

## **Statement on the request of GfBk Gesellschaft für Börsenkommunikation mbH, Kulmbach, for addition to the agenda**

The Supervisory Board of flatexDEGIRO AG ("**Company**") comments on the main aspects of the request for addition to the agenda with regard to the new agenda items 13 (resolution on the removal from office of a member of the Supervisory Board pursuant to Section 103 AktG) and 14 (resolution on the election to the Supervisory Board), which was submitted in a letter from the law firm Bayer Krauss Hueber dated 3 May 2024 on behalf of GfBk Gesellschaft für Börsenkommunikation mbH ("**GfBk**"), Kulmbach, represented by its Managing Director Bernd Förtsch, as follows:

### ***INTRODUCTION***

The Supervisory Board firmly rejects all allegations made by GfBk. The allegations are unsubstantiated, factually incorrect or taken out of context. GfBk draws an incomplete and completely distorted picture of the supervisory activities of the Supervisory Board and its Chairman. In addition, a large part of the facts to which the allegations relate date back a long time, in some cases almost five years, and have already been intensively scrutinised and assessed by the supervisory authorities, for example in the special audit report of the Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*, "**BaFin**").

Furthermore, GfBk does not differentiate sufficiently between the duties of individual board members and those of the boards as a whole. For example, some of the allegations relate to issues that are not the responsibility of the Supervisory Board - and certainly not exclusively the responsibility of the Chairman of the Supervisory Board - in the context of corporate governance under stock corporation law.

For these reasons, the Company's Supervisory Board resolved unanimously (with two abstentions) to propose to the Annual General Meeting that it votes against the motion to remove of the Chairman of the Supervisory Board from office (agenda item 13) and against the election of Mr Axel Hörger to the Supervisory Board, the candidate proposed by GfBk, which is controlled by Mr Bernd Förtsch (agenda item 14).

The Supervisory Board detailed the reasons for this as follows:

### ***BAFIN SPECIAL AUDIT***

It is correct that BaFin has ordered a special audit of flatexDEGIRO Bank AG and has appointed the auditing firm Mazars GmbH & Co. KG as special auditor. BaFin submitted the

special auditor's audit report in November 2022. Following the completion of the audit, a fine of €1.05 million was imposed on the Company in February 2023. In addition, a special representative was appointed to monitor the implementation of the ordered measures.

The special audit covered, among other things, the regularity of the business organisation in accordance with Section 25a of the German Banking Act ("KWG"). The audit also examined whether the increased capital requirements pursuant to Section 10 para.3 sentence 1 in conjunction with sentence 2 no. 2 KWG were met. The audit therefore covered in particular the regularity of the reporting system and its regulatory reporting, the existence of adequate regulatory capital, the calculation and monitoring of risk-bearing capacity, the regularity of the risk management and risk controlling processes (counterparty default and operational risks) and compliance with the provisions of the German Money Laundering Act.

During and in the course of the audit, the Management Board - in consultation with the Supervisory Board and its Chairman - immediately took and initiated the necessary measures to eliminate existing deficits. These measures primarily related to the specialised areas directly connected with internal auditing, the internal control system, regulatory reporting and the prevention of money laundering. Prior to the conclusion of the special audit, flatexDEGIRO Bank AG had already begun to take sustainable personnel measures in 2022, including by hiring new staff for relevant vacancies. In this context, for example, Dr Matthias Heinrich was appointed as the new Chief Risk Officer of flatexDEGIRO Bank AG in October 2022. These personnel measures were systematically continued and largely finalised in 2023. In addition, the Company established new management structures to strengthen the quality of several specialist areas. The risk management and compliance system was expanded and optimised. The "Internal Control System" department was restructured, established as an independent department with a direct reporting line to the CEO and strengthened accordingly in terms of personnel.

In addition to these personnel reinforcements, flatexDEGIRO Bank AG set up a project at the end of 2022 to process the audit findings, for which the Management Board member and Chief Process Officer of flatexDEGIRO Bank AG, Mr Steffen Jentsch, is responsible. The project is divided into eight sub-projects and is supported by around 50 internal and external employees. A comprehensive process with external and internal quality assurance levels has been established for quality assurance. In addition to Mr Steffen Jentsch, the associated steering committee includes other members of the Management Board of flatexDEGIRO Bank AG. The aim of the project is to process all relevant findings in a structured manner and to increase the maturity level of the entire organisation. In addition to its activities in the

steering committee, the status and processing of the audit findings are regularly discussed by the Company's Management Board at its meetings. Any necessary further measures are taken. The Company's Management Board is also in regular dialogue with the special representative of BaFin.

Not only the Chairman of the Supervisory Board, but also the entire Supervisory Board and the Joint Risk and Audit Committee were and are regularly informed about the status of the project to process the audit findings by the Management Board at their regular meetings. The Supervisory Board dealt intensively with the appropriate organisation of the processing project, the multi-stage quality assurance measures and the implementation of the content from the outset and in almost all of its meetings and presented its monitoring activities in its reports to the shareholders. The Supervisory Board not only used internal information to map its control function, but also held direct discussions with auditing companies as external quality gates and the auditors of the annual financial statements in order to take into account the assessment of third parties. BaFin and the Bundesbank also took part in some Supervisory Board meetings. In addition, BaFin, the Bundesbank and the auditors of the annual financial statements are informed once a quarter about the progress of the special audit project.

In order to further improve corporate governance, the Supervisory Board of flatexDEGIRO Bank AG was expanded from three to four members in January 2022 and the Company's Supervisory Board in June 2022 with the appointment of Ms Aygül Özkan. In the following year, the Company's Supervisory Board was expanded again from four to five members in June 2023 with the appointment of Ms Britta Lehfeldt. Since April 2023, Ms Britta Lehfeldt's expertise has also benefited flatexDEGIRO Bank AG through her appointment as a member of the Supervisory Board there.

In this respect, the Supervisory Board and its Chairman cannot be accused of any misconduct with regard to the processing and rectification of the deficiencies identified in the special audit.

### ***PUBLICATIONS IN CONNECTION WITH THE SPECIAL AUDIT REPORT***

After receiving the letter from BaFin in November 2022, it was immediately analysed, evaluated and the possibility of appeals was examined. At its meeting on 29 November 2022, the Supervisory Board dealt intensively with the result of the special audit 2022 and the increased regulatory requirements derived from it. The projects set up to address the findings as quickly as possible and in a structured manner were discussed. The Company

subsequently informed market participants in a press release dated 3 December 2022. This information was therefore provided approximately two months before the legally binding order was received from BaFin in February 2023. The Company's Management Board had previously examined in detail on several occasions whether an ad hoc disclosure was required, which in its view was not the case. In particular, it carefully analysed the price materiality, taking into account comparable cases involving other market participants, and correctly concluded - based on the relevant ex ante consideration - that there was no potential to influence the share price. The fact that the share price reaction was stronger than initially assumed by the Company's Management Board is legally irrelevant. Only the ex ante view is decisive. The assertion that "Mr Niehage, with the approval of the Chairman of the Supervisory Board, deliberately tried to sweep the announcement "under the carpet"" is therefore without basis.

The Company announced the appointment of a special representative in a notification dated 27 February 2023, among other things. The Company had also examined in detail whether this was inside information subject to ad hoc disclosure requirements. It had denied this, as the appointment of a special representative primarily serves to monitor the implementation of ordered measures and therefore typically has no relevance to the share price per se. In this respect, too, it depends on the ex ante view of the Company's Management Board. In fact, there was some irritation on the market following the publication due to the considerable time lag between the Company's publication on 3 December 2022 and the corresponding publication by BaFin on 24 February 2023. However, this temporary price reaction largely levelled out on the next trading day. From an ex-post perspective, this confirmed the assessment of the Company's Management Board that there was no significant price relevance.

In the notification dated 27 February 2023, the Company also informed the market about the amount of the fine of €1.05m. The Company does not consider the fine to be material, meaning that a notification in the form of a press release is sufficient. In addition, the Company had already indicated in the 2022 half-year report that BaFin intended to impose a fine.

The Supervisory Board and its Chairman can therefore not be accused of any misconduct.

### ***TAKEOVER OF DEGIRO***

The allegations in connection with the takeover of DEGIRO are also unfounded. After there were apparently concrete rumors in the market and a Bloomberg report was published on

Friday, 13 December 2019 at 3.48 pm, the Company immediately published an ad hoc announcement on the conclusion of the purchase agreement on the same day at 5.06 pm. After the inside information was published, the compliance department was able to remove the Company's shares from the restricted list.

The information published in the Company's press release dated 16 December 2019 did not constitute inside information from the Company's perspective. As an ex-ante view is decisive in this respect, the subsequent share price movement is not relevant if the Management Board - as in this case - made its decision on a sufficient factual basis.

Furthermore, the price movement following the publication of the press release, in particular at the so-called unaffected price of Friday, 13 December 2019 at 3:45 p.m., was not significant. Consequently, the transactions of the members of the Management Board following the ad hoc announcement were proper. Ultimately, the facts of the case lie around 4.5 years in the past - if there had been a reasonable possibility of misconduct, there would have been an official review; however, this is not the case.

The Supervisory Board and its Chairman can therefore not be accused of faulty monitoring behaviour in this respect either. In particular, it is absurd to claim that the Chairman of the Supervisory Board did not sufficiently focus on the interests of the Company in his supervisory activities due to a "close personal and ... close business relationship" with Mr. Frank Niehage. In this respect, it must also be taken into account that the decisions of the Supervisory Board were always unanimously.

### ***RESIGNATION OF MR. CHAHROUR***

The allegations in connection with the resignation of the former Deputy Chairman of the Management Board and COO Mr. Muhamad Chahrour are also unfounded. Mr. Chahrour's resignation came as a complete surprise to the Company's Management Board and Supervisory Board. It is true that Mr. Chahrour was promoted to Deputy CEO at the beginning of 2023. However, due to the good cooperation, there was no reason to assume that he would wish to leave office prematurely at the end of 2023. As the Company announced in its ad hoc and press release dated 25 July 2023, Mr Chahrour informed the Supervisory Board that he wished to leave the Company early and at his own request in order to take on new responsibilities. This wish was based exclusively on Mr. Chahrour's personal reasons, which he explained in more detail in public press and investor calls immediately after the announcement. The parties had agreed by mutual consent that he would leave the Company on December 31, 2023. A few days later, Mr. Chahrour resigned from his position.

This sequence is frequently encountered in practice and is therefore not a “seemingly strange” circumstance.

However, the Supervisory Board had already made provisions for the event of the departure of a member of the Management Board by expanding the Board with the appointment of Dr. Benon Janos and Stephan Simmang as early as 1 January 2023 and also by carrying out long-term succession planning, by means of which Ms Christiane Strubel was appointed as a further member of the Management Board as of 1 January 2024. In addition to Dr. Benon Janos and Mr. Stephan Simmang, the Company also had three other Management Board members at this time in its wholly owned subsidiary, flatexDEGIRO Bank AG: Mr. Frank Niehage, Mr. Steffen Jentsch and Dr. Matthias Heinrich. In September 2023, Mr. Jens Möbitz was appointed as an additional member of the Management Board of flatexDEGIRO Bank AG. flatexDEGIRO Bank AG is responsible for around 80% of the business. In this respect, the Supervisory Board has ensured a resilient structure both in the Company and in flatexDEGIRO Bank AG.

#### ***SEARCH FOR A NEW CHAIRMAN OF THE MANAGEMENT BOARD***

Finally, the accusations in connection with the search for a new CEO are also without basis. The allegation that the Chairman of the Supervisory Board placed “his personal and friendly relationships above the interests of the shareholders” is completely unfounded. In this respect, too, it must first be stated that this is a task for the Supervisory Board as a whole and not for the Chairman of the Supervisory Board.

It is true that the Chairman of the Supervisory Board received a letter from shareholders on 22 November 2023, which was apparently supported by Mr. Bernd Förtsch. The main content of the letter is the petition not to extend Mr. Frank Niehage's employment contract prematurely and to immediately set up a selection process for his successor. However, the Chairman of the Supervisory Board did not ignore this letter, but shared it immediately with the entire Supervisory Board and discussed it within the Board.

This also applies to the demand made in the letter not to extend the contract of CEO Frank Niehage prematurely and to immediately set up a selection process for his successor. The Supervisory Board, which has the authority to appoint personnel in accordance with the German Stock Corporation Act, has decided against parting ways with the CEO during the term of his mandate following discussion and consideration, also in light of the time horizon outlined below.

As the contracts of other members of the Management Board also expire in 2025, the Supervisory Board had already initiated the search for a successor to Mr. Frank Niehage and possible other members before it was approached by investors. Following a selection process, the Supervisory Board had mandated a recognized, internationally active personnel consultant specializing in the search for managers. The Supervisory Board has already met candidates for an initial interview and then made an initial pre-selection. GfBk's assertion that a solution was only desired at a later date is untrue and disregards the typical duration of such selection processes in a regulated industry.

Investor communication is just as important for the Supervisory Board as it is for the Management Board. The Supervisory Board and its Chairman cannot be accused of inadequate investor relations work. The Chairman of the Supervisory Board and the Supervisory Board member Mr. Stefan Müller, in his function as Deputy Chairman of the Supervisory Board, have exchanged information with shareholders involved in the letter several times by video call without being obliged to do so. Requests for meetings were always answered within a few days with an agreement to one of the shareholder's proposed dates.

Mr. Frank Niehage informed the Supervisory Board of the Company and the Management Board on the morning of 22 April 2024 of his wish to leave the Company prematurely. This was immediately published by the Company in an ad hoc announcement. In the days that followed, the petition was discussed by the Supervisory Board and - as requested by Mr. Frank Niehage - it was agreed that he would leave the Company on 30 April 2024. The Company had also informed the two supervisory authorities responsible for it, Deutsche Bundesbank and BaFin, which agreed with the Company's approach.

### ***SUMMARY***

The allegations made by GfBk against the Company's Supervisory Board and its Chairman are all unfounded. The Company's Supervisory Board and its Chairman have always performed their supervisory duties with due care. Against this background, there is no reason to remove the Supervisory Board member Mr. Martin Korbmacher from office. There is therefore also no need to elect a new member to the Company's Supervisory Board to replace Mr. Martin Korbmacher.

For this reason, the Supervisory Board proposes to the Annual General Meeting – in accordance with its resolution adopted unanimously with two abstentions on 5 May 2024 – to vote **against** the proposed resolutions under agenda items 13 and 14.