



DEUTSCHE BÖRSE
GROUP

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Financial report 2016

Excerpt: non-financial key performance indicators



Non-financial key performance indicators

Employees

Committed, highly skilled employees are one of the cornerstones of Deutsche Börse Group's business success. Their dedication, flexibility and will to deliver outstanding performance shape its corporate culture. Deutsche Börse Group aims to make sure that staff with these qualities continue to join the company in the future and, ideally, that they stay for the long term. It does this by adopting a sustainable human resources policy. Within the scope of its "Accelerate" programme, the Group increased its emphasis upon a high-performance culture, with a more distinct focus on clients' needs and on innovation. This culture is supported by a remuneration system for executive staff which incorporates growth, performance, and financial indicators to a higher extent than before.

Deutsche Börse Group employs an international workforce at 37 locations worldwide: as at 31 December 2016, Deutsche Börse Group had 5,176 employees (31 December 2015: 5,100), while the average number of employees in the reporting period was 5,095 (2015: 4,760). The decrease in staffing levels was predominantly attributable to the deconsolidation of International Securities Exchange Holdings, Inc. (-183), Infobolsa S.A. (-79) and Market News International Inc. (-91) and their respective subsidiaries. On the other hand new jobs were created (+246) mainly in the context of the "Accelerate" growth initiatives and other strategically important projects, such as IT sourcing and outsourcing initiatives.

To recruit and retain the best talent for the company, Deutsche Börse Group offers flexible working time models. Including part-time employees, there was an average of 4,731 full-time equivalents during the year (2015: 4,460). As at 31 December 2016, the proportion of part-time employees was higher in the general workforce than in management, and it was higher among women than among men.

It is Deutsche Börse Group's declared intention to achieve a reasonable work-life balance. The company offers a number of options designed to achieve a positive work-life balance as part of its "Job, Life & Family" initiative:

- option to work from home (teleworking)
- childcare service for emergencies and during school holidays (a service used in Germany on a total of 78 days)
- emergency parent-child offices at the Eschborn, Luxembourg and Prague locations

Employees per countries/regions

	31 Dec 2016	%
Germany	2,226	43
Luxembourg	1,076	21
Czech Republic	793	15
Ireland	314	6
United Kingdom	167	3
Rest of Europe	302	6
North America	97	2
South America	2	0
Asia	192	4
Middle East	7	0
Total	5,176	100

Employees by segment

	31 Dec 2016	31 Dec 2015
Eurex	1,851	1,651
Xetra	323	326
Clearstream	2,443	2,397
Market Data + Services	559	726
Total	5,176	5,100

- reservation of places for employees' children aged between six months and three years at a day care centre in Eschborn, whereby the number of dedicated places depends on demand within the company
- an "Elder and Family Care" programme to facilitate support for family members requiring care
- the option to take sabbaticals, used by three employees in Luxembourg and six in Prague in 2016

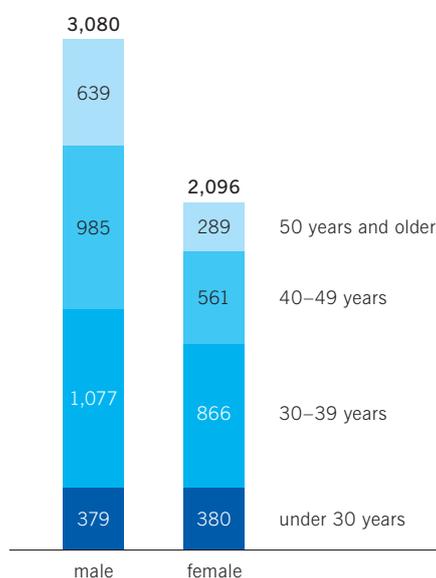
A total of 67 male and 81 female employees took parental leave in financial year 2016, thereof one male and one female in management positions. In the reporting period, 61 male and 53 female employees returned to the company after taking parental leave, while three male and five female employees left the company after their parental leave. Deutsche Börse Group supported its employees by subsidising child-care in the amount of €791 thousand in the reporting period (2015: €789 thousand). All employees receive a monthly net amount of up to €255.65 per child until it is six years old or starts school.

Employees may attend sports or relaxation courses. The purpose of these measures is to achieve a good work-life balance. One of the objectives pursued with these measures is to ensure that employees remain healthy, in spite of high workloads, and to keep sickness levels within the company as low as possible. For instance, the company assigns increased importance to the fact that employees take their annual vacation during the course of the year. The sickness ratio within Deutsche Börse Group amounted to 2.9 per cent in the year under review (2015: 3.1 per cent).

As at 31 December 2016, 70 per cent of Deutsche Börse Group employees were graduates (2015: 69 per cent). This figure is calculated on the basis of the number of employees holding a degree from a university, university of applied sciences or university of cooperative education; it also includes employees who have completed comparable studies abroad. In the area of continuing professional development, the Group invested an average total of 3.8 days per employee in 2016 (2015: 3.6 days) and, among other things, conducted 1,524 internal training events (2015: 1,079 internal training events). Of these, 40 per cent were on business-related issues, 26 per cent covered specialist topics, 10 per cent dealt with the work-life balance, 24 per cent were on IT subjects and were part of induction training. The digital

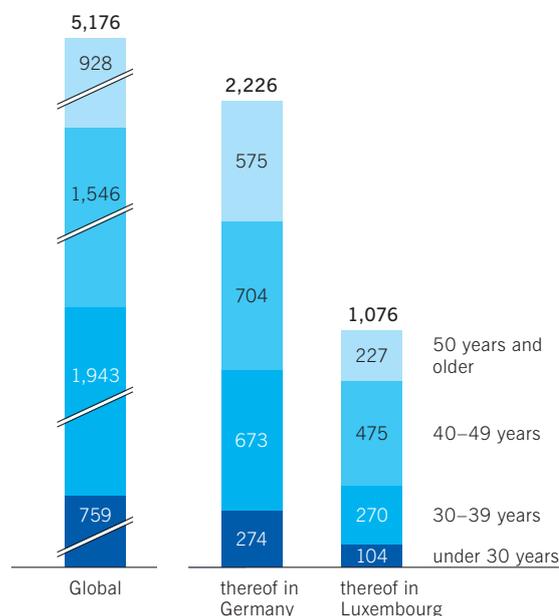
Deutsche Börse Group employee age structure

by gender



Deutsche Börse Group employee age structure

by location



“Future Workplace” environment supports collaboration throughout the Group; it brings colleagues around the world closer together and facilitates everyday work routines for all members of staff. The Future Workplace comprises the Microsoft SharePoint collaboration platform, the Skype for Business messenger and video call service, as well as Good Work for mobile business communications. Numerous information sessions and training courses were held to train staff in using the Future Workplace.

Adjusted for efficiency programme costs, staff costs per employee stood at €121 thousand and corresponded approximately to those of the previous year (2015: €125 thousand). Deutsche Börse Group’s Executive Board resolved a voluntary salary increase of 2.5 per cent in Germany in financial year 2016. Salaries were also adjusted at the Group’s other locations.

The average age of Deutsche Börse Group’s employees at the end of the reporting period was 39.7 years (2015: 39.8 years). The [charts](#) entitled “Deutsche Börse Group employee age structure” show the employee age structure as at 31 December 2016. In the course of the year, a total of 386 employees left Deutsche Börse Group (not including deconsolidation effects and colleagues who accepted one of the company’s offers under the efficiency programmes and left the company or took early retirement). A total of 755 people joined the Group (excluding consolidation effects). The staff turnover rate was 9.8 per cent (adjusted: 7.7 per cent), an increase year-on-year (2015: 7.6 per cent and 7.2 per cent respectively). The average length of service at the end of the reporting period was 8.9 years (2015: 9.7 years).

Intensified talent promotion

To motivate and promote top talent is a key instrument for Deutsche Börse Group to remain sustainably successful in this digital age. Two new programmes were launched to this end: the “Evolving Leaders” programme, which is designed to identify and promote future managers, and the “Show Your Talent” initiative, which is set to create visibility for – and to support – employees’ entrepreneurial and innovative potential. The previous nomination process was replaced by an application scheme, which provides for a better overview of existing talent within the company. At the same time, the programmes are designed to strengthen staff commitment and their performance orientation, as outlined above.

360-degree feedback introduced for executive staff

During the year under review, executives’ performance was for the first time not only assessed by their respective superiors but also by employees within their area of responsibility, and by fellow executives. The over 90 per cent response rate shows that the programme was very well received. The experience gained will be incorporated into career development planning for executive staff.

Key data on Deutsche Börse Group’s workforce as at 31 December 2016

	Global			thereof in Germany			thereof in Luxembourg		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Employees	3,080	2,096	5,176	1,364	862	2,226	646	430	1,076
Senior and middle management	282	48	330	151	29	180	70	14	84
Junior management	230	88	318	111	31	142	57	27	84
Staff	2,568	1,960	4,528	1,102	802	1,904	519	389	908
Part-time employees									
Senior and middle management	5	4	9	4	1	5	1	3	4
Junior management	0	9	9	0	4	4	0	5	5
Staff	80	432	512	54	251	305	19	122	141
Disabled employees	32	28	60	28	27	55	3	0	3
Proportion of graduates (%)	73	66	70	76	65	72	57	54	56
Apprentices	18	6	24	18	6	24	–	–	–
Interns and students ¹⁾	105	116	221	90	105	195	15	11	26
Length of service									
Under 5 years (%)	42	42	42	36	39	37	23	28	25
5–15 years (%)	33	35	34	31	30	31	31	31	31
Over 15 years (%)	25	23	24	33	31	32	46	41	44
Staff turnover									
Joiners	439	316	755	160	132	292	35	35	70
Leavers	309	192	501	126	61	187	45	25	70
Training days per staff member	3.57	4.14	3.80	3.70	4.96	4.19	4.16	4.14	4.15
Promotions	131	132	263	34	45	79	37	19	56
Employees covered by collective bargaining agreements	1,525	1,102	2,627	966	689	1,655	559	413	972

1) The global figures reported here refer solely to the locations in Germany, Luxembourg and the Czech Republic; this corresponds to 80 per cent of Group staff.

Target female quotas adopted

In accordance with the Gesetz für die gleichberechtigte Teilhabe von Frauen und Männern an Führungspositionen in der Privatwirtschaft und im öffentlichen Dienst (German Act on the Equal Participation of Women and Men in Leadership Positions in the Private and Public Sectors), Deutsche Börse AG's Supervisory Board and Executive Board have defined target quotas for women on these boards and for the two management levels directly beneath the Executive Board. These target quotas relate to Deutsche Börse AG (excluding subsidiaries) and will be valid until 30 June 2017.

At the time the Executive Board resolved the target quotas (15 September 2015), the share of female employees amounted to 6 per cent for the first management level, and 10 per cent for the second management level. The Executive Board resolved as a minimum target to maintain those quotas until 30 June 2017. As at 31 December 2016, female proportion for the first and second management level below Deutsche Börse AG's Executive Board was 11 per cent and 15 per cent, respectively.

In 2010, the Executive Board had already set a voluntary target for Deutsche Börse Group to increase the proportion of women in middle and senior management to 20 per cent, and in junior management to 30 per cent, by 2020. The Group has affirmed this ambition. These targets relate to Deutsche Börse Group worldwide, including subsidiaries. In contrast to statutory obligations, the voluntary commitment is based on a wider definition of management levels, including team leaders, for example. In Deutsche Börse Group's global operations, as at 31 December 2016, these quotas stood at 15 per cent (2015: 15 per cent) for middle and senior management and 28 per cent (2015: 27 per cent) for junior management levels. In the Group's German locations, they were 16 per cent (2015: 14 per cent) and 22 per cent (2015: 23 per cent), respectively.

In order to raise the share of women in executive positions, the company explicitly ensures that women are included in proposals for executive positions. In principle, however, qualifications are decisive when filling such vacancies. In addition, Deutsche Börse Group offers numerous additional tools to promote female employees, such as targeted succession planning, a mentoring programme involving internal and external mentors, a women's network, as well as training courses designed specifically for women. 12 of the current 25 members of the High Potential Circle, Deutsche Börse Group's training programme for potential future executives, are female (48 per cent).

Furthermore, the Group analyses at regular intervals whether there are remuneration differences between men and women. No systematic discrimination against men or women was detected. In fact, any differences in remuneration are based on qualifications, the length of service and function.

Sustainable economic activity

Deutsche Börse Group acts “with an eye to the future”. Its sustainability strategy of the same name defines the Group’s understanding of entrepreneurial responsibility, and guides its operations. As an international capital markets organiser, Deutsche Börse aims to build and grow trust in market structures. As a listed company included in DAX®, it wants to lead by example. And as a corporate citizen, it endeavours to use its core business competence to contribute to resolving social challenges.

Building trust

Sustainable index products

To provide investors with responsible investment options that meet ecological, social and economic criteria, Deutsche Börse Group develops sustainable indices. Deutsche Börse Group aims to strengthen the future viability of capital markets by offering a wide variety of indices. The indices capture public attention for sustainably operating businesses and increase transparency.

STOXX Ltd., a subsidiary of Deutsche Börse AG, offers a broad spectrum of transparent sustainability indices. With the STOXX® Low Carbon index family, Deutsche Börse more than doubled its offering of indices from 35 to 100 in 2016. It comprises amongst others the index families STOXX® Global ESG Leaders and STOXX® Sustainability. The STOXX Global ESG Leaders indices are based on sustainability ratings covering environmental, social and governance (ESG) criteria. The STOXX Sustainability indices show the performance of sustainable companies.

The STOXX Low Carbon index family was introduced in February 2016. It was designed for investors wishing to “decarbonise”, i.e. limit the exposure of their portfolios to reduce climate-related risks, such as stricter regulation or physical damage, while participating in the growth of low-carbon industries. To cater to different investment strategies, STOXX developed fully tailored solutions based on broad index universes, with four sub-families offering additional diversification potential across varying degrees of carbon exposure.

Transparency and standardisation

As a marketplace organiser, Deutsche Börse Group considers ensuring transparency in the capital markets as its direct responsibility. In doing so, it fosters stability in these markets, thereby promoting their economic success. Positioning itself in this manner, Deutsche Börse Group is geared to the needs of market participants.

Today, ESG factors account for a considerable share of enterprise value, which is why institutional investors place more and more importance on this information in their decision-making processes. To support these processes, Deutsche Börse Group has conducted surveys amongst companies listed in the DAX, MDAX®, SDAX® and TecDAX® indices on their sustainability reporting every year since 2014. The results are openly accessible on en.boerse-frankfurt.de/sustainable-securities and provide an overview of the reporting formats the companies choose (annual report, separate sustainability report or combined/integrated report), the standards they apply as well as the contact details for sustainability-related questions for each company.

Leading by example

Sustainability indices and ratings inform on the reporting and performance of companies in the area of sustainability, including a company's ecological, social and corporate governance performance, together with its management of opportunities and risks. As a listed company, Deutsche Börse itself is also subject to regular audits carried out by independent third-party providers. Given thoroughly positive assessments during the year under review, Deutsche Börse Group was again included in numerous sustainability indices:

- Dow Jones Sustainability Indices (DJSI) Europe: since 2005; World: since 2015; result of Robeco SAM rating: total score 71; average sector score 43
- ECPI Euro Ethical Equity Index: since 2008; ECPI EMU Ethical Equity Index: since 2008; ECPI Global Developed ESG Best in Class Equity Index: since 2013 (launch year); result of ECPI ESG rating
- Ethibel Sustainability Index (ESI) Excellence Europe: since 2013; based on Forum Ethibel rating (part of Vigeo)
- Euronext Vigeo – Eurozone 120 Index: since 2014; based on Vigeo rating
- FTSE4Good Indices (Global and Europe): since 2009; result of FTSE ESG rating: total score 4.0 out of 5; supersector relative: 96 out of 100
- MSCI World ESG Index: since 2010; MSCI ACWI ESG Indices: since 2010; based on MSCI ESG research
- PAX elevate Global Women's Index (PXWEX): since 2014; based on MSCI ESG research
- STOXX ESG Leaders Index: since 2011 (launch year). The entirely rule-based and transparent STOXX rating model means that there is no conflict of interests; result of Sustainalytics rating: total score of 75 (E: 78, S: 74, G: 73), ranking: 7th out of 248 companies
- STOXX Sustainability Indices (Europe and eurozone): since 2001; the entirely rule-based and transparent STOXX rating model means that there is no conflict of interests; based on Bank Sarasin analyses

Raising public awareness

As Deutsche Börse Group is committed to sustainably empowering the non-profit sector, it founded Phineo gAG together with the Bertelsmann Foundation in 2009. Phineo is a charitable public limited company that provides advisory and analysis services to foundations, non-profit organisations and companies. In 2015 Deutsche Börse renewed its status as principal shareholder of Phineo for another two years. Deutsche Börse decided to continue this cooperation with the goal of interlocking its core competences more closely with those provided by Phineo, to jointly develop solutions for social challenges. During the year under review, both houses were among those successfully applying to participate in the EU project "Establishing a new early-stage impact fund for social-tech ventures", thereby establishing a thematic focus for their joint work in 2017.

Key sustainability figures for Deutsche Börse Group

Within the scope of so-called materiality analyses, Deutsche Börse regularly assesses which topics are of particular significance for the Group. The [☒ "Sustainability: key figures for Deutsche Börse Group" table](#) summarises the non-financial key performance indicators that characterise the Group's sustainability profile according to these analyses. Key figures on transparency and security have been collected quarterly since 2013, and published in the yearly and half-yearly financial reports.

In July 2016, Deutsche Börse Group established its Group Sustainability Board to develop the Group-wide sustainability strategy and advise the Executive Board on sustainability issues. Thanks to the new Board, Deutsche Börse Group has already included additional steps in its value creation chain and linked the key figures more clearly to its core business.

Comparison with the forecast for 2016

With regard to the development expected of its non-financial performance indicators for 2016, the Group succeeded in maintaining a very high level of systems availability whilst adhering to the highest security standards. In specific terms, the availability of the T7[®] trading system rose from 99.93 to 99.96 per cent, while Xetra[®] availability remained at a very high level of 99.99 per cent.

It was in 2010 that the Executive Board adopted a voluntary commitment to increase the share of women holding management positions to 20 per cent by 2020. These numbers cover Deutsche Börse Group in its entirety, on a global basis. During the year under review, the share of women in senior and middle management remained at 15 per cent, and rose to 28 per cent in junior management.

Deutsche Börse Group diligently complies with the Gesetz für die gleichberechtigte Teilhabe von Frauen und Männern an Führungspositionen in der Privatwirtschaft und im öffentlichen Dienst (German Act on Equal Participation of Women and Men in Leadership Positions in the Private and Public Sectors), specifying target quotas for the parent company, Deutsche Börse AG. For details, please see the [“Target figures for women in management positions”](#) section in the corporate governance declaration.

Sustainability: key figures for Deutsche Börse Group

		2016	2015
ESG criteria			
Assets under management in ESG index-related products ¹⁾	€m	12.5	–
Transparency			
Proportion of companies reporting in accordance with maximum transparency standards ²⁾	%	91	91
Number of indices calculated		11,975	11,403
Number of sustainable index concepts		100	35
Security and reliability			
Availability of cash market trading system (Xetra [®])	%	99.999	99.999
Availability of derivatives market trading system (T7 [®])	%	99.962	99.930
Market risk cleared via Eurex Clearing (gross monthly average)	€trillion	14.8	16.7
Compliance			
Punished cases of corruption		0	0
Proportion of business units reviewed for corruption risk	%	100	100
Number of employees trained in anti-corruption measures ³⁾		47	976
Number of justified customer complaints relating to data protection		0	0

1) Comprising FlexShares STOXX[®] Global ESG Impact Index and FlexShares STOXX[®] US ESG Impact Index, which are used as basis for two ETFs launched in 2016.

2) Ratio of the market capitalisation of companies listed in the Prime Standard to the market capitalisation of all companies listed on the Frankfurter Wertpapierbörse (FWB[®], the Frankfurt Stock Exchange)

3) In the fourth quarter of 2016, seven mandatory training modules were planned for implementation. Among these, one completely redesigned module is focused on anti-bribery and corruption. Since December 2016, this module has been successively rolled out for all employees of Deutsche Börse Group; the roll-out will continue into 2017. As of the reporting date, 31 December 2016, the roll-out included 504 employees, with a participation rate of 9 per cent. It will be ensured that all Group employees complete the mandatory trainings in 2017.

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