

Remuneration Policy

of Clearstream Fund Centre S.A.

Version 1.1

Public

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1 Introduction

1.1 Purpose and objectives of the Policy

The Remuneration Policy ("Policy") is a central element for the implementation of the Remuneration systems within the organization.

The objectives of the Policy are in particular:

- to set out the principles governing the Remuneration systems of the Company in the respective organizational guidelines, and to build an overall framework on Remuneration in the organizational guidelines. Further details on Remuneration can be outlined as applicable for the respective locations, categories of employees, Remuneration components and/or from time to time e.g., in service or employment contracts, guidelines, works council agreements,
 - to ensure that the Remuneration of the Company is in line with the applicable regulations on Remuneration in particular
 - the Regulation (EU) No 527/2014 of 12 March 2014 supplementing Directive (EU) No 2013/36/EU of the European Parliament and of the Council with regard to regulatory technical standards specifying the classes of instruments that adequately reflect the credit quality of an institution as a going concern and are appropriate to be used for the purposes of variable remuneration, the EBA Guidelines on remuneration policies and practices related to the sale and provision of retail banking products and services (EBA/GL/2016/06), the revised EBA Guidelines on sound remuneration policies under Directive 2013/36/EU (**EBA/GL/2021/04**) and the applicable CSSF circulars,
 - the Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 ("**CRR**"), as amended by Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements ("**CRR II**"),
 - the Directive 2013/36/EU of the European Parliament and of the council of 26 June 2013 on access to the activity of credit Institutions and the prudential supervision of credit Institutions and investment firms ("**CRD IV**"), as amended by Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019 amending Directive 2013/36/EU as regards exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures ("**CRD V**"),
 - Commission Delegated Regulation (EU) 2021/923 of 25 March 2021 supplementing Directive 2013/36/EU of the European Parliament and of the Council with regard to regulatory technical standards setting out the criteria to define managerial responsibility, control functions, material business units and a significant impact on a material business unit's risk profile, and setting out criteria for identifying staff members or categories of staff whose professional activities have an impact on the institution's risk profile that is comparably as material as that of staff members or categories of staff referred to in Article 92(3) of that Directive ("**EBA-RTS 2021/923**"),
 - Circulars 10/437, 15/622 and 22/797 (the latter adopting the Final report on the Guidelines on sound remuneration policies under Directive 2013/36/EU issued by the EBA on 02 July 2021 (EBA/GL/2021/04))
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issued by the Commission de Surveillance du Secteur Financier (“CSSF Circulaires”) dated 31 January 2022),

- the Luxembourg law of 5 April 1993 on the financial sector, as amended (“LFS”),
- all national Remuneration laws and requirements of the jurisdiction where the Company operates.
- to align the Remuneration systems with the objectives set out in the business and risk strategy of the Company,
- to inform the employees on the applicable rules as well as on their Remuneration system,

The Policy is in line with the Deutsche Börse Group Remuneration principles unless amendments are required under applicable regulatory requirements.

1.2 Governance, Ownership and Involvement

- 1) The Executive Board of the Company is responsible for the Policy and its implementation.
 - 2) The Supervisory Board of the Company adopts and periodically reviews the Policy and is responsible for overseeing its implementation. The Supervisory Board decides on the Remuneration system for the Members of the Executive Board.
 - 3) The Human Relation function sets up the Remuneration Policy including the Remuneration structure and Remuneration levels and organizes the regular review of the Policy with the assistance of other departments as required.
 - 4) The Remuneration system set out in this Policy will be elaborated in co-operation with the relevant Company’s Control Units (i.e., Risk Management, Compliance and Internal Audit). The Control Units shall be involved in the design, development and oversight of the Company’s Remuneration systems set out in this Policy in accordance with their duties and function. For the different Control Units the main responsibilities should be as follows:
 - a. The Risk Management function should be involved in the context of risk adjusted performance measures (including ex-post adjustments) and review the Remuneration System set out in this Policy with regard to risk culture, risk strategy and risk appetite framework.
 - b. The Compliance function assesses potential effects of the Remuneration system on the Company’s Compliance with legislation, regulation, internal policies and risk culture, and also reports relevant identified Compliance risks to responsible decision-making bodies.
 - c. The Internal Audit function should carry out an independent review of the design and implementation of the Remuneration system as outlined in chapter 1.5.
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1.3 Scope of the Policy

This Policy provides the applicable framework for the design and implementation of the Remuneration system for all employees of the Company.¹ The scope of this Policy applies to Clearstream Fund Centre S.A., including its subsidiaries, branches and representative offices in the prudential consolidation scope.

The members of the Supervisory Board do not receive Remuneration, if any allowance at all only an attendance fee is granted.

The Executive Board and the Supervisory Board of the Company carry the responsibility to implement the Remuneration system and to ensure compliance with specific requirements. In case national law of the jurisdiction the Company operates in is in conflict with this Policy, compliance within the national jurisdiction of the Company shall be ensured.

1.4 Effective date

The Policy becomes effective upon approval by the respective decision-making bodies of the Company with effect from 01 January 2023 according to regulatory requirements, underlining their responsibility of the establishment of an adequate Policy in the respective Company.

This Policy replaces and/or overrules any Remuneration Policies that might have been applicable within the scope of this Policy prior to its enactment.

1.5 Regular review

The Policy, the Remuneration system and their practical operation shall be reviewed by the Supervisory Board and the Executive Board on a regular basis, at least once a year. In this respect, the compliance of the Policy with regulatory requirements and applicable law as well as alignment with the business and risk strategy shall be ensured. The Policy and the Remuneration system shall be amended if necessary. Any changes to the Policy shall be properly documented.

In addition, a central review of the compliance with the regulation, Deutsche Börse AG group policies, procedures and internal rules and for examination and evaluation of the adequacy and effectiveness of the Policy is performed by the local Internal Audit function once a year.

¹ CSSF informed in its letter dating 13 April 2023 that it will carry out prudential supervision on a consolidated basis at the level of CFCLs financial holding company Clearstream Funds Centre Holding S.A. ("CFCH") and on the credit institution CFCL only. As per editorial date CFCL has two sub-ordinated companies, Clearstream Australia Ltd. and Clearstream Global Securities Services Ltd. As both entities are not in the prudential consolidation scope, they are not considered in the application scope of this Policy. CFCH is a financial holding company exempt from the license requirements according to Art. 34-2 (6) LFS. In this respect CFCL is responsible to ensure the compliance with prudential requirements on a consolidated basis and due to the organisational set-up of Clearstream Funds Centre Holding S.A., this Policy is focusing on CFCL.

2 Definitions

In this Policy,

“Breach of Duty” means serious infringements of employment or service agreement provisions or culpable breach of external provisions or internal policies (also on qualification and conduct) and including violations of risk limits.

“Company” means Clearstream Fund Centre S.A (“CFCL”).

“Control Units” mean those organisational units that monitor organisational units which originate business. These include Risk Management, Compliance and Internal Audit as well as further organizational units such as the Back Office, Outsourcing (in the 2nd Line of Defense), Information Security (in the 2nd Line of Defense).

“Employee” in this Policy covers all Members of Executive Board and all employees contracted with the Company irrespective of management level.²

“Fixed Remuneration” means the portion of Remuneration, which in particular is based on predetermined criteria, non-discretionary, transparent, permanent, not related to performance criteria and does not provide incentives for risk assumption, unilaterally non-revocable, cannot be reduced, suspended or cancelled by the Company.

“Instrument” means the share-based Remuneration granted under the respective Terms and Conditions as applicable from time to time.

“Members of the Executive Board” means the Members of the management body in its management function in a two-tier board structure.

“Members of the Supervisory Board” means the Members of the management body in its supervisory function in a two-tier board structure.

“Performance Contributions” means the actual performance and achievements determined on the basis of Remuneration parameters, of an employee or organisational unit, or the overall performance of the Company, which are used to determine the amount of Variable Remuneration. Performance Contributions can be also negative (for example Breach of Duty or Unconscionable Conduct).

“Remuneration” is either Fixed or Variable Remuneration. It means all monetary or monetarily measurable ancillary benefits of any kind as well as benefits from the Company or third parties that the employee receives in performance of their professional duties. All Remuneration components shall be correctly allocated to either Variable or Fixed Remuneration in line with this Policy and regulatory requirements on Remuneration.

“Risk Takers” means categories of employees whose professional activities have a material impact on the Company's risk profile (as set out in chapter 4.1).

“Severance Payments” means the portion of payment, which is awarded for the (premature, initiated by employer) termination of the employment or service agreement. Rules or the use of Severance Payments applies as set out for the respective locations and/or categories of employees as applicable from time to time, e.g., legal entitlements, internal guidelines or works council agreements.

² The members of the Supervisory Board are also considered as an employee group within the scope outlined in this Policy (rf. to section 1.3).

“Unconscionable Conduct” means a serious infringement, which violates common decency or established codes of professional behavior.

“Variable Remuneration” means the portion of Remuneration, which is not Fixed Remuneration, i.e., the awarding or amount of which is at the Company’s discretion or is dependent on the occurrence of agreed conditions and shall include discretionary pension benefits.

3 General rules on Remuneration

3.1 Consistency with business and risk strategy and corporate culture

The Remuneration and principles of this Policy shall be in line with the business and risk strategy, objectives, values, corporate culture and long-term interests, such as sustainable growth prospects. The definition of performance criteria for the assessment of Remuneration levels and target achievements shall be determined in accordance with the business and risk strategy. The level and structure of the Remuneration shall be in accordance with prudent risk management. It shall take into consideration prospective/future risks as well as existing/current risks and risk outcomes. The consistency of the Policy with the business and risk strategy shall be subject to a regular review.

3.2 Remuneration components

Employees shall receive Fixed and Variable Remuneration. The Fixed Remuneration shall be a substantial proportion of the total annual Remuneration. Generally, Employees employed in Control Units shall receive Fixed and Variable Remuneration, however, also only Fixed Remuneration may be possible. The Variable Remuneration is aligned with the rules of the Policy and is not guaranteed.

Fixed Remuneration in accordance with the definition set out in chapter two consists of basic Fixed Remuneration and other Fixed Remuneration components as classified in accordance with regulatory requirements (such as payments mandatory for employees in the collective agreement).

Basic Fixed Remuneration should primarily reflect and/or take into account:

- relevant professional experience,
 - organisational responsibility,
 - level of education,
 - degree of seniority,
 - level of expertise and skills,
 - job experience,
 - relevant business activity,
 - Remuneration level of the geographical location,
 - other constraints, such as market and industry practices.
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Additionally, employees can in general receive the following main remuneration components, which are classified as Fixed Remuneration in accordance with regulatory requirements: jubilee payment, supplementary pension plan from the employer, (statutory) pre-retirement plan, canteen/lunch subsidy, company car, fitness subsidy, public transport allowance, subsidy for special technical internet port, cost reimbursement in case of employee delegation and expense reimbursement in connection with relocation.

Variable Remuneration in accordance with the definition set out in chapter two consists of a performance bonus and other Variable Remuneration as classified in accordance with regulatory requirements.

The performance bonus should reflect:

- a sustainable and risk adjusted performance, as well as
- performance in excess of that required to fulfil the employee's job description as part of the terms of employment.

In addition, employees can receive other Remuneration which is classified as Variable Remuneration such as a bonus guarantee for the first year of employment, severance payments, employee suggestion program and reimbursements for education.

The Remuneration shall be designed in a way that incentives for incurring disproportionately high-risk positions are avoided. In light of this, there should not be a significant dependency on Variable Remuneration.

3.3 Appropriateness of Remuneration

The Remuneration shall be set appropriately. This means, in particular, that:

- 1) The Remuneration shall not incentivise the assumption of disproportionately high risks.
 - 2) The Remuneration shall be commensurate with the respective tasks and the performance for the Company and shall not exceed the usual Remuneration without cause.
 - 3) The Remuneration Policies and practices shall be gender neutral, i.e., there should be no differentiation between employees of the female, male or diverse genders. All aspects of the Remuneration Policy shall be gender neutral, including the award and pay-out conditions for remuneration.
 - 4) Guidelines for Variable Remuneration shall take due account of possible mismatches of performance and risk periods. Variable Remuneration is not guaranteed, i.e., all Variable Remuneration is based on a performance measurement and can be 0.
 - 5) There shall be an appropriate ratio between the Fixed and the Variable Remuneration. The Variable Remuneration may amount up to a maximum of 100% of the Fixed Remuneration. Subject to national regulatory requirements and mandatory information to the regulators, the Variable Remuneration may amount up to a maximum of 200% of the Fixed Remuneration if approved by the shareholders, owners or members of the Company.
 - 6) Guaranteed Variable Remuneration is exceptional and is only allowed in connection with the hiring, is limited to a maximum period of one year and subject to appropriate equity and liquid resources as well as sufficient capital in order to ensure its risk-bearing capacity.
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- 7) Retention awards, for the purpose of retaining employees at the Company, are only granted in exceptional situations (e.g., change of control) in accordance with regulatory requirements and must, in particular, meet the regulatory requirements set out for Variable Remuneration.
- 8) As a rule, the Company shall not provide discretionary pension benefits. The terms of the Company's pension scheme include pension benefits that are not based on performance and which are consistently granted to a category of employees, such pension benefits shall not be considered as discretionary pension benefits, but shall be considered as part of routine employment packages in accordance with the definitions set in chapter two. For exceptions to this rule, discretionary pension benefits shall be treated as a form of Variable Remuneration. In case an employee leaves the Company or retires with a discretionary pension benefits, the Company shall ensure that those are paid out under consideration of the economic and risk situation of the Company. Ex-ante and ex-post arrangements shall apply to all discretionary pension benefits in the same way as to other elements of Variable Remuneration.
- 9) In general, Severance Payments are Variable Remuneration. Payments in connection with the premature termination shall take due account of the performance over time and shall not reward falling short of performance expectations or misconduct in accordance with Art. 38-6(1)(h) of the LFS. There should not be any significant contractual severance entitlements, which are not diminished by individual Negative Performance Contributions.

For the purpose of the calculation of the ratio between Fixed and Variable Remuneration the following Severance Payments shall not be taken into account:

- a. Severance Payments mandatory under national labour law or mandatory following a decision of a court,
 - b. severance payments under (i) and (ii) where the institution can demonstrate the reasons and the appropriateness of the amount of the severance payment:
 - (i) severance payments calculated through an appropriate predefined generic formula (e.g., gardening leave) set within the Remuneration Policy;
 - (ii) severance payments corresponding to the additional amount due in application of a non-competition clause in the contract and paid out in future periods, up to the amount of the Fixed Remuneration which would have been paid, for the non-competition period, if staff were still employed,
 - c. Severance Payments not fulfilling the condition in point b (i), where the institution has demonstrated to the competent authority the reasons and the appropriateness of the amount of the severance payment.
- 10) Payments made as compensation for forfeited Remuneration in previous service and/or employment relationships shall be in line with the long-term interests of the Company and take into account individual performance. It shall only be granted in the first year after the start of the employment and shall classified as Variable Remuneration.
 - 11) The Remuneration of employees in Control Units shall be designed with respect to their function. Therefore, the
 - a. internal Control Units shall be independent and have sufficient resources, knowledge and experience to perform their tasks and the Remuneration level of employees in the Control Units should allow to employ qualified and experienced employees in these functions,
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- b. method of determining the Remuneration of employees involved in the Control Units including the Members of the Executive Board responsible for Risk Controlling, must not compromise their objectivity or be likely to do so, employees engaged in Control Units must be independent from the business units they oversee, have appropriate authority, and be remunerated in accordance with the achievement of the objectives linked to their functions, independent of the performance of the business areas they control. Variable Remuneration shall be linked primarily to control targets,
 - c. mix of Fixed and Variable Remuneration for employees in Control Units should be weighted in favour of Fixed Remuneration. A Fixed Remuneration only is permissible.
 - d. In addition, the remuneration of the senior officers in the independent control functions, including the risk management and compliance functions, should be directly overseen by the Supervisory Board.
- 12) In case of overlapping regulatory requirements on Remuneration on national implementation level, the stricter requirements shall be applied.

3.4 Circumvention

'Circumvention' is the non-compliance with Remuneration requirements and takes place if a Company does actually not meet the regulatory requirements when considered together, while formally the Company complies with the wording of the single Remuneration requirements. The Company shall ensure that Variable Remuneration is not paid through vehicles, methods or Instruments (in the following referred to as "vehicles") which aim at or effectively lead to non-compliance with Remuneration requirements for all employees. This includes arrangements between the Company and third parties where the employee has a financial or personal interest in. Furthermore, the Company shall ensure that appropriate controls for the method for measuring the performance are in place so that the award criteria cannot be manipulated.

Among others, circumvention takes place in the following circumstances (non-exhaustive):

- where Variable Remuneration is considered as Fixed Remuneration in line with the wording of this Policy, but not with its objectives,
 - where Variable Remuneration other than guaranteed Variable Remuneration is awarded or vests although, effectively: there has been no positive performance measured by the employee, business unit or the Company; or there is no effective risk alignment (i.e., ex-ante or ex-post risk adjustment); or the Variable Remuneration is not sustainable according to the Company's financial situation,
 - where an employee receives payments from the Company within the scope of consolidation which do not fall under the definition of Remuneration, but are vehicles of pay that contain an incentive for risk assumption or provide disproportional returns on investments on Instruments of the firm that are significantly different from conditions for other investors who would invest in such a vehicle,
 - where an employee receives payments from the Company which do not fall under the definition of Remuneration, but are vehicles to circumvent the Remuneration requirements (e.g., non-redeemable loan),
 - where Fixed Remuneration components are awarded as a fixed number of Instruments and not as a fixed amount,
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- where an employee is awarded Remuneration in Instruments or is able to buy Instruments which are not priced at the market value or the fair value in the case of non-listed Instruments and the additional value received is not taken into account in the Variable Remuneration,
- where adjustments to Fixed Remuneration components are frequently negotiated and adjustments are in fact made to align the Remuneration with the performance of the employee,
- where allowances are awarded at an excessive amount that is not justified for the underlying circumstances,
- where Remuneration is labelled as payment for early retirement and not taken into account as Variable Remuneration, where in fact the payment has the character of a severance pay, as it is made in the context of the early termination of the contract, or where in fact the employee does not retire after such award is made or where the payments are not granted on a monthly basis,
- where any measures are taken that would lead to a situation where in fact the Remuneration Policy would no longer be gender neutral.

3.5 Avoidance of Conflicts of Interest

Conflicts of Interest with relevance for Remuneration can arise in situations in which the interests of one party interfere with (or appear to interfere with) the interests of another party, impairing its ability to act fairly and ethically. The Company is subject to a framework aiming at preventing and dealing with Conflicts of Interest. All employees have to respect the related "Policy on Conflicts of Interest" at all times.

Therefore, the Company shall avoid Conflicts of Interest and take up measures to mitigate such risks.

Conflicts of Interest may arise either through

I. the establishment/implementation of the Policy or related processes, e.g.:

- during the determination of the level of Remuneration,
- decisions or award of Variable Remuneration (e.g., hiding of information to the advantage to increase final bonus amounts),
- decision on parameters on Remuneration (e.g., determination of final bonus),
- determination of target achievement on Company, area of responsibility or individual level (e.g., misuse of information for determination of level of achievement of a key performance indicator),
- assessment of performance criteria and Remuneration parameters during the appraisal process (e.g., increase of target achievement in order to increase budget for Variable Remuneration of the respective employee group),

or through

II. acts or omissions, which might have a Remuneration-specific relation, but which are governed also by policies and processes implemented and enforced by further Control Units, e.g.

- usage of insider information,
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- short-term profits at the cost of long-term, sustainable performance,
- encouragement to excessive risk-taking,
- circumvention of intended effects of risk-aligned Remuneration systems,
- limited objectivity of Control Units.

In order to avoid or to mitigate potential or actual Conflicts of Interest, the Company shall ensure the implementation of the following mitigating measures, e.g. (non-exhaustive, with indication to address the above under I. mentioned potential Conflicts of Interest):

- a sufficient level of transparency (e.g., information on relevant parameters of the Remuneration systems in the respective service contracts, bonus letters),
- a sufficient level of objectivity, e.g.
 - review of goal achievements in Performance Panels,
 - the use of qualitative and quantitative goals,
- technical support of Remuneration related processes, e.g.
 - usage of control steps via merit tools, e.g., budget approval and reading rights of bonus proposals of line managers above,
 - implementation of check boxes for regulatory requirements on target setting in the appraisal system,
 - calculation of bonus amounts and check of compliance with Remuneration rules (e.g., bonus cap or maximum amounts) via merit tool,
- involvement of neutral third person/party, e.g.
 - Control Unit involvement with regard to the design and implementation of the Remuneration systems,
 - four eyes principle during the operation of the bonus process.

The following mitigating measures would be aligned with other internal functions e.g. (non-exhaustive, with indication to address the above under II. mentioned potential Conflicts of Interest):

- the alignment of relevant components of the Remuneration system with insider trading rules, e.g.
 - in case of usage of real share Instruments within the Remuneration system,
 - the implementation of ex-ante as well as ex-post risk adjustment mechanisms, e.g.
 - risk adjustment in the yearly process for determination of Variable Remuneration,
 - clawback process (including consideration of violation of risk limits),
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- check of occurrence of personal knockouts or significant negative Performance Contributions (clawback conditions) through clawback process, e.g.
 - assessment of clawback conditions in Clawback Meeting,
- the avoidance of significant dependency on Variable Remuneration (especially for Control Units),
- hedging prohibition controls, e.g.
 - check of adherence to hedging prohibition.

3.6 Total Amount of Variable Remuneration

The Variable Remuneration must not limit the Company's ability to sustainably maintain or recover an appropriate capital base. If the Company's ability to sustainably maintain or recover an appropriate capital base is limited, no Variable Remuneration is to be granted.

The Total Amount of the Variable Remuneration shall be determined in a formal, transparent and comprehensible process. Representatives of the relevant Control Units (for the determination of the bonus pool, performance criteria and Remuneration awards) shall be involved with their scope of duty.

The determination

- shall take due account of profitability, the cost of capital which is measured by the weighted average cost of capital (derived from respective WACC) and the risk adjustment considered by the Value-at-Risk, a synthetic measure of risk of the Company,
- must ensure the Company's ability to maintain or recover appropriate own funds and liquidity, and
- must ensure the Company's ability to meet or recover a sound capital base.

The Total Amount of the Variable Remuneration is based on a combination of the assessment of the performance of the overall result of the Company as well as individual targets including the area of responsibility. Details are stipulated in the documentation of the determination of the Total Amount of Variable Remuneration.

3.7 Individual performance

In case individual performance is determined, this shall be based on the achievement of a mix of quantitative/financial and qualitative/non-financial agreed goals, which shall be challenging and ambitious. Goals shall be consistent with the business and risk strategies, corporate values, risk appetite, long-term interests as well as cost of capital and liquidity of the Company.

The full amount of Variable Remuneration is subject to an ex-ante risk adjustment and can be reduced down to 0 before the award of Variable Remuneration is made. Negative deviations of agreed goals/ targets (on individual level, level of area of responsibility or level of the Company), Breach of Duty and Unconscionable Conduct shall lead to a reduction of 1-100% of the Variable Remuneration (100% means no award of Variable Remuneration). The reduction shall not be compensated by positive Performance Contributions.

Performance of employees is based on annual goals, which are documented and tracked in the respective appraisal systems. For Members of the Executive Board of the Company a multi-year measurement shall apply. The

performance assessment is executed by the respective line manager resp. by the Supervisory Board for Members of the Executive Board.

3.8 Appraisal process

- 1) The individual performance measurement is ensured through the respective appraisal systems.
- 2) The appraisal process consists of the following steps:
 - at the beginning of each year, the manager and the appraisee agree on three to five goals for the respective year and these are entered in the respective appraisal system,
 - towards the end of the year, the manager assesses the level of goal achievement in the respective appraisal system,
 - at the end of the year, the line manager gives feedback to the appraisee on the level of goal achievement.

Further details on the appraisal process are set out in the respective guidance on goal setting, in the respective appraisal system itself.

- 3) Objectives of the process are to
 - apply transparent rules,
 - set challenging and ambitious goals with respect to the function,
 - link performance to business goals,
 - link performance to long-term perspective,
 - measure and judge performance in an objective and consistent way,
 - clarify task definition and the expectation of accomplishment,
 - avoid any conflict of interest of employees making the judgement.

3.9 Prohibition of personal hedging strategies

Employees shall not undertake any personal hedging strategies or other countermeasures that confine or neutralize the risk alignment effects of their Remuneration. This shall include, in particular, any insurance contract or external hedging transactions creating an obligation of third parties and the conclusion of financial futures transactions, in each case to the extent that such transactions limit or exclude the risk of a lower Remuneration.

The Company shall provide for appropriate compliance structures and measures in order to prevent any hedging strategies. Such measures include inspections carried out by the competent department with respect to securities accounts and other accounts notified to the Company.

3.10 Information

Employees shall be informed about the respective Remuneration system as applicable for the respective performance period.

3.11 Publication

The relevant disclosure requirements on Remuneration such as in accordance with Article 450 CRR (in case of Risk Takers identified for the Company), e.g. the general design (in particular the parameters, the decision-making process used for determining the Remuneration Policy, information on the link between performance and pay, composition of Remuneration, quantitative information on Remuneration, the ratios between Fixed and Variable Remuneration, information on the performance criteria relevant for Variable Remuneration elements and involvement of external consultants and stakeholders) shall be published on the internet.

4 Rules on Remuneration systems for Risk Takers

4.1 Risk analysis

The Company shall regularly conduct a risk analysis ("Risk Taker Analysis") to identify categories of employees whose professional activities have a material impact on the Company's risk profile ("Risk Takers"). Risk Takers are subject to the specific requirements set out in the Policy according to respective national requirements unless exemptions apply.

The scope of the Risk Taker Analysis shall not only comprise employees of the Company, but - to avoid any circumvention of regulatory requirements and due to the interconnectedness of the business model - also employees within the Company and considering respective outsourcing agreements.

An employee is deemed to be identified as Risk Taker if the criteria according to the Commission Delegated Regulation (EU) 2021/923 and Art. 38-5(2)(c)(i) and (ii) of the LFS are met. The identification criteria include for example the following:

- All members of the management body in its executive and supervisory function of the Company,
 - All members of the senior management,
 - Employees having managerial responsibility and direct accountability towards the Executive Management for the Company's control activities of the independent Risk Management function, Compliance function or Internal Audit function,
 - Employees having managerial responsibility and direct accountability toward the Executive Management for the Company's material business unit,
 - Employees identified pursuant to quantitative criteria, e.g., employees whose total Remuneration (covering the Fixed Remuneration of the preceding financial year and the Variable Remuneration awarded for the preceding financial year) exceeds specific thresholds set out by the regulation and whose professional activities are deemed to have a material impact on the Company's risk profile.
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Risk Takers shall be classified into different categories considering the function, organisational allocation, hierarchical level and reporting line. For the different categories of Risk Takers (Risk Takers Executive Board, Risk Takers n-1 (control or non-control unit) and other Risk Takers (control or non-control unit)), as applicable, the performance measurement period is appropriately aligned with the impact on the Company's risk profile.

4.2 Criteria for determining Variable Remuneration

The Variable Remuneration shall take into account the overall performance of Deutsche Börse Group, Company (derived from Segment) and Individual (including the area of responsibility) as applicable, which shall each be equally weighted in accordance with regulatory requirements. In order to ensure that the Remuneration parameters of Risk Takers in Control Units and the business units they monitor are not predominantly synchronized, the performance criteria and the weighting is different. This also holds for the Member of the Executive Board responsible for Risk Controlling. The allocation of the Variable Remuneration components within the relevant Company shall also take into account all types of current and future risks. The criteria for determining the Variable Remuneration shall be consistent with the objective of long-term sustainable performance. An assessment of the performance in a multi-year measurement applies as applicable.

When assessing individual performance, financial and non-financial criteria are taken into account and measured over a period of one year.

4.3 Deferral of Variable Remuneration

The payout schedules shall be sensitive to the time horizon of risks. In particular in case Variable Remuneration is paid, due account shall be taken of possible mismatches of performance and risk periods and it shall be ensured that payments are deferred as appropriate. The deferral rule applies in case that the Variable Remuneration equals or exceeds the current applicable exemption limit of EUR 50,000.00 (in line with regulatory requirements) or in case that the Variable Remuneration is below EUR 50,000.00 but represents more than one third of the total annual Remuneration.

If the deferral rule applies, at least 40% respectively 60% (depending on the category of Risk Taker or in case of a Variable Remuneration of a particular high amount) of the Variable Remuneration component shall be deferred over a period, which is not less than four to five years. Remuneration payable shall vest no faster than on a pro rata basis. Further, a substantial portion, and in any event at least 50%, of any Variable Remuneration, shall be in shares or equivalent share-linked Instruments, which must be subject to a retention period of at least one year. Instruments shall be applied to both, the portion of Variable Remuneration deferred and non-deferred (upfront).

Prior to vesting, there is only an entitlement to an accurate determination of the respective part of the Variable Remuneration. Details, in particular the pay-out schedule, are stipulated in the respective Remuneration Scheme and the Terms and Conditions of Instruments each as applicable for the respective year(s). As there could be cases where the activity of one employee may have a higher material impact on the risk profile of the Institution given the particular individual's job function respectively individual risk assessment, even though the Remuneration is not material, the exemption limit shall not be applied automatically and generally. This neutralisation on the level of the individual relates to the pay-out of parts of Variable Remuneration in Instruments, to the deferral of parts of the Variable Remuneration and to the ex-post incorporation of risk (malus and clawback) and takes into consideration the individual's particular job function

4.4 Ex-ante and ex-post risk adjustment

The Company applies ex-ante and ex-post risk adjustment measures of Variable Remuneration. The criteria and details are, amongst others, set out in the service agreement.

1) Ex-ante risk adjustment

The full amount of Variable Remuneration is subject to an ex-ante risk adjustment and can be reduced down to 0 before the award of Variable Remuneration is made.

Negative deviations of agreed targets (on individual level, level of responsibility or level of the Company), Breach of Duty and Unconscionable Conduct shall lead to a reduction of 1-100% of the Variable Remuneration (100% means no award of Variable Remuneration). The reduction shall not be compensated by positive Performance Contributions.

No award of Variable Remuneration shall be made if a Risk Taker (i) participated in or was responsible for a severe misdetermination or severe conduct that resulted in a significant loss or significant regulatory sanction, (ii) did not comply with internal or external provisions on qualification and conduct that resulted in a significant loss or significant regulatory sanction, or (iii) made a severe Unconscionable Conduct or severe culpable Breach of Duty.

2) Ex-post risk adjustment (clawback)

A clawback arrangement is an explicit ex-post risk adjustment mechanism taking into account future and current risks where the Company itself adjusts Remuneration of the Risk Taker based on such a mechanism.

A clawback arrangement is a subject to national legal implementation act. The Company can apply a clawback (claim back on already paid out Variable Remuneration) arrangement up to 100% of the total Variable Remuneration regardless of the method used for the payment, including retention arrangements.

Clawback on already paid out parts of Variable Remuneration shall be made if a Risk Taker (i) participated in or was responsible for a severe misdetermination or severe conduct that resulted in a significant loss or significant regulatory sanction, (ii) did not comply with internal or external provisions on qualification and conduct that resulted in a significant loss or significant regulatory sanction, or (iii) made a severe Unconscionable Conduct or severe culpable Breach of Duty.

The Company shall make use of a clawback arrangement regarding Variable Remuneration for the related period and is applied on a net basis.

The relevant Control functions assess potential ex-ante and ex-post adjustments to ensure cross-comparison and equal treatment of the cases. The respective decision-making body of the Company of the assessed case is responsible for the decision in case of a Variable Remuneration forfeiture or reduction.

5 Confidentiality

This Policy shall be published internally and externally if applicable in an appropriate manner.
