

2023

Remuneration report



flat   DEGIRO

Introduction

The following report contains detailed information on the remuneration of flatEXDEGIRO AG in 2023.

Remuneration report for the Management Board and the Supervisory Board

The section "Remuneration report for the Management Board and Supervisory Board" describes the principles of remuneration for the Management Board and Supervisory Board of flatEXDEGIRO AG. Furthermore, the section explains the amount and structure of remuneration for the 2023 financial year. The remuneration report complies with the current legal and regulatory requirements, in particular Section 162 of the German Stock Corporation Act (AktG) and the recommendations of the German Corporate Governance Code (GCGC).

This remuneration report significantly increases the transparency of reporting. Criticisms of the previous year's remuneration report have also been taken into account. The focus is on a more detailed presentation of the remuneration components and targets of the members of the Management Board as well as a detailed presentation of the financial components of the members of the Supervisory Board.

Remuneration report for employees ¹

The section "Remuneration report for employees" discloses information on the remuneration system and remuneration structures for employees of flatEXDEGIRO AG. The report presents the Group's remuneration framework and explains the decisions on variable remuneration for 2023.

¹ Reference to employees in the following report includes employees of all genders. This document is a convenience translation of the German original for English speaking readers. The original German version is the sole legally binding version.

I. Remuneration of the members of the Management Board

The following section begins with a review of the 2023 financial year. Further included in this report are the developments of the 2023 remuneration system and the vote on the 2022 remuneration report at the 2023 Annual General Meeting as well as their improvements. This is followed by an overview of the 2023 remuneration system, an explanation of the targets and target achievement for the 2023 financial year and a concrete tabular presentation of the remuneration of the individual members of the Management Board for the 2023 financial year.

1. Review of the 2023 financial year

Due to the tense economic conditions - particularly in connection with the energy crisis, the sharp rise in inflation, the ongoing geopolitical conflict in Russia/Ukraine as well as in the Middle East - the 2023 financial year was another particularly challenging year for both the capital markets and the banking sector. Despite these difficult conditions, flatEX DEGIRO AG can look back on a successful financial year 2023.

In 2023, a particular focus of activities was the implementation of measures to mitigate the findings of the special audit by the German Federal Financial Supervisory Authority (BaFin) in accordance with Section 44 of the German Banking Act (KWG). Overall, BaFin and the Deutsche Bundesbank are satisfied with the progress made as part of the special audit. The re-approval of the credit risk mitigation technique by BaFin in just ten months marks a significant milestone. The processing to date of the key findings from the special audit under Section 44 of the German Banking Act was confirmed as appropriate. The majority of the implementations will be carried out in the first quarter of 2024.

At the same time, the future competitiveness of the Group was further strengthened through improvements, expansions and automation of our technical system landscape. One of the largest projects, namely the database migration from the MySQL database management system to the MariaDB database management system, was successfully completed before the end of the year.

With the expansion of our own OTC trading platform L.O.X. (Limit Order Services) of Xervices GmbH, we have driven forward the expansion of our digital brokerage platforms. Together with increasing the scalability of our cash transaction platform, these are important factors in underlining our claim to be Europe's largest online broker in the future. Another important milestone was the increasing automation of securities processing, which makes a significant contribution to minimizing booking errors and thus increasing customer satisfaction.

The successes of flatexDEGIRO AG are reflected in the figures for the 2023 financial year flatexDEGIRO AG continued its strong customer growth in the 2023 financial year and further increased its key financial figures despite the challenging economic environment and high extraordinary charges. With around 340,000 new customer accounts, flatexDEGIRO expanded its customer base by a further 13% in 2023 to a total of over 2.7 million. Adjusted for the effects of the recognition and reversal of provisions for long-term variable remuneration, both revenue and the operating result (EBITDA) and consolidated net income increased year-on-year - despite high extraordinary charges in the low double-digit million range.

2. Further development of the remuneration system 2023

The Management Board remuneration system of flatexDEGIRO AG was last approved by the Annual General Meeting on June 29, 2021 with 70.75%. The result of the vote has encouraged the Supervisory Board in its approach of regularly reviewing and, if necessary, adjusting the remuneration system for the Management Board. The Group's remuneration system was last reviewed by the Remuneration Control Committee on December 12, 2023 and found to be appropriate. No adjustments were recommended in this context.

In order to align the remuneration systems of flatexDEGIRO AG and flatexDEGIRO Bank AG in the future and to meet the requirements of the Remuneration Ordinance for Institutions (Institutsvergütungsverordnung - InstitutsVergV), a limitation of the ratio of fixed to variable remuneration will be introduced as a first step as part of a revision of the remuneration system. Accordingly, the variable remuneration may not exceed 200% of the fixed remuneration (i.e., a ratio of 2:1) following a corresponding resolution by the Annual General Meeting in accordance with Section 25a (5) sentence 5 KWG. This ensures regulatory compliance with the requirements for an upper limit for variable remuneration in relation to fixed remuneration in accordance with Section 6 InstitutsVergV and guarantees a balanced opportunity and risk profile. At the same time, this allows an appropriate incentive effect for the members of the Management Board.

3. Vote on the 2022 remuneration report at the 2023 Annual General Meeting and improvements

The Annual General Meeting approved the remuneration report for the 2022 financial year on June 13, 2023 with 62.12%. In order to better understand the cautious vote, flatexDEGIRO sought direct dialog with major investors, who together account for around 1/3 of the free float, as well as with leading proxy advisors. In addition to Investor Relations, the CFO of flatexDEGIRO AG was also involved in a number of these discussions. Discussions were also held with proxy advisors on the recommendation of the Supervisory Board. In addition, a service provider specializing in such issues was consulted for support and quality assurance in the improvement process.

According to feedback from investors and proxy advisors, the main reasons for the cautious vote were related in particular to the general transparency levels, the maximum remuneration of the Chairman of the Management Board and the presentation of the financial compensation of Supervisory Board members. The feedback received was incorporated in its entirety into the preparation of this remuneration report and into further considerations regarding possible future adjustments to the remuneration system for the Management Board and Supervisory Board.

The Supervisory Board and Management Board have taken up the aspect of greater transparency and will also explain possible special constellations for the application of the remuneration system in detail in future remuneration reports so that third parties can better understand the decisions of the Supervisory Board and the remuneration of Supervisory Board members.

In addition, investors have requested greater transparency regarding the presentation of performance criteria for the 2023 financial year. This is also taken into account in this remuneration report. In the interests of our shareholders, we are providing more information in this respect this year, further increasing transparency.

It is planned to submit a revised remuneration system for the Management Board of flatexDEGIRO AG to the upcoming Annual General Meeting for approval, which particularly addresses the theoretical maximum remuneration and provides for a reduction of this from EUR 15,000,000 to EUR 9,500,000 (Chairman of the Management Board) and from EUR 12,000,000 to EUR 7,500,000 (ordinary members of the Management Board).

4 Remuneration system 2023 at a glance

The remuneration policy and remuneration systems of flatexDEGIRO AG follow and support the company's business and risk strategy. These are aimed at sustainability and consistency in order to promote risk-conscious and responsible behavior on the part of employees and to ensure sustainable and consistent business success. The aim of the remuneration policy is to ensure both qualitatively and quantitatively appropriate staffing levels by making the company an attractive employer. Suitable employees should be recruited, and existing employees should be retained by the company.

The Supervisory Board is responsible for the appropriate structuring of the remuneration systems for the members of the Management Board of flatexDEGIRO AG.

At its six ordinary and thirteen extraordinary meetings in 2023, the Supervisory Board received detailed reports from the Management Board on the company's situation, business policy issues, strategy and other important matters.

In December 2022, the Supervisory Board of flatexDEGIRO AG established a Remuneration Control Committee. This committee meets at least twice a year.

Remuneration governance structure of flatexDEGIRO AG (based on Section 25d (12) KWG and the requirements of the InstitutsVergV)

Remuneration Governance Structur of the flatexDEGIRO AG
(based on § 25d sec. 12 KWG and the regulations of the InstitutsVergV)

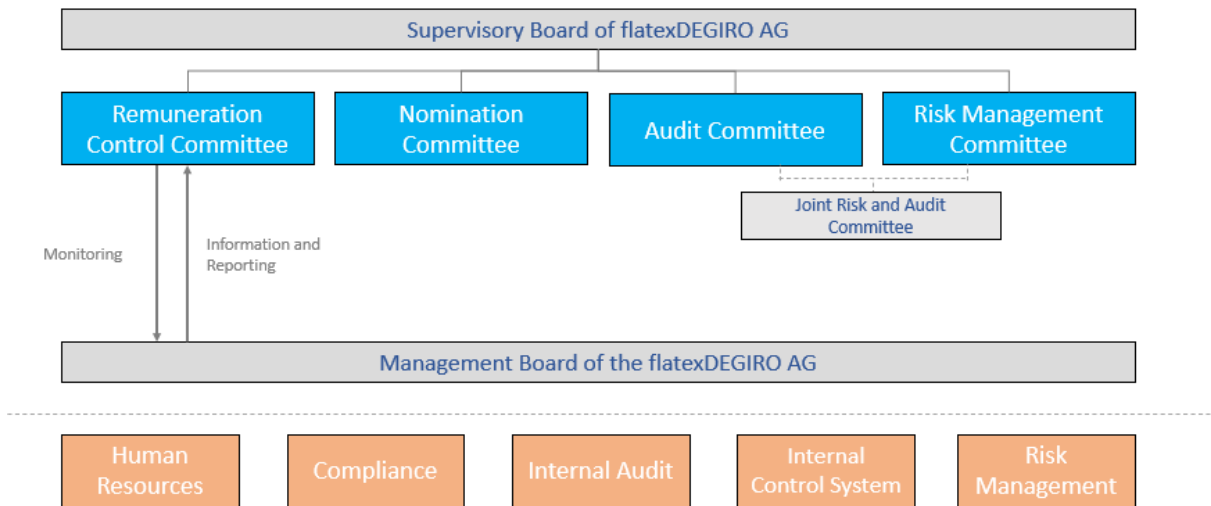


Fig. 1: Graphic representation of the remuneration governance structure

4.1 Principles of remuneration of the Management Board

The total remuneration consists of non-performance-related, fixed and performance-related, variable remuneration components, which are based on the requirements of the Remuneration Ordinance for Institutions. The principles of the remuneration system are based on the following guiding principles:

Clear focus on the corporate strategy	<ul style="list-style-type: none"> Performance criteria are derived from the corporate strategy
Performance and capital market reference	<ul style="list-style-type: none"> Pay for performance principle, performance-related variable remuneration, can be reduced to 0 No bonus commitments Ambitious performance targets with a strong capital market focus based on corresponding key performance indicators (KPIs)
Appropriateness of the remuneration	<ul style="list-style-type: none"> The remuneration of the Management Board is commensurate with the duties and performance of the Management Board member and takes into account the economic situation of the company
Risk adjustment	<ul style="list-style-type: none"> Three key risk-adjusted factors - capital, liquidity, debt

Regulatory compliance	<ul style="list-style-type: none"> • Ensuring conformity with the requirements of the AktG, the GCGC and the IVV
Long-term orientation	<ul style="list-style-type: none"> • The granting of an option-based LTI is designed to run for several years
Sustainability / ESG	<ul style="list-style-type: none"> • Promoting sustainable and responsible action by agreeing ESG targets

Fig. 2: Overview of the remuneration principles

The remuneration system of flatexDEGIRO AG continues to be geared towards contributing to promoting the business strategy and long-term development of the company and its affiliated companies. This is primarily achieved through a transparent and clear incentive structure for Management Board remuneration. The expertise of external remuneration consultants (hkp) was used in the preparation of the remuneration system. With the upcoming update, we will once again draw on external advice.

The remuneration system - in particular the weighting of economic indicators, social and societal responsibility indicators (ESG criteria, ESG = environment, social, governance), risk-adjusted factors and the uniform remuneration structure for all Management Board functions - is intended to set the right incentive priorities. In particular, the aim is to ensure that the Management Board only makes decisions that promise sustainable business success without focusing on the short-term optimization of its remuneration.

As part of the short-term variable remuneration (STI / annual bonus) without a short-term risk incentive and optimization, commercial and ESG criteria are also taken into account in addition to clearly measurable financial targets such as sales and profitability (EBITDA margin/cost-income ratio). The long-term development of the company is promoted by the fact that, in addition to the annual bonus, there is a stock appreciation right plan (SAR plan) based on virtual share options as a further variable remuneration component with a long-term incentive effect. This is intended to create comprehensible and sustainable incentives for committed and successful work in a dynamic business environment. Achieving or exceeding short and long-term performance targets should be rewarded appropriately without incentivizing the taking of inappropriate risks.

The balanced remuneration system is intended to apply for several years and during this time contribute to achieving a sustainable increase in flatexDEGIRO's enterprise value. The remuneration system complies with the requirements of the German Stock Corporation Act, the expectations of investors and, as described below, the recommendations of the German Corporate Governance Code (GCGC).

The current remuneration of the members of the Management Board is made up of various components. Based on the employment contracts concluded with them, the members of the Management Board are entitled to a fixed annual salary, annual variable performance-related remuneration (Component I), a long-term variable remuneration component (Component II) and fringe benefits. There are no claims to entitlements from a company pension commitment.

The remuneration for the members of the Management Board is determined by the Supervisory Board, which regularly reviews its structure and appropriateness. It is ensured that the remuneration of the Management Board is geared towards sustainable corporate development and that the variable remuneration components have a multi-year assessment basis. Secondary employment is generally subject to approval.

In addition to the regular duties of the Management Board and the personal performance of the respective Management Board member, the criteria for determining the total remuneration are also the performance of the Management Board as a whole and the economic success of flatEXDEGIRO within the comparative environment of the flatEXDEGIRO Group. The remuneration structure is intended to promote sustainable positive corporate development.

Remuneration of the Management Board

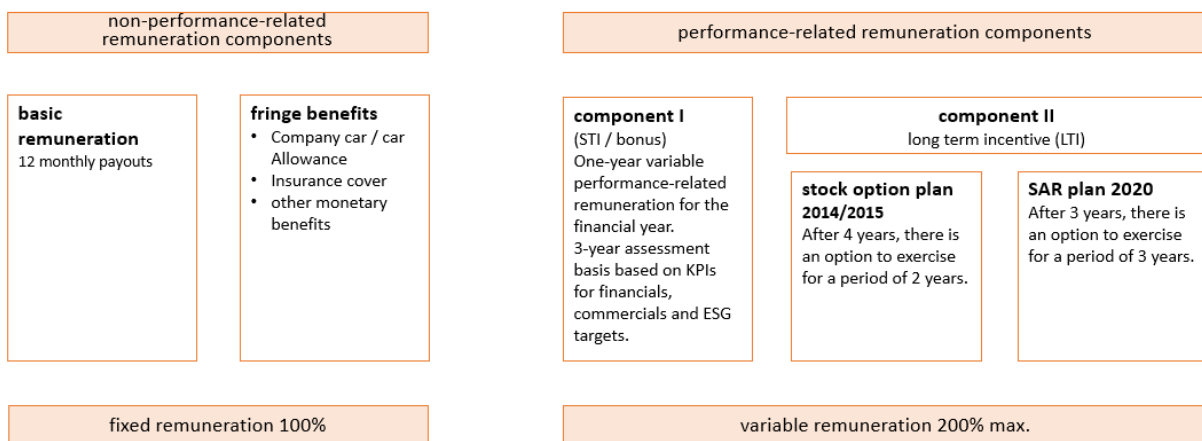


Fig. 3: Remuneration of the Management Board

4.2 Main features of the 2023 remuneration system

The core elements of the remuneration system for the Management Board consist of fixed (non-performance-related) and variable (performance-related) remuneration components.

4.2.1 Non-performance-related remuneration components

The non-performance-related remuneration components include the fixed basic annual salary and remuneration in kind.

Since November 2014, the basic annual salary has amounted to EUR 500,000 gross for the Chief Executive Officer, EUR 300,000 gross for the Chief Financial Officer and EUR 292,811 gross for the Chief Technical Officer. The pro rata compensation for the resigned Management Board mandate

of the COO and Deputy CEO amounted to EUR 175,000 gross for the 2023 calendar year.

The basic annual salary is paid in twelve equal monthly instalments.

Remuneration in kind mainly consists of the use of a company car or a corresponding monetary car allowance, security measures and insurance premiums as well as the payment of taxes on these.

4.2.2 Performance-related remuneration components (variable remuneration)

In addition to the fixed remuneration components, the remuneration system for the Management Board provides for performance-related (variable) remuneration that is linked to the achievement of targets set by the Supervisory Board at the beginning of each financial year. The performance-related (variable) remuneration consists of two remuneration components, namely short-term remuneration (annual bonus or short-term incentive, STI for short) and long-term remuneration (long-term incentive, LTI for short).

4.2.2.1 Short-term variable remuneration (STI)

The entitlement to the STI applies when the Remuneration Control Committee (RCC) determines the target achievement of the variable remuneration for the final decision submission to the Supervisory Board and the written notification to the members of the Management Board.

4.2.2.1.1 Basis for determining the target amount

The basis for determining the amount of the STI is the target amount (STI target amount). The STI target amount is the amount to which a member of the Management Board is entitled if he or she achieves 100% of the STI annual targets. If the Management Board member does not meet the agreed targets or only partially meets them, the STI can be reduced to 0%; if the targets are exceeded, the STI can be up to 200%. If a member of the Management Board joins or leaves the company during the year, this STI target amount is calculated and determined on a pro rata temporis basis.

In the Management Board remuneration system from 2021, the Supervisory Board defined a theoretical maximum remuneration for the members of the Management Board in accordance with Section 87a (1) sentence 2 no. 1 AktG. This is EUR 15,000,000 (Chairman of the Management Board) and EUR 12,000,000 (ordinary members of the Management Board) for a financial year. At that time, the Remuneration Ordinance for Institutions was not applied at flatexDEGIRO AG. Based on this background, the maximum remuneration was determined as described above. Historically, these upper limits have not been exhausted by any member of the Management Board.

Due to changes in the regulatory framework (since May 2022), the requirements of the Remuneration Ordinance for Institutions also applies to flatexDEGIRO AG. At the 2023 Annual General Meeting, it was decided that the maximum variable remuneration (2:1) can amount to 200% of the annual gross salary. Based on the aforementioned, the theoretical maximum remuneration

specified in the Management Board remuneration system does not represent an achievable figure, as it cannot be reached in purely mathematical terms.

As previously stated, a revised remuneration system for the Management Board of flatexDEGIRO AG is to be submitted to the upcoming Annual General Meeting for approval, which in particular addresses the theoretical maximum remuneration and provides for a reduction of this from EUR 15,000,000 to EUR 9,500,000 (Chairman of the Management Board) and from EUR 12,000,000 to EUR 7,500,000 (ordinary members of the Management Board).

4.2.2.1.2 The performance criteria

The STI component can account for up to 200% of the total annual target remuneration, provided no further allocations are made from the LTI. It is made up of financial and non-financial performance criteria. The 200% limit applies to the variable components (STI and LTI).

The financial performance criteria are based on the Group's operating result - sales and profitability (EBITDA margin/EBT margin). Sales growth and profitability growth compared to the previous year are significant financial performance indicators for the Group's operating financial performance.

The non-financial performance criteria include success factors of the company that are not directly expressed in the income statement or balance sheet items, but are essential for the sustainable success of flatexDEGIRO. These are divided into commercial criteria and general criteria including sustainability criteria (ESG). The commercial criteria include the aspects of new customer acquisition and the number of transactions processed in relation to other market participants with a comparable business model. Sustainability criteria and ESG factors include employee satisfaction and the promotion of diversity (implementation of an Employee Engagement Survey), customer satisfaction (continuous measurement of the Net Promoter Score) and sustainability (CO2 reduction). This exemplary list is not exhaustive.

The Supervisory Board can make a final selection and weighting of the factors at its reasonable discretion. The targets are described ex post in the remuneration report.

4.2.2.1.3 Determination of target achievement

Targets are set by the Supervisory Board at its discretion in the first quarter of a financial year. It is based on the corporate strategy and multi-year planning and is geared towards success-oriented and sustainable corporate management, in particular the establishment and expansion as Europe's leading online broker.

After the end of the financial year/with the annual financial statements, the Supervisory Board determines whether the annual targets have been achieved, exceeded or missed based on the actual values that result from the consolidated financial statements with regard to the key figures and are otherwise determined separately, and on the recommendation of the Remuneration Control Committee. If the annual targets are not achieved in full, the annual bonus may also be below the target amount or not paid at all. The target values and their achievement are disclosed ex post in the remuneration report.

If a member of the Management Board leaves the company during a financial year as a so-called "good leaver", the STI is granted pro rata temporis on the due date specified in the employment contract if the corresponding target achievement is determined at the end of the financial year. An Management Board member is considered a "good leaver" if he or she leaves the company at the request or instigation of the company without having given a reason for doing so, or if the contractual relationship expires in an orderly manner. In individual cases, the Supervisory Board remains authorized to settle the existing STI entitlements of an Management Board member leaving during the financial year with a one-off payment (in this case, the company will declare a deviation from recommendation G.12 of the GCGC).

If the Management Board member leaves the company as a "bad leaver", all entitlements to the annual bonus are forfeited. A Management Board member is considered a "bad leaver" if he or she leaves the company of his or her own accord without cause or if the company has terminated the contractual relationship for good cause caused by the Management Board member.

4.2.4 Long-term variable remuneration (LTI):

To establish a long-term, performance-related remuneration component, a share option program for active members of the Management Board and key people was set up in 2014 and 2015. In 2020, these were supplemented by a virtual stock option program (Stock Appreciation Right Plan), in which all employees of the company could participate in addition to members of the Management Board and key people.

The Supervisory Board allocated the options to the members of the Management Board. Participation itself is voluntary for the members of the Management Board.

All long-term, performance-related remuneration components reward the company's long-term business performance. Historically, the main focus has been on the positive development of the share price and earnings per share.

The options from the 2014 share option plan have already been exercised in full, which is why this plan is no longer discussed below.

Option plan 2015²

The long-term variable remuneration is based on a share option plan, which is based on the following key conditions.

4.2.4.1 Claim

The Management Board receives the allocation of a certain number of share options at a certain point in time. The allocation date is defined as the subscription date. The subscription price (strike price) per option is EUR 12.79 or EUR 3.1975 after the share split in the 2015 option model and

² The share options from the 2014/2015 share option program (SOP) have largely been exercised. A new SOP is currently being drawn up for the Management Board and a selected group of specialists and managers in order to continue to retain key people in the long term with an attractive remuneration package.

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is a fixed, non-adjustable component of this model.

4.2.4.2 Underlying financial performance criteria

Within the first 24 months from the subscription date, the value of the share under the 2015 share option program must increase by 50% compared to the share price on the subscription date (reference period). The share price is the XETRA closing price on the issue date. The development of the share price has no correlation to the subscription price (strike price).

4.2.4.3 Runtime

After the first 24 months from the allocation date, there is a further 24-month holding period.

At the end of the first 48 months, the beneficiary can exercise his options, provided they have arisen.

4.2.4.5 Settlement

When exercising the options, the beneficiary must pay both the subscription price of EUR 3.1975 per option (2015 option program) and the applicable income tax.

Stock Appreciation Rights Plan 2020

The long-term, variable remuneration is based on a virtual share option program, the Stock Appreciation Right Plan (SAR Plan), which is based on the following key conditions:

4.2.4.6 Claim

Each Stock Appreciation Right (SAR) grants the beneficiary the right to receive a cash payment from flatexDEGIRO AG (cash entitlement). The calculation of the cash entitlement per SAR is based on the development of the flatexDEGIRO AG share price and the development of EPS.

4.2.4.7 Runtime

The entitlement to payment from the SARs granted can be exercised at the earliest after the expiry of a waiting period of four years from the issue date (waiting period). The waiting period ends 48 months after the issue date. The waiting period includes periods during which the beneficiary is entitled to remuneration or compensation for remuneration from an employment or service relationship with flatexDEGIRO AG or an affiliated company from the issue date. Part-time work applies to the waiting period on a pro rata basis in relation to full-time work.

After expiry of the waiting period, the cash entitlements from the SARs can be exercised at any time up to the end of the defined term - exceptions may arise from black-out periods.

4.2.4.8 Underlying financial performance criteria

The actual share price performance of the flatexDEGIRO share is taken into account with a weighting of 50%. The increase in value is calculated as the difference between the exercise price and the reference price set when the SAR was purchased. By taking into account the absolute share price increase, a relevant capital market variable is integrated into the long-term variable remuneration, which on the one hand incentivizes the long-term increase in the company's value and at the same time leads to a strong alignment of the interests of the shareholders and the Management Board.

In addition to the absolute increase in the share price, earnings per share (EPS) are also taken into account as part of the long-term variable remuneration with a weighting of 50%. Taking EPS into account incentivizes long-term profitable growth and thus promotes flatexDEGIRO's corporate strategy, which is geared towards this. In addition, taking EPS into account further aligns the interests of the Management Board and shareholders, as EPS indicates earnings per share and is therefore a key performance indicator relevant for distribution.

The calculation of the cash entitlement per Stock Appreciation Right is based 50% each on the development of the flatex AG share price and the development of EPS. The amount of the cash entitlement per stock appreciation right of the beneficiary vis-à-vis flatex AG is calculated as follows (payout profile):

1. *(Exercise price - subscription price) * 0.5 + (earnings per share on the day of exercise - earnings per share on the day of subscription) * 0.5 * 30*
2. *Earnings per share (EPS) is the last audited earnings per share of flatex AG for the past full financial year.*
3. *The factor 30 represents the applicable EPS multiple. This remains unchanged over the term of the Stock Appreciation Right Plan.*

4.2.4.9 Termination or suspension of the employment relationship

In the event of termination of the employment relationship between the beneficiary and flatexDEGIRO AG during the term of the respective SAR, the beneficiary shall retain the SAR, provided that the waiting period has expired at the time of termination of the employment relationship.

In the event of termination of the employment relationship between the beneficiary and flatexDEGIRO AG during the waiting period, the SARs issued to the beneficiary and the resulting entitlements are retained on a pro rata basis. The proportion is calculated based on the exact monthly length of service since the SAR was issued in relation to the waiting period, whereby the full four-year waiting period is deemed to be 100%. The Supervisory Board is entitled to deviate from this "pro rata rule" (e.g. good leaver rule, etc.). If the employment relationship ends due to the death of the beneficiary, the cash entitlements from the SARs, calculated pro rata temporis, are transferred to the heir(s).

The beneficiary's claims under the SAR expire with immediate effect if the employment relationship between the beneficiary and flatexDEGIRO AG is terminated extraordinarily by flatexDEGIRO due to serious misconduct on the part of the beneficiary.

The following graphic provides an overview of the SAR plan:



Fig. 4: Schematic representation of the SAR plan from 2020

4.2.5 Pool reservation check/adjustment reservations

The Supervisory Board can reduce or even cancel the variable remuneration if more precisely defined regulatory or economic factors are not achieved. In order to adjust the bonus pool, i.e. the total amount of variable remuneration for all members of the Management Board, the Supervisory Board must take into account the risk-bearing capacity, multi-year capital planning and the earnings situation in accordance with the regulatory provisions of Section 7 InstitutsVergV and ensure the parent company's ability to maintain or restore an adequate capital and liquidity base and the capital buffer requirements of the German Banking Act on a permanent basis.

In principle, flatexDEGIRO AG is guided by selected restructuring indicators as defined in a restructuring plan. If the quotas defined there are not achieved, the Supervisory Board should examine the extent to which the variable remuneration can be waived in principle (so-called "pool reservation test").

The recovery plan is a regulatory plan that banks and superordinate companies must prepare and submit to the supervisory authorities in the event of a restructuring. According to the restructuring plan of flatexDEGIRO AG, threshold values according to a traffic light logic (red/yellow/green) are decisive. The focus is on a sufficient earnings, capital and liquidity position in the future. With regard to the earnings situation, the return on tangible equity (ROTE) is monitored on an ongoing basis. Furthermore, adequate capital/equity resources must be ensured. The total capital ratio, namely the overall capital ratio (OCR), is considered for this purpose. The economic risk-bearing capacity, multi-year capital planning and regulatory capital buffer requirements and capital recommendations are also

taken into account. Finally, the liquidity position is included in the assessment. The minimum requirement for adequate liquidity in the Liquidity Coverage Ratio (LCR) for the limit set by flatexDEGIRO must be met in the last 3 months.

If these requirements have been met, the bonus pool can be distributed in the intended amount. Otherwise, the Supervisory Board must reduce the bonus pool or eliminate it altogether, taking into account the non-compliance with the requirements. The extent of the reduction depends on the specific situation and is determined in an overall assessment. In addition, the Supervisory Board can reduce or cancel the variable remuneration of a Management Board member if defined conditions are met. This is the case, for example, if the Management Board member has acted immorally or in breach of duty in the performance of their duties in the relevant financial year. The variable remuneration is also forfeited if the Management Board member was significantly involved in or responsible for conduct that led to significant losses for the Group or a significant regulatory sanction in the financial year in which they performed their duties, or if they seriously violated relevant external or internal regulations with regard to suitability and conduct. Finally, should exceptional circumstances arise that are beyond the control of flatexDEGIRO AG, the Supervisory Board may increase or reduce the achievement of the Group target by up to 20 percentage points in order to appropriately neutralize both positive and negative effects on the achievement of the Group target.

This adjustment option is expressly provided for under supervisory law. Should the Supervisory Board make use of the option to reserve the right to make adjustments, this will be presented in the remuneration report.

4.2.6 Malus and clawback regulations

The criteria for determining the performance-related remuneration and the annual targets set by the Supervisory Board at the beginning of the financial year are generally not changed during the course of the financial year, or only in exceptional cases.

In the event of a serious breach of duty or compliance violation, the Supervisory Board can reduce the short-term performance-related remuneration to zero at its own discretion. Depending on the severity of the breach, the Supervisory Board may cancel the long-term performance-related remuneration in full or in part without compensation.

The company has a claim against a member of the Management Board for repayment of the performance-related remuneration paid if, after payment of the performance-related remuneration, it transpires that the audited and approved consolidated financial statements on which the claim to the performance-related remuneration is based were objectively incorrect and must therefore be corrected retrospectively in accordance with the relevant accounting regulations, and no or a lower claim to the performance-related remuneration would have arisen on the basis of the corrected audited consolidated financial statements. It is not necessary for the Management Board member to be at fault with regard to the need to correct the consolidated financial statements. The claim for repayment becomes due when the consolidated financial statements are corrected. It also exists if the mandate and/or employment relationship with the Management Board member has already ended at the time the claim for repayment falls due. The clawback claim is in the amount of the difference between the performance-related remuneration paid and the performance-related remuneration that should have been paid based on the corrected audited consolidated financial statements. The

Management Board member must reimburse the gross amount, i.e. the amount of the clawback claim including the taxes and social security contributions paid by the company. A subsequent correction of the consolidated financial statements does not lead to an increase in the entitlement to performance-related remuneration.

In the 2023 financial year, there was no clawback or complete elimination of variable remuneration components. However, the short-term variable remuneration of both the CEO and the COO was reduced by 20% compared to the previous year. This was due to the findings of the special audit by the German Federal Financial Supervisory Authority (BaFin) in accordance with Section 44 of the German Banking Act (KWG).

4.2.7 Benefits upon commencement and termination of Management Board activity

When a member of the Management Board takes up office, the Supervisory Board decides at its own discretion whether and to what extent additional remuneration benefits (e.g. relocation allowance or compensation for loss of earnings due to the move to flatexDEGIRO) are promised in individual contracts. The Supervisory Board may grant compensation for the forfeiture of benefits from the previous employer or contribute to the costs of relocation of the Management Board member when they take up their position on the Management Board. The amount of the compensation and the relocation costs must be specified in individual contracts. The relocation costs should not exceed a reasonable maximum amount.

No such benefits were granted in the 2023 financial year.

4.2.8 Remuneration for the assumption of board functions at other companies/other third-party services

Remuneration received by a member of the Management Board for performing board functions at consolidated companies is offset against the total remuneration of the Management Board member. When assuming board functions in non-consolidated companies, the Supervisory Board decides on a case-by-case basis whether and to what extent remuneration for the mandate is offset against the remuneration of the Management Board member.

In the 2023 financial year, no member of the Management Board received remuneration for serving on the boards of companies consolidated in the flatexDEGIRO Group.

4.2.9 Pension provision

The members of the Management Board do not receive a pension commitment as a company pension.

4.2.10 Maximum remuneration and cap on variable remuneration (upper limit)

The company defines maximum remuneration as the maximum achievable remuneration of a Management Board member for a financial year. The maximum remuneration is calculated from the sum of all components of the Management Board remuneration with maximum target achievement of the variable elements.

The maximum remuneration is neither the level of remuneration sought by the Supervisory Board, nor is it necessarily considered appropriate. It must be clearly distinguished from the annual target remuneration. It merely sets an absolute upper limit (cap), for example to prevent disproportionately high Management Board remuneration in the event of an unexpectedly good financial year.

In accordance with Section 87a para. 1 sentence 2 no. 1 AktG, the Supervisory Board has defined a maximum remuneration for the members of the Management Board that limits the maximum payment of remuneration granted for a financial year. When determining this maximum remuneration, the Supervisory Board differentiates between the Chairman of the Management Board and the ordinary members of the Management Board to the same extent as when determining the target remuneration. The maximum remuneration is EUR 15,000,000 for the Chairman of the Management Board and EUR 12,000,000 for the ordinary members of the Management Board. The maximum remuneration includes all non-performance-related (basic remuneration and fringe benefits) and performance-related (annual variable remuneration long-term variable remuneration) remuneration components granted to the members of the Management Board for a financial year.

In addition to the maximum remuneration in accordance with Section 87a para. 1 sentence 2 no. 1 AktG, the Supervisory Board has stipulated that the variable remuneration may not exceed the fixed remuneration by more than a factor of two (i.e. an upper limit of 2:1 is set for the ratio of variable to fixed remuneration). This was resolved at the 2023 Annual General Meeting. Taking into account the current basic remuneration of the members of the Management Board, the variable component can therefore amount to a maximum of twice the basic remuneration. Compliance with the 2:1 cap is reviewed after the end of each financial year or after the corresponding remuneration components have been granted. **If the variable remuneration would exceed this upper limit, it is reduced accordingly.**

4.3 Temporary deviation from the remuneration system and grandfathering

The 2021 remuneration system allows the Supervisory Board to temporarily deviate from the components of the Management Board remuneration system with regard to procedures and regulations on the remuneration structure and amount as well as the individual remuneration components in special exceptional cases after consulting the Remuneration Control Committee. The remuneration system limits temporary deviations from the remuneration system to the basic salary and the target amount of variable remuneration. The prerequisite was and is that a temporary deviation is necessary in the interests of the long-term well-being of the company. Such an exceptional case may exist if the deviation is necessary for the recruitment of a new member of the Management Board who is highly likely to have a serious positive impact on the long-term success of the company. Even in the event of a deviation, the remuneration must continue to be geared towards the long-term and sustainable development of the company and be in line with the success of the company and the performance of the Management Board member. There was no such exceptional case for the 2023 financial year.

In 2023 - as already described in the remuneration system - 2 existing Management Board contracts were subject to grandfathering, one of which was terminated by resignation in mid-2023.

4.4 Appropriateness of the remuneration

The Supervisory Board regularly reviews the appropriateness of Management Board remuneration. In 2024, the Supervisory Board will consult an external and independent expert to assess the market conformity and appropriateness of the total remuneration of the Management Board members.

4.5 Termination of the employment relationship

The following applies to the main cases of termination of the position as a member of the Management Board: The employment contracts are concluded for a fixed term for the duration of the appointment as a member of the Management Board and end at the agreed term, unless extended. If the appointment as a member of the Management Board ends prematurely, the contracts contain linking clauses.

4.6 Reimbursement of lost variable remuneration and other compensation payments

No lost remuneration or similar compensation was paid in 2023.

5. Targets and target achievement for the 2023 financial year

5.1 Group target

flatexDEGIRO achieved the Group's financial targets set out in the forecast section of the 2023 Annual Report in terms of Adj. revenue* and Adj. EBITDA* margin, but fell slightly short of the Adj. EBT* margin. At the time the forecast was issued, a number of negative special effects, which in total amounted to a low double-digit million amount, were not yet foreseeable. Without these effects, flatexDEGIRO would have exceeded all forecast figures despite an overall challenging environment.

Due to its geographical positioning and its convincing product, price and service offering, flatexDEGIRO also set itself the goal of outperforming the average growth rates of major listed peer companies by a factor of 1.5x to 2.0x. With an expansion of the customer base by almost 13% (compared to an average of around 6% for the peer companies), flatexDEGIRO was even able to exceed this target.

*Excluding effects from the creation or reversal of provisions for long-term variable remuneration.

5.2 Objectives of the Management Board

The personal targets are agreed between the Supervisory Board and the respective Management Board members at the beginning of the year. The targets are chosen to be challenging, ambitious and sufficiently specific in order to ensure an appropriate link between performance and remuneration and to take account of the pay for performance principle (see 4.1). In addition to financial KPI targets, they also include targets relating to commercial, general and sustainability issues, with a focus on financial targets.

The main criteria for the financial targets are customer growth, the growth components adjusted EBITDA and EBT margin as well as compliance with the respective resort budgets. The commercial topics focus on cost reduction and the implementation of personnel measures (strategic personnel development, measures to increase the engagement score). The general topics include strategic, organizational and regulatory objectives. In addition to the continuous merging/synchronization of the operational processes of the flatex and DEGIRO brands following the merger, the standardization and further development of processes, including regulatory requirements, is a key focus.

In preparation for the target achievement meetings between the members of the Management Board and the Chairman of the VKA, the VKA evaluates the targets of the Management Board members and their degree of achievement. This is followed by target achievement discussions between the Chairman of the VKA and the member of the Management Board and submission to the Supervisory Board for a decision.

5.2.1 Goals 2023

The targets agreed with the Supervisory Board for 2023 are divided into the thematic blocks: Financials, Commercials and General Goals including ESG targets, with each of these thematic blocks weighted at 1/3.

In addition to the adjusted EBITDA margin and adjusted EBT margin, targets for customer growth and OPEX basis were agreed in the Financials division. The targets agreed in the Financials division are taken into account by all Management Board members.

In the Commercials division, the focus was on the continuous review and implementation of savings potential in the respective specialist areas, as well as the management of RTD development.

The general goals were in the areas of governance, organization and ESG. In addition to goals such as the sustainable development of flatexDEGIRO into a highly profitable broker, the goals set resulted from the regular requirements of the special audit, such as the establishment of a Group-wide audit department, expansion of the Group-wide ICS structure, organizational development, process optimization and implementation of the 2F structures in the holding company. In the area of ESG, the focus was on increasing diversity and the proportion of women, particularly in supervisory and management positions, see non-financial report p. 51. In addition, there are various financial education formats - with a focus on female finance. Traditional targets, such as emissions/employees, are also taken into account.

At the meeting on March 29, 2023, the Supervisory Board assessed all targets as achieved. No over- or underachievement was identified. In accordance with the Management Board remuneration system, the Supervisory Board has the option of carrying out a final weighting and assessment of the targets in order to take account of special events. Based on the results of the special audit, the Supervisory Board concluded that the bonus payments of individual Management Board members should be reduced by 20% and 17% respectively.

Target achievement	Financials (Weighting: 1/3)	Commercials (Weighting: 1/3)	ESG / General Goals (Weighting: 1/3)
	100%	100%	100%

Despite full achievement of the individual objectives, the amount paid out was reduced due to the special circumstances of the special audit.

Fig. 5: Overview of weighting of targets and target achievement

5.3 Claw Back

In the past financial year, the Supervisory Board did not assert any claims for repayment of variable remuneration already paid out.

6. Remuneration for the 2023 financial year

The following table shows all benefits paid to the individual members of the Management Board for the 2023 financial year. At the beginning of 2023, the Management Board consisted of Frank Niehage CEO, Muhamad Said Chahrour Deputy CEO & COO, Dr. Benon Janos CFO and Stephan Simmang CTO. Mr. Muhamad Said Chahrour resigned from office with effect from 28 July 2023. All other members of the Management Board continue to hold their offices.

The following table shows all benefits that an active member of the Management Board or a member who left the Management Board in the 2023 financial year receives or received for their work in the 2023 financial year. The "Annual salary" column shows the annual basic salary (payable in 12 equal monthly instalments). The "Other remuneration" column shows the cumulative annual fringe benefits.

The performance-related remuneration column is divided into Component I - one-year variable remuneration and Component II - long-term variable remuneration (see also 4.1). Component I is presented according to the accrual principle. This component shows the annual variable remuneration earned for the calendar year 2022.

Component II is presented in accordance with the allocation principle. This is based on the fair value at the time of allocation. The entitlement to Component II only arises after the end of the deferral period and the subsequent performance measurement.

		Non-performance-related remuneration		total remuneration (in %)	performance-related remuneration			total remuneration (in %)	total remuneration
		fixed annual salary	other		component I		component II		
					one-year variable remuneration****	stock option plan 2015	SAR plan 2020***		
F. Niehage	2023	500,000.00 €	23,600.00 €	40%	800,000.00 €	- €	- €	60%	1,323,600.00 €
	2022	500,000.00 €	21,989.00 €	34%	1,000,000.00 €	- €	- €	66%	1,521,989.00 €
M. Chahrour	2023	175,000.00 €* 300,000.00 €* 300,000.00 €*	14,636.00 € 25,392.00 € 25,392.00 €	27% 35% 35%	500,000.00 € 600,000.00 € 600,000.00 €	- € - € - €	- € - € - €	73% 65% 65%	689,636.00 € 925,392.00 € 925,392.00 €
B.Janos	2023	300,000.00 €	20,000.00 €	43%	400,000.00 €	- €	31,200.00 €	57%	751,200.00 €
S. Simmang	2023	292,811.00 €	10,282.40 €	56%	200,000.00 €	- €	40,560.00 €	44%	543,653.40 €
Overall Management Board	2023	1,267,811.00 €	68,518.40 €	40%	1,900,000.00 €	- €	71,760.00 €	60%	3,308,089.40 €
Overall Management Board	2022	800,000.00 €	47,381.00 €	35%	1,600,000.00 €	- €	- €	65%	2,447,381.00 €

* Mr Muhamad Said Chahrour resigned from the Executive Board at the end of 28 July 2023. His remuneration is presented up to this date.

Mr Chahrour received a pro rata amount of EUR 30,000 of his remuneration for the calendar year from flatEXDEGIRO Bank AG.

** No allocations of Component II were made to Frank Niehage or Muhamad Said Charour in the reporting year / Long-term variable remuneration is measured at fair value on the allocation date.

*** SARs from the 2020 plan were exercised in the 2023 calendar year (allocation took place in 2020) Exercises were also made by members of the Executive Board (total: € 25,857,622)

**** Reductions are due to the results of the special audit.

Fig. 6: Overview of Management Board remuneration paid out

II. Remuneration of the members of the Supervisory Board

The remuneration regulations and the remuneration system of the Supervisory Board as well as the specific remuneration of the Supervisory Board members in the 2023 financial year are presented below.

1. Remuneration regulations and system

The remuneration amount for the Supervisory Board is determined by the Annual General Meeting and is regulated in Article 14 of the Articles of Association. The remuneration is based on the tasks and responsibilities of the Supervisory Board members.

Each member of the Supervisory Board receives a fixed annual remuneration of EUR 60,000.00. The above mentioned fixed remuneration amount does not apply to the Chairman of the Supervisory Board, who receives a fixed annual remuneration that amounts to EUR 120,000.00, which also covers memberships and the chairmanship of committees. The fixed remuneration that applies to the Chairman of the Audit Committee amounts to EUR 90,000.00, which also covers memberships and

chairmanship of other committees. The other members of the Supervisory Board do not receive any additional remuneration for their membership of Supervisory Board committees.

No attendance fees are paid to the members of the Supervisory Board. The amounts are due in full at the end of the financial year and are paid out after the Annual General Meeting.

flatexDEGIRO AG reimburses the members of the Supervisory Board for expenses incurred in the exercise of their office and any value added tax payable on the remuneration or reimbursement of expenses. The Chairman of the Supervisory Board is provided with an appropriate amount of personnel and equipment and reimbursed for travel expenses for representational duties incurred in connection with the function. The remuneration granted and owed within the meaning of Section 162 para. 1 sentence 2 no. 1 AktG shown in Fig. 8 below represents all payments due in the 2023 financial year. No advisory or agency services or other personal services were provided by members of the Supervisory Board in 2023 either. Accordingly, no additional remuneration was granted.

Members of the Supervisory Board are covered by D & O insurance. A deductible of 10% of the possible loss up to a total of one and a half times the fixed Supervisory Board remuneration has been set up for them. No loans or advances have been granted to members of the Supervisory Board. Similarly, no contingent liabilities have been entered into in their favor.

2. Remuneration of the Supervisory Board in the 2023 financial year

All four members of the Supervisory Board who were already appointed in the previous year continued to serve on the Supervisory Board of flatexDEGIRO AG in the 2023 financial year. These are Martin Korbmacher as long-standing Chairman of the Supervisory Board, Stefan Müller as Deputy Chairman of the Supervisory Board, Aygül Özkan and Herbert Seuling. In addition, Britta Lehfeltdt was appointed as the fifth member of the Supervisory Board as of June 2023. With her appointment, the Supervisory Board gains a member who can support the Board with her expertise in the increasingly important area of IT security (cyber security), among other things, due to her previous activities.

The members of the Supervisory Board are listed below in table form, including the dates of their first appointment, their term of office and their membership of committees:

Supervisory Board members			
		first time order	election period
Martin Korbmacher	Chairman of the Supervisory Board Chairman of the Remuneration Control Committee Chairman of the Nomination Committee Member of the Joint Risk and Audit Committee	October-14	2025
Stefan Müller	Deputy Chairman of the Supervisory Board Member of the Nomination Committee Member of the Joint Risk and Audit Committee (till June -23)	February-17	2025
Aygül Özkan	Member of the Supervisory Board Member of the Remuneration Control Committee Member of the Nomination Committee	May-22	2025
Herbert Seuling	Member of the Supervisory Board Member of the Remuneration Control Committee Member of the Joint Risk and Audit Committee	May-16	2025
Britte Lehfeldt	Member of the Supervisory Board Member of the Joint Risk and Audit Committee (as of June-23)	June-23	2025

Fig. 7: Overview of the members of the Supervisory Board

The following table shows the remuneration of all Supervisory Board members for the 2023 financial year. The members of the Supervisory Board received fixed remuneration of EUR 365,000.00 for the 2023 financial year. In addition, EUR 22,000.00 in expense allowances were paid for travel as part of Supervisory Board activities in 2023 (previous year: EUR 7,000.00). The increase is due, among other things, to the increased advance payment for Supervisory Board meetings in 2023 and the holding of Supervisory Board meetings at the international locations.

		chairman of the supervisory board	member of the supervisory board	chairman of the risk and audit committee	total remuneration
Martin Korbmacher	2023	120,000.00 €			120,000.00 €
	2022	120,000.00 €			120,000.00 €
Stefan Müller	2023		60,000.00 €		60,000.00 €
	2022		60,000.00 €		60,000.00 €
Aygül Özkan	2023		60,000.00 €		60,000.00 €
	2022		60,000.00 €		60,000.00 €
Herbert Seuling	2023		60,000.00 €	30,000.00 €	90,000.00 €
	2022		60,000.00 €	30,000.00 €	90,000.00 €
Britta Lehfeldt*	2023		35,000.00 €		35,000.00 €
	2022				
Supervisory Board as a whole	2023				365,000.00 €
	2022				330,000.00 €

* Pro rata payment due to commencement of the mandate in June 2023.

Fig. 8: Remuneration of the Supervisory Board in 2023

3. Remuneration control committee

The Supervisory Board of flatEXDEGIRO AG established a Remuneration Control Committee (RCC) in December 2022. The Remuneration Control Committee is composed of members of the Supervisory Board and thus ensures a close connection and focus of the Supervisory Board on remuneration matters of flatEXDEGIRO AG.

It consists of the Chairman (Martin Korbmacher), who heads the VKA, and at least two other members (Herbert Seuling and Aygül Özkan).

The VKA supports the Supervisory Board in the appropriate structuring of the remuneration systems for the members of the Management Board and monitors the appropriate structuring of the remuneration systems for the Management Board and employees, in particular the appropriate structuring of the remuneration for the Head of Compliance, the Money Laundering Officer and those employees who have a significant influence on the overall risk profile of the company and the Group.

Furthermore, the VKA supports the Supervisory Board in monitoring the effects of the remuneration systems on risk, capital and liquidity management and ensures that the remuneration systems and the remuneration strategy are geared towards achieving the objectives set out in the Group's business and risk strategies, taking into account the other requirements pursuant to Section 4 InstitutsVergV.

The VKA coordinates its activities with the Joint Audit and Risk Committee (GRUPA) and cooperates with it to the extent necessary to fulfil its tasks.

In the 2023 financial year, the VKA met on the following dates: March 13, 2023/March 28, 2023/September 7, 2023/October 11, 2023 and for the last time on December 12, 2023.

III. Remuneration of employees

The fixed and variable remuneration as well as additional employee benefits are presented below.

1. Fixed remuneration

flatexDEGIRO AG is not subject to a collective wage agreement. Employees receive a fixed annual salary, which is paid in 12 equal monthly installments.

Fixed remuneration compensates employees according to their qualifications, experience and skills as well as the requirements, importance and scope of their role, regardless of age or gender. The appropriate amount of fixed remuneration is determined taking into account the standard market remuneration level for each role and on the basis of internal comparisons and applicable regulatory requirements. We evaluate the market standard of employee remuneration through internal and external market analyses. This plays a key role in ensuring that we can attract and retain the right employees in order to achieve our strategic goals. For the majority of our employees, fixed remuneration is the primary remuneration component. It accounts for well over 80% of total remuneration. This focus is appropriate for many business areas and will continue to be one of the main features of total remuneration in the future.

The amount of the fixed remuneration ensures that employees are not significantly dependent on the variable remuneration. The fixed and variable remuneration are in an appropriate relationship to each other, whereby the proportion of the fixed component in the total remuneration is sufficiently high so that a flexible policy regarding the variable component is possible without restriction and the payment of a variable component can also be waived entirely.

2. Variable remuneration

Variable remuneration makes it possible to differentiate between individual performance contributions and support behaviors through monetary incentive systems that can positively influence the corporate culture. Variable remuneration also allows costs to be managed flexibly. In terms of variable remuneration, we distinguish between two elements - the "Group component of variable remuneration" and the "individual component of variable remuneration", which are applied at different career levels. We distinguish between 6 levels below the Management Board: Analyst, Associate, Manager, Director, Executive Director and Managing Director. The individual component of variable remuneration is granted either as "individual variable remuneration", generally from Director level and above, or as a recognition award, depending on the achievement of individual targets and the company's results. The Group component generally applies to the Analyst, Associate and Manager levels. The basis for calculating the group component is the individual monthly salary multiplied by a factor X, depending on the company result. The multiplier for the group component has been below 1 in recent years.

"Principles for determining variable remuneration" have been introduced for determining variable remuneration at individual employee level. These contain information on the factors and metrics that must be taken into account when making decisions on individual variable remuneration.

In making discretionary decisions, our managers must appreciate both the absolute and relative risks that employees take in their work to ensure that decisions on the individual component of variable remuneration are balanced and that risk-taking is not inappropriately encouraged. Factors and metrics include risk-adjusted divisional financial and non-financial performance, corporate culture and behavioral considerations, disciplinary actions and individual performance. Executives of risk takers must also document the factors and risk parameters they used when deciding on individual variable remuneration and demonstrate how these factors influenced the decision on individual variable remuneration.

The remuneration structures are designed to promote the long-term success of employees and the flatEXDEGIRO Group. While a portion of the variable remuneration is paid out directly, these remuneration structures can ensure that an appropriate portion is paid out at a later date in order to ensure alignment with the sustainable performance of the Group, provided the requirements are met.

In general, there are no guarantees for variable remuneration in the current employment relationship.

3. Additional benefits

Total remuneration is supplemented by additional benefits, which may be based on place of employment, length of service and seniority, but are not directly linked to performance. They are granted in accordance with local market practice and local regulations and requirements. These include, for example, kindergarten allowances, employee PC leasing, monthly meal vouchers or value credits, anniversary vouchers, etc. Furthermore, the pension policy (direct insurance) is in line with the Group's business strategy, objectives, values and long-term interests.

IV. Comparative presentation of earnings development and the annual change in remuneration

The following tables show the earnings performance of flatexDEGIRO AG, the annual change in the remuneration of the members of the Management Board and the Supervisory Board and the annual change in the average remuneration of employees in accordance with Section 162 (1) sentence 2 no. 2 AktG compared to the previous year. The comparative presentation of the change in remuneration requires a comparison of the change in the figures from one financial year to the next. The resulting comparative result is shown as a percentage. In addition, the absolute values are stated in order to better classify the relative changes.

1. Earnings development

The earnings performance of flatexDEGIRO AG must be disclosed in accordance with Section 162 (1) sentence 2 no. 2 AktG. This is done based on the annual result (net profit/net loss for the year) in accordance with the German Commercial Code (HGB). In addition, the financial performance indicators of the consolidated financial statements in accordance with IFRS (revenue, adjusted EBITDA margin) that are relevant for target achievement are presented, as these are the key figures for determining the achievement of Group targets and consequently the amount of variable remuneration for the members of the Management Board under the remuneration system still applicable for the 2023 financial year.

2. Remuneration of the Management Board/Supervisory Board

The comparative presentation of the remuneration of the members of the Management Board and Supervisory Board shows the remuneration granted within the meaning of Section 162 para. 1 sentence 1 AktG. The details of the changes compared to the previous year can be found in the tables

showing the remuneration granted to the Management Board and Supervisory Board in the corresponding remuneration reports.

3. Average employee compensation

The presentation of the average remuneration of employees is based on the Group's personnel expenses on a full-time equivalent basis. The selection therefore includes all employees of flatexDEGIRO Group. In this way, a representative average is calculated. The average remuneration comprises the personnel expenses for basic salaries, variable remuneration, pensions, other fringe benefits and social security contributions paid for a financial year. The presentation of employee remuneration therefore has a different basis than that of the remuneration of the Management Board and Supervisory Board. Employee remuneration consistently uses the data records for personnel expenses in accordance with the annual report, converted to full-time equivalents. This enables better comparability with the earnings performance presented. Due to the legal requirements, this presentation differs from that for the remuneration of the executive bodies, as only the remuneration components received in the financial year within the meaning of Section 162 para. 1 sentence 2 no. 1 AktG are shown for the members of the executive bodies.

	increase		increase		2021
	2023	in %	2022	in %	
Earnings development (adj. turnover in TEUR)	390,732	6.03%	368,522	-11.75%	417,581
Frank Niehage	1,323,600.00 €	-13.03%	1,521,989.00 €	1.47%	1,500,000.00 €
Muhamad Said Chahrour	664,636.00 €	-28.18%	925,392.00 €	15.67%	800,000.00 €
Dr. Benon Janos	751,200.00 €				
Stephan Simmang	543,653.40 €				
Managing Director	269,000.00 €				
Executive Director*	159,117.00 €	2.66%	155,000.00 €	-13.39%	178,972.00 €
Director	97,157.00 €	2.57%	94,725.00 €	10.48%	85,742.00 €
Analyst/Associate/Manage	60,451.00 €	3.42%	58,450.00 €	8.79%	53,727.00 €

Explanations:

The presentation excludes possible allocations from the SAR Plan 2020 in order to achieve better comparability.

**As of 2023, separate presentation of MD and ED level*

Fig. 9: Compensation comparison by level

V. Glossary

No.	Term/ abbr.	Explanation
1	AktG	German Stock Corporation Act (Aktiengesetz)
2	BaFin	German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht)
3	Black-out period	Trading blackout periods, i.e. times during which the flatexDEGIRO AG share may not be traded
4	CIR	Cost-income ratio
5	Car Allowance	Fixed monthly amount of money granted instead of a company car
6	Clawback	Reclaiming amounts already paid
7	Compliance	Compliance with certain legal and regulatory requirements
8	DCGK	German Corporate Governance Code
9	Diversity	Diversity/variety with regard to criteria such as gender and origin
10	Employee Engagement Survey	Employee satisfaction survey
11	EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortisation
12	EBT	Earnings Before Taxes
13	EPS	Earnings per share. EPS is an important financial indicator for the company
14	ESG	Environmental Social and Governance - Criteria and framework for the consideration of environmental, sustainability and social issues within corporate management, public bodies, governments and authorities (Wikipedia)
15	Fair value	denotes the usual market value
16	Free float	Free float, i.e. securities held by shareholders with an interest of < 5%
17	GRUPA	Joint Risk and Audit Committee
18	IVV / InstitutsVergV	German Remuneration Ordinance for Institutions (Institutsvergütungsverordnung)
19	KPI	Key performance indicators
20	KWG	German Banking Act (Kreditwesengesetz)
21	LCR	Liquidity coverage ratio
22	L.O.X.	Limit Order Xervices - proper name of our in-house OTC trading platform
23	LTI	Long Term Incentive system, especially for managers
24	Mitigation	synonymous with downsizing / reduction / attenuation
25	NPS	Net Promoter Score - Key figure for measuring customer satisfaction
26	OCR	Overall capital ratio - total capital ratio
27	OTC	Over the counter, refers to off-exchange trades that are not traded on a traditional stock exchange
28	Pay for performance	means performance-related, success-based remuneration, not fixed remuneration
29	pro rata temporis	Latin for proportionate to time
30	ROTE	Return on tangible equity
31	SAR	Stock Appreciation Right - share price appreciation rights / notional share options
32	Strike Price	The price fixed for derivative financial instruments at which the holder can exercise his right to buy or sell the underlying asset (Wikipedia)
33	STI	Short-term incentive - here bonus for the previous financial year
34	VKA	Remuneration Control Committee (Vergütungskontrollausschuss)

REPORT OF THE INDEPENDENT AUDITOR ON THE AUDIT OF THE REMUNERATION REPORT PURSUANT TO § 162 (3) AKTG

To flatexDEGIRO AG, Frankfurt am Main

Audit Opinion

We have formally audited the remuneration report of flatexDEGIRO AG, Frankfurt am Main, for the financial year from 1 January 2023 to 31 December 2023, to determine whether the disclosures pursuant to § 162 (1) and (2) AktG (Aktiengesetz: German Stock Corporation Act) have been made in the remuneration report. In accordance with § 162 (3) AktG, we have not audited the content of the remuneration report.

In our opinion, the accompanying remuneration report complies, in all material respects, with the disclosure requirements pursuant to § 162 (1) and (2) AktG. Our audit opinion does not cover the content of the remuneration report.

Basis for the Audit Opinion

We conducted our audit of the remuneration report in accordance with § 162 (3) AktG and in compliance with the IDW Auditing Standard: The Audit of the Remuneration Report pursuant to § 162 (3) AktG (IDW PS 870 (09.2023)). Our responsibilities under this regulation and this standard are further described in the “Auditor’s Responsibilities” section of our auditor’s report. Our audit firm has applied the requirements of the IDW Quality Management Standards. We have complied with our professional duties pursuant to the German Public Auditors Act (WPO) and the Professional Charter for Auditors/Chartered Accountants (BS WP/vBP), including the independence requirements.

Responsibilities of the Management Board and the Supervisory Board

The Management Board and the Supervisory Board are responsible for the preparation of the remuneration report, including the related disclosures, in compliance with the requirements of § 162 AktG. They are also responsible for internal controls they consider to be necessary to enable the preparation of a remuneration report, including the related disclosures, that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities

Our responsibility is to obtain reasonable assurance about whether the remuneration report complies, in all material respects, with the disclosure requirements pursuant to § 162 (1) and (2) AktG, and to issue an auditor's report that includes our opinion.

We planned and performed our audit to obtain evidence about the formal completeness of the remuneration report by comparing the disclosures made in the remuneration report with the disclosures required by § 162 (1) and (2) AktG. In accordance with § 162 (3) AktG, we have not audited whether the disclosures are correct or individual disclosures are complete or whether the remuneration report is fairly presented.

Consideration of Misleading Representations

In connection with our audit, our responsibility is to read the remuneration report considering the knowledge obtained in the audit of the financial statements and to remain alert for indications as to whether the remuneration report contains misleading representations in relation to the correctness of the content of the disclosures, the completeness of the individual disclosures or the fair presentation of the remuneration report.

If, based on the work we have performed, we conclude that such a misleading representation exists, we are required to report that fact. We have nothing to report in this regard.]

Frankfurt am Main, 15 March 2024

BDO AG
Wirtschaftsprüfungsgesellschaft

Schmidt
Wirtschaftsprüfer
(German Public Auditor)

Rist
Wirtschaftsprüfer
(German Public Auditor)