

# flatexDEGIRO AG

## REMUNERATION SYSTEM FOR MEMBERS OF THE SUPERVISORY BOARD

## I. Statutory regulation

The remuneration of the members of the Supervisory Board, which is based on the Remuneration System described below under c), is regulated in Article 14 of the Articles of Association of flatexDEGIRO AG. This was last amended by resolution of the Annual General Meeting held on 05 July 2017 and currently reads as follows:

### „Article 14 Remuneration”

- (1) Each member of the Supervisory Board shall receive an annual fixed remuneration. The respective amount of the fixed remuneration for the members of the Supervisory Board is determined by the Annual General Meeting. The most recently resolved remuneration remains valid until the Annual General Meeting resolves on a modified remuneration.
- (2) The remuneration shall be payable after the end of a financial year on the day following the Annual General Meeting at which a resolution was passed to ratify the actions of the members of the Supervisory Board.
- (3) Supervisory Board members who have been members of the Supervisory Board for only part of the fiscal year shall receive one twelfth of the remuneration for each month of service or part thereof.
- (4) The Company may take out a pecuniary loss liability insurance policy (D&O insurance) for the benefit of the members of the Supervisory Board with an insurance sum customary in the market in an appropriate amount or include the members of the Supervisory Board in such an insurance policy, which covers the liability of the members of the Supervisory Board arising from their Supervisory Board activities. The Company bears the insurance premiums and taxes for such insurance attributable to the members of the Supervisory Board in total.
- (5) The Company shall reimburse the members of the Supervisory Board for the value-added tax payable on their remuneration and for necessary expenses.“

## II. Determination of remuneration by the Annual General Meeting held on 05 July 2017

The remuneration of the members of the Supervisory Board in accordance with Article 14 of the Articles of Association was last determined by the Annual General Meeting held on 05 July 2017 as follows:

The remuneration of the members of the Supervisory Board determined on the basis of Article 14 of the Company's Articles of Association was last amended by the Annual General Meeting held on 05 July 2017. The Annual General Meeting held on 05 July 2017 set the remuneration of the members of the Supervisory Board for the 2018 financial year and subsequent financial years as follows:

„For the 2018 financial year and subsequent financial years, the members of the Supervisory Board shall receive the following remuneration until the Annual General Meeting determines a different remuneration.

Each member of the Supervisory Board shall receive an annual fixed remuneration in the amount of EUR 60,000.00. The Chairman of the Supervisory Board receives twice the remuneration.“

### III. Underlying Remuneration System

The remuneration of the members of the Supervisory Board is based on the following system:

The Remuneration System for the members of the Supervisory Board is simple, clear and comprehensible.

The members of the Supervisory Board receive the annual fixed remuneration determined by resolution of the Annual General Meeting. The Chairman of the Supervisory Board receives double this remuneration. The Company has included the members of the Supervisory Board in a pecuniary loss liability insurance policy (D&O insurance) with a standard market insurance sum in an appropriate amount, which covers the liability of the Supervisory Board members arising from their Supervisory Board activities. The Company bears the insurance premiums and taxes for such insurance attributable to the members of the Supervisory Board in total.

In contrast to the Management Board, the Supervisory Board is not operationally active and does not make decisions to determine business strategy. Rather, the Supervisory Board's main tasks include monitoring and advising the Management Board and, in so doing, contributing to the Company's long-term development (Sections 113 para. 3 sentence 3, 87a para. 1 sentence 2 no. 2 AktG). Even though the Supervisory Board's remuneration is not directly linked to the success of the business strategy, it also contributes to the successful implementation of the business strategy.

The granting of a purely fixed remuneration without variable components has proven its worth and corresponds to the common practice in other listed companies. In the opinion of the Management Board and the Supervisory Board, an exclusively fixed remuneration for the members of the Supervisory Board is best suited to take into account the control function of the Supervisory Board, which is to be fulfilled independently of the Company's success, as this strengthens the independence of the Supervisory Board required for the monitoring task and thus promotes the long-term development of flatexDEGIRO AG. The remuneration of the Supervisory Board therefore does not contain any variable remuneration components (Sections 113 para. 3 sentence 3, 87a para. 1 sentence 2 nos. 3, 4 and 6 AktG) or any share-based components (Sections 113 para. 3 sentence 3, 87a para. 1 sentence 2 no. 7 AktG).

Pursuant to Article 14 para. 2 of the Articles of Association, the remuneration is payable after the end of a financial year on the day following the Annual General Meeting at which a resolution was passed to ratify the actions of the members of the Supervisory Board (Sections 113 para. 3 sentence 3, 87a para. 1 sentence 2 no. 5 AktG).

The remuneration of the members of the Supervisory Board is governed conclusively by the Articles of Association in conjunction with the most recent resolution adopted by the Annual

General Meeting in this regard; there are no ancillary agreements. The remuneration is linked to the duration of the appointment. There are no promises of redundancy payments, pensions or early retirement (Sections 113 para. 3 sentence 3, 87a para. 1 sentence 2 no. 8 AktG).

Due to the special nature of the Supervisory Board remuneration, which is granted for an activity that differs fundamentally from the activity of the Company's employees, a vertical comparison with the remuneration and employment conditions of the Company's employees cannot be considered when reviewing and determining the remuneration system. Accordingly, it is also unnecessary to determine a group of employees to be included in such a settlement (Sections 113 para. 3 sentence 3, 87a para. 1 sentence 2 no. 9 AktG).

The remuneration system of the Supervisory Board (Section 87a para. 1 sentence 2 number 10 AktG) is resolved by the Annual General Meeting on the basis of a proposal by the Management Board and the Supervisory Board. Remuneration is determined by the provisions of the Company's Articles of Association in conjunction with the resolution adopted by the Annual General Meeting. Since the amendment of the German Stock Corporation Act (AktG) by the Act Implementing the Second Shareholder Rights Directive (ARUG II), Section 113 para. 3 sentence 1 AktG stipulates that the Annual General Meeting must pass a resolution on the remuneration of the members of the Supervisory Board every four years, whereby a resolution confirming the remuneration is also permissible. The remuneration of the Supervisory Board is therefore reviewed regularly by the full Supervisory Board and the Management Board as required, but at least every four years. In the event of planned changes, the planned remuneration (and the planned remuneration system) for the Supervisory Board is submitted to the Annual General Meeting for resolution. If the Supervisory Board remuneration submitted to the Annual General Meeting for resolution does not receive the required majority, a revised Supervisory Board remuneration (and the revised remuneration system) must be submitted for resolution at the following Annual General Meeting at the latest. It is in the nature of things that the members of the Supervisory Board are involved in the structuring of the remuneration relevant to them and the remuneration system on which it is based. However, the inherent conflicts of interest are counteracted by the fact that the decision on the ultimate structure of the remuneration and the underlying remuneration system is assigned by law to the Annual General Meeting and a resolution proposal is submitted to this by both the Supervisory Board and the Management Board (Sections 113 para. 3 sentence 3, 87a para. 1 sentence 2 no. 10 AktG).