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MARKET NOTICE

Number: 077/2026

Relates to:

- Equity Market
- Equity Derivatives Market
- Commodity Derivatives Market
- Currency Derivatives Market
- Interest Rate Derivatives Market
- Bond Market
- Bond ETP Market

Date: 25 February 2026

Subject: IRD MARGIN UPDATE - LARGE EXPOSURE ADD-ON INCREASE 25 February 2026

Name and Surname: Alex Comninos

Designation: JSE Clear - Chief Risk Officer

Dear Client,

JSE Clear has identified elevated default fund exposures in the **Interest Rate Derivatives (IRD) market** through its daily stress testing. These exposures are driven by **specific large participant portfolio changes**, rather than broad market volatility.

To mitigate this risk and ensure the sufficiency of prefunded resources, JSE Clear will **adjust the Large Exposure Add-on (LEAO) threshold in the IRD market.**

Change to LEAO Threshold

- The LEAO threshold for the IRD market will be **reduced from R100 million to R80 million.**
- This change increases the initial margin add-on applied to very large IRD portfolios whose default could materially expose the default fund.

Effective Date

- The revised threshold will be applied in **today's end-of-day margin run, for settlement tomorrow.**

Non-Executive Directors: Dr HA Nelson[†] (Chairman), LE Currie, Dr RM Lee[†], I Monale, FJ Oosthuizen[†], GE Raine[†], VJ Reddy, TW Spanner[†], K van Rensburg

Executive Directors: Dr A. Greenwood (CEO)

Company Secretary: GA Brookes

[†] *Independent*

Impact on Participants

- Participants currently subject to a LEAO in the IRD market will see an **increase of R20 million** in this add-on.
- Participants whose portfolio's stressed exposure at default falls **between R80 million and R100 million** will now be subject to a LEAO of **up to R20 million**.
- Margin impacts for affected participants (based on exposures as at **24 February 2026**) will be shared with Clearing Members for onward communication to participants.

JSE Clear will continue to monitor default fund exposures closely and will take further action if required to remain within risk appetite.

Should you have any questions, please contact JSE Clear Risk or your Clearing Member.

Further Information

- **Client Service Centre (CSC)** — +27 11 520 7777 or CustomerSupport@jse.co.za
- For queries regarding this notice:
risk@jse.co.za
- All market notices:
[JSE Market Notices](#)