

Optiver 

Annual Review 2022

We improve the market





Annual Review 2022

Optiver Holding B.V.

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We are Optiver

As one of the most experienced and reliable market making firms in the world, Optiver has been improving financial markets since 1986. By providing liquidity to markets across the globe, we contribute to their efficiency, transparency and stability, which is of particular importance in times of volatility.

Powered by technological innovation and with a focus on risk management, we continuously provide competitive, two-sided prices for tens of thousands of financial instruments on all major exchanges globally.

Our world class teams of highly skilled professionals come from a broad range of disciplines but are bound by one simple purpose: improving the market.





Management Board and Executive Committee Report



Results at a glance

Optiver reported a net profit attributable to equity holders of € 1,286 million in 2022 compared to € 958 million in 2021. Our 2022 result from operating activities was € 1.6 billion versus € 1.2 billion in 2021. Net trading income in 2022 amounted to € 3.3 billion, 42% higher than in 2021 (2021: € 2.3 billion).

Optiver exhibited a strong financial position at the end of 2022, with a total equity of € 3.6 billion compared to € 2.8 billion at the end-2021. We maintain a conservative capital structure, to meet business and regulatory requirements, enabling us to do business with strong and reliable market participants that have access to readily available liquidity. Total assets were € 61.6 billion as of 31 December 2022, an increase of 118% compared to 2021's € 28.2 billion. The growth in the total assets is mainly attributable to the growth of Optiver's US business.

In 2022, we grew our employee base with 319 FTEs, totalling 1,709 FTEs (2021: 1390 total FTEs) who work across our offices in Amsterdam, Austin, Chicago, Hong Kong, London, Shanghai, Singapore, Sydney and Taipei.

Over the course of the year, Optiver continued to scale its business in various markets, products and asset classes. To support this expansion, the operation has grown in the number of FTEs, funding, offices and investments in technology. The increased operational expenses were mainly driven by this growth and the impact of the tight labour market, inflation and a weaker Euro in 2022.

2022 in review

2022 marked the beginning of a post-pandemic era where geopolitical conflicts dominated the headlines and drove volatility. Macroeconomic uncertainty was exacerbated by a resulting energy crisis and rising inflation, while movement in the tech industry and digital currencies caused disruption felt around the world.

Having successfully navigated the market turbulence of previous years, Optiver was well positioned to provide liquidity. Through all conditions, we remained a stabilising force in the markets and our focus on best-in-class pricing, trade execution and risk management culminated in strong profits for 2022.

COVID-19 continued to play a role in our personal and professional lives as the easing of restrictions differed per region. While adhering to policies implemented in China during 2022, local Optiver colleagues were steadfast in their commitment to driving our business. Regardless of circumstances, Optiver remained vigilant and adapted to ever-changing government guidelines to safeguard the well-being of our people and their families.

As a firm that does its best work together, Optiver's collaborative and global approach flourished with the return to face-to-face interactions and a renewed ability to travel to meet with colleagues across our nine offices.

With more effective cross-regional and cross-departmental collaboration in mind, we evaluated our global operating model throughout 2022. As part of this exercise, we emphasised agility, further connecting our global infrastructure and better aligning our talent to pursue opportunities.

Partners exemplify the Optiver culture of entrepreneurship, help set our firm's strategic focus and are actively involved in its execution.





Pricing

In 2022, we witnessed a return to volatile market conditions, with inflation and geopolitical tensions causing uncertainty for global investors and impacting all asset classes and regions. In this environment, our market-making activities proved especially critical.

We tightened bid-ask spreads across tens of thousands of interconnected financial products, taking confidence from the underlying theoretical soundness of our pricing models. We also actively provided liquidity for newly introduced option series. Powered by our belief that fair and open pricing makes markets more competitive and accessible to all, we continued our mission of improving the market.

Trade execution

Technology remained a major driver of our trading activities, proving especially critical in 2022. Throughout the year, our teams continually overcame a variety of execution challenges: responding to market events with nanosecond speed and automatically pricing complex sets of financial instruments with low error tolerance, and analysing high volumes of data.

In this way, we ensured our activities added to market stability - not detracted from it.

Thanks to close collaboration between our engineers, researchers and trading teams, our systems operated seamlessly in response to fluctuating market conditions.

Risk management

Risk management and control are integral components of our financial and operational processes. Optiver's systems are designed to cover a broad spectrum of risk spanning market, credit, compliance and all segments of operational risk, including automated trading risk, fraud risk, information security risk and strategic risks. Our dedicated team of risk, and control professionals ensures we're operating in accordance with local regulations, laws, market requirements and expectations.

In 2022, we continued to focus on improving the identification, analysis and mitigation of risk within our control framework. Over the course of the year, we refined our risk models and their associated tooling to ensure high confidence in our ability to continue trading in the most challenging market circumstances. Mitigating automated trading risk remained an important focus, as we regard this as one of the most relevant risks to our business.

As part of our control framework, we equip our employees to take ownership of keeping the firm safe. Our risk teams are in constant dialogue with the rest of the organisation to ensure that our firm's appetite for risk is well understood and embedded throughout the business. Through educational efforts, Optiver staff are taught to view risk as part of their day-to-day work and long-term commitment to the company.

Information security continues to grow in importance each year, and our approach allowed us to manage our information security risk much more comprehensively in 2022. A global security operations team and a global information security committee continues to advise the Chief Risk Officer (CRO) on all aspects of this. We continued to treat our responsibilities in protecting and using data with the highest priority, and they remained an integral part of our control framework.



Regulatory developments

Since 26 June 2021, Optiver has had to comply with the regulatory prudential framework for investment firms in the EU, the Investment Firm Regulation / Directive (IFRD/D). These prudential rules differentiate between firms based on size (e.g. balance sheet total) and activities. As the only EU investment firm in the Optiver Group, Optiver VOF qualifies as a 'Class 2 firm' under IFR/D.

EU prudential requirements have been the subject of our advocacy efforts. EU policymakers are becoming more aware of the impact that applying a prudential framework developed for banks to large market makers can have on their ability to provide liquidity. Discussions on possible amendments to the European legislation governing our classification are ongoing, though timelines remain uncertain.

The financial sector is increasingly being called on to contribute to a more sustainable society, starting with an upcoming requirement for firms to report on their sustainability efforts to their prudential regulatory supervisors as well.

On the market structure side, discussions have focused on a few key areas. One is payment for order flow (PFOF), a practice particularly prevalent in the US but also common among German retail brokers. PFOF involves liquidity providers paying brokers for sending their order flow to particular venues that operate as single market maker venues.

In the US, the Securities and Exchange Commission (SEC) has made new proposals around regulating PFOF as part of its larger cash equity market structure overhaul. Other pieces of the overhaul are focused on exchange rebates, tick sizes, best execution rules and the calculation of the National Best Bid and Offer (NBBO). In the EU, the Markets in Financial Instruments Directive (MiFID) and Markets in Financial Instruments Regulation (MiFIR) review will focus on either regulating or banning PFOF, alongside the introduction

of a consolidated tape for equities and fixed income, as well as stronger incentives to boost retail participation. Optiver has written a series of whitepapers on the topic to share insights on these developments.

The failure of a few high-profile crypto firms and exchanges means the digital assets industry is set to face greater regulatory scrutiny. The Basel Committee on Banking Supervision proposed punitive capital requirements for banks' global crypto exposures in 2022. In Europe, services providers in crypto assets will be subject to the new Markets in Crypto Assets Regulation (MICA).

In the clearing space more broadly, we see the EU attempting to lessen its dependence on UK clearing houses by forcing firms to have active accounts with EU Central Counterparties (CCPs) and clear part of their swaps business with those CCPs. In the US, the SEC is looking to increase central clearing of Treasury securities and enhance the participation of non-bank liquidity providers.

Over the past year in APAC, Optiver held frequent meetings and discussions with the Australian government and relevant industry associations about the repeal of the Offshore Banking Unit (OBU) regime and its impact on the market making and proprietary trading industry.

As of 1 January 2022, the Dutch Law on Diversity took effect. Under this law and in accordance with our sustainability efforts, Optiver continues to set ambitious targets for gender diversity of the Management Board and the Supervisory Board appropriate for Optiver's business. Per 1 January 2023, the Management Board consists of 1 female and 2 males. The Supervisory Board consists of 1 female and 3 males; gender diversity is taken into consideration when new members of the Supervisory Board are appointed.





Our industry

As part of our commitment to improving markets, we proactively share the knowledge and expertise we have acquired over the more than three decades as market makers. In addition to providing our insights directly to exchanges, regulators and industry groups, Optiver regularly published its research and views on a range of industry topics in white papers, opinion articles and through media commentary. As a result, our views were increasingly sought after by regulators and market participants. No matter the forum, we supported and encouraged open discourse and debate on financial markets topics to help drive progress throughout the industry.

Optiver also played an active role in developing the next generation of tech and trading innovators by imparting its knowledge and experience to industry associations and forging academic partnerships. From a master's course on algorithmic trading to a bachelor's course on the physics in finance, our Optiver educators have given guest lectures and led bespoke, in-depth curriculums at leading universities in the Netherlands, Belgium and UK.

Principal Strategic Investments

Drawing on our deep market structure experience, our Principal Strategic Investments (PSI) team selectively invests capital as well as Optiver's most precious resource – our people – into projects related to finance, technology, IT infrastructure and digital assets. In 2022, PSI continued to build out our external network and increase our access to market insights and strategies.

Over the course of the year, Optiver partnered with an innovative securities lending platform, a cryptocurrency trading company, a hardware solution for monitoring and standardising latency in exchange connectivity and a US-based clearing firm, among others. We also made our first successful exit, from an online trading platform we first partnered with in 2021. Optiver's ultimate goal is to help entrepreneurs shape financial markets of the future while learning and growing as a firm from our network and investments.

On 6 February 2023, it was announced that Optiver together with Traxys management and investors, will acquire all of the interests in the Traxys Group. The transaction is expected to close in May 2023 following receipt of regulatory and other approvals.



Powered by people

The close collaboration between our motivated and engaged global team is the bedrock of what sets us apart. 2022 saw an end to the height of the COVID-19 pandemic and a subsequent shift to having more in-person moments to learn from each other, solve challenges, make key decisions and pursue new opportunities. Whether by inter-office travel to meet colleagues face-to-face, global leadership meetings, or being physically present for cross-team brainstorming, our connection grew stronger.

With a determination to raise the bar for finding exceptional talent in a competitive industry, our recruitment team prioritised working together globally to engage the best people by leveraging their expertise and network. Next to this, we continued evaluating our remuneration policies to attract skilled talent while remaining focused and critical on the performance of our people. A return to recruitment on campus facilitated more personal connections with students, and a ramping up of Optiver-hosted virtual events and competitions attracted a robust pipeline of STEM (science, technology, engineering and mathematics) candidates from all over the world.

This year's integrated recruitment approach also benefitted from the launch of Optiver's rebrand, where marketing and communications teams focused on refreshing our corporate identity and expanding digital marketing. Elevating the Optiver brand has been vital to our recruitment efforts. Interactive and immersive trading and coding competitions such as

Ready Trader Go and TraderHack gave potential recruits an opportunity to experience a career in trading and technology, first-hand.

At Optiver, we view the well-being of our people through a holistic lens. When employees walk through our doors, they have access to balanced, nutritious meals, various sports clubs, wellness programmes and resources, annual health checks and support from top wellness and medical experts. In a high-performing business, investing in our people's health and wellness ensures they can perform at their best while providing the right tools to achieve their growth objectives and unlock their full potential personally and professionally.

Developing people through internal custom-designed education programmes is key to securing our position as leading market makers. This year, we launched the global Optiver Academy, designed to assemble the complete cohort of new graduate traders from all Optiver locations under one roof in our Amsterdam global headquarters. In the spirit of teamwork, the accelerated training curriculum exposes selected graduates to the diverse backgrounds and thinking of their soon-to-be worldwide colleagues. The unique learning experience allows the incoming class of international Optiver traders to network before returning to their local offices and fosters the future of innovative trading. This is the first of more global training initiatives to come as we continuously strive for the growth and success of our people.



A culture we'd never trade

Optiver's culture is underpinned by its five core values which guide our approach to hiring inquisitive minds with humble and entrepreneurial mindsets. We would not be Optiver without integrity – every decision and action we take is driven by our commitment to doing the right thing. We hold ourselves responsible for acting with honesty, integrity and respect, including complying with our code of conduct*, internal policies, applicable laws and regulations everywhere we do business. This fundamental principle is at the heart of our success and is how we have earned the trust of major exchanges worldwide to keep markets transparent, stable and liquid for nearly four decades.

A hunger for continuous improvement empowers each of us to aim for excellence in a highly competitive, complex and dynamic external environment. At Optiver, taking ownership means proactively seeking new perspectives to innovate at lightning speed. Operating as one united firm, our penchant for solving complex problems collaboratively is our strength. We do our best work together and intentionally cultivate an environment that holds diverse critical thinking in high esteem. Our global synergy stems from an active feedback culture built on self-reflection, and we thrive on that shared journey towards exponential growth.

Outside the workday, we have a reputation for forming lasting relationships based on common interests. Wherever we are based, you can find us cheering on Optiver sponsored chess grandmaster Anish Giri, supporting causes important to us, running marathons together, playing team sports, celebrating growing families and attending annual gatherings to celebrate our achievements.





Supporting progress in an evolving world

Making a lasting difference

As a purpose-driven firm, Optiver's commitment to improving the market is engrained in our DNA. But making a positive contribution extends not only to our immediate domain but also to the world around us. And whilst we aim to have a positive impact on our environment, our firm is equally impacted by a changing world.

Our ability to adapt to environmental pressures and societal shifts that affect our firm and people will determine our longevity.

During 2022, Optiver instituted a global sustainability steering committee to drive positive long-term change in the world around us. Comprised of cross-functional members, the committee completed an assessment to identify the most material sustainability topics for the firm, while setting Optiver's sustainability ambitions and creating a governance structure to achieve them.

A Global Sustainability Officer (reporting to the CEO) has been appointed as per 1 January 2023 to drive and implement Optiver's sustainability strategy and to report on its progress in anticipation of the Corporate Sustainability Reporting

Directive (CSRD), which will come into effect in 2026. This impending EU legislation will apply across the consolidated group and will require externally assured disclosures on environmental, social and governance topics as part of the annual report cycle.

Optiver's sustainability strategy will be guided by two objectives: to achieve a net zero carbon footprint and to increase the representation of women in Optiver.

The sustainability steering committee is resolute in its commitment to systematically measure, reduce and offset current and future carbon emissions (2021 onwards) generated by office and data centre energy usage, business travel, operational waste and employee commutes. Utilising the greenhouse gas protocol, we have made strides towards our aim to be ahead of the curve.

Optiver will deliver on its plan to increase the number of women in trading and technology over the coming years. Following a globally structured analysis, we will evaluate our existing talent attraction, recruitment and employee lifecycle to identify areas of improvement and implement targeted measures.

Cultivating a diverse and equitable environment

Our collective backgrounds, experiences and thinking give us the edge required to approach challenges in trading and technology from every angle. Across the company, we proudly represent more than 50 nationalities, bringing together talent from all walks of life by welcoming people of all cultures, identities and ages. How we attract talent is essential to meaningful change. With the help of groups dedicated to inclusivity in various offices, we continued to fine-tune our recruitment strategies, marketing and the language we use to broaden representation within our ranks.

Preserving Optiver as an organisation where everyone can thrive is key to the success of our business. In each of our nine locations, Optiver conducts training on inclusivity and encourages open dialogue to spot areas for improvement to embed a more inclusive culture. We also place particular importance on educating our leaders with the right knowledge and soft skills to promote a meritocratic environment where people feel safe and heard. We know that when those at the helm of our operation lead by example, the rest of our organisation is more likely to mirror the behaviours that champion an inclusive and welcoming workplace.

From being an ally to the pride movement to empowering women in STEM, we proactively seek to support the people that help us grow. Forged on mentorship and role modelling, Optiver's women's networks expanded within our offices. We sponsored attendance at multiple industry and women-led conferences and speaking engagements across the globe to increase visibility and endorse thought leadership by our female staff.

Additionally, we directly engage women at university-level to get them interested in roles that fuel our industry. Optiver is proud to sponsor Girls Math Olympiad teams in the Netherlands and Australia for the fourth year as we continue to shine a light on women realising their goals in the fields of maths and science.





The Optiver Foundation

In its second year as a fully-fledged non-profit organisation, the independent Optiver Foundation (not controlled by Optiver) made headway in its aim to use science and technology to create meaningful impact. Financed through an endowment fund with an initial capital investment of € 35 million, the annual returns generated are donated in full to the organisations and initiatives the foundation partners with to sustainably scale its efforts. Global, long-term positive change through environmental action and diversity is at the core of the foundation's mission. In 2022, they partnered with three organisations working to make that mission a reality.



Protecting the environment

At its inception, the foundation partnered with the tech-driven reforestation organisation Landlife to offset Optiver's historic carbon emissions (1986-2020) by restoring degraded land in regions where our business units are active. After contributing to the rehabilitation of the eucalyptus population in Australia's Moolagundi region in 2021 – projected to capture around 21,000 tons of CO₂ – the foundation continued to fund reforestation projects in the small municipality of Mombeltrán and Cuevas del Valle, Spain and the McLeod Lake Indian Band held reserve in British Columbia, Canada.

The project in Spain aims to combat desertification by planting approximately 100,000 indigenous trees on 90 hectares of land destroyed by a wildfire in 2011. Set to be completed in May 2023, the newly planted forest of a variety of species will remove approximately 27,000 tons of CO₂ from the atmosphere.

The foundation is looking at their third reforestation partnership with LandLife in Canada. In 2017, a beetle infestation struck 3,700 hectares of tribal reserve lands held by the McLeod Lake Indian Band, with trees older than 100 years hit hardest. The foundation's partnership aims to restore native forests by planting various tree species, including hybrid spruce and lodgepole pine and removing an estimated 22,000 tons of CO₂ in the process.



Bringing greater diversity to finance and technology

With finance and technology sectors being historically male-dominated, tackling the gender gap in STEM-related education is an opportunity to bring greater gender diversity to our industry. The foundation furthered its commitment to this cause by launching an international scholarship programme with the University of Oxford. The programme is centred around empowering women from low and middle-income countries to receive a postgraduate STEM education. Over a period of five years, the foundation will cover course fees and provide a stipend for living costs for 30 masters students. The programme includes tailored induction activities, mentoring and on-course support for scholars.

The Optiver Foundation also teamed-up with Women Win to support the economic empowerment of women. Women Win is a fund that addresses the underlying structural barriers many women face in becoming full participants in their economies and societies. They do this by brokering partnerships between women's rights organisations and companies like Optiver to sustainably advance women's economic resilience. The Optiver Foundation's alliance with Women Win is focused on developing the Free Fund to enhance equal access to STEM education for underprivileged girls and women. Over the next few years, the fund envisions providing grants to youth-led, women-led and community-based organisations; women-led social enterprises and educational institutions in Latin America, Asia, Africa, and Oceania.



Our global footprint

As a truly international firm, we work together to improve global financial markets from our nine offices across the world.





Amsterdam

Started by a single trader on the floor of Amsterdam's stock exchange in 1986, Amsterdam serves as our global headquarters. Optiver Europe's dynamic trading floor is active on all major European equities and derivatives exchanges. It extends its global reach by trading on exchanges in APAC, the US and Brazil.

Sydney

Built in 1996, Optiver's culturally diverse Sydney office acts as our Asia Pacific (APAC) headquarters. Situated in the city's Central Business District, our Sydney office is a leading liquidity provider in Asian derivatives and securities and active player contributing to the health and stability of financial markets throughout Asia, Europe and the US.

Chicago

In 2001, Optiver put roots down in the strategically important city of Chicago and subsequently merged with our New York office two years later to form Optiver's US headquarters. The office overlooking Chicago's famous Millennium Park has grown exponentially and is active on most of the leading exchanges in the US, trading a wide range of products, from listed derivatives to cash equities, ETFs, bonds and foreign exchange.

Taipei

As an official Futures Commission Merchant (FCM), Optiver Taipei is one of the key market makers on TAIFEX. Since launching its Diamond Awards in 2015, TAIFEX has honoured the Taipei office every year for outstanding performance and significant contribution to the local market. Set up in 2005, the Optiver Taipei office is also active in TAIEX Index Options (TXO).

Hong Kong

Optiver's history of trading out of the Hong Kong office began in 2007. With its well-developed infrastructure and financial ecosystem, our presence in Hong Kong has been a key building block to our ongoing ambitions in APAC.

Shanghai

Known to many as the 'Pearl of Asia', Optiver scouted Shanghai as a prime location due to its rich history as a global centre for finance, trading and innovation. Since 2012, Optiver's Shanghai office has been a gateway to China's exchanges and allowed us to fortify our solid reputation as a trusted partner in the market's long-term development and deliver reliable liquidity across a wide range of products and asset classes.

London

Over the past few years, London has been the epicentre of Optiver's FX trading business and home to one of our burgeoning commodities trading teams and UK-focused institutional trading business. With a time zone bridging Europe, Asia and America, the London office, founded in 2019 and located in the historic "Square Mile", is a strategic hub for providing liquidity and pricing on a global scale.

Austin

Looking towards the future, the US market is one of Optiver's largest growth opportunities. The Austin office was established in 2021 with two goals in mind: to serve as a hub for the Delta One trading team and to reach our technological ambitions with the founding of Optiver's first hardware lab. As the city dubbed the new Silicon Valley, Austin is where we aim to attract top talent with backgrounds in big data computing, machine learning and research infrastructure to discover the next breakthrough in engineering and quantitative research.

Singapore

The opening of Optiver's Singapore office in 2021 further strengthened our access and proximity to the Asia market. With sights set on becoming a leading market maker across various commodity and equity derivatives markets within the region, establishing this fifth location in APAC points to Singapore's strategic significance to the future of Optiver's business goals.

Looking ahead

Optiver's mission to improve the market will stay central to our strategy in 2023. As one organisation, we will continue aligning our global efforts to preserve the health and stability of financial markets around the world under evolving macroeconomic conditions. Investing in the growth of our diverse talent and furthering innovation to provide consistent and competitive pricing, trade execution and risk management will remain the backbone of our business as we look ahead. Optiver's commitment to making a positive impact on the world at large will be a key theme in 2023 as we deliver on our sustainability strategy.

At the start of 2023, Sandrine Teran joined as Optiver's new Chief Financial Officer (CFO). We look forward to welcoming her and working alongside our entire global network of dedicated colleagues to drive progress despite unpredictable times. At the same time, we gratefully acknowledge the significant contribution that our outgoing CFO, Edwin Duijn, has made to Optiver over the last 14 years.

To everyone at Optiver, thank you for your continuous support as we strive to be one of the leading market makers in 2023.

Amsterdam, 10 March 2023

Our Executive Committee

Jan Boomaars

CEO, CEO Europe, member of MB

Sandrine Teran

CFO, member of the MB

Tadhg O'Shea

CRO, member of the MB

Johann Kaemingk

Co-Founder

Wouter Stinis

CEO APAC

Rutger Brinkhuis

CEO US





Supervisory Board Report



Introduction

In 2022, we shifted away from pandemic conditions and returned towards normalcy, a transition felt by the Optiver Group and observed in the financial markets. The Supervisory Board (SB) attributes this year's strong financial and operational performance to increased maturity in innovation and responsibility and is pleased to see the foundational pillar of collaboration continue strengthening within the organisation.

After two years of virtual meetings, we were pleased to interact with the Management Board (MB) and Executive Committee (ExCo) in person again. We fulfilled our duties while maintaining an open and constructive dialogue with the MB and ExCo, whose responsibility is the management of Optiver Group. Their scope encompasses governing the business strategy, overseeing risk and control functions and preserving the Optiver culture.

Several key topics were in focus for the SB in 2022, including US business growth, culture, leadership development, clearing, ongoing succession planning, inclusivity, sustainability and the global operating model. During all discussions, the SB consistently considered the interests of our stakeholders, including our employees and shareholders.

At the close of 2022, Optiver's well-regarded CFO, Edwin Duijn, stepped down from his position. We are delighted that he will continue to support Optiver over the coming years as Advisor to the MB and ExCo. Edwin's tenure had a clear and significant impact on our firm's strategic direction and success. We thank Edwin for his dedication over the years and look forward to his continued guidance in his new capacity.

To succeed Edwin, Sandrine Teran joined as Optiver's new CFO at the beginning of 2023. She has also become a member of the MB and ExCo together with Jan Boomaars (CEO) and Tadhg O'Shea (CRO). The SB followed a diligent process to select Sandrine Teran as Edwin's successor and make the recommendation to Optiver's shareholders as part of one of their main responsibilities. We firmly believe that she will contribute significantly to achieving our growth plans in a controlled manner and to our mission to improve the markets.

We look forward to working with Sandrine and wish her success in her new role.

The SB would like to thank Optiver's employees for their ongoing commitment and strong performance in 2022. Together with the MB and ExCo, the SB looks forward to contributing to Optiver's future and creating long-term value for our stakeholders in a manner fully aligned with the company's values and purpose.

Hector de Beaufort
Chair Supervisory Board Optiver Holding B.V.



Tasks and responsibilities of the Supervisory Board

The SB is responsible for supervising the general course of affairs of Optiver Holding B.V. and its subsidiaries and providing the MB with advice. In performing its duties, the SB carefully considers and acts in accordance with the interests of Optiver and its affiliated businesses, taking into account the interests of all stakeholders. More specifically, the SB is involved in (supervising and advising on), among others, long-term value creation by Optiver, proposed changes in the strategy of Optiver, material regulatory issues, the consolidated annual accounts of Optiver, the corporate governance structure of Optiver, and the selection of the Management Board members and recommendation on the appointment by the shareholders.

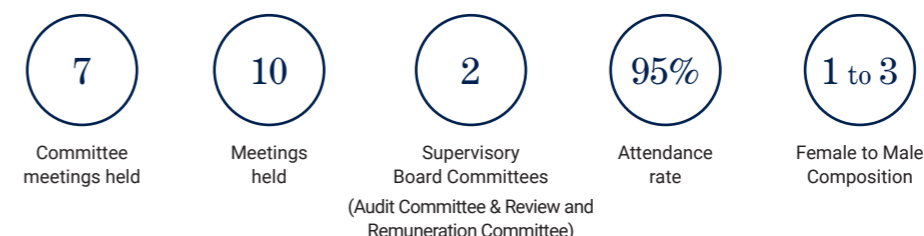
Profile of the Supervisory Board

The composition of the SB is designed to ensure that its members are able to carry out their duties in an equitable manner, independent of each other, the MB and ExCo. SB members are selected individually based on how their expertise, qualifications and experience contribute to the collegial body as a whole.

This diverse group brings a wide range of perspectives and opinions. It is balanced in the representation of gender, nationality, age, education and background, allowing the SB to make informed decisions that are in the company's best interest. In accordance with the Corporate Governance Code, the SB strives to safeguard the independence of its members from the MB, Optiver's daily operations and its employees.

	H.W.L. de Beaufort	M.R. van Dongen	J.R. Elzinga	H.J.A. de Grijs
Nationality	Dutch	Dutch	Dutch	Dutch
Year of birth	1956	1969	1971	1963
Gender	Male	Female	Male	Male
Initial appointment	2015	2016	2017	2017
Term expires	AGM 2023	AGM 2024	AGM 2025	AGM 2025
Education	Law	Business Economics	Business Administration	Business Economics
Expertise	Corporate Governance, Corporate Law	Corporate Finance, Finance, Audit	Trading, Business development, Financial markets	IT/Digital
SB committees	Review and Remuneration Committee	Audit Committee	Review and Remuneration Committee	Audit Committee

Supervisory Board facts & figures



Supervisory Board meetings

The SB held ten meetings in 2022 with a 95% attendance rate, where all members were regularly present to form a valid quorum. Two of the meetings were hybrid, and of the eight in-person meetings, seven were held in our Amsterdam office and one in Chicago. In addition to formal meetings, the Chair and other members of the SB maintained regular contact with our Chief Executive Officer, Jan Boomaars, and other members of the MB and ExCo.

In 2022, the SB held its first strategy day in London, focused on topics such as succession planning, leadership development, people-related metrics and insights, and diversity. The event was considered a success and an essential touchpoint for the SB and ExCo to exchange valuable views and insights.

Throughout the year, the SB was involved in several key developments aimed at creating long-term value for the company and its stakeholders, including growth in the US business, culture, leadership development, clearing, ongoing succession planning, inclusivity and sustainability. While the organisation maintains a strong regional focus, Optiver made changes to its global operating model in 2022 to support increasing global collaboration efforts to facilitate achieving our strategic ambitions.

Since its inception, a high-performance culture has been synonymous with Optiver, where leaders are seen as role models for exemplary behaviour. The SB encouraged management to focus on leadership development and is pleased that a global approach is being implemented to deploy new and customised programmes to support people with leadership responsibilities at each level of their careers.

At Optiver, we're committed to doing the right thing – in the financial markets, the communities where we operate and the environment. In 2022, the company established a sustainability steering committee to develop a long-term vision, global strategy and governance model for how we aim to contribute to a more sustainable world. The topic of sustainability is a focus area for the SB and the Audit Committee (including the reporting requirements); the SB fully supports the efforts of the company in terms of sustainability, including the appointment of a Global Sustainability Officer who will partner closely with the regional business units to execute the global strategy and share best practices.



Supervisory Board Committees

Two committees support the SB and are responsible for preparing its decision-making in the matters delegated to them: the Audit Committee and the Review and Remuneration Committee. The Chair of each committee verbally reports the main points of discussion and resulting recommendations (and the meeting minutes and documents are shared with the full board), enabling the SB to advise as one collegial body.

With risk being a fundamental element for Optiver, all risk topics are discussed in SB board meetings where the MB and ExCo are present.

Audit Committee

The Audit Committee is chaired by Miriam van Dongen, and Harry de Grijs is a member of the committee. The Audit Committee supervises all matters related to financial reporting and control, third-line activities connected to the effectiveness of risk management and the control framework.

The committee had five meetings in 2022, all attended by the external auditor, the CFO, the Group Head of Audit and the Group Head of Finance. Regular agenda items cover the financial reports, external audit reports, critical audit matters and scope and planning for Group Audit. This year, the Audit Committee also deliberated on sustainability culture, fraud risk, transfer pricing and information security in IT. The KPMG Audit Plan, KPMG Audit Report on the financial statements and ensuring external audit independence were also discussed by the Audit Committee. In addition to the formal meetings of the committee, deep-dive sessions have taken place on information security and technology change management.

Review and Remuneration Committee

Jelle Elzinga chairs the Review and Remuneration Committee with Hector de Beaufort as a member. The committee's task is to assist the SB in fulfilling its employer responsibilities towards the MB and assisting them in their employer responsibilities towards the other ExCo members.

During the course of the year, the Review and Remuneration committee had two formal meetings. The committee also held mid-year update meetings and year-end performance meetings with each member of the MB and ExCo individually.

In line with previous years, succession planning and the annual talent review session were on the agenda in 2022. The topic of succession planning remains a crucial area of focus for the SB, particularly for the Review and Remuneration Committee. Leadership development was also a primary theme of discussion with the SB and at top of mind during the London strategy day.

Education

The SB embraces a path of continuous learning about the organisation and its evolution within an ever-changing business and macroeconomic landscape. Deep dive sessions are regularly organised for the SB as part of the meetings. In 2022, sessions on Information Security, the details of the US business, Exchanges and the Cloud and China were attended by the SB with great interest.

An offsite meeting was held where macro-economic and political developments, governance, board room dynamics and the functioning of the SB, MB and ExCo were on the agenda. The meeting included valuable insights from external speakers on geopolitical events and board room dynamics. The SB's function and its dynamics related to the MB and ExCo were also discussed in the context of improving efficiency.

Our Supervisory Board

Hector de Beaufort (chair)

Miriam van Dongen

Jelle Elzinga

Harry de Grijs

Amsterdam, 10 March 2023



