



Report of the Supervisory Board

In the past financial year, the Supervisory Board held in-depth discussions on the position and prospects of the Company and performed its duties in accordance with the law and the Articles of Association. The Supervisory Board regularly advised the Executive Board on the management of the Company and monitored its work, and was involved in all key decisions. Where required by law, the Articles of Association, or the bylaws, the Supervisory Board adopted resolutions following a thorough examination.

The Supervisory Board held a total of nine meetings, of which one was constituent and three were extraordinary. In addition, two strategy workshops were conducted. At the Supervisory Board meetings, the Executive Board provided detailed, timely and comprehensive information, both verbally and in writing, in line with the legal requirements on the course of business, the position of the Company and the Group (including the risk situation and risk management), as well as on the Company's strategy and planning. The Supervisory Board discussed all transactions significant for the Company in the plenary meetings and in the Supervisory Board committees, based on the reports of the Executive Board. The high frequency of both plenary and committee meetings facilitated intensive dialogue between the Executive Board and the Supervisory Board. Individual issues were also addressed between meetings, both verbally and in written reports by the Executive Board. In addition, the Chairman of the Executive Board continually informed the Chairman of the Supervisory Board of current developments in the Company's business, significant transactions and upcoming decisions. All members of the Supervisory Board attended more than half of the meetings of the Supervisory Board in 2009. The average participation rate was more than 90 percent.

The Executive Board properly submitted all transactions requiring the Supervisory Board's approval to the Supervisory Board, and the Supervisory Board approved these

transactions. We also verified that the Executive Board's actions were lawful in all other respects by seeking legal advice from the Company's Legal Department and, in individual cases, from external parties.

Focus of the work of the Supervisory Board

At the Supervisory Board meetings, the Supervisory Board was continually informed of current developments and initiatives by the CEO's reports as well as by the Executive Board members responsible for the different business areas. Projects relevant to the Company as well as market developments and regulatory changes were discussed. The financial crisis and its impact on Deutsche Börse Group were once again a particular focal point in the year under review.

The Supervisory Board was regularly informed about Deutsche Börse AG's share price performance, including the performance relative to its competitors. Moreover, the Executive Board reported on the business performance, financial position and results of operations of the subsidiaries of Deutsche Börse AG, especially the post-trading activities of Clearstream International S.A. and its subsidiaries. The Supervisory Board also discussed Deutsche Börse's growth strategy and decided on strategic developments. The shared objective of both Executive Board and Supervisory Board is to utilize all opportunities to achieve profitable organic growth without excluding acquisitions and other consolidation options.

In addition, the Supervisory Board addressed the statutory changes as a result of the Gesetz zur Angemessenheit der Vorstandsvergütung (VorstAG, Act on the Appropriateness of Management Board Remuneration) and the Bilanzrechtsmodernisierungsgesetz (BilMoG, German Accounting Law Modernization Act) and adapted the bylaws for the Supervisory Board and Executive Board accordingly. Before the VorstAG went into effect on 5 August 2009, the Supervisory Board had already resolved to reach decisions on the remuneration of the members of the Executive Board in the plenary meetings instead of in the Personnel Committee.

The Supervisory Board also dealt in particular with the following issues in its meetings and strategy workshops:

In light of the changes in the competitive environment of the cash market, the Supervisory Board discussed strategic options for this business area at the extraordinary meeting held on 22 January 2009.

At the Supervisory Board meeting convened on 23 March 2009 to adopt the financial statements, which was attended by the auditors, the Supervisory Board discussed in detail the Company's 2008 annual financial statements and the consolidated financial statements, as well as the respective management reports. The 2008 annual financial statements and consolidated financial statements were approved, thus following the recommendation of the Audit and Finance Committee, which had conducted an in-depth examination of the documents. In addition, the discussion focused on the development of the International Securities Exchange (ISE), the expansion of the central counterparty for the credit derivatives market (project OTC CCP), the positioning of the cash market in competition with other exchanges, and adopted the agenda for the 2009 Annual General Meeting. The Supervisory Board also discussed in detail and fixed the Executive Board's variable remuneration for 2008 and decided on the remuneration for 2009. Further, the Supervisory Board adopted a resolution on the departure of the CFO and reappointed Dr Michael Kuhn for a period of three years with effect from 1 January 2010.

In its first strategy workshop on 27 April 2009, the Supervisory Board was informed about organic growth options and opportunities for external development. The discussion focused on the strategy for the derivatives market as well as the Group's clearing and post-trading activities.

Directly before the Annual General Meeting, in a meeting on 20 May 2009, the Supervisory Board was informed on the current status of the appointment of a Chief Financial Officer (CFO) as well as on the impending Annual General Meeting. After the conclusion of the Annual General Meeting, the newly elected Supervisory Board met at its constituent meeting and elected its Chairman and Vice Chairman, and also voted on members of the committees.

At the meeting on 15 June 2009, the Executive Board reported on the introduction of a new controlling methodology to further improve the planning process as well as targeted performance and cost management. It was also presented the compliance methodology applied in Deutsche Börse Group. In addition, the Supervisory Board continued its discussion on the OTC CCP project and the positioning of the cash market in the competitive environment. The Supervisory Board also reappointed Frank Gerstenschläger for a period of three years with effect from 1 April 2010.

At the extraordinary meeting on 17 July 2009, the Supervisory Board appointed Gregor Pottmeyer to the Executive Board in the position of Chief Financial Officer effective as at 1 October 2009.

At the regular meeting on 21 September 2009, the Supervisory Board dealt with the risk management methodology used in the Group as well as the status of the OTC CCP project. Other agenda items included preparation for the Supervisory Board's efficiency audit.

In its second strategy workshop on 16 November 2009, the Supervisory Board was informed about the Group's post-trading strategy, in particular the external market environment and the future positioning of the business areas of Settlement, Custody, Global Securities Financing and Investment Funds.

At the regular meeting on 7 December 2009, the Supervisory Board adopted the budget for 2010 and continued its debate on the status of the OTC CCP project. The Supervisory Board was informed in detail by the Personnel Committee on the status of considerations for revising the remuneration system for the Executive Board since the VorstAG took effect, as well as on the changes in the German Corporate Governance Code and discussed the alterations being considered. In addition, the Supervisory Board determined and resolved an upper limit for the deductible for D&O (directors' and officers' liability insurance) policies for members of the Executive Board, with the exception, for the time being, of an agreement on a deductible for D&O policies for members of the Supervisory Board. Other agenda items included in particular the adoption of the declaration of conformity for 2009, the presentation of the results of the efficiency audit and the decision on resulting measures for implementation. Immediately following the regular meeting, the Supervisory Board convened an extraordinary meeting in which it drafted resolutions required by the International Securities Exchange (ISE) in order to receive approval from the U.S. Securities and Exchange Commission (SEC) to operate the US trading platforms EDGA Exchange, EDGX Exchange and Topaz Exchange.

Work of the committees

The Supervisory Board has a total of six committees, which are responsible for preparing the decisions and topics to be discussed in the plenary meetings. Additionally, the Supervisory Board has delegated individual decision-making powers to the committees, to the extent that this is legally permissible. Each of the committee chairs provided detailed reports of committee work at the meetings of the Supervisory Board. In accordance with the bylaws, the Chairman of the Supervisory Board chairs the Personnel Committee, the Nomination Committee and the Strategy Committee. In accordance with section 289(a) of the Handelsgesetzbuch (HGB, German Commercial Code), the composition of the committees can be found in the declaration on corporate governance on page 39 of this Annual Report.

The **Personnel Committee** met nine times during the year under review. At the beginning of the year, the bonus for members of the Executive Board for 2008 was recommended to the Supervisory Board for resolution and the goals for 2009 for members of the Executive Board were established. In addition, the Personnel Committee dealt with the reappointment of Dr Michael Kuhn and Frank Gerstenschläger as members of the Executive Board of Deutsche Börse AG. Other topics included the early termination of Thomas Eichelmann's appointment to the Executive Board and the selection of an appropriate candidate (Gregor Pottmeyer) for the position of Chief Financial Officer (CFO). As a result of the VorstAG taking effect and the changes in the German Corporate Governance Code relevant to remuneration, the Committee drafted a new concept for remuneration of members of the Executive Board at a total of four meetings. The Committee also dealt with issues related to the agreement on a deductible for D&O policies for the Executive Board and Supervisory Board. At its last meeting in 2009, the Committee discussed and adopted the goals for members of the Executive Board for 2010.

The **Strategy Committee** held one regular meeting and two extraordinary meetings in the period under review. The Committee considered in detail the status of strategic projects and discussed possible growth initiatives in this context. The focus of the consultations was on the development of competition in the cash market and on the OTC CCP project.

The **Audit and Finance Committee** met eight times in the period under review. The Audit and Finance Committee discussed the annual financial statements and the audit report for financial year 2008 in a meeting at which the auditors were present. It also addressed the interim reports for the first and third quarters, the half-yearly financial

report which was reviewed by the auditors, and the preliminary results for the first half of 2009. It obtained the necessary statement of independence from the auditors, prepared the Supervisory Board's proposal to the Annual General Meeting in May 2009 for the election of the auditors and discussed the audit fee. The auditors supported the Audit and Finance Committee in all material questions relating to accounting and regular monitoring activities. Other important topics included Deutsche Börse Group's risk management, aspects of compliance, reports on the internal control system and the internal audit report. The members of the Committee were informed about these topics throughout the entire reporting period and discussed them in detail, including methods and systems applied as well as their efficiency. Other topics of discussion in the Audit and Finance Committee included the Group's liquidity management and the financial effects of the relocation to Eschborn, as well as important strategic initiatives. In addition, the Committee discussed the changes in the German Corporate Governance Code as well as the implementation of the BilMoG by Deutsche Börse AG and the resulting necessary changes in the Supervisory Board's bylaws, and prepared them for the discussion in the Supervisory Board. At its last meeting in the reporting period, the Committee addressed the 2010 budget and the declaration of conformity in detail.

The **Technology Committee** held four meetings in the period under review, at which it dealt with the further development of the Xetra® and Eurex® trading systems in relation to the roll-out of new releases in 2009. In addition, the Technology Committee was informed in detail on the IT strategies and releases in the Clearstream segment and at Eurex Clearing AG, and discussed the project for developing a standard platform for Deutsche Börse Group's trading systems. The Committee also assessed the relevant developments in the IT market and addressed the Group's IT architecture. At the last meeting of the year under review, it discussed in detail the 2010 IT project plan for Deutsche Börse Group, including the planned strategic projects.

The **Clearing and Settlement Committee** discussed Deutsche Börse Group's clearing and post-trading strategy in three meetings in 2009. In addition to strategic challenges resulting from regulatory developments and structural changes in the post-trading business, the Committee dealt with major projects such as TARGET2-Securities, collateral management and OTC CCP. Other key discussion items were the project reports of Clearstream Banking AG on reducing cross-border transaction costs in Europe (Link Up Markets project).

The **Nomination Committee** discussed the procedure for electing shareholder representatives to the Supervisory Board by the 2009 Annual General Meeting.

Corporate governance and declaration of conformity

The new recommendations and the new suggestion of the German Corporate Governance Code as well as their possible implementation were discussed in meetings by the Supervisory Board, the Personnel Committee and the Finance and Audit Committee. In particular, the changes in the German Corporate Governance Code relevant to remuneration and insurance policies were discussed in detail. The Supervisory Board resolved that there will be no deductible for D&O policies for members of the Supervisory Board for the time being. If necessary, the bylaws for the Supervisory Board and Executive Board were modified accordingly by resolution of the Supervisory Board.

The annual declaration of conformity in accordance with section 161 of the Aktiengesetz (AktG, German Stock Corporation Act) is publicly available on the Company's website at www.deutsche-boerse.com > Investor Relations > Corporate Governance > Declaration of Conformity.

In the declaration of conformity, the Company comments voluntarily not only on the recommendations, but also on the suggestions of the German Corporate Governance Code. More information on corporate governance at Deutsche Börse Group can be found in the report which has been adopted jointly by the Executive Board and Supervisory Board in accordance with section 289a of the HGB on pages 34 to 42 of this Annual Report.

Audit of the annual and consolidated financial statements

KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, audited the annual financial statements of Deutsche Börse AG and the consolidated financial statements, as well as the accompanying management reports for the financial year ended 31 December 2009, together with the bookkeeping system, and issued an unqualified audit opinion. The condensed financial statements and interim management report were also reviewed by KPMG as part of the half-yearly financial report for the first six months of 2009.

The documents relating to the financial statements and the reports by KPMG were presented to the members of the Supervisory Board for examination in a timely manner. The auditors attended the relevant meetings of the Audit and Finance Committee and the plenary meeting of the Supervisory Board convened to adopt the accounts. The auditors reported on the key results of the audit and elaborated in particular on the net assets, financial position and results of operations of the Company and Group, as well as being available to provide supplementary information. The auditors also reported that there were no significant weaknesses in the internal control and risk management systems with respect to the financial reporting process. This also applied to Compliance and Internal Auditing.

The Audit and Finance Committee discussed the financial statement documents and the reports by KPMG in detail with the auditors and examined them carefully. It is satisfied that the reports meet the statutory requirements under sections 317 and 321 of the HGB. The Committee reported to the Supervisory Board on its examination and recommended that it approve the annual financial statements and consolidated financial statements, including the management reports.

Based on our own examination of the annual financial statements, the consolidated financial statements, the management report and the Group management report, we concurred with the results of the audit performed by the auditors. The final results of the auditors' examination did not lead to any objections. The Supervisory Board approved the annual financial statements prepared by the Executive Board and the consolidated financial statements at its meeting on 23 March 2010 in line with the Audit and Finance Committee's recommendation. The annual financial statements of Deutsche Börse AG are thereby adopted. The Audit and Finance Committee discussed the Executive Board's proposal for the appropriation of the unappropriated surplus in detail with the Executive Board, in particular in view of the Company's liquidity and financial planning as well as taking into account shareholders' interests. Following this discussion and its own examination, the Audit and Finance Committee approved the Executive Board's proposal for the appropriation of the unappropriated surplus. After its own examination, the Supervisory Board also approved the Executive Board's proposal for the appropriation of the unappropriated surplus.

Personnel

The following changes took place in the composition of the Supervisory Board in the period under review:

- By way of a court ruling dated 16 January 2009, Thomas Neißé was appointed a new member of the Supervisory Board.

- The Supervisory Board's regular term of office ended with the conclusion of the Annual General Meeting on 20 May 2009. Following the Annual General Meeting's resolution from 21 May 2008, the reduction of the Supervisory Board from 21 to 18 members was implemented at the end of its term of office. The shareholder representatives Udo Behrenwaldt, Friedrich von Metzler and Dr Herbert Walter did not stand as candidates for election, and their appointments as members of the Supervisory Board therefore ended with the conclusion of the Annual General Meeting. Dr Joachim Faber was elected as a new member of the Supervisory Board. The remaining shareholder representatives in the Supervisory Board were confirmed for another term of office.
- The employee representatives Sadegh Rismanchi and Otto Wierczimok left the Supervisory Board. Norfried Stumpf was elected as a new member of the Supervisory Board.
- At the constituent meeting of the Supervisory Board on 20 May 2009, Dr Manfred Gentz and Gerhard Roggemann were reelected as Chairman and Deputy Chairman of the Supervisory Board.

The following reappointments and changes took place in the composition of the Executive Board in the period under review:

- Dr Michael Kuhn was reappointed by way of a Supervisory Board resolution dated 23 March 2009 for three years. His term of office will end on 31 December 2012.
- Frank Gerstenschläger was reappointed for a period of three years by way of a Supervisory Board resolution dated 15 June 2009. His term of office will end on 31 March 2013.
- Thomas Eichelmann's Executive Board appointment ended by mutual consent at the end of 30 April 2009.
- Gregor Pottmeyer was appointed effective 1 October 2009 for three years by way of a Supervisory Board resolution at the extraordinary meeting on 17 July 2009. His term of office thus ends on 30 September 2012.

Management of individual conflicts of interest

There was an occasional risk of inherent conflicts of interest involving individual members of the Supervisory Board. For instance, in the reporting period, Hermann-Josef Lamberti was simultaneously a member of the Management Board of Deutsche Bank AG and Richard Berliand was simultaneously a Managing Director at J.P. Morgan Securities Ltd. and J.P. Morgan Futures Inc. Both Deutsche Bank and J.P. Morgan represent their own positions with respect to the CCP-based clearing of credit derivatives. Therefore, neither of these individuals participated in consultations on corresponding issues if there was any risk of an inherent conflict of interest. There was no need for additional measures with respect to these possibilities of inherent and merely selective conflicts of interest.

The Supervisory Board would like to thank the former members who have stepped down for their many years of strong commitment for the development of Deutsche Börse AG. The Supervisory Board would also like to offer its condolences to the family of Otto Wierczimok, who died on 27 October 2009. In addition, the Supervisory Board would like to thank the Executive Board, as well as all employees and the employee representatives, for their commitment and excellent work in a difficult market environment.

Frankfurt/Main, 23 March 2010
On behalf of the Supervisory Board:



Dr Manfred Gentz
Chairman