

CORPORATE STRUCTURE

The Exchange continuously improves business processes and the efficiency of its management system. A major area of process optimization in 2019 was reliability enhancement to reduce operational risks.

In 2019, the Exchange's IT subdivisions were restructured. To manage resources effectively, a Trade and Clearing System Development Unit was formed to support the development of key IT systems within the Exchange's main business, as was an Electronic Platform and Integration

Services Development Unit to support the development of new platforms, including a marketplace for financial products .

In 2019, a Compliance Service was created to embed plans for the development of compliance culture across the Group.

During the reporting period, the number of members of the Exchange's Board of Directors remained unchanged.

WAGE AND SALARY POLICY

The Exchange seeks to offer competitive compensation in order to engage, retain, and motivate employees. The compensation system includes a fixed salary and a variable annual bonus. The fixed salary and the target amount of the variable component are determined taking into consideration applicable job grades and market data on comparable salaries. The variable component of the remuneration depends on the Group's business performance and an employee's individual results as assessed as part of the efficiency management process.

The Exchange's Supervisory Board approved corporate goals for 2019 including financial metrics, key performance indicators and projects aimed at reducing operational risks within the Group (both with regard to technologies and compliance).

The corporate goals of the NSD and NCC differ from those of the Exchange because of the specificity of their activities as a CCP and central depository, respectively, and due to the legal requirements imposed on credit organizations. Because of this, the NSD and NCC's corporate goals are considered separately and approved by their respective supervisory boards.

To retain key employees and ensure they are motivated to support the long-term sustainable business development of the whole Group, the Exchange has adopted a Long-Term Motivation Program based on campaigns for which principles and parameters are approved by the Supervisory Board. In 2019, a new Program was developed, and will be launched in 2020.

The Group also has an incentive scheme including several types of insurance as well as various types of financial assistance.

The Exchange continuously seeks to improve its competitiveness on pay in order to hire and retain the best talent.