

Clearstream Group

Remuneration Report

for 2015

This report discloses information on remuneration for Clearstream Group (including Clearstream Holding AG, Clearstream Banking AG and Clearstream Banking S.A.)

according to Article 450 of the Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013, § 16 of the German Remuneration Ordinance for Institutions (InstitutsVergV) of 16 December 2013 and

Circular 10/496 of the Luxembourgish Commission de Surveillance du Secteur Financier (CSSF).

Table of Contents

1.	Preamble	3
2.	Compensation Governance	4
2.1.	Responsibilities for the Remuneration Systems	4
2.2.	Compensation Officer and Deputy	5
2.3.	Remuneration Advisory Board	5
2.4.	Remuneration Committees	6
3.	Remuneration System	7
3.1.	Remuneration Principles	7
3.2.	Remuneration Systems for Executive Board and Staff	7
3.3.	Total Amount and Allocation of Variable Remuneration	9
3.4.	Risk Taker Identification	10
3.5.	Variable Remuneration Scheme	10
3.6.	Variable Remuneration under CRD III requirements	13
3.7.	Backtests for Variable Remuneration	14
3.8.	Prohibition of Personal Hedging Strategies	15
4.	Information on Supervisory Board members and on Remuneration	15
4.1.	Information on Supervisory Board members	15
4.2.	Remuneration Information by Business Area	16
4.3.	Remuneration Information by Senior Management and Risk Taker	17
4.4.	Information on High Earners	18

1. Preamble

Clearstream Holding AG must fulfil regulatory requirements on consolidated group level ("Clearstream Group") as superordinated company of regulated credit institutions in Germany (Clearstream Banking AG) and Luxembourg (Clearstream Banking S.A.).

The regulations on remuneration are manifested in the Capital Requirements Directive IV (Directive 2013/36/EU, in the following referred to as "CRD IV") and Capital Requirements Regulation (Regulation (EU) No 575/2013 of 26 June 2013, in the following referred to as "CRR"). According to the legislative processes, the requirements have been implemented at the national levels. In contrast to regulations that are binding directly on the member states to whom they are addressed, directives have to be implemented on national level.

In Germany, the implementation took place mainly through amendments of the German Remuneration Ordinance for Institutions of 16 December 2013 (Institutsvergütungsverordnung, in the following referred to as "InstitutsVergV") and the German Banking Act (Kreditwesengesetz, in the following referred to as "KWG").

In Luxembourg, CRD IV was reflected in 2015 in the amended Luxembourg law of April 5 1993 on the financial sector. CRD IV related remuneration rules were applied as from 2014 to all Luxembourg entities of the Clearstream Group. In addition, Clearstream Banking S.A. remained subject to the requirements of the Commission de Surveillance du Secteur Financier (in the following referred to as "CSSF") Circular 10/496 that refers to the CEBS (Committee of European Banking Supervisors) Guidelines on Remuneration Policies and Practices of 10 December 2010 (including disclosure requirements on remuneration).

The Remuneration Report for 2015 at hand provides qualitative and quantitative information on remuneration of Clearstream Group for the financial year 2015 pursuant to the requirements that apply to Clearstream Banking AG and Clearstream Banking S.A. on remuneration disclosure according to Article 450 CRR, § 16 InstitutsVergV and Article 35 of the CSSF Circular 10/496. Due to the interconnectedness between the different Clearstream companies, the information disclosed in this report covers the remuneration of all Risk Taker identified from Clearstream Banking AG and/or Clearstream Banking S.A. perspectives, regardless the company Risk Taker are under contract with. As a consequence, remuneration data for identified Risk Taker under contract with Clearstream Services S.A. or Clearstream International S.A. (or under contract with its subsidiary Clearstream Operations Prague s.r.o) will be disclosed under Clearstream Group. Therewith, Clearstream Holding AG discloses information on its remuneration policies and practices for those categories of staff whose professional activities have a material impact on its risk profile (in the following referred to as "Risk Taker") and more specifically on the risk profile of Clearstream Banking AG and/or Clearstream Banking S.A. The criteria on identification of Risk Taker are set out in the Regulation (EU) No 604/2014 of 4 March 2014 supplementing Directive 2013/36/EU of the European Parliament and of the Council with regard to regulatory technical standards with respect to qualitative and appropriate quan-

titative criteria to identify categories of staff whose professional activities have a material impact on an institution's risk profile of 26 June 2013 (in the following referred to as "EBA-RTS"). Clearstream Banking AG is classified as major institution by the national regulator. In consequence, Clearstream Banking AG must fulfil the general as well as the special requirements of InstitutsVergV in conjunction with CRD IV and CRR since the financial year 2014. Clearstream Banking S.A. being a significant institution in Luxembourg, it is subject to special requirements set by Circular 10/496 (transposing the Capital Requirements Directive III (Directive 2010/76/EU, in the following referred to as "CRD III") and CRR.

The implementation of regulatory compliant remuneration system and the design of the remuneration system was consulted also during 2015 by Hostettler, Kramarsch & Partner, (hkp/// group) and legally advised by Gleiss Lutz.

References made to persons in the masculine for reasons of readability apply equally in the feminine.

2. Compensation Governance

2.1. Responsibilities for the Remuneration Systems

For Clearstream legal entities, the respective Supervisory Board acts as responsible body to implement a remuneration policy for the respective Executive Board.

The implementation within the different Clearstream entities is performed by the respective responsible bodies:

- in two-tier systems the Supervisory Boards decide on the remuneration system for the members of the Executive Boards,
- in two-tier systems the Executive Boards decide on the remuneration system for the staff below,
- in one-tier systems the Boards of Directors decide on the remuneration system for all employee groups.

In 2015, the Supervisory Board of Clearstream Banking AG and the Supervisory Board of Clearstream S.A. met two times for remuneration related topics. At the end of 2015, the Clearstream Remuneration Committee was set up to support for remuneration matters related to Clearstream employees employed in a Luxembourg based company (see chapter 2.4). The Executive Board of Clearstream Holding AG as superordinated company according to the German Banking Act (KWG) is responsible for the implementation of a Clearstream group wide remuneration policy and approved several resolutions on remuneration topics. The Clearstream Group remuneration system is implemented according to a cascading process from group level down to entity level. The Compensation Officer

supports the Supervisory Board of Clearstream Holding AG and Clearstream Banking AG in assessing the appropriateness of the remuneration systems for Clearstream Group and Clearstream Banking AG. The Remuneration Advisory Board of Clearstream Holding AG ensures an appropriate involvement of the control functions in the design and monitoring of the remuneration systems for Clearstream Group.

2.2. Compensation Officer and Deputy

Within the compensation governance under the respective regulatory requirements the Compensation Officer and the Deputy Compensation Officer of Clearstream Holding AG and Clearstream Banking AG ensure appropriate, long-term and effective control of the company's remuneration systems according to §§ 23 – 26 InstitutsVergV. The Compensation Officer and the Deputy Compensation Officer have a direct functional and disciplinary reporting line to the Executive Board of Clearstream Banking AG and have a direct functional reporting line to the Supervisory Board.

Main activities performed in 2015:

- involvement in the conceptual development of the design of the remuneration systems for Risk Taker within Clearstream Group,
- involvement in the process to identify Risk Taker Clearstream group wide,
- involvement in the preparation of the merit process,
- ongoing monitoring of the remuneration system for Executive Board members within Clearstream Group,
- ongoing monitoring of the employees' remuneration systems within Clearstream Group,
- supporting the Supervisory Boards in fulfilling its responsibilities in designing and monitoring the Executive Board remuneration (preparation of Supervisory Board meetings).

2.3. Remuneration Advisory Board

The Remuneration Advisory Board (in the following referred to as "RAB") is set up for Clearstream Holding AG by the Executive Board and, in order to involve also control units in the design and monitoring of compensation systems as per the requirements of § 3 InstitutsVergV, it includes at least representatives of i.e. control functions such as Human Resources, Compliance, Risk Management, Legal or the Compensation Officer and representatives of Finance. The Audit function is included within the framework of its duties.

The RAB is involved in the design and development of Clearstream Group compensation systems covering the remuneration of the employees, the executive employees and the Executive Boards of the Clearstream regulated companies, before the systems are cas-

caded through the Group and in particular to Clearstream Banking AG and Clearstream Banking S.A.. The RAB supports the company's efforts to ensure compliance of its compensation system with regulatory requirements and applicable law.

In 2015, the RAB consulted about:

- the remuneration system 2015 for the respective employee groups, including the performance metric, the payout system for Risk Taker, pool funding and allocation,
- the design of the new remuneration system for executive employees and Risk Taker.

2.4. Remuneration Committees

In Germany, the Supervisory Board of Clearstream Banking AG acts as Remuneration Committee for Clearstream Banking AG's remuneration related matters.

In Luxembourg for remuneration matters relating to Clearstream employees employed in a Luxembourg based company, a new remuneration committee (Clearstream Remuneration Committee, in the following referred to as "CRC") by the Supervisory Board (Aufsichtsrat) of Clearstream Holding AG, supported by the Boards of Directors of Clearstream International S.A., Clearstream Banking Luxembourg S.A., Clearstream Services S.A. (hereafter the "Clearstream Luxembourg Companies"), was set up at the end of 2015 starting the following year. The CRC deals with remuneration-related matters within the corporate structure of the Clearstream Luxembourg Companies.

The main tasks and competencies of the Remuneration Committee are to provide independent support to the Board of Directors / Supervisory Boards of the Clearstream Luxembourg Companies upon matters related to the remuneration of the respective employees and in particular those related to the remuneration of members of the Executive Management, Senior Management in (control) functions (i.e. Risk Management, Compliance, Internal Audit, Financial Accounting & Controlling, Human Resources) and Risk Taker under contract with the Clearstream Luxembourg Companies. To do so, the CRC meets upon demand and a minimum of once a year.

The Remuneration Committee is composed of five members, including the Chairman, who are appointed by the Board of Directors of Clearstream Holding AG, subject to the approval of the Boards of Directors of the respective Clearstream Luxembourg Companies. The Chairman and the members must hold office in at least one of the Board of Directors or Supervisory Boards in any of the Clearstream Luxembourg Companies and shall not exercise an executive position in any of the Clearstream Luxembourg Companies at the time of their appointment and during the term of their mandate.

3. Remuneration System

3.1. Remuneration Principles

The strategic goals of Clearstream Group, derived from a strategic process, were developed and broken down in a cascade to the next level and the individuals target agreements.

Remuneration principles are set out in the Clearstream Group remuneration policy, which is reviewed in a regular process and implemented by the respective Boards. Further remuneration principles are included in the individuals' contracts, the remuneration schemes for Risk Taker and the applicable terms and conditions for the long-term sustainable instrument (in the following referred to as the "LSI").

The remuneration policy is an important framework to ensure the implementation of the business and risk strategy and is a central element for the implementation of the remuneration systems within the organization. It aims at:

- setting out the principles governing the company's remuneration systems of Clearstream Group, including Clearstream Holding AG, Clearstream Banking AG and Clearstream Banking S.A., in the organisational guidelines,
- ensuring that the remuneration in the Clearstream companies is in line with the applicable regulations on remuneration,
- informing staff on the applicable rules as well as on their remuneration system,
- describing the determination of variable remuneration pools and
- aligning the interests of the shareholders and employees, for Risk Taker by using LSI.

Clearstream Holding AG, as superordinated company, and the major institutions i.e. Clearstream Banking AG and Clearstream Banking S.A., have performed several activities to ensure that the remuneration policy and the remuneration principles are in line with applicable regulations on remuneration. The regular review of the remuneration policy was performed in the course of 2015.

3.2. Remuneration Systems for Executive Board and Staff

The remuneration components for the Executive Board members of Clearstream Holding AG, Clearstream Banking AG, Clearstream Banking S.A., Risk Taker and other executives and non-executive employees consist of a fixed salary and variable remuneration.

In Germany, the fixed remuneration for tariff employees is set out in a company-based tariff agreement between Clearstream Banking AG and ver.di and is utilized for 2015. In Luxembourg, the fixed remuneration of staff takes into consideration the Collective Bargaining Agreement for the Banking Sector in which Clearstream Banking S.A. takes part.

Staff employees are granted their variable remuneration in the form of a cash bonus. Staff employees are evaluated through the staff appraisal system.

Regarding the variable remuneration, executive employees who are not identified as Risk Taker receive a cash and a share-based variable remuneration (according to the conditions of the Stock Bonus Plan). The individual variable remuneration takes into consideration the individual bonus range, the company performance as well as the performance achievement scores assessed through the executive appraisal system.

Risk Taker including Executive Board members of Clearstream Holding AG, Clearstream Banking AG and Clearstream Banking S.A. receive a variable remuneration according to the conditions of the respective remuneration scheme for Risk Taker and the terms and conditions of the LSI. The individual variable remuneration takes into consideration the individual bonus range, the company performance as well as the target achievements on individual, area of responsibility and institutional level. The regulatory requirements, set out in the respective remuneration schemes for Risk Taker, are implemented in the appraisal system and are used in the target setting process and the determination of the individual target achievement. Targets are primarily based on a multi-year performance assessment and are defined on the principle that these shall cover the level of the company, the level of the area of responsibility as well as the individual level, and include qualitative and quantitative targets. The individual target achievement is based on the weighted arithmetic mean of each of the targets and is confined.

Depending on the category of Risk Taker, 40 to 60 per cent of the variable remuneration is deferred over a period of three to four years and paid out after an additional retention period of one year. The LSI links a part of the variable remuneration with a sustainable development. The deferral period is defined in accordance with the regulatory requirements, to Clearstream Group's business cycle as well as the nature and risk content of Clearstream's business activities.

For members of the Executive Board as well as employees of Clearstream Group, the relevant shareholders passed resolution on the maximum variable remuneration of 200 per cent of the annual fixed remuneration according to regulatory requirements ("Bonus Cap") with regard to the provisions of § 25a KWG.

To account for extraordinary developments (i. e. sale or takeover of a business, realisation of hidden reserves, external influences), the Supervisory Board may adjust variable remuneration of the Executive Board members according to § 10 InstitutsVergV.

Further, Clearstream Group does not guarantee variable remuneration in general and only applies the exemption in case of an entry within the first twelve months after entry taking into account appropriate equity and liquidity resources as well as sufficient capital in order to ensure its risk-bearing capacity.

Overall, the variable remuneration systems do not incentivize to take disproportional high risks and are designed in a way that bonus can be reduced to zero in order to apply with the regulatory requirements of § 45 KWG and of §§ 38.5 and 38.6 of the Luxembourg law on the financial sector.

3.3. Total Amount and Allocation of Variable Remuneration

For the financial year 2015, the total amount of variable remuneration (the pool) was defined in a formalised and transparent process based upon the performance metric of Clearstream Group with the consolidated business performance also of the respective entities, including Clearstream Banking AG and Clearstream Banking S.A.. The performance criteria were derived from the Clearstream's business and risk strategy in order to promote long-term sustainable success of the company and to adequately reflect costs of capital and liquidity as well as risks incurred. The performance metric includes quantitative performance criteria such as Net Income and Value at Risk (VaR) and qualitative performance criteria such as the strategic value contribution which was taken into account. Afterwards, the target achievement of the performance metric was transformed into a payout ratio ranging between 0 and 100 per cent.

Where applicable, the respective Supervisory Boards resolved jointly with the Executive Boards on a sufficient total amount of variable remuneration for 2015 taking into account and proving the requirements of § 45 KWG and § 7 InstitutsVergV. Payments were only made in case the regulatory requirements are fulfilled.

The individual variable remuneration to be awarded is derived from the total amount for variable remuneration of the respective company and the respective payout ratio, the level of target achievement and the individual bonus budget (for staff) respectively the individual upper bonus range as set out in the service agreement (for executive employees and Executive Board members). This may not, however, exceed the individual upper bonus range.

Assessment of the requirements to determine the Total Amount		Assessment
Overall economic situation		
Overall Group performance	Taking into account costs of liquidity and capital as well as the assumption of risk, the Group achieves a positive overall business performance.	✓/✗
Exceptional cases	The <i>Bundesanstalt für Finanzdienstleistungsaufsicht</i> allows with respect to extraordinary circumstances, to resolve a Total Amount, regardless of the overall negative business performance.	✓/✗
Requirements of the InstitutsVergV		
	When determining the Total Amount, risk-bearing capacity, multi-year capital planning and profitability of the Group are taken into account. Moreover, the Group is able to maintain or recover adequate funds and liquidity.	✓/✗
	The determination of the Total Amount does not limit the Group's ability to meet or recover the combined capital buffer requirements in accordance with KWG.	✓/✗
A Total Amount is resolved upon:		✓/✗

Graphic 1: Overview of the requirements to determine the total amount.

The sum of the individual variable remuneration awarded to the Executive Board members or the Risk Taker cannot exceed the part of the total amount resolved. Individual levels of target achievement can be adjusted accordingly.

If the Supervisory Board or the line manager of a Risk Taker decide in their overall assessment that the awarding of variable remuneration is not appropriate, there is no right to the award. Thereby, the Supervisory Board or the line manager consider all circum-

stances leading to significant underperformance or negative performance contributions causing significant financial losses or damage to the reputation for the company. This shall also apply in the event of individual unconscionable conduct or conduct in breach of duty as defined in the remuneration policy and remuneration schemes.

3.4. Risk Taker Identification

According to § 18 InstitutsVergV and EBA-RTS, for financial year 2015, Clearstream Group performed a risk analysis and identified Risk Taker based on these qualitative and quantitative criteria set out in the EBA-RTS.

According to regulatory requirements, members of the Supervisory Boards and Boards of Directors were identified as Risk Taker for 2015. The identified members received only attendance fees for the respective Supervisory Board or Board of Director function, which is no remuneration that can be classified as fixed or variable remuneration in the sense of the Remuneration Ordinance.

The Risk Taker of Clearstream Holding AG, Clearstream Banking AG and Clearstream Banking S.A. can be differentiated by Risk Taker as members of the respective Executive Boards, as Risk Taker below the Executive Boards (n-1 Risk Taker) and other Risk Taker. Employees of other Clearstream companies directly involved in providing services to Clearstream Banking AG and Clearstream Banking S.A. within the framework of an outsourcing agreement and having an impact on the risk profile of at least one of the companies were also considered as Risk Taker and were applied the same rules. Deutsche Börse AG's employees directly involved in providing services to Clearstream Banking AG and Clearstream Banking S.A. for the purpose of conducting banking business or supplying financial services within the framework of an outsourcing agreement were identified as so-called Group Risk Taker.

3.5. Variable Remuneration Scheme

Depending upon the classification of the different Risk Taker groups (Executive Board members, n-1 Risk Taker and other Risk Taker), the payout schemes vary. In general, the variable remuneration consists of an upfront part (40 or 60 per cent) and a deferral part (60 or 40 per cent). Of each part, 50 per cent contain of the LSI. Further, the non-upfront part of variable remuneration will be deferred for a period of three or four years, also depending upon the Risk Taker classification. An additional retention period of one year applies for the LSI.

Clearstream applied in all locations the exemption limit up to which the German supervisory authority currently accepts the payout of the complete variable remuneration to avoid disproportional operating expenses. If a Risk Taker is granted variable remuneration of EUR 50,000 or higher, variable remuneration will be deferred and 50 per cent of the deferred and non-deferred parts of the variable remuneration shall be granted in the LSI. This exemption limit, which is also applied to Clearstream Banking S.A., fulfils the indicative exemption limit of EUR 100,000 set by the CSSF in its Circular 11/505.

3.5.1. Upfront Part

In accordance with the regulatory requirements, 40 per cent of variable remuneration are rewarded as upfront part for members of the Executive Board and n-1 Risk Taker. For other Risk Taker, the upfront part is 60 per cent. 50 per cent of the upfront part (respectively 20 per cent or 30 per cent of variable remuneration) will be paid in cash in the year following the respective financial year. The remaining tranche of the upfront part (respectively 20 per cent or 30 per cent) will be converted into LSI.

3.5.2. Deferral Part

The deferral part will be paid deferred pro rata over a period of four years for Executive Board members (respectively three years for other Risk Taker and n-1 Risk Taker) in four (respectively three) instalments. Of each, 50 per cent will be converted into LSI shares in accordance with the respective terms and conditions of the LSI with an additional retention period of one year. The remaining 50 per cent will be paid out in cash.

3.5.3. Long-term Sustainable Instrument

The terms and conditions of the LSI apply to Executive Board members of the Executive Board of Clearstream Holding AG, Clearstream Banking AG and Clearstream Banking S.A. and to employees who have been identified as Risk Taker.

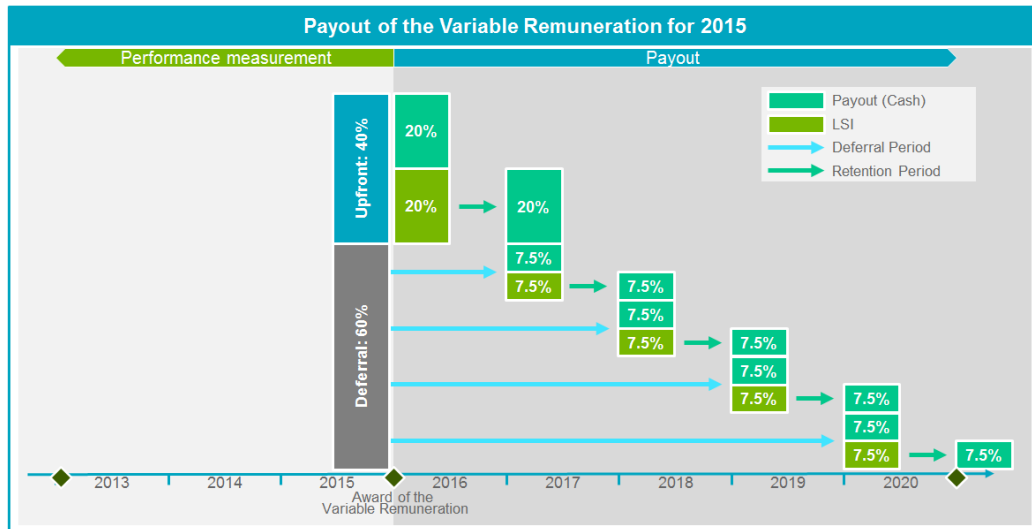
Each of the LSI parts of upfront and deferral part will be converted into virtual shares of the LSI in accordance with the respective terms and conditions of the LSI subject to a retention period of one year.

Until the final decision of the respective Supervisory Board regarding the payout of the awarded variable remuneration, there is no right to the deferred portion of the variable remuneration awarded, or variable remuneration which has already been converted into LSI shares. During the deferral period and retention period, there is only a right to an accurate determination of the expectant (unpaid) portion of the variable remuneration. In case the total amount will not be approved, portions of the variable remuneration which are due to be paid out, but are not effectively paid out or are not converted into LSI shares may forfeit and are not carried forward into future years.

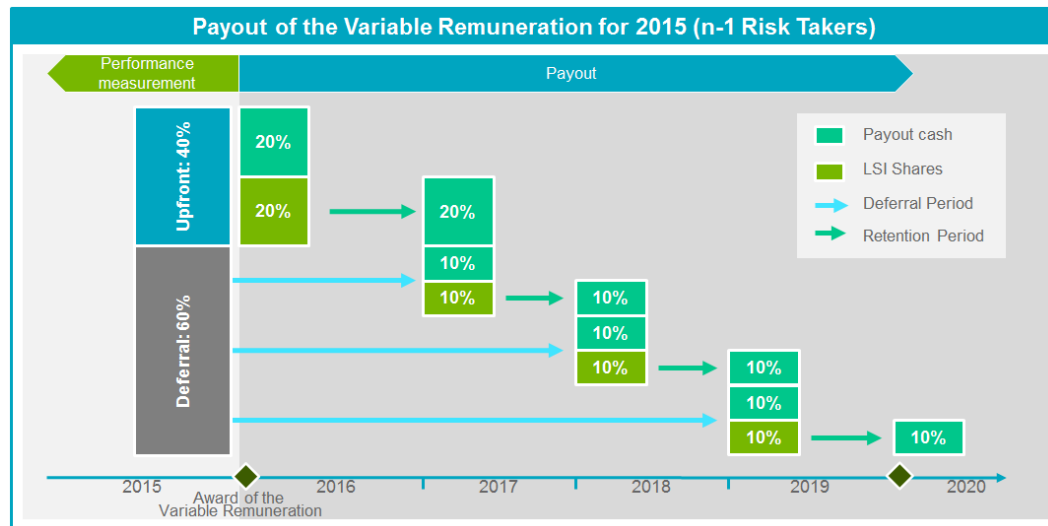
As of the date on which the number of shares of the LSI resulting from deferred and non-deferred parts of the variable remuneration is fixed, the Risk Taker has neither a claim to payment of the cash value of the LSI shares nor any claim for delivery of the LSI shares.

3.5.4.Payout Schedules for Risk Taker (different categories)

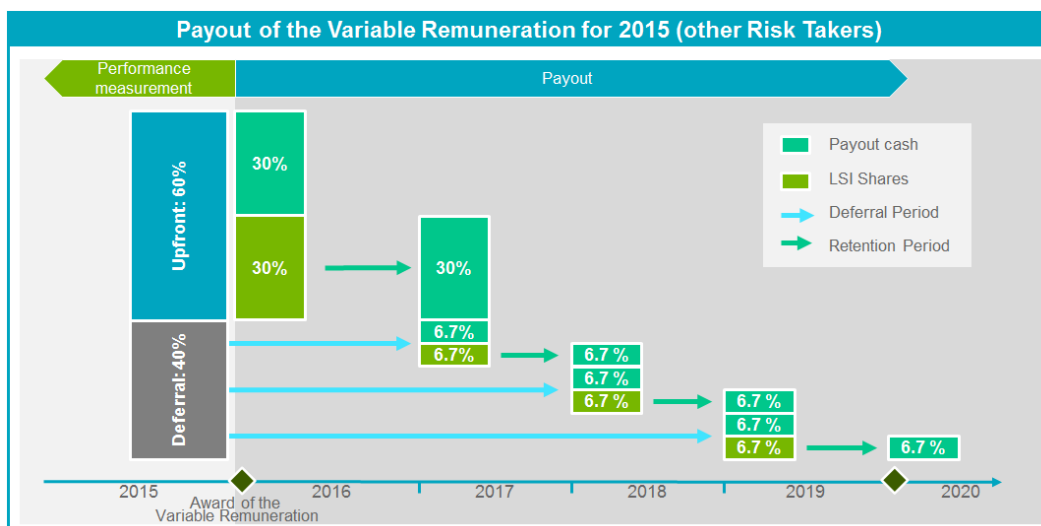
The tables below show the payout schedules for each category of Risk Taker.



Graphic 2: Exemplary payout of the variable remuneration for members of the Executive Board.



Graphic 3: Exemplary payout of the variable remuneration for n-1 Risk Taker (including Group Risk Taker n-1).



Graphic 4: Exemplary payout of the variable remuneration for other Risk Taker (including Group Risk Taker other).

3.6. Variable Remuneration under CRD III requirements

In order to meet remuneration requirements set by CRD III and the related CSSF Circular 10/496, Clearstream set specific rules for its Executive Board members in Luxembourg who were identified as Risk Taker. Due to deferral rules, concerned Executive Boards members are still eligible, under certain conditions as described below, to the payment of deferred tranches of variable remuneration for performance years 2011 to 2013.

Under the CRD III remuneration scheme, the performance variable remuneration varied between 0 per cent and 50 per cent of the total annual remuneration. The scheme was designed to ensure an adequate balance between upfront and deferred variable remuneration as well as an adequate relation between cash and share-based components. The variable remuneration takes into consideration the performance of the company as well as the achievement of individual financial and non-financial objectives of the employee.

Where a variable remuneration was awarded, the granted amount was divided into a maximum of 50 per cent cash and a minimum of 50 per cent share-based bonus.

The cash payment takes place in four instalments as follows:

- The upfront payment, representing 60 per cent of the cash part, takes place during the year following the year of the employee's performance measurement;
- The deferred payment, representing 40 per cent of the cash part, is deferred in three equal payments over a period of 3 years following the first payment. The vesting process foresees a yearly pro-rata vesting.

The share-based part represents at least 50 per cent of the variable remuneration. The vesting process foresees a yearly pro-rata vesting i.e. the concerned Executive Board members acquire each of the following three years a vested right in relation to a third of

the deferred share linked variable remuneration. The payments of vested rights are made in cash ("cash settlement").

The Board of Directors of Clearstream International S.A. and Clearstream Banking S.A. have the right to execute an annual ex-post risk adjustment on the deferred variable remuneration which may result in the reduction (down to zero) of the value of the deferred variable remuneration components and/or the payout of the retained part of the share-based bonus. Such a decision would be particularly made in case of evidence of misbehaviour or serious error, significant downturn in financial parameters of the employee's company/department works for and on which performance measurement has been based, significant failure of risk management in the employee's company/department, significant changes in the company's economic or regulatory capital base and fraud or misleading information regarding the parameters used to measure the employee's performance.

3.7. Backtests for Variable Remuneration

Prior to each payment, within a comprehensive review, the sustainability of the performance contributions is assessed with regard to the initial performance, which led to the award of the variable remuneration. Indicators therefore are, in particular, significant changes in the capital base, decreases in the financial capacity, the sustainability of performance contributions, individually, in the area of responsibility as well as the overall performance of the company (backtesting).

In case of a negative backtest, malus can apply to both elements, the cash portion and the LSI portion of deferred remuneration, in particular in case of evidence of misbehavior or serious error (e.g. breach of code of conduct and other internal rules, especially concerning risks), negative performance contributions (e.g. if any material assumptions underlying the calculation of the variable remuneration later prove to not be sustainable or to be incorrect), significant failure of risk management respectively significant changes in the capital base, or significant downturn in the financial performance. In case of the circumstances described above have occurred to a significant degree, a reduction or forfeiture of portions of the deferred variable remuneration including LSI shares applies.

Therefore, a malus assessment was performed for 2015 by the respective line manager as well as by the malus meeting which includes representatives of Human Resources, Internal Audit, Compliance and Risk Management. Within this comprehensive review, identified potential cases which could lead to reduction or forfeiture of bonus payments respectively deferred remuneration tranches were assessed. The assessment resulted in a recommendation regarding a potential further treatment of critical cases. A final decision upon consequences lies in the responsibility of the respective Executive Board or the Supervisory Board. The malus assessment performed did not result in the need to adjust or forfeit variable remuneration for 2015 and/or deferred tranches from financial year 2014 for Executive Board members, Risk Taker or employees of Clearstream Group. The payout of variable remuneration for 2015 and of deferred tranches from previous financial year(s) was assessed to be in line with the regulatory requirements.

3.8. Prohibition of Personal Hedging Strategies

The effectiveness of risk alignment will be significantly weakened if staff members were able to transfer the downside risks to another party through hedging or certain types of insurance. To ensure the effectiveness of risk alignment, the remuneration policy and remuneration principles prohibit to undertake any personal hedging strategies or other countermeasures that confine or neutralize the risk alignment effects of their remuneration.

Also, appropriate compliance structures and measures in order to prevent any hedging strategies are implemented, including random checks of securities accounts and other accounts. Through this, all Risk Taker agreed to allow inspections of their securities accounts and to declare if and which personal hedging strategies or other countermeasures they utilized.

4. Information on Supervisory Board members and on Remuneration

4.1. Information on Supervisory Board members¹

According to EBA-RTS, members of the management body in its supervisory function (Supervisory Board or Board of Directors in Luxembourg) are classified as Risk Taker. As Clearstream Supervisory Board members or Board of Directors members receive no remuneration which is to be classified as fixed or variable remuneration in the sense of CRD IV, the number of mandates of the members of the Supervisory Board is disclosed below. Members of the Supervisory Boards and Board of Directors under service contract within Deutsche Börse Group, identified as Risk Taker for a operational function and that received remuneration for their service contract are disclosed under table 2 and 3.

	Clearstream Holding AG	Clearstream Banking AG	Clearstream Banking S.A.	Σ
Supervisory Board structure 2015²				
<i>number of mandates</i>	5	6	5	16

Table 1: Structure of the respective Supervisory Boards 2015.

¹ Supervisory Board member are stated as Headcount. Supervisory Board members or Board of Directors members not employed within Deutsche Börse Group receive only an attendance fee. Remuneration information of Supervisory Board member employed within Deutsche Börse Group is included in this Remuneration Report. Additional information of the mandates can be found in the Annual Statement of Deutsche Börse AG, page 125, under the following link: http://deutsche-boerse.com/blob/2533302/b4c4f3b2c31c82e935baf41d66774dee/data/annual-financial-report-2015_en.pdf.

² In total for the three Clearstream Supervisory Boards there are 14 mandates of Clearstream Supervisory Boards as of 31 December 2015. Due to mid-year changes in the composition of the Supervisory Board of Clearstream Holding AG, some mandates were taken from more than one person while the financial year 2015.

4.2. Remuneration Information by Business Area³

According to Article 450 paragraph 1 g CRR, aggregate quantitative information on remuneration are broken down by business area:

Amounts in Mio. EUR	Clearstream Holding AG	Clearstream Banking AG	Clearstream Banking S.A.	Other Clearstream Group	Σ
Remuneration 2015					
<i>Risk Taker (FTE)</i>	1.2	10.8	11.8	33.1	56.9
total remuneration	0.84	3.11	6.02	11.79	21.76
thereof fixed remuneration	0.54	2.42	3.43	7.95	14.34
thereof variable remuneration	0.30	0.69	2.59	3.84	7.42
ratio variable to fixed remuneration	1 : 0.56	1 : 0.29	1 : 0.76	1 : 0.48	1 : 0.52

Table 2: Aggregate quantitative information according to Article 450 paragraph 1 g CRR.

³ The remuneration information is disclosed in EUR (foreign currencies are converted into EUR) and includes remuneration awarded for the respective service period for financial year 2015. In order to maintain confidentiality and for data protection reasons, data are shown on an aggregated and rounded base. Risk Taker are, unless other stated, reported as identified for financial year 2015 with full-time equivalent (FTE). Remuneration information is allocated according to contractual situation with the legal entity respectively allocated to the legal entity for which entity the Risk Taker is identified for or delivers services to. For Clearstream Banking AG and Clearstream Banking S.A., business activities can not be considered as business units as they are no separate entities or business lines. Further, business activities in Clearstream Group are highly interconnected, so that Clearstream Banking AG and Clearstream Banking S.A. were considered as material business units according to the Risk Taker identification process and reported as legal entities. Due to data protection reasons, there are no further distinctions within each legal entity, especially information on remuneration for Clearstream International S.A., Clearstream Operations Prague s.r.o as well as Clearstream Services S.A. and are incorporated under "other Clearstream Group". The information reported for Clearstream Banking AG include Risk Taker in control functions, support functions as well as client relations; for Clearstream Banking S.A. control functions, business management, operations and client relations; "Other Clearstream Group" include Risk Taker of other Clearstream Group entities and Risk Taker in control functions, support functions and operations.

4.3. Remuneration Information by Senior Management and Risk Taker

According to Article 450 paragraph 1 h CRR, aggregate quantitative information on remuneration 2015 of senior management and Risk Taker⁴:

amounts in Mio. EUR	Members of the Senior Management			Risk Taker (including Group Risk Taker)			Σ
	Clear-stream Holding AG	Clear-stream Banking AG	Clear-stream Banking S.A.	Clear-stream Banking AG	Clear-stream Banking S.A.	Other Clear-stream Group	
Remuneration 2015							
<i>Risk Taker (FTE)</i>	1.2	3.7	5.1	7.1	6.7	33.1	56.9
total remuneration	0.84	1.69	4.76	1.42	1.26	11.79	21.76
thereof total fixed remuneration	0.54	1.27	2.43	1.15	1.00	7.95	14.34
thereof total variable remuneration	0.30	0.42	2.33	0.27	0.26	3.84	7.42
ratio variable to fixed remuneration	1 : 0.56	1 : 0.33	1 : 0.96	1 : 0.23	1 : 0.26	1 : 0.48	1 : 0.52
Total variable remuneration 2015							
thereof in cash	0.15	0.21	1.26	0.27	0.26	2.18	4.33
thereof in share-linked instruments	0.15	0.21	1.07	0.00	0.00	1.66	3.09
Deferred variable remuneration 2015							
<i>Risk Taker (FTE)</i>	1.1	2.8	5.1	0.0	0.0	13.0	22.0
total variable remuneration (deferral and upfront part)	0.30	0.42	2.14	0.00	0.00	3.30	6.16
total deferred variable remuneration	0.24	0.34	1.86	0.00	0.00	2.54	4.98
thereof deferred in cash	0.09	0.13	0.79	0.00	0.00	0.95	1.96
thereof deferred in share-linked instruments	0.15	0.21	1.07	0.00	0.00	1.59	3.02
thereof vested	0.00	0.00	0.00	0.00	0.00	0.00	0.00
thereof unvested	0.24	0.34	1.86	0.00	0.00	2.54	4.98
Amounts of deferred remuneration from previous years							
<i>Risk Taker (FTE)</i>	1.2	3.7	7.8	0.0	0.0	7.0	19.7
paid-out upfront cash-part	0.05	0.13	0.75	0.00	0.00	0.40	1.33
vested and paid out from previous years	0.00	0.00	1.02	0.00	0.00	0.00	1.02
unvested and deferred from previous years	0.19	0.51	3.74	0.00	0.00	1.61	6.05
thereof reduced through performance adjustments	0.00	0.00	0.00	0.00	0.00	0.00	0.00

⁴ Deferred remuneration includes the deferral and upfront LSI part (upfront LSI regarded as deferred due to the retention period). The table with deferred variable remuneration 2015 includes all Executive Board members who received variable remuneration for who the payout schedule of the respective payout scheme applied. Overall, 1.0 FTE of Executive Board member did not receive deferred variable remuneration and as a consequence no figures under "Deferred variable remuneration 2015" are disclosed. The figures on members of the Senior Management contain the remuneration data of Executive Board members and Supervisory Board members (if remuneration was awarded for the respective mandate).

amounts in Mio. EUR	Members of the Senior Management			Risk Taker (including Group Risk Taker)			Σ
	Clear-stream Holding AG	Clear-stream Banking AG	Clear-stream Banking S.A.	Clear-stream Banking AG	Clear-stream Banking S.A.	Other Clear-stream Group	
Sign-on / buy-out 2015							
<i>Risk Taker (FTE)</i>	-	-	-	-	-	-	1.0
total amount of sign-on / buy-out payments	-	-	-	-	-	-	0.15
Severance payments 2015⁵							
<i>Risk Taker (FTE)</i>	-	-	-	-	-	-	1.40
total amount of severance payments	-	-	-	-	-	-	1.14
thereof awarded in 2015	-	-	-	-	-	-	1.14
thereof paid out in 2015	-	-	-	-	-	-	1.14
highest such award to a single person	-	-	-	-	-	-	1.08

Table 3: Aggregate quantitative information according to Article 450 paragraph 1 g CRR, broken down by members of the Executive Board and Risk Taker.

4.4. Information on High Earners

Pursuant to Article 450 paragraph 1 i CRR, the number of individuals being remunerated EUR 1 million or more (High Earners) per financial year must be broken down into pay bands of EUR 0.5 million. Overall for financial year 2015 Clearstream entities remunerated one employee in the pay bracket between 1.0 to 1.5 Mio. € and two employees in the pay bracket between 1.5 to 2.0 Mio. €.

⁵ In order to maintain confidentiality and for data protection reasons, data are shown on an aggregated and rounded base.
