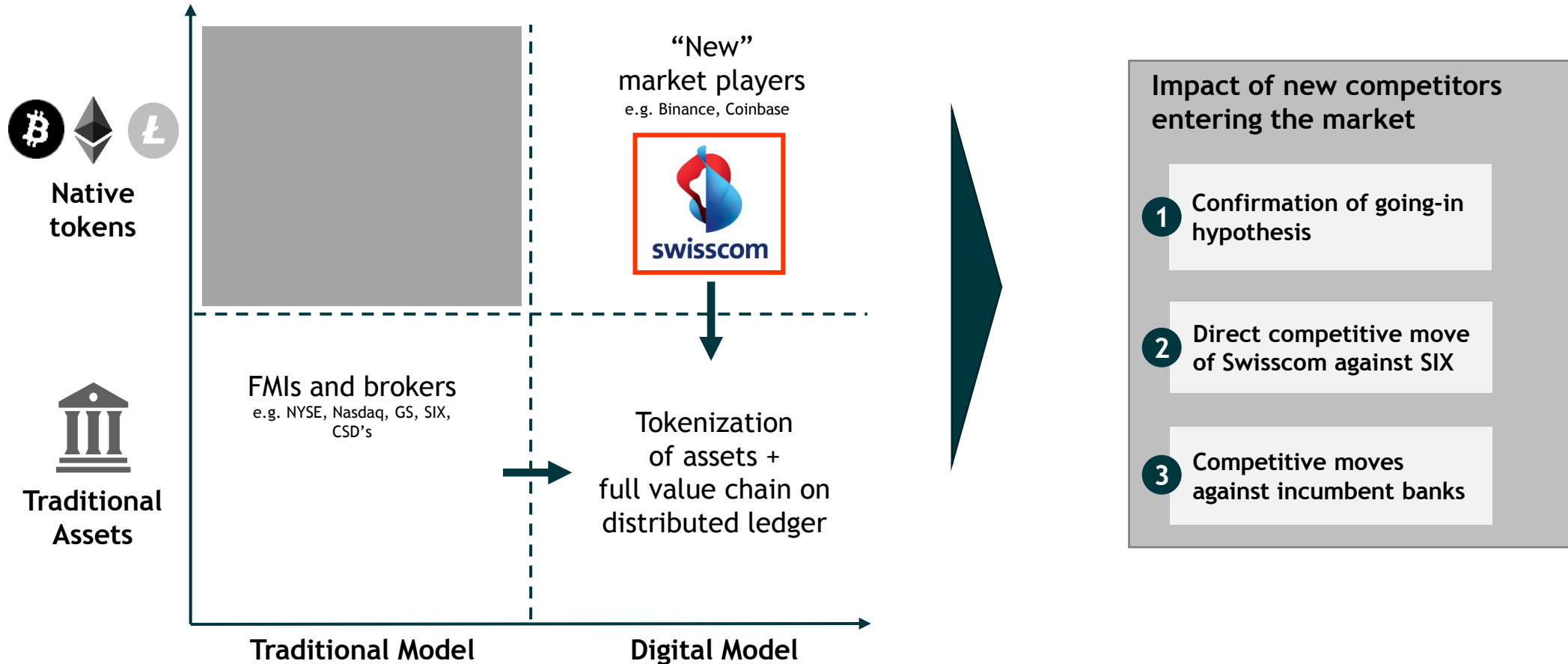
Why Bother? - Trading in Digital Assets

- Currently 1800 digital or crypto currencies in the world, traded on 185 “exchanges” (more accurately “brokers”) globally.
- There are myriad problems with the current trading and settlement of crypto assets:
 - **Exchanges are for the most part completely unregulated**
 - **Each digital exchange has different protocols for establishing an account and trades different crypto currencies.**
 - **The link to “real” money is tenuous**
 - **Fees are very high, up to 400 basis points per transaction**
 - **Portfolio and Tax Reporting is non-existent**
 - **An asset “holding” is defined by an encryption key which, if lost, loses the entitlement and the ability to sell the asset completely**
 - **Most markets have a lack of real liquidity, eg the ability to convert the digital currency back into real money**

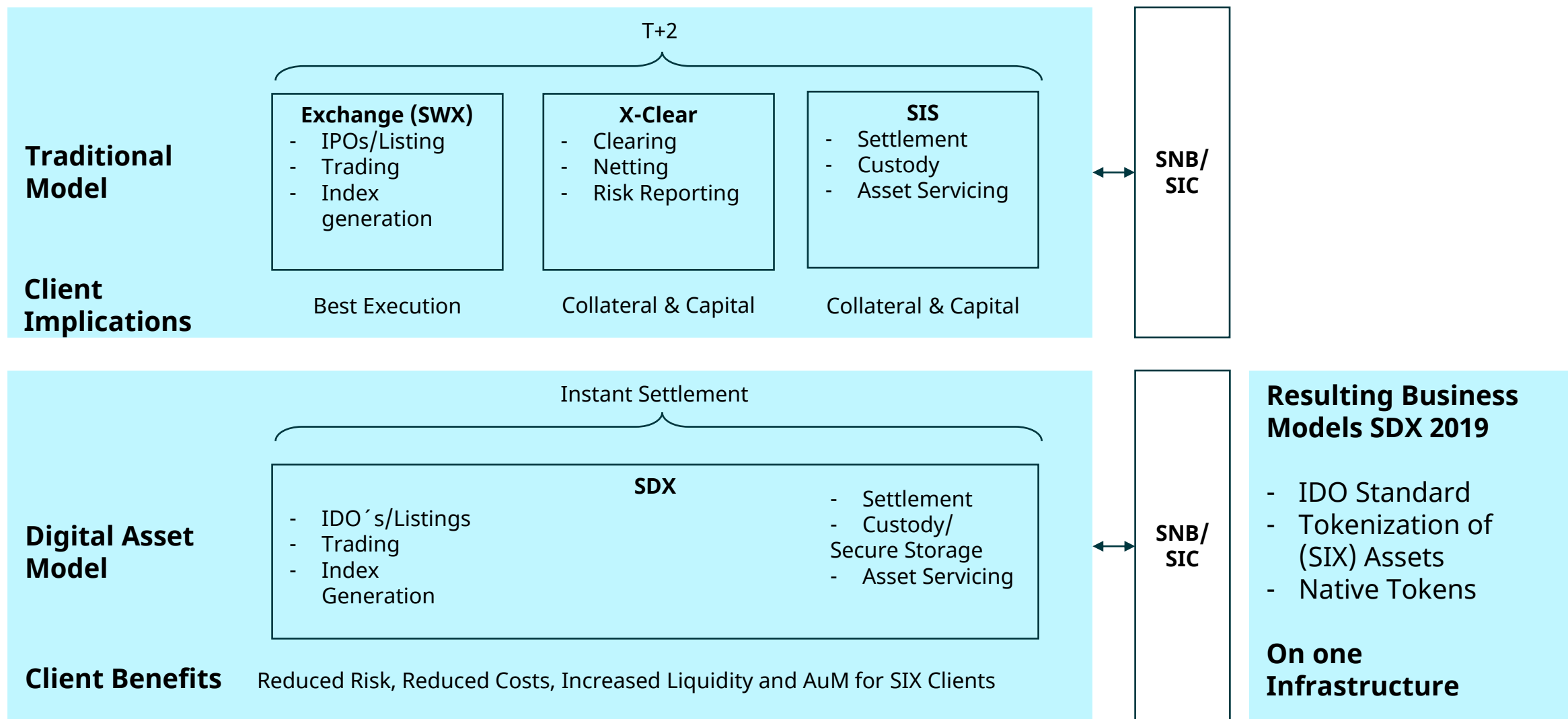
Irrespective of Cryptocurrency sustainability and validity as an asset class or payment vehicle,

Digitalisation of Assets is inevitable

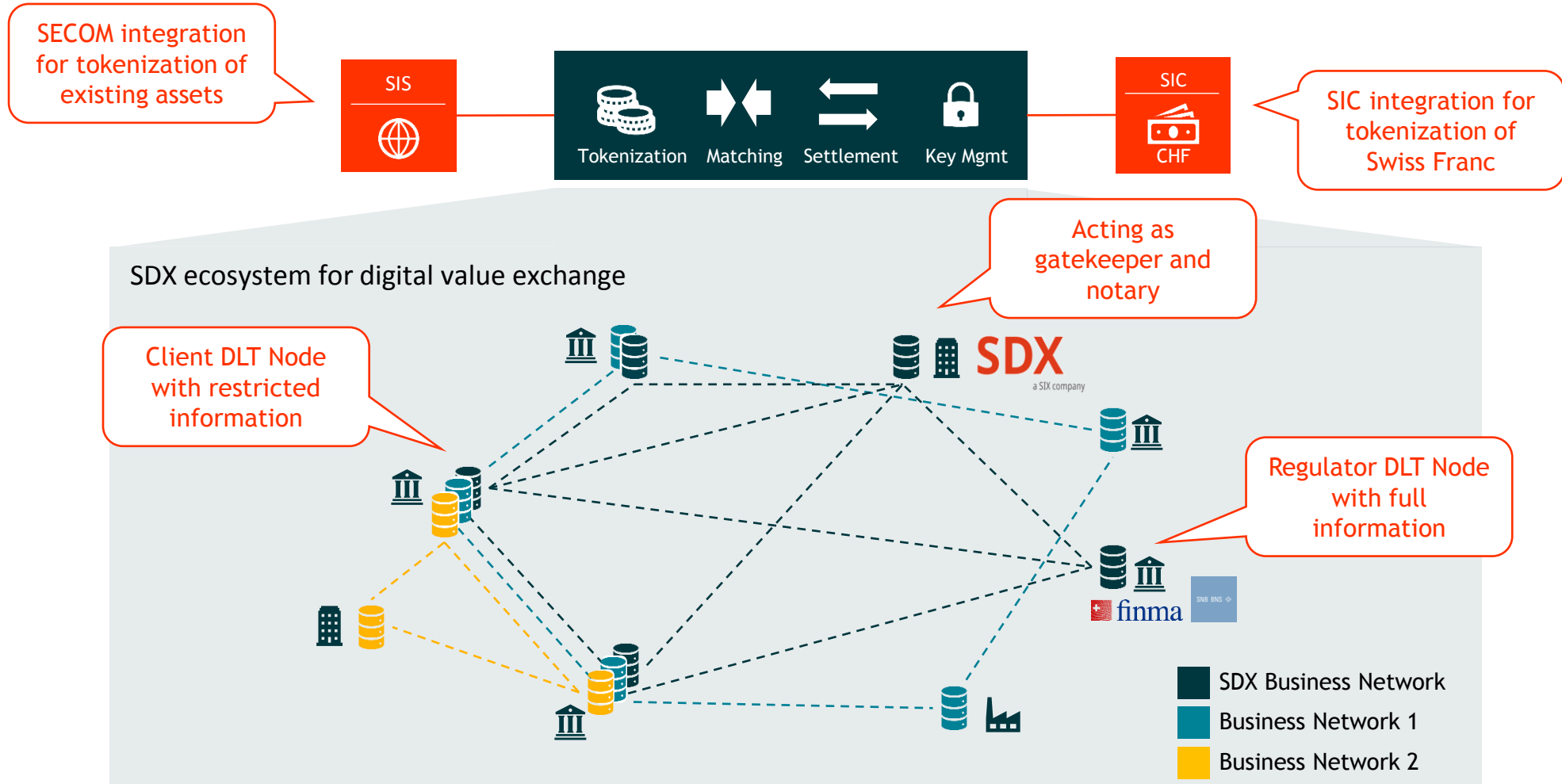
Why bother? - Competitive threats start to materialize



Overview of Traditional and Digital Business Models



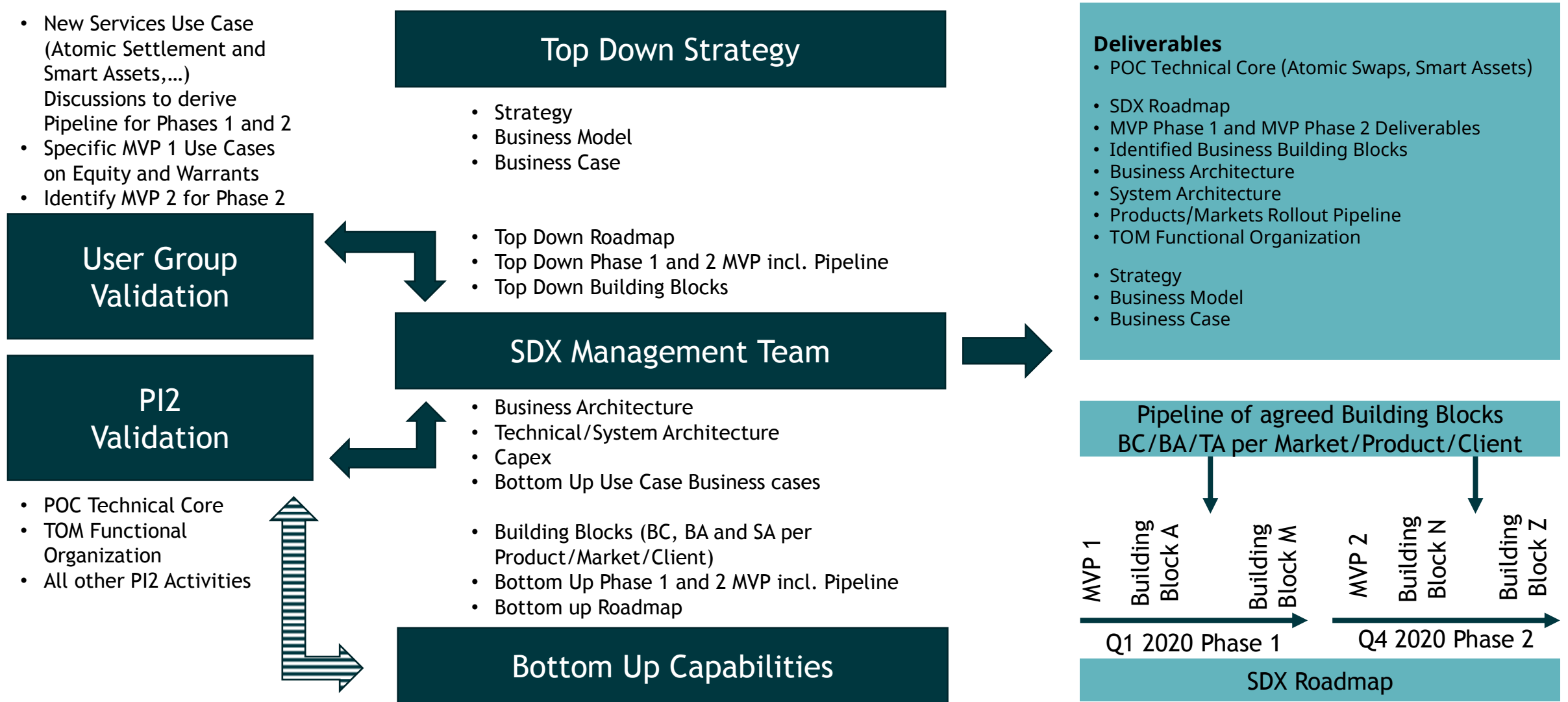
SDX will provide the infrastructure required to create a new digital asset ecosystem



Core Components of SDX IT Landscape: Overview

Component	Permissioned DLT Solution	Trading System integrated in DLT at order matching point	Wallet Solution and HSM for Permissioned DLT	Wallet Solution and HSM for 3 rd Party Blockchains	Wallet Solution and HSM for Non-Bankable Assets
Products	Native tokens & tokenized assets				Non-bankable assets
Enabled functionality	Settlement and Asset Servicing	Matching	Distributed Custody for SDX Network	Centralized Custody for assets living outside the SDX Network	Custody for non-bankable assets

User Group support for validation: Key Deliverables



Key Program Milestones defined

July 2019

Lab opening: Demo environment of SDX Core Exchange Platform

September 2019

Start Pilot: technical end-to-end testing (Native Digital, IDO)

Q4 2019

Plan first IDO's on SDX Platform

Q1 2020

Phase 1 go-live: Tokenization of new native digital assets & IDO's

Later in 2020 (subject to further regulatory approvals)

Phase 2 go-live: Tokenization of bankable and non-bankable assets
(scope & prioritization to be defined with user group)