

Dear Shareholders,

The past twelve months have been a time of meaningful change for our company and, as we prepare for our Annual General Meeting scheduled for June 4, 2024, I wish to personally address some important topics and recent events.

Firstly, I want to acknowledge the valuable contributions of our former CEO, Frank Niehage, and our former Deputy CEO and COO, Muhamad Chahrour, and thank them both for their service over the past decade, leading flatexDEGIRO from a small German/Austrian niche player to becoming a highly profitable European leader with superior growth and a high-quality customer base of close to 3 million.

Continuity

Following Frank Niehage's resignation, the Supervisory Board has intensified the search for a suitable successor candidate, which we aim to complete in the near term. We firmly believe that our focus must now be on the next evolutionary steps of our product offering, and on strengthening customer centricity, while maintaining our commitment to profitable growth and capital allocation in the best interest of all shareholders. We are confident that our newly appointed interim co-CEOs, Dr Benon Janos and Stephan Simmang, possess the necessary experience and expertise to lead our operational business and, working closely with the Supervisory Board, navigate the current economic landscape.

Supervisory Board Duty

In 2023, we have further strengthened our governance by extending the Supervisory Board to five members and by the election of Britta Lehfeltd. As a member of the Joint Risk and Audit Committee, Britta Lehfeltd contributes especially her extensive compliance experience.

Strategic decisions in the Management and Supervisory Board are made objectively. We appreciate feedback from each shareholder and see it as our duty to align the corporate strategy for the benefit of all shareholders. In this context, it is worth noting that the Supervisory Board took all important decisions unanimously in 2023, including our capital allocation policy with the proposed minimum dividend and the authorization for a share buyback program.

Allow me to comment on the supplementary motions for the Annual General Meeting that we have formally received in the last few days, one of which calls for my dismissal and replacement: The Supervisory Board firmly rejects the allegations made in connection with these motions as it considers them to be inaccurate and taken out of context. An incomplete picture of the facts is being painted. Against this background and as part of the usual preparations for our Annual General Meeting, the Supervisory Board has published a formal [statement](#) on these proposals.

Capital Returns and Shareholder Democracy

Mindful of this remit and our legal responsibilities, we have therefore decided to retain the proposal for a share buyback program on our agenda for the AGM despite some recent public opposition. This program underscores our confidence in the company's future and our commitment to creating value for all shareholders in the current absence of more value-accretive M&A opportunities. In light of flatexDEGIRO's current stock market valuations we also believe that it is the more value-accretive approach in the interest of our shareholders compared to paying out a larger dividend. We have therefore decided to propose only a minimum dividend of 4 cent per share, in accordance with the German Stock Corporation Act (Aktiengesetz). Leaving the final decision to all flatexDEGIRO shareholders when they vote on these proposals at the Annual General Meeting underlines our belief in, and support of, shareholder democracy. We have therefore also opted to segregate the share buyback program proposal into two different forms of acquisition and usage of the acquired shares (agenda items 10 and 11).

Revised Remuneration System and Increased Transparency

At our last AGM, our Remuneration Report was approved by only 62 percent of the votes cast, while our revised Management Board Remuneration System received only 71 percent approval. As neither of these voting results were satisfactory, we have sought direct dialogue and engaged with our major investors and leading proxy advisors to better understand their concerns. Their feedback was incorporated in its entirety into the preparation of our current [Remuneration Report](#) (agenda item 7), in which we are providing substantially more information to further increase transparency for our shareholders. It has also been incorporated into the [revised Remuneration System for the Management Board](#) which we are presenting at this AGM (agenda item 8) and submitting for shareholder approval. Inter alia, it addresses the theoretical maximum remuneration of members of the Management Board and provides for an approx. 37 percent reduction of this component.

Progress in the Remediation of Special Audit Findings

In 2022, the German Federal Financial Supervisory Authority (BaFin) conducted a special audit at flatexDEGIRO Bank AG, in accordance with Section 44 of the German Banking Act (KWG). Measures were taken by flatexDEGIRO without delay to eliminate the identified deficiencies. Key findings relating to the application of Credit Risk Mitigation Techniques were resolved already in 2023 and the Management Board is striving to resolve the remaining relevant findings successfully in 2024. In our audited [Annual Report 2023](#), we have provided a detailed status report on pages 68-71, covering the taken personnel measures, the established project structure and cultural changes as well as the remediation and quality assurance process.

2023 has been a very eventful year for your company. We have made a very deliberate effort to intensify our dialogue with our shareholders and we would like to express our gratitude for many helpful conversations and the thoughtful suggestions we received. We have risen to the challenges presented to us last year, and this is in no small part due to your support. It has helped us to strengthen our organizational foundation that will carry and sustain the future growth of our company.

I am confident that, with your continued support, both the Supervisory and Management Board will be able to steer our company through any challenge presented.

I am asking for your supportive vote at the upcoming Annual General Meeting, to enable us to continue to fulfill our duties.

Sincerely,

Martin Korbmacher
Chairman of the Supervisory Board