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Eurex Clearing AG

Remuneration Report for 2016

This report discloses information on remuneration 2016 for
Eurex Clearing AG

according to

Article 450 of the Regulation (EU) No 575/2013 of the
European Parliament and of the Council of 26 June 2013

and § 16 of the German Remuneration Ordinance for
Institutions (InstitutsVergV) of 16 December 2013.

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1. Preamble

Eurex Clearing AG authorised as credit institution in Germany has to fulfil regulatory requirements regarding remuneration.

The requirements 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, in the following referred to as “CRR”). According to the legislative processes, the requirements have been implemented at the national level 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”).

The Remuneration Report for 2016 at hand provides qualitative and quantitative information on remuneration of Eurex Clearing AG for the financial year 2016 according to the requirements on remuneration disclosure of Article 450 CRR and § 16 InstitutsVergV. Therewith, Eurex Clearing 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”). The qualitative and appropriate quantitative criteria on identification of Risk Taker are set out in the Regulation (EU) No 604/2014¹ (in the last revised version from 18 February 2016²; in the following referred to as “EBA-RTS”). Furthermore, Eurex Clearing AG implemented regulatory requirements on remuneration (Article 26 sentence 5) of Regulation (EU) No 648/2012 (in the following referred to as “EMIR”) as well as delegated Regulation (EU) No 153/2013 supplementing EMIR.

Eurex Clearing AG is classified as a major institution according to InstitutsVergV and must fulfil the general as well as the special requirements of InstitutsVergV in conjunction with CRD IV and CRR for financial year 2016. Further subsidiaries of Eurex Clearing AG are not to be considered in accordance with § 27 InstitutsVergV.

The implementation of a further developed regulatory compliant remuneration system and the design of the remuneration system was consulted also during 2016 by hkp/// group and legally advised by Gleiss Lutz.

1 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 quantitative criteria to identify categories of staff whose professional activities have a material impact on an institution's risk profile of 26 June 2013.

2 Commission Delegated Regulation (EU) 2016/861 of 18 February 2016 correcting Commission Delegated Regulation (EU) No 528/2014 supplementing Regulation (EU) No 575/2013 of the European Parliament and of the Council with regard to regulatory technical standards for non-delta risk of options in the standardised market risk approach and correcting Commission Delegated Regulation (EU) No 604/2014 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 quantitative criteria to identify categories of staff whose professional activities have a material impact on an institution's risk profile (Text with EEA relevance).

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

The Supervisory Board of Eurex Clearing AG acts as responsible body to implement the remuneration policy for the Executive Board and is supported by the Compensation Review and Nomination Committee (in the following referred to as “CRNC”, for further details see chapter 2.2).

The remuneration policy for employees below the Executive Board lies in the responsibility of the Executive Board.

The Compensation Officer and Deputy Compensation Officer support the CRNC as well as the Supervisory Board in assessing the appropriateness of the remuneration systems of the employees.

The Remuneration Advisory Board (in the following referred to as “RAB”, for further details see chapter 2.4) ensures an appropriate involvement of the control functions in the design and monitoring of the remuneration systems.

2.2. Compensation Review and Nomination Committee

The Compensation Review and Nomination Committee (“CRNC”), as subcommittee of the Supervisory Board, acts as remuneration control committee in accordance with § 25d paragraph 11 KWG and § 25d paragraph 12 KWG. In this respect, the CRNC is responsible for the Executive Board remuneration and the monitoring of the appropriateness of the remuneration systems for staff, in particular for those staff members heading compliance and risk functions or being identified as having a material impact on the risk profile of the institution.

The core tasks of the CRNC are to supervise the adequate arrangement of the remuneration system for Executive Board members of Eurex Clearing AG and to prepare the resolutions of the Supervisory Board on the remuneration of the Executive Board, taking into account the implications for the risks and risk management of the institution as well as the long-term interests of shareholders, investors and other stakeholders. Further core competencies of the Committee are to identify candidates to fill vacancies in the Executive Board and to prepare the proposals for the election of members of the Supervisory Board, as well as to assess the composition and performance of the Executive Board and the Supervisory Board and to assess the knowledge, skills and experience of individual members of the Executive Board and the Supervisory Board periodically, at least annually.

The CRNC consists of three members who are elected by the Supervisory Board. The members of the CRNC in 2016 are Mr. Hugo Bänziger (Chairman of the CRNC), Mr. Clifford Lewis and Mr. Gregor Pottmeyer.

During 2016, the CRNC decided upon the total amount of variable remuneration 2015. In addition, the CRNC was incorporated in the process of the design and implementation of the new remuneration systems for the Executive Board and Risk Taker. Further, the CRNC was monitoring the adequacy of the employees' remuneration system and was involved in the annual Risk Taker identification process for financial year 2016. Moreover the remuneration policy has been subject of review. In doing so, the CRNC ensured the remuneration systems are aligned with the business and risk strategy and monitored the appropriateness of the new remuneration systems for the Executive Board, Risk Taker and Executives. Additionally, the possible implications of the 2017 remuneration regulation were discussed. The CRNC met three times for the corresponding meetings of the Supervisory Board during 2016.

2.3. Compensation Officer and Deputy

Within the compensation governance under the respective regulatory requirements the Compensation Officer and the Deputy Compensation Officer 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 Eurex Clearing AG and a direct functional reporting line to the CRNC.

Main activities performed in 2016:

- involvement in the conceptual development of the design of the remuneration system 2016 for Executives (Risk Taker and non-Risk Taker),
 - involvement in the process to identify Risk Taker,
 - involvement in the preparation of the merit process,
 - ongoing monitoring of the remuneration system for Executive Board members,
 - ongoing monitoring of the employees' remuneration system,
 - preparation and submission of the Remuneration Review Report,
 - supporting the CRNC in fulfilling its responsibilities in designing and monitoring the Executive Board remuneration (preparation of Supervisory Board meetings).
-

2.4. Remuneration Advisory Board

Pursuant to § 3 InstitutsVergV, the control units shall be involved in an appropriate manner in the design and monitoring of the remuneration systems. Therefore, the Executive Board implemented a Remuneration Advisory Board ("RAB").

According to the rules of procedure, the RAB was involved in the design and development of the company's remuneration systems covering the remuneration of the employees, the executive employees and the Executive Board members. The RAB supports the company's efforts to ensure compliance of its compensation system with regulatory requirements and applicable law.

The members of the RAB include representatives of i.e. Finance and (control) functions such as Audit, Compliance, Human Resources, Legal, Risk Management or the Compensation Officer in order to involve also control functions adequately in the design and monitoring of the remuneration systems.

With regard to its tasks, the RAB met one time in 2016 and consulted about:

- the design and implementation of the new remuneration system for executive employees and Risk Taker, including the payout system for Risk Taker, pool funding and allocation,
- the possible implications in the context of the draft version of the revised Remuneration Ordinance for Institutions (Institutsvergütungsverordnung) were subject of discussion in order to face upcoming changes of regulatory requirements in the course of financial year 2017.

3. Remuneration systems

3.1. Remuneration principles

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

The new compensation system for Executives and Risk Taker which was implemented in 2016 fosters a higher performance orientation as well as an enhanced equity orientation in order to comply with regulatory requirements and to ensure a sustainable development.

Remuneration principles are set out in the remuneration policy of Eurex Clearing AG which is reviewed in a regular yearly process and implemented by the Supervisory respectively Executive Board. Further remuneration principles are included in the individuals' contracts, the remuneration schemes for Risk Taker, the applicable terms and conditions for the long-term sustainable instrument (in the following referred to as the

“LSI”) respectively in the terms and conditions for the long-term sustainable instrument or the restricted stock units (in the following referred to as the “RSU”).

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 organisation. It aims at:

- setting out principles governing the company’s remuneration systems for Eurex Clearing AG in the organisational guidelines,
- ensuring that the remuneration in the company 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 and RSU if applicable.

Eurex Clearing AG performed several activities to ensure that the remuneration policy and the remuneration principles are in line with the applicable regulations on remuneration. Additionally, the remuneration policy takes the requirements of EMIR into account. The regular review of the remuneration policy was performed in the course of 2016.

3.2. Remuneration systems for Executive Board and other employees

The remuneration systems for the Executive Board members of Eurex Clearing AG and Risk Taker and for other executive and non-executive (staff) employees consist of a fixed salary and variable remuneration which is in general and amongst others specified in the respective employment contracts.

The fixed remuneration for non-executive employees is set out in the service contract. Non-executive employees are granted their variable remuneration in form of a cash bonus. They are evaluated through the staff appraisal system.

During 2016, a new compensation system for the Executive Board, Executives and Risk Taker was implemented following the guiding principles of the new remuneration system of Deutsche Börse AG Executive Board in order to ensure group wide alignment. The former bonus range was converted into a target bonus system and applied in an additive bonus system.

Executive employees who are not identified as Risk Taker receive in accordance with the target achievement a “Performance Bonus” in cash and share-based variable remuneration in form of a “Stock Bonus Plan”. The determination of the variable remuneration is based on “Net Income Growth” and “Individual Objectives”.

Risk Taker, including members of the Executive Board of Eurex Clearing AG, receive a variable remuneration according to the conditions of the respective remuneration scheme for Risk Taker and depending on the Risk Taker category and the terms and conditions of the LSI respectively the terms and conditions of the LSI and RSU. The individual variable remuneration takes into consideration the "Target Variable Remuneration", the company performance as well as the target achievements on individual level and level of area of responsibility.

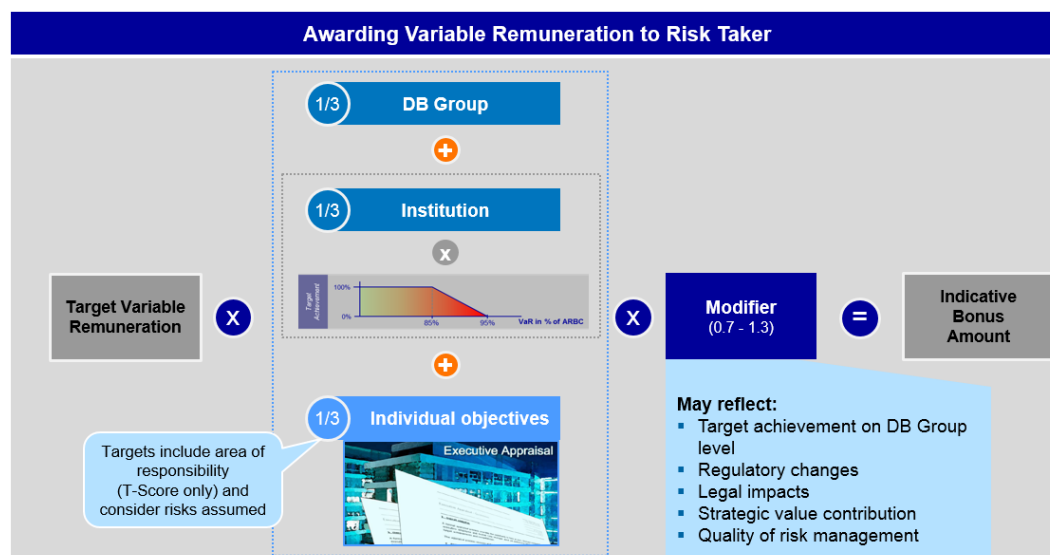
For all executive employees, a so-called "Indicative Bonus Amount" which is subject to final decision of Deutsche Börse Group Compensation Committee and the respective decision making body is calculated. The target amount for variable remuneration serves as basis for the calculation of the Indicative Bonus Amount. Net Income Growth and Individual Objectives (including objectives on area of responsibility) determine the "Overall Target Achievement Level". The Overall Target Achievement level and, if applicable, a modifier is multiplied with the individual Target Variable Remuneration.

Net Income Growth is a key element for variable remuneration and for executing and supporting the Deutsche Börse growth strategy and accounts to one third. In addition, the Net Income Growth of Eurex Clearing AG derived from the Eurex core- segment contributes another third to the Overall Target Achievement level. Individual Objectives that cover the level of the area of responsibility as well as the individual level, shall include at least one qualitative target and contribute to the determination to one third, too.

A modifier may be applied with a limited range of 0.7 - 1.3 to consider further aspects on group and also on institution level deemed to be relevant for determining the bonus, e.g. performance, regulatory changes, legal impacts, strategic value contribution or the quality of risk management.

The final bonus amount is subject to decision of the respective decision making body (an adjustment of +/- 20% of target bonus may apply for Risk Taker). Allocation maximum is 200% of the target variable remuneration to comply with the "Bonus Cap" (variable remuneration in maximum 200% of fixed remuneration). For members of the Executive Board, Risk Taker as well as employees, the shareholders passed a resolution on the maximum variable remuneration of 200% of the annual fixed remuneration according to regulatory requirements (Bonus Cap) with regard to the provisions of § 25a paragraph 5 sentence 5 KWG.

The payout of any variable remuneration is subject to a check for side conditions in institutions according to § 7 InstitutsVergV (i.e. company performance, capital planning, liquidity requirements, risk bearing capacity). Overall budget limit and a multi-year measurement may apply for Risk Taker.



Graphic 1: Exemplary process of awarding variable remuneration to Risk Taker.

Depending on the category of Risk Taker, 40 to 73 % of the variable remuneration are deferred (the RSU for three, the LSI over a period of three to four years, both paid out after an additional retention period of one year). The share based components RSU and LSI link parts of the variable remuneration with a sustainable development. The deferral period is defined in accordance to the regulatory requirements, Eurex Clearing AG's business cycle as well as the nature and risk content of Eurex Clearing AG's business activities.

To account for extraordinary developments (i. e. significant change in the economic or regulatory capital base), the Supervisory Board may adjust variable remuneration of Executive Board members according to § 10 InstitutsVergV.

Further, Eurex Clearing AG does not guarantee variable remuneration in general and only applies the exemption set out in InstitutsVergV 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 system does not incentivise to take disproportional high risks and is designed in a way that bonus can be reduced to zero in order to apply with the regulatory requirements of § 45 KWG.

3.3. Total Amount of variable remuneration

For the financial year 2016, the total amount of variable remuneration (the “Total Amount”) was defined in a formalised and transparent process. The award of variable remuneration requires the respective Supervisory Board to jointly with the respective Executive Board resolve upon a sufficient Total Amount of variable remuneration for the performance period, out of which the Risk Taker of the company will be awarded, taking into account § 45 paragraph 2, sentence 1, number 5a KWG and § 7 InstitutsVergV.

Precondition to this resolution upon a Total Amount is that the respective company did not experience negative overall business performance. In particular, where this is accompanied by a significant decrease of the company’s enterprise value, as a general rule, no Total Amount will be resolved upon.

Assessment of the requirements to determine the Total Amount		Assessment
Overall economic situation		
Overall company performance	Taking into account costs of liquidity and capital as well as the assumption of risk, the Company 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 Company are taken into account. Moreover, the Company is able to maintain or recover adequate funds and liquidity.	✓/✗
	The determination of the Total Amount does not limit the Company’s ability to meet or recover the combined capital buffer requirements in accordance with KWG.	✓/✗
A Total Amount is resolved upon:		✓/✗

Graphic 2: Overview of the requirements to determine the Total Amount.

The Total Amount will be determined by summing up individual actual awards of variable remuneration of all employees of the institution whereas such summed up amount is subject to the examination of side conditions, i.e. on performance criteria derived from the institution’s business and risk strategy in order to promote long-term sustainable success of the institution and to adequately reflect costs of capital and liquidity as well as risks incurred.

If the Supervisory Board, the Executive Board or the line manager of a Risk Taker decides 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 considers all circumstances leading to significant underperformance or negative performance contributions causing significant financial losses or damage to the reputation for the institution. This also applies in the event of individual unconscionable conduct or conduct in breach of duty as defined in the remuneration policy and the respective remuneration schemes.

3.4. Risk Taker identification

According to § 18 InstitutsVergV and EBA-RTS, staff whose professional activities have a material impact on the institution's risk profile must be identified. For financial year 2016, Eurex Clearing AG performed a risk analysis and identified Risk Taker based on these qualitative and quantitative criteria set out in EBA-RTS.

Pursuant to InstitutsVergV, members of the Supervisory Board were Risk Taker in 2016. The identified members received only attendance fees but no remuneration which can be classified as fixed or variable remuneration in the sense of the Remuneration Ordinance for the respective Supervisory Board function.

In general, the Risk Taker of Eurex Clearing AG can be differentiated between Risk Taker as members of the Executive Board of Eurex Clearing AG, Risk Taker below the Executive Board (n-1 Risk Taker) and other Risk Taker. Deutsche Börse AG's employees directly involved in providing services to Eurex Clearing AG 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 (Group Risk Taker n-1 respectively Group Risk Taker other).

3.5. Variable remuneration scheme

For Risk Taker, the variable remuneration consists of an upfront and a deferred part. Depending upon the classification of the respective Risk Taker category, the final bonus amount is split into different instruments, namely the cash bonus, the LSI shares and the RSU shares (if applicable). Therefore, the respective payout schedules are applied as shown below.

Eurex Clearing AG applied 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. At least a minimum of 50% of the deferred and non-deferred parts of the variable remuneration shall be granted in share-based long-term instruments according to regulatory requirements. For eligible persons, with the LSI and the additional RSU (the RSU shares will be deferred for three years with cliff vesting and are subject to an additional retention period of one year) two third of variable remuneration will be awarded in form of share-based instruments.

The LSI links a part of the variable remuneration with a sustainable development. The deferral period is defined in accordance to the regulatory requirements, Eurex Clearing AG's business cycle as well as the nature and risk content of Eurex Clearing AG's business activities. The deferral part (non-upfront part) of variable remuneration will be deferred for a period of three or four years and vested pro rata, also depending upon the Risk Taker classification. In every case, an additional retention period of one year applies for the LSI shares.

The RSU shares will be deferred for three years. In addition and in analogy to the LSI shares, the RSU shares are subject to a retention period of one year. At the end of the retention period, the entire RSU part will be paid out (cliff vesting).

3.5.1.Payout process

The Risk Taker payout schedule with the cash and LSI bonus apply to all Risk Taker. Additionally, the RSU as a long-term component applies to Executive Board members as well as Group Risk Taker with the internal management level 6³.

For Risk Taker with the RSU (Executive Board member as well as n-1 Group Risk Taker with internal management level 6 within Deutsche Börse Group), the award is split into three instruments:

- One third of the final bonus amount will be converted in cash ("Cash bonus").
- One third of the final bonus amount will be converted into long-term sustainable instruments ("LSI shares") in accordance with the respective terms and conditions of the LSI. The LSI shares are subject to an additional retention period of one year.
- One third of the final bonus amount will be converted into restricted stock units ("RSU shares") in accordance with the respective terms and conditions of the RSU. The RSU shares will be deferred for three years and are subject to an additional retention period of one year. Afterwards, the entire RSU part will be granted (cliff vesting).

40% of the Cash bonus and 40% of the LSI shares ("Upfront") are granted upfront. 60% of the cash bonus and 60% of the LSI shares ("Deferral") will be deferred over a period of four respectively three years ("Deferral Period"). Within the deferral period, the Deferral will be split into four respectively three equal annual instalments. The LSI shares are subject to an additional retention period of one year.

For Risk Taker (namely for the categories of n-1 Risk Taker, n-1 Group Risk Taker respectively other Group Risk Taker), the award is split into two instruments:

- 50% of the final bonus amount will be converted in cash ("Cash bonus").
- 50% of the final bonus amount will be converted into long-term sustainable instruments ("LSI shares") in accordance with the respective terms and conditions of the LSI. The LSI shares are subject to an additional retention period of one year.

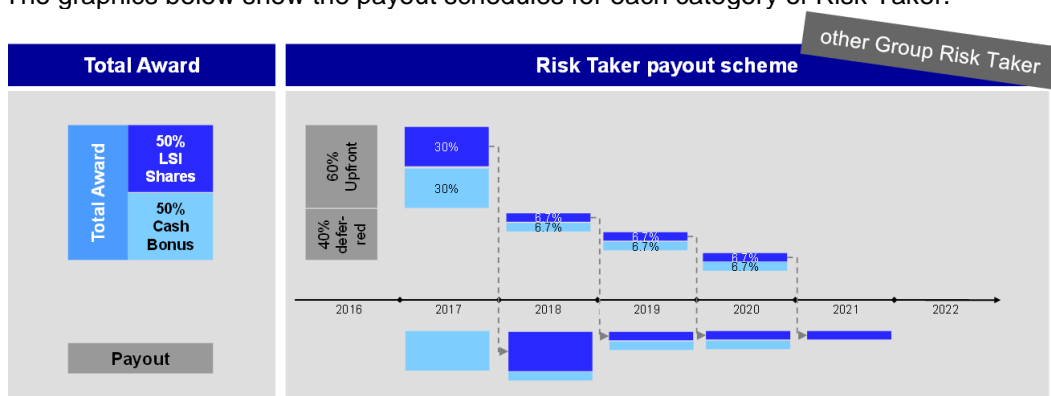
40% (namely for the categories of n-1 Risk Taker and n-1 Group Risk Taker) respectively 60% (namely for other Group Risk Taker) will be granted as upfront part. 60% respectively 40% will be deferred over a period of three years (Deferral Period). Within the deferral period, the Deferral will be split into three equal annual installments. The LSI shares are subject to an additional retention period of one year.

3 The internal management level for Executives incl. Executive Board members ranges to three levels with highest level 6.

Until the final decision regarding the payout of the final bonus amount (“Granting”), there is no right to the Deferral or to non-deferred parts of the final bonus amount which have already been converted into LSI shares or RSU shares. During the deferral period and retention period, there is only a right to an accurate determination of the expected (unpaid) portion of the variable remuneration. 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 or RSU shares forfeit and are not carried forward into future years. For the avoidance of doubt fixed remuneration shall not be subject to deferral or retention periods.

3.5.2. Payout schedules for Risk Taker (different categories)⁴

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



Graphic 3: Exemplary payout of the variable remuneration (other Group Risk Taker).

Upfront Payments		Deferred Payments	
Cash	LSI Shares	Cash (annual installments)	LSI Shares (annual installments)
30%	30%	20% (3 x 6.7%)	20% (3 x 6.7%)

Graphic 4: Overview of Risk Taker payout schedule (other Group Risk Taker).

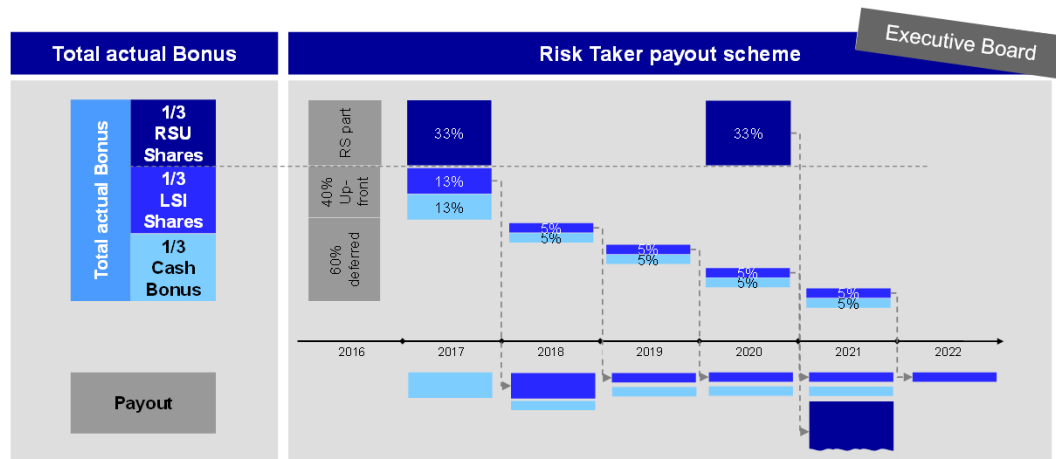
The respective components within the Group Risk Taker category, namely the cash part and the LSI part, may vary with regard to the payout as displayed below.

⁴ For reasons of readability, the percentages in this document are rounded and amount to 100% in each respective case.

Upfront Payments		Deferred Payments	
Cash	LSI Shares	Cash (annual installments)	LSI Shares (annual installments)
20%	20%	30% (3 x 10%)	30% (3 x 10%)

*n-1 Risk Taker /
n-1 Group Risk Taker*

Graphic 5: Overview of Risk Taker payout schedule (n-1 Risk Taker respectively n-1 Group Risk Taker).



Graphic 6: Exemplary payout of the variable remuneration for Risk Taker (Executive Board members) with the RSU.

Upfront Payments		Deferred Payments		
Cash	LSI Shares	Cash (annual installments)	LSI Shares (annual installments)	RSU Shares (Cliff vesting)
13%	13%	20% (4 x 5%)	20% (4 x 5%)	33%

Executive Board

Graphic 7: Overview of Risk Taker payout schedule for Risk Taker (Executive Board members) with the RSU.

Upfront Payments		Deferred Payments		
Cash	LSI Shares	Cash (annual installments)	LSI Shares (annual installments)	RSU Shares (Cliff vesting)
13%	13%	20% (3 x 6.7%)	20% (3 x 6.7%)	33%

n-1 Group Risk Taker (Level 6)

Graphic 8: Overview of Risk Taker payout schedule for Risk Taker (n-1 Group Risk Taker (Level 6)) with the RSU.

3.6. Backtest for variable remuneration

Prior to the payment, within a comprehensive review, it is decided by taking into account the requirements of the InstitutsVergV about the extent the variable remuneration under review will be paid out or converted into LSI shares respectively RSU shares.

Therefore, the sustainability of the performance contributions of Risk Taker, his area of responsibility as well as the overall performance of the institution will be considered. Moreover, the financial situation of the company, in particular significant changes in the capital base, decreases in the financial capacity and the risk-bearing capacity will be taken into account (backtesting).

In case of a negative backtest, malus can apply to all elements: the cash portion as well as the LSI respectively the RSU 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 respectively RSU shares applies.

Therefore, a malus assessment was performed for 2016 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, potential cases which could lead to reduction or forfeiture of bonus payments respectively deferred remuneration tranches are assessed. The assessment results in a recommendation regarding a potential further treatment of critical cases. A final decision upon consequences lies in the responsibility of the Executive Board respectively the Supervisory Board. The malus assessment performed did not result in any case with a potential need to adjust or forfeit variable remuneration for 2016 and/or deferred tranches from financial years 2014 and 2015 for Executive Board members, Risk Taker or employees of Eurex Clearing AG. The payout of variable remuneration for 2016 and of deferred tranches from previous financial year(s) was assessed to be in line with the regulatory requirements.

3.7. Prohibition of personal hedging strategies

The effectiveness of risk alignment would 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 neutralise 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 utilised.

4. Information on remuneration

4.1. Information on Supervisory Board members

According to EBA-RTS, members of the management body in its supervisory function (Supervisory Board) are classified as Risk Taker. As Supervisory Board members receive no remuneration which is to be classified as fixed or variable remuneration in the sense of the Remuneration Ordinance, the number of mandates of the members of the Supervisory Board is disclosed below:

Σ^5	
Supervisory Board structure 2016⁶	
<i>number of mandates</i>	13

Table 1: Information on Supervisory Board members.

5 Supervisory Board member are stated as Headcount. Out of the twelve members, ten members are not employed within Deutsche Börse Group and receive only an attendance fee which is disclosed in section "Other disclosures" on pages 16-17 of Eurex Clearing AG's Annual Report 2016 which can be found under the following link: www.eurexclearing.com/blob/3037596/0f3ddacb8d3772a4269f2be63fac744b/data/annual_report_2016_en.pdf. Two Supervisory Board members are employed within Deutsche Börse Group, but did not receive remuneration for the mandate as Supervisory Board member of Eurex Clearing AG.

6 Intraday changes in the composition or mandates were taken into account. As of 31 December 2016, the Supervisory Board of Eurex Clearing AG consists of 12 mandates.

4.2. Remuneration information by business area⁷

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

amounts in Mio. EUR	Clearing Business & Treasury	Other	Σ
Remuneration 2016			
<i>Risk Taker (FTE)</i>	29.6	19.3	48.9
total remuneration	10.60	11.83	22.43
thereof fixed remuneration	6.35	6.42	12.77
thereof variable remuneration	4.25	5.41	9.66
ratio variable to fixed remuneration	1 : 0.67	1 : 0.84	1 : 0.76

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

⁷ The remuneration information for Risk Taker not being Supervisory Board member is disclosed in EUR (foreign currencies are converted into EUR) and includes remuneration awarded for the respective service period for the financial year 2016. 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 2016 with full-time equivalent (FTE) as per 31 December 2016 (if appropriate changes in the course of the year are reflected). 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 data protection reasons, the two key business activities Clearing Business and Treasury are summarised and there are no further distinctions made. The business area disclosed as Clearing Business & Treasury includes e.g. Clearing Sales & Relations, IT, Clearing Design, Treasury. "Other" consists of corporate (service) functions such as e.g. Finance, Human Resources, Internal Audit. In addition and as disclosed under section 4.3 ("Remuneration information by Senior Management and Risk Taker") intrayear changes in the composition of the Executive Board were taken into account. As of 31 December 2016, the Executive Board of Eurex Clearing AG consists of five mandates.

4.3. Remuneration information by Senior Management and Risk Taker⁷

According to Article 450 paragraph 1 h CRR, aggregate quantitative information on remuneration by senior management and Risk Taker:

amounts in Mio. EUR	Members of the Senior Management	Risk Taker (including Group Risk Taker)		Σ
		Clearing Business & Treasury	Other	
Remuneration 2016				
<i>Risk Taker (FTE)</i>	6.0	25.6	17.3	48.9
total remuneration	3.58	7.73	11.12	22.43
thereof total fixed remuneration	1.71	5.02	6.04	12.77
thereof total variable remuneration	1.87	2.71	5.08	9.66
ratio variable to fixed remuneration	1 : 1.09	1 : 0.54	1 : 0.84	1 : 0.76
Total variable remuneration 2016				
thereof in cash	0.62	1.36	1.88	3.86
thereof in share-linked instruments	1.25	1.35	3.20	5.80
Deferred variable remuneration 2016⁸				
<i>Risk Taker (FTE)</i>	6.0	17.6	11.3	34.9
total variable remuneration (deferral and upfront part)	1.87	2.44	4.87	9.18
total deferred variable remuneration	1.62	2.00	4.18	7.80
thereof in cash	0.37	0.66	0.98	2.01
thereof in share-linked instruments	1.25	1.34	3.20	5.79
thereof vested and paid out	0.25	0.44	0.69	1.38
thereof unvested	1.62	2.00	4.18	7.80
Amounts of deferred remuneration from previous years⁹				
vested and paid out from previous years	0.32	0.26	0.80	1.38
unvested and deferred from previous years	1.40	1.22	3.45	6.07
thereof reduced through performance adjustments	0.00	0.00	0.00	0.00
Sign-on / buy-out 2016				
<i>Risk Taker (FTE)</i>	-	-	-	-
total amount of sign-on / buy-out payments	-	-	-	-

⁸ Deferred remuneration includes the deferral and upfront LSI part as well as RSU part (upfront LSI as well as RSU regarded as deferred due to the retention period).

⁹ Amounts of deferred remuneration from previous years allocated as identified in the respective year. Unvested share-linked tranches are calculated with the share price according to the respective terms and conditions.

Severance payments 2016¹⁰

awarded				
- Risk Taker (FTE)	-	-	-	-
- total amount of severance payments	-	-	-	-
- highest such award to a single person	-	-	-	-
paid out				
- Risk Taker (FTE)	-	-	-	1.0
- total amount of severance payments	-	-	-	0.57

Table 3: Aggregate quantitative information by senior management 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 Mio. or more (High Earners) per financial year must be broken down into pay bands of EUR 500 000. Overall for financial year 2016 Eurex Clearing AG remunerated 1 employee in the pay bracket between EUR 1.5 to 2.0 Mio..

¹⁰ In order to maintain confidentiality and for data protection reasons, data are shown on an aggregated and rounded base. Severance payment awarded in the respective financial year refers to severance payments which are awarded in the relevant financial year but not necessarily yet paid out to the employee. Therefore, the amount or point of time of severance payment to be paid out in the financial year may differ from the awarded amount.
