

**Nasdaq CSD SE**

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**POLICY ON TARGET FOR THE REPRESENTATION OF THE UNDER-REPRESENTED  
GENDER IN THE MANAGEMENT BODY**

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Effective Date: 18.09.2017

## CSDR Article 27. Senior management, management body and shareholders

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4. The management body shall be composed of suitable members of sufficiently good repute with an appropriate mix of skills, experience and knowledge of the entity and of the market. The non-executive members of the management body shall decide on a target for the representation of the under-represented gender in the management body and prepare a policy on how to increase the number of the under-represented gender in order to meet that target. The target, policy and its implementation shall be made public.

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### CSDR preamble:

(45) 'management body' means the body or bodies of a CSD, appointed in accordance with national law, which is empowered to set the CSD's strategy, objectives and overall direction, and which oversees and monitors management decision-making and includes persons who effectively direct the business of the CSD.

## 1. Overview

- 1.1. The Regulation No 909/2014 of the European Parliament and of the Council of 23 July 2014 on improving securities settlement in the European Union and on central securities depositories and amending Directives 98/26/EC and 2014/65/EU and Regulation (EU) No 236/2012 prescribes that central securities depository shall engage a broad set of qualities and competences when recruiting members to the management bodies and for that purpose adopt a policy promoting diversity on the management bodies.

## 2. Purpose

- 2.1. This Diversity Policy of Nasdaq CSD SE (the "**Policy**") sets out the approach to diversity on the Supervisory Council (the "**Council**") and the Management Board (the "**Board**") in Nasdaq CSD SE (both hereinafter referred to as the "**Management bodies**").

## 3. Objective

- 3.1. Nasdaq CSD SE (the "**Nasdaq CSD**") recognizes and embraces the benefits of having a diverse Management bodies, and sees increasing diversity at Management bodies as an essential element in maintaining a competitive advantage. A truly diverse Management bodies will include and make good use of differences in the skills, regional and industry experience, background, race, gender, geographical provenance educational and professional background and other distinctions between members. These differences will be considered in determining the optimum composition of the Management bodies and when possible should be balanced appropriately.
- 3.2. The purpose of this Policy is to promote diversity and adequate representation as regards said differences when recruiting members to the Management bodies.

#### **4. Operational Process**

- 4.1. Selection of candidates to join the Management bodies will be, in part, dependent on the pool of candidates with the necessary skills, knowledge and experience. All Management bodies' appointments are made on merit, in the context of the skills, experience, independence and knowledge which the Management bodies as a whole requires to be effective. The ultimate decision will also be determined based on the contribution the chosen candidate will bring to the Management bodies.
- 4.2. The Council reviews and assesses the composition Management bodies and recommends the appointment of new members. In identifying suitable candidates for appointment to the Management bodies and in determining composition Management bodies, the Council will:
  - (i) consider the benefits of all aspects of diversity including, but not limited to, those described above, in order to enable it to perform its duties and responsibilities effectively;
  - (ii) consider candidates on merit against objective criteria and with due regard for the benefits of diversity on the Management bodies;
  - (iii) when applicable, promote to engage executive search firms who are working with an aim towards diversity as regards candidates;
  - (iv) report annually on the outcome of the Management bodies evaluation, the composition and structure of the Management bodies; and
  - (v) as part of the annual performance evaluation of the effectiveness of the Management bodies and individual members, consider the balance of skills, experience, independence and knowledge of Nasdaq CSD on the Management bodies and the diversity representation of Management bodies, how the Management bodies work together, and other factors relevant to its effectiveness.

#### **5. Measurable Objectives**

- 5.1. The non-executive members of the Council shall agree on measurable objectives for achieving diversity on the Management bodies. At any given time the Council may seek to improve one or more aspects of its diversity and measure progress accordingly.
- 5.2. The Management bodies should aim to have a composition consisting of at least 40 per cent of the underrepresented gender.

#### **6. Monitoring and Reporting**

The Management bodies' composition will be disclosed in the annual report of Nasdaq CSD.

#### **7. Review of the Policy**

The Council will review this Policy annually, which will include an assessment of the effectiveness of the Policy.