

Remuneration Policy for the Executive Board (Vorstand)

of

Eurex Clearing AG

Version 2.1

Remuneration Policy for the Executive Board

Version 2.1

March 2015

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1 Introduction

1.1 Scope of the Policy

The Remuneration Policy ("Policy") applies to the members of the Executive Board (*Vorstand*) of Eurex Clearing AG ("Company").

1.2 Purpose and objectives of the Policy

The objectives of the Policy are

- to set out the principles governing the Company's Remuneration system for the Executive Board (*Vorstand*) in organisational guidelines,
 - to ensure that the Remuneration is in line with the applicable regulations on remuneration (in particular the *Institutsvergütungsverordnung* dated 16 December 2013 ("*InstitutsVergV*"), 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 ("CRR") and the German Banking Act (*Kreditwesengesetz* – "*KWG*") and is monitored accordingly,
 - to ensure that the Remuneration is in line with the applicable regulatory requirements pursuant to 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") and the European Commission delegated Regulation (EU) No 153/2013 of 19 December 2012 supplementing Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 ("EMIR") with regard to regulatory technical standards on requirements for central counterparties ("Regulatory Technical Standards"),
 - to ensure that the Remuneration is properly monitored, and
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- to inform Management 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.

1.3 Roles and responsibilities/Ownership, effective date

Ownership:

- 1) A so-called Compensation Review and Nomination Committee (“CRNC”) was set up by the Supervisory Board (*Aufsichtsrat*) in accordance with Regulatory Technical Standards and EMIR. The CRNC drafts and organizes the regular review of the Policy with the assistance of other departments as required. The CRNC shall also serve as the remuneration review committee pursuant to sec. 25d para. 12 KWG (*Vergütungskontrollausschuss*) and fulfil all the tasks assigned to such committee pursuant to sec. 15 InstitutsVergV. Therefore, the CRNC, inter alia, supports the Supervisory Board (*Aufsichtsrat*) organizing and supervising the Company’s Remuneration system in accordance with the regulatory requirements. Further details with regard to the CRNC, in particular its composition and tasks/responsibilities, are stipulated in sec. 9 of the rules of procedure (*Geschäftsordnung*) of the Supervisory Board.
- 2) The Policy will become effective upon approval by the Supervisory Board (*Aufsichtsrat*) of the Company with effect from 1 January 2015 due to regulatory requirements.
- 3) This Policy replaces and/or overrules any remuneration policies that might have been applicable to the members of the Executive Board (*Vorstand*) of the Company prior to its enactment.

1.4 Regular review

The Policy, the Remuneration system and their practical operation shall be reviewed by the CRNC on a regular basis, at least once a year. In this respect the CRNC supports the Company’s efforts to ensure compliance of the Policy with regulatory requirements and applicable law as well as alignment

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with the business and risk strategy. The Compensation Officer and Deputy Compensation Officer shall provide the preparation for such reviews. The Policy and the Remuneration system shall be amended if necessary. The CRNC shall ensure that any changes to the Policy are properly documented.

1.5 Definitions

In this Policy

“Control Units” mean those organisational units within the Company that monitor organisation units that originate business. These include the back office, risk management, compliance, internal audit, human resources and Compensation Officer and Deputy Compensation Officer.

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

“LSI” means the Terms and Conditions of the Long-term Sustainable Instrument as amended from time to time.

“LSI Shares” means the Long-term Sustainable Instrument according to the LSI.

“Management” mean the members of the Executive Board of the Company.

“Negative Performance Contributions” mean (i) falling short of targets, (ii) misbehaviour or (iii) any other risks or errors resulting in a downturn of the financial performance in each case taking into account the underlying performance of the institution as a whole and the business unit for which the respective Management member bears responsibility.

“Remuneration” means all monetary or monetarily measurable ancillary benefits of any kind as well as benefits from the Company or third parties that Management receives in performance of their professional duties; monetary or monetarily measurable ancillary benefits which have no incentive effect with respect to the assumption of risk positions, such as, for example, discounts, collective and

company insurance and social welfare benefits and are granted by means of an Company-wide, non-discretionary regulation, shall not be considered Remuneration.

“Variable Remuneration” means the portion of Remuneration, 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 contributions to pension schemes.

“Variable Remuneration Scheme” means the general parameters as applicable from time to time to Management according to which the Variable Remuneration shall be paid out to Management.

2 Remuneration systems

2.1 General rules

2.1.1 Form requirements

The Remuneration which the Management receives for its professional activities at the Company must be stipulated definitively in its service contract. The service contract and any subsequent amendments must be in written form.

2.1.2 Consistency with business strategy

The Remuneration and the Remuneration strategy shall be in line with the business and risk strategy, objectives, values and long-term interests, such as sustainable growth prospects. The definition of performance criteria for the assessment of Remuneration levels and target achievements will be determined in accordance with the business and risk strategy.

2.1.3 Consistency with prudent risk management

The level and structure of the Remuneration shall be aligned with prudent risk management. It shall take into consideration prospective risks as well as existing risks and risk outcomes. The pay-out schedules shall be sensitive to the time horizon of risks. In particular in the case of Variable Remuneration due account shall be taken of possible mismatches of performance and risk periods and it shall be ensured that payments are deferred as appropriate.

2.1.4 Appropriateness of Remuneration and deferral of payments

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

- 1) The Remuneration shall not incentivise the assumption of disproportionately high risks.
 - 2) The Remuneration of Management shall be commensurate with the respective tasks and the performance as well as the situation of the Company and shall not exceed the usual remuneration without cause. When determining the usual remuneration an appropriate peer group shall be considered; such peer group may also include performers in horizontal international peer groups.
 - 3) The guidelines for the Variable Remuneration shall take due account of possible mismatches of performance and risk periods. In particular, payments of Variable Remuneration shall be deferred as appropriate. Variable Remuneration is not guaranteed, i.e. all Variable Remuneration is based on a performance measurement and can be 0.
 - 4) There shall be an appropriate ratio between the Fixed and the Variable Remuneration; according to the shareholders consent at the annual general meeting, dated April 10th, 2014 the Variable Remuneration may amount up to a maximum of 200% of the fixed remuneration as defined in sec. 25a para. 5 KWG, taking into account the respective criteria.
 - 5) Guaranteed Variable Remuneration is exceptional and is only allowed in connection with the hiring of Management and is limited to a max. period of one year.
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- 6) Payments in connection with the premature termination of Management's engagement with the Company shall take due account of the performance over time and shall not reward falling short of performance expectations or misconduct of the individual Management member in accordance with sec. 5 para. 7 InstitutsVergV.
- 7) 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 (see: 2.1.6) and the deferral requirements stipulated in sec. 4 Variable Remuneration Scheme as applicable from time to time.
- 8) Further details are stipulated in the Variable Remuneration Scheme as applicable from time to time.

2.1.5 Criteria for determining Variable Remuneration

The Variable Remuneration for Management shall take into account the overall performance of the Company, the performance of the areas of responsibility assigned to the individual Management member, performance contributions of the individual Management member and the overall performance of the Company taking into account the Deutsche Börse Group performance. The criteria for determining the Variable Remuneration shall be consistent with the objective of long-term sustainable performance. The majority of targets shall be based on a multi-year performance period (*mehrfährige Bemessungsgrundlage*). Details are stipulated in sec. 2 Variable Remuneration Scheme as applicable from time to time.

2.1.6 Individual performance

The individual performance of a Management member shall be determined based on the achievement of agreed targets, which shall be challenging and ambitious and consist of a mix of quantitative and qualitative targets. The Supervisory Board shall decide and/or confirm on an annual basis which criteria shall be used for determining individual performance. Negative Performance Contributions

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resulting from unethical behaviour or misconduct shall not be compensated by positive performance contributions and must result in a reduction of Variable Remuneration (down to 0). Details are stipulated in sec. 3 and 5 Variable Remuneration Scheme as applicable from time to time.

2.1.7 Determination of the total amount of Variable Remuneration

The total amount of the Variable Remuneration shall be determined in a formal, transparent and comprehensible process. The determination (i) shall take due account of the risk-bearing capacity, the multi-year capital planning and the profitability, (ii) must ensure the Company's ability to maintain or recover appropriate own funds and liquidity and (iii) must ensure the Company's ability to meet or recover the combined capital buffer requirements in accordance with the German Banking Act (KWG). Details are stipulated in sec. 1 Variable Remuneration Scheme as applicable from time to time.

2.1.8 Avoiding high risk positions

The Remuneration of Management shall be designed in a way that incentives for incurring disproportional high risk positions are avoided. In light of this, there should not be

- 1) a significant dependency on Variable Remuneration; and
- 2) significant contractual severance entitlements which are not diminished by individual Negative Performance Contributions.

2.1.9 Prohibition of personal hedging strategies

Management 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, 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 may include inspections carried out by the

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Company's competent department with respect to securities accounts and other accounts maintained at the Company as well as at other institutions.

2.1.10 Control Units

The Remuneration system set out in this Policy has been determined in co-operation with the Control Units. In particular, representatives of the Control Units participate in the Remuneration Advisory Board of the Company which is involved in the decision-making process of the Company with respect to the design and development of the Company's Remuneration system.

2.1.11 Compensation Officer and Deputy Compensation Officer

Management appoints a Compensation Officer (Vergütungsbeauftragter) and a Deputy Compensation Officer (stellvertretender Vergütungsbeauftragter) in accordance with sec. 23 InstitutsVergV ("Compensation Officer and Deputy Compensation Officer"). The Compensation Officer and the Deputy Compensation Officer are assigned to the Management. Amongst other, the Compensation Officer – and as the case may be also the Deputy Compensation Officer – shall support the Supervisory Board as well as the CRNC supervising and, therefore, fulfilling their responsibilities regarding the monitoring and design of the Company's Remuneration system in accordance with the regulatory requirements.

2.1.12 Ensuring appropriate capital base

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.

2.1.13 Information

Management shall be informed by e-mail or in writing about the structure of its Remuneration system and provided with the Variable Remuneration Scheme as applicable from time to time.

2.1.14 Publication

The key elements of the Policy shall be made available to the public, free of charge. In accordance with Article 450 CRR, 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, total amount of the Remuneration broken down by business area, specific information on the Remuneration of senior management and risk takers, the ratios between fixed and Variable Remuneration, information on the performance criteria relevant for Variable Remuneration elements, aggregate quantitative information on Remuneration, number of Employees receiving a Variable Remuneration and of those being remunerated above specific thresholds, involvement of external consultants and stakeholders) of the Remuneration shall be published on the internet.

2.2 Specific rules

2.2.1 Remuneration components (general)

- 1) Management shall receive a Fixed and Variable Remuneration.
- 2) The Fixed Remuneration shall be a substantial proportion of the total annual Remuneration.
- 3) The Variable Remuneration is aligned with the rules stipulated in 2.1. of the Policy and is not guaranteed, i.e. all Variable Remuneration components are based on a performance measurement and can be 0.
- 4) Details are stipulated in the Variable Remuneration Scheme as applicable from time to time.

2.2.2 Fixed Remuneration

The Fixed Remuneration of Management should be adequate and in line with regulatory requirements.

2.2.3 Variable Remuneration

2.2.3.1 Ratio between Fixed Remuneration and Variable Remuneration

- 1) The Variable Remuneration for Management can vary between 0% and 200% of the Fixed Remuneration.
- 2) Each year the Supervisory Board decides the bonus budget on the basis of the business performance. The individual bonus is calculated using the performance measurement Executive Appraisal System (Ex-App).
- 3) Details are stipulated in sec. 3 Variable Remuneration Scheme as applicable from time to time.

2.2.3.2 Deferral of Variable Remuneration

- 1) The Variable Remuneration shall be deferred as stipulated in sec. 20 InstitutsVergV. During the deferral period the deferred parts of the Variable Remuneration shall vest yearly on a pro rata basis. Prior to vesting, Management is only entitled to an accurate determination of the respective part of the Variable Remuneration.
- 2) The Supervisory Board shall annually review and decide whether the deferral period shall be amended.
- 3) Details, in particular the pay-out schedule, are stipulated in sec. 3 - 5 Variable Remuneration Scheme and the LSI each as applicable from time to time.

2.2.3.3 Malus adjustment

- 1) Negative Performance Contributions shall result in a reduction (down to 0) of deferred parts of the Variable Remuneration. The Variable Remuneration shall be reduced to 0 in particular if a member of Management (i) participated or was responsible for a conduct that resulted in a significant loss or (ii) did not comply with internal or external provisions on qualification and conduct. A reduction of deferred parts of the Variable Remuneration shall also apply in case of an individual Management member's unconscionable conduct, which is, in particular, a serious infringement, which violates common decency or established codes of professional behavior.
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Conduct in breach of duty is defined as serious infringements of service agreement provisions or breach of internal policies, including violations of risk limits.

- 2) The Supervisory Board decides whether a infringement is serious in the above sense within the scope of an overall assessment of all circumstances. In so doing, the Supervisory Board takes in particular into account the significance of the duty breached, the perpetuity of the breach of duty and impacts upon the business or reputation of the Company or any other subsidiary of Deutsche Börse Group.

2.2.3.4 Link with long-term Company's performance

At least 50% of the deferred and non-deferred parts of the Variable Remuneration shall be linked to the long-term Company's performance. For this purpose the corresponding parts of the Variable Remuneration shall be granted in the form of Deutsche Börse AG phantom stocks which are granted under the LSI. Details, in particular the pay-out schedule, are stipulated in sec. 4 Variable Remuneration Scheme and the LSI each as applicable from time to time. Exemptions limits in accordance with sec. 18 InstitutsVergV may apply.

2.2.3.5 Performance Measurement / Executive Appraisal System (Ex-App)

- 1) The individual performance measurement of Management is ensured through the Executive Appraisal System (Ex-App).
- 2) Performance is measured annually, documented and tracked in the Ex-App system. The performance assessment for Management is executed by the Supervisory Board.
- 3) Main features of Ex-App

The appraisal process consists of the following:

- agreeing on targets with Management at the beginning of each year;
 - assessment of target achievement;
 - feedback on the target achievement.
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4) Objectives of the process

- apply transparent rules;
 - challenging and ambitious target setting with respect to the function;
 - link performance to business targets;
 - link performance to long-term perspective;
 - measure and judge performance in an objective and consistent way;
 - clarify task definition and the expectation of accomplishment.
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3 **Version Record**