

2023

Non-financial report

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Foreword by the Management Board

Dear shareholders,
dear friends of flatexDEGIRO AG,

We can be justifiably proud of what we as team at flatexDEGIRO have achieved in the past months. So on behalf of the entire Management Board and Supervisory Board, we would also like to take this opportunity to express our thanks and appreciation to all our 1,300 colleagues at flatexDEGIRO. We overcame difficult economic conditions together and made 2023 another successful year.



In a time overshadowed by unparalleled global challenges, flatexDEGIRO is working to build a sustainable future for our company – to the benefit of our stakeholders. Our work goes beyond financial success and encompasses a strong commitment to ecological and social responsibility.

We have further consolidated our strong position in the European market, acquired approx. 340,000 new customer accounts (previous year: 460,000) and increased our total customer base to more than 2.7 million private investors. In our main core markets, we have now passed the mark of 750,000 customer accounts in the Netherlands, 500,000 customer accounts in Germany and 250,000 customer accounts in Austria. Our broad-based growth improves the geographic diversification of our business model and reduces risks. As a leader in the European online brokerage market, we are aware of our responsibility when it comes to providing accessible, sustainable financial solutions. We know how crucial a role long-term investment can play in safeguarding financial wealth.

Our commitment to financial education is not only a key aspect of our mandate but also a strategic imperative. Cooperative ventures with partners such as LINDA., The Next Women, Dutchess Capital and events like “Female Finance” are representative of our drive to improve the proportion of female investors in the market. At the same time, the “Anyone Can Invest!” initiative launched in 2023 is actively breaking down barriers and promoting a culture more heavily geared towards diversity.

The long-term entrepreneurial success of flatexDEGIRO is predicated on the expertise, dedication, and flexibility of our employees. Our commitment to promoting a diverse, dynamic workplace and developing our HR policies are reflected in the positive results of our annual Group-wide employee survey, not to mention a series of external awards including the “Top Employer” seal. It is also underlined by the best rating of all online brokers on the German employer rating platform kununu. We strive to create a workplace that gives our team the

Foreword by the Management Board

space it needs to grow. Our gratitude and respect go to all employees who have helped drive the success of the Group through their dedication and consistent focus.

The expansion and diversification of our Supervisory Board and Management Board will empower us to overcome new challenges and seize opportunities in the constantly changing European market.

Our commitment to sustainable development is not merely a promise, but a continuous process. We are proud to be part of the Global Compact Initiative of the United Nations and to be guided by its principles in the fields of human rights, labour standards, environmental protection, and the prevention of corruption. This obligation reflects our vision of a more inclusive and more sustainable global economy.

We have set ambitious goals for the year 2024. We want to increase the proportion of suppliers who adhere to our Business Partner Code of Conduct to at least 40%, maintain a high level of training and accelerate the electrification of our vehicle fleet to embrace the latest advancements in sustainable practices.

Yours sincerely,

Frank Niehage, LL.M.
CEO

Dr Benon Janos
CFO

Stephan Simmang
CTO

Christiane Strubel
CHRO

A background image featuring a bokeh effect of out-of-focus city lights. The lights are in various colors, including yellow, orange, red, and white, creating a warm and vibrant atmosphere. The lights are scattered across the frame, with some appearing as bright, circular spots and others as elongated, vertical streaks.

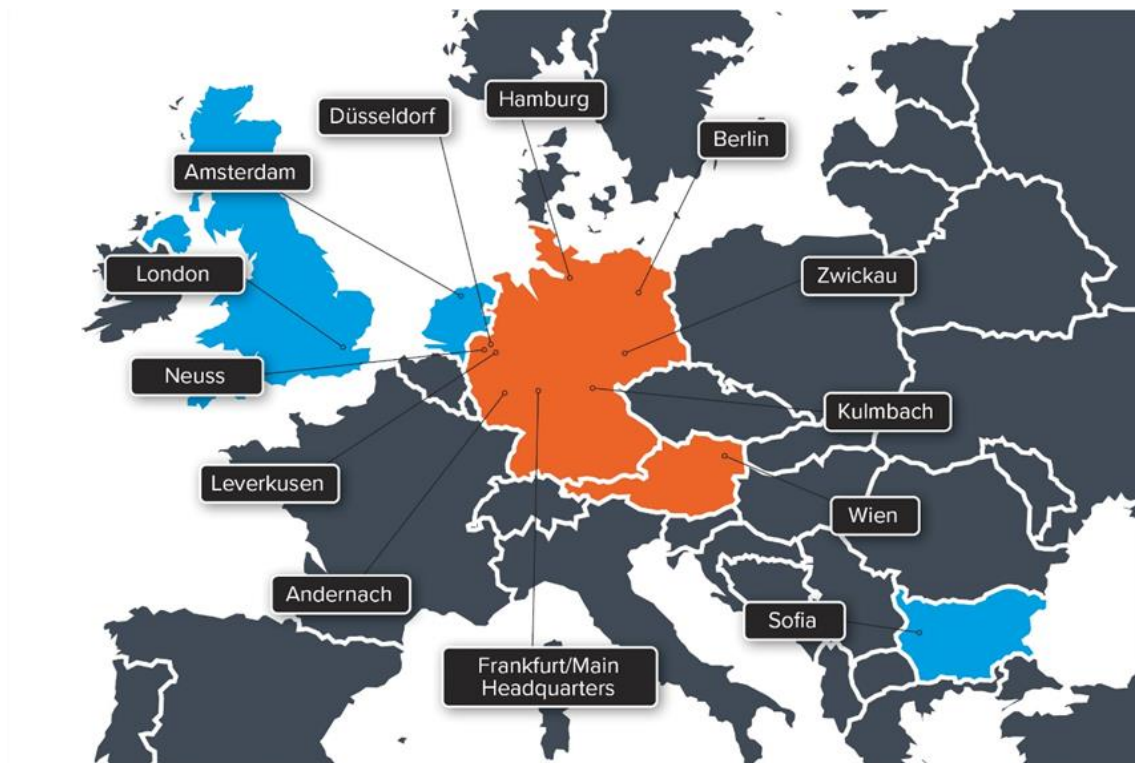
Business model of the Group

Business model of the Group

In the area of financial services and financial technology, flatexDEGIRO AG and its subsidiaries offer online brokerage and IT solutions for banking and securities with high standards of security, performance and quality. The focus of our business activities is online brokerage. flatexDEGIRO considers itself to be one of the largest retail online brokers in Europe in terms of geographic scope and the number of transactions settled and customers serviced.

The Group's parent company is flatexDEGIRO AG, a European provider of financial technologies. Its business activities consist of the development, supply, and operation of future-proof and efficient IT solutions for the settlement of securities and payment transactions. This mainly comprises the supply and operation of the IT infrastructure for private customers of the flatexDEGIRO Group, which guarantees the settlement of customer transactions in 16 European countries.

As at the reporting date, flatexDEGIRO AG has business operations at nine locations in Germany and one site each in the Netherlands, Great Britain, Austria and Bulgaria. The flatexDEGIRO Group employed an annual average of 1,285 employees (previous year: 1,219).



New definition of operating segments

flatexDEGIRO AG is required by IFRS 8 to report on its operating segments. The type of segmentation is based on the management approach. Segments are components of a company for which separate financial information is available. This information is regularly analysed by the Management Board and by management as part of the allocation of resources and the assessment of performance.

flatexDEGIRO AG was previously divided into the FIN (Financial Services) and TECH (Technologies) business segments. The Financial Services segment mainly comprised the activities of flatexDEGIRO Bank AG, which divided its commercial activities into the Online Brokerage, Non-Brokerage, and Credit & Treasury divisions.

The TECH segment comprised the operating IT business of flatexDEGIRO AG, consisting of the development, production, distribution and maintenance of software, hardware and IT infrastructures. The core product of flatexDEGIRO AG is the flatex Core Banking System (abbreviated to FTX:CBS).

One consequence of the merger between DeGiro B.V. and flatexDEGIRO Bank AG was a strategic focus on the core online brokerage business. As a result, the management of the flatexDEGIRO Group increasingly concentrates on the FIN operating segment.

This was taken as an opportunity to redefine the operating segments.

The new classification divides the operating segments into “flatex” and “DEGIRO”.

IT services at flatexDEGIRO AG and Xervices GmbH are not assigned to individual segments, but are allocated to these segments.

Segment “flatex”

The operating segment “flatex” includes the online brokerage activities under the flatex brand and the activities under the ViTrade brand for which no separate segment was formed for reasons of materiality (the criteria for operating segments were not met).

In geographic terms, the core online brokerage business under the flatex brand and the ViTrade brand relates to Germany and Austria.

The operating segment “flatex” continues to include that part of the business activities from Credit & Treasury of flatexDEGIRO Bank AG that does not relate to DEGIRO. This reflects the investment business and the conservative lending business under the flatex brand and the ViTrade brand, which as a rule takes place on a secured basis.

Of secondary importance are the business activities related to “Business Process Outsourcing” and the securities settlement services and fully automated transaction settlement services (General Clearing Member, GCM) offered as an outsourcing solution.

Segment “DEGIRO”

The operating segment “DEGIRO” comprises the online brokerage activities under the DEGIRO brand and the part of the business activities from Credit & Treasury accounted for by the DEGIRO brand. This reflects the investment business and the conservative lending business under the DEGIRO brand, which as a rule takes place on a secured basis.

In geographic terms, the operating segment "DEGIRO" currently relates to 15 countries in Europe: the Netherlands, Spain, Portugal, France, Germany, Italy, Switzerland, Ireland, Great Britain, Denmark, Sweden, Finland, Poland, Czech Republic, and Greece.

Core business online brokerage

With flatex, ViTrade ("flatex" segment) and DEGIRO ("DEGIRO" segment), three established and successful online broker brands belong to flatexDEGIRO. All brands specialise in the execution-only securities business and target traders and investors who trade autonomously.

The Company's successful growth means that an increasingly broad customer base is targeted. Trading services are available for all types of securities with access to all German and many international exchanges, as well as over-the-counter direct trading. Our brands reflect online broker businesses without physical branches. They provide customers with a number of different trading platforms and access options for trading in securities products. These access options are continuously improved with the aim of offering an excellent customer experience and reaching additional groups of customers.

Customers can trade stocks, ETFs (exchange-traded funds), ETPs (exchange-traded products) and many other products online, both at exchanges and over the counter. The Group also cooperates with numerous direct trading partners. In addition to one-off investments in securities, customers can set up savings plans with ETFs and other funds.

An average of 22 transactions per customer account in 2023 attests to the active customer base of flatexDEGIRO, although trading activities declined year on year across the industry due to the market environment. The success of our online brokerage business was further driven by the Group's transparent pricing model, which focuses on cost-effective pricing, the comprehensive and independent product portfolio, and the stable, convenient, and customer-focused platforms.

The Group's brokerage business received accolades in numerous publications throughout Europe in the past financial year (see **Customer satisfaction and customer feedback**, p. 36).

Credit & Treasury (C&T)

As a by-product of the online brokerage business, the Group holds over EUR 3.6 billion in customer funds as of 31 December 2023. Interest rates, especially the European Central Bank's (ECB) deposit facility rate, increased again significantly over the past financial year. The ECB raised the interest rate on the deposit facility in several steps from 2.0 % in December 2022 to 4.0 % in September 2023. In combination with the customer deposits, most of which are deposited with the Deutsche Bundesbank and on which no interest is paid to customers, the higher interest rates generate significant earnings contribution for flatexDEGIRO.

flatexDEGIRO Bank AG already significantly revised its credit strategy in the 2021 reporting year and placed the focus on low-risk securities-backed credit business (margin-loans). The remaining loan portfolio was gradually reduced through maturity or redemption. This also includes the factoring portfolio. The supplementary property financing offered as a treasury substitute was also strategically discontinued at year-end 2022.

The treasury department pursues a broad diversification of money and capital investments, including overnight and fixed-term deposits, bank and government bonds, cash loans and mortgage bonds as well as UCITS (Undertakings for Collective Investment in Transferable Securities) and special funds (Alternative Investment Funds, "AIFs"). Under the internal

investment guideline, the management of interest-bearing own investments is based on the respective current business and medium-term planning as well as a regular review of target achievement during the year. The protection of invested capital is the primary focus.

In the 2023 reporting year, flatexDEGIRO added ESG exclusions to its investment guidelines. The revised investment guidelines apply to all financing and investment activities as well as engagements directly linked to the following sectors in a broader sense. This includes the following sectors:

- Metals and mining industry
- Oil and gas industry
- Hydroelectric power stations
- Forestry and agriculture (including palm oil)
- Arms industry

There is currently no activity in these sectors.

SEGMENT "FLATEX"

Core business online brokerage

The flatex segment has two established and successful online broker brands in flatex and ViTrade, which are both active in Germany and Austria. Both brands specialise in the execution-only securities business and target traders and investors who trade autonomously.

flatex brand

Under the flatex brand the Group offers execution-only securities transactions in Germany and Austria. The offering aims at independent traders and investors who make their own decisions. It covers all types of securities and provides access to all German and many international exchanges, as well as over-the-counter direct trading, mainly of stocks, ETPs and ETFs. Our services focus on a transparent pricing model and a product range independent of banks, as well as customer-focused services.

ViTrade brand

The ViTrade trading boutique offers services for professional traders that are distinguished by special conditions dependent on the trading volume and product, professional trading platforms and individual customer service. Customers are also given the opportunity to engage in covered short selling of selected stocks and bonds traded in Germany. In addition, ViTrade offers "trading lines", which enable customers to use capital even more effectively. ViTrade has a standard pricing model that consists of a percentage commission rate of 0.09% of the quoted price (plus exchange fees).

Securities settlement

flatexDEGIRO Bank AG has accounts with the central securities depositories Clearstream and Euroclear for share and securities transactions. This allows flatexDEGIRO Bank AG to carry out the securities settlement of its own transactions. flatexDEGIRO Bank AG also has the status of General Clearing Member at Eurex Clearing for the stocks and securities business. This connects brokers and securities businesses to the securities settlement processes.

Existing non-brokerage business

Within the non-brokerage business area, flatexDEGIRO Bank AG offers its partners the product range of a full bank as an outsourcing solution. The bank does not take on a role externally but

performs all processes on behalf of the respective partner. For example, services are offered in the areas of employee participation and business process outsourcing (BPO).

The services for existing business customers will be continued in a expense-optimised manner. A targeted expansion with respect to the strategic focal points in the online brokerage business only takes place in those areas where there is a direct link to the securities business, in order to further reduce internal costs per securities transaction in the Group.

SEGMENT “DEGIRO”

DEGIRO brand

DEGIRO was established in the Netherlands in 2007 as a fund management company. The range of services was extended in 2013 by adding an online brokerage solution for private customers. DEGIRO has been part of the flatexDEGIRO Group since mid-2020. The merger with flatexDEGIRO Bank AG took place in spring 2021, with retroactive effect from 1 January 2021. Today DEGIRO is represented in 15 European countries. DEGIRO customers have access to almost 50 European and non-European stock markets, including in the USA, Australia, Japan and Hong Kong, via user-friendly trading platforms developed in-house. The complete range of products includes shares, bonds, futures, options, exchange-traded products, and exchange-traded funds.

Goals and strategies

The strategic focus of flatexDEGIRO is on the further development and expansion of its online brokerage business in Europe. The Group is primarily aiming for sustainable, profit-oriented growth and rapid market penetration. Maintaining a leading technological position is also critical to success. By leveraging economies of scale and an efficient centralised business organisation, flatexDEGIRO also aims to further increase profitability and value creation for its shareholders through this growth.

Organic growth in online brokerage

flatexDEGIRO aims to sustainably increase its customer base by dynamically expanding its product and service offering, innovative and easy-to-understand trading applications, and an increased media presence. At the same time, the number of securities transactions processed should continue to grow depending on the trading activity of the customers. This is not only to increase revenues, but also to achieve other economies of scale, resulting in significantly reduced costs per transaction and improved profit margins. Market trends indicative of growth in the online brokerage market in all countries in Europe will have a fundamentally positive effect in the long term. Not least, these include the recently low to negative real interest rates, a rising affinity for online activities, easier access to capital market products and systemic problems in a large number of state pension systems, where pay-as-you-go methods are coming under great pressure due to demographic change.

Following the acquisition of DEGIRO in July 2020, the Group intends to achieve organic growth with its online brokerage brands in its current markets by attracting sophisticated investors with its cost-effective pricing model and a comprehensive and independent product range, as well as transparent, convenient and customer-focused platforms.

In brokerage business, “digital proximity” to the customer is the key. Alongside transparent communication and rapid provision of relevant information, this includes a stable brokerage

platform with state-of-the-art functions, and innovative products and processes. The added value for the customer arises from the interaction of the product, platform, and price. In addition to an attractive price-performance ratio with an extensive, innovative, and constantly growing product portfolio, continuous investment in the platform is an important part of ensuring consistent availability even on days with a particularly high level of trading.

There is a broad spectrum of customers within the online brokerage market, and they pursue different investment objectives. On the one side there are customers who use the online brokerage service to invest in savings plans that serve as long-term investments. On the other hand, there are customers who use the brokerage service for active trading, resulting in portfolios with a more short-term orientation. flatexDEGIRO will continue to expand the flatex and DEGIRO brands in both directions, and keep focusing on professional traders with its ViTrade brand.

With **flatex next**, a user interface was introduced in Germany at the end of 2020 and in Austria in spring 2023 that is easier to understand than its predecessor and is therefore also more user-friendly for less experienced customers. In this way, flatexDEGIRO wants to give everyone easy access to the capital markets. It is now possible for a broad section of the population to purchase securities in only a few clicks, and in doing so to contribute to their personal retirement savings. Sustainable investments can be interesting both from a return perspective and in terms of their contribution to environmental protection and social responsibility and equality. Promoting this form of investment and other sustainable financial incentives can contribute to more sustainable economic development. This is why it is flatexDEGIRO's goal to make ESG products visible, for example, shares in companies that pay attention to the environment, society and good corporate governance. The search function for stocks, ETFs and funds already includes the category "flatex green". DEGIRO also features the option to filter securities by ESG criteria. To do so, it accesses the extensive database of the rating agency Refinitiv to offer customers even more support and help them decide to invest in sustainable securities. This tool is set to be incorporated gradually into the **flatex next** filter tool and receive further upgrades over the next few years.

In addition, the Group pursues marketing strategies that have a clear focus on financial education and information. An extensive range of information and training courses for basic economic and financial knowledge, introductions to the flatexDEGIRO online platforms and product training help flatexDEGIRO customers make considered and well-founded decisions. With videos, interactive formats and subject-based events (online and offline), a wide selection of information sources is offered. With "The Art of Investment", flatexDEGIRO launched a TV documentary in January 2022 which conveys important fundamental knowledge for private investors. In four episodes, renowned journalists, professors, behavioural researchers and investors question some of the biggest misunderstandings about investment by analysing historical events and the mechanisms at work.

Acquisitions and strategic partnerships may also be used to achieve the growth targets. This could include online brokers that have higher costs per transaction, higher costs in customer acquisition or inefficient product partnerships or are unable to cope with the increasing regulatory requirements. Management believes that the use of Group-wide processes and systems, the implementation of efficient marketing strategies and expansion of the multiple prizewinning product and service range have the potential to boost profits and create lasting value. Activities to deepen vertical integration could also be attractive.

The Group has no current plans to expand outside Europe.

Deposit business and securities lending

flatexDEGIRO aims to be the leading online broker for sophisticated investors and so addresses a customer segment that is primarily interested in long-term investment and active trading. flatexDEGIRO is deliberately not positioning itself as a savings platform. For this reason, the customers of flatexDEGIRO have an average investment ratio significantly in excess of 90 per cent, which means that customers normally have significantly more than 90 per cent of their assets held in custody on flatexDEGIRO platforms invested in securities, and on average hold significantly below 10 per cent in cash. Because flatexDEGIRO's customers base is broad and growing, these cash holdings amounted to some EUR 3.6 billion as of year-end 2023. flatexDEGIRO has a conservative investment strategy for these customer funds, and its full banking licence in combination with the current interest rate environment allows the Group to generate substantial interest income, especially from loans fully backed by securities and sight deposits with the Deutsche Bundesbank. From a strategic perspective this interest income allows flatexDEGIRO to offset temporary dips in trading by customers – due to the higher interest rate environment, for instance. This contributes to sustainable financial stability and enables flatexDEGIRO to keep actively driving its own business forward, make substantial investments in the continued viability of its platforms and deliver profitable growth, even in a market environment that is challenging for the whole online brokerage sector.

More detailed information about the business model is available in the Annual Report 2023 on pages 37 to 59.

Legal framework

Legal framework of the separate, non-financial Group report

flatexDEGIRO AG published its third separate non-financial Group report (hereinafter: non-financial report) in accordance with the German Commercial Code (HGB) and thus complies with the requirements of the CSR Directive Implementation Act (CSR-RUG) at company and Group level in accordance with Sections 315 b and 315 c in conjunction with Sections 289 b to 289 e HGB.

The reporting period of the non-financial report corresponds to the calendar year. Unless otherwise stated, all disclosures made in the report relate to the Group companies that are also included in the consolidated financial statements. References to information outside the combined Group management report and the management report of flatexDEGIRO AG are additional information and not part of the non-financial report.

In preparing the non-financial report, we adhered to the Global Reporting Initiative Standards (GRI) as the recognised framework for sustainability reporting. See also the GRI content index starting on page 72.

Within the non-financial report, material risks must be reported in accordance with Section 289 c (3) no. 3 and 4 HGB, as long as the disclosures are necessary for an understanding of the course of business, the business results, the position of the Group and their impact on non-financial matters. flatexDEGIRO understands risk and opportunity management as the ongoing task of identifying, analysing and evaluating the spectrum of possible and actual developments within the company and its environment. flatexDEGIRO has implemented a wide range of risk-reducing measures in this context. In the net assessment of risks, there are no material risks in relation to the aspects of the CSR-RUG identified as relevant for the non-financial report that are associated with our own business activities or our products, services or business relationships that are very likely to have serious negative effects on non-financial matters. For further information, please refer to "Forecast and opportunities report" in the Group management report for the 2023 financial year.

The non-financial report was prepared by the Management Board and reviewed and approved by the Supervisory Board of flatexDEGIRO AG for legality, propriety and appropriateness.

Sustainability management

flatexDEGIRO understands sustainability as a long-term value driver that brings benefits at economic, ecological and social levels. In this sense, flatexDEGIRO is committed to the guiding principle of sustainable development. Economic success, integrity, responsibility for employees and society and also environmental protection are already practised on a daily basis. To underscore this claim, flatexDEGIRO joined the United Nations Global Compact (UNGC) in 2021. UNGC is the world's largest and most important initiative for sustainable business and by joining, flatexDEGIRO is committed to recognising the ten universal principles in the sustainability dimensions of human rights, labour standards, environmental protection and anti-corruption. This non-financial report also doubles as the progress report for the UNGC.

The Management Board of flatexDEGIRO AG is advised by a Sustainability Officer, who consults regularly with the relevant specialist departments and the Management Board. In particular, the duties of the Sustainability Officer include ensuring compliance with regulatory requirements, development of the sustainability strategy, non-financial reporting, the promotion of cultural change within the organisation and enshrining sustainability-related aspects in the business processes of flatexDEGIRO. Expertise in sustainability is an important prerequisite in our profile of requirements for the range of skills of the Supervisory Board.

It is also important to maintain a respectful and regular consultation with all relevant stakeholders. These include our customers, employees, business partners, shareholders, industry associations and public authorities, as well as representatives from the political and scientific communities. During these exchanges, we seek to gather new ideas, appreciate different standpoints, identify trends and develop partnerships. flatexDEGIRO also uses this open dialogue to discuss current challenges and to highlight aspects of the operating environment that are important for flatexDEGIRO. As a matter of principle, stakeholder feedback is incorporated into our business considerations, further developments and decision-making processes.

As part of our dialogue with stakeholders, we are in regular contact with a wide range of stakeholders, including:

Employees

- A culture where supervisors and the leadership team encourage and welcome employee requests and suggestions.
- Continuous promotion of employees' ideas and suggestions for improvement, e.g. via ideas competitions with prizes and bonuses
- Works councils at flatexDEGIRO Bank AG as an additional point of contact for employees' ideas and suggestions



Customers

- Conducting more than 50 in-person events across Europe for around 2,000 private customers in total to enquire about experiences, wishes and suggestions for improvement
- Ongoing delivery of webinars and training events, including feedback sessions
- Presence at investor fairs in all relevant national markets.
- Regular customer surveys



Capital market / investors

- Regular presence at physical and virtual financial conferences and roadshows in Lyon, Paris, New York, Chicago, San Francisco, Frankfurt am Main, Munich and London (21 in 2023)
- Ongoing dialogue with over 200 institutional investors, shareholders, analysts and rating agencies (in 2023)
- Participation in ESG ratings (e.g. Sustainalytics, S&P, ISS ESG, Refinitiv) for independent assessment of flatexDEGIRO's sustainability performance



Educational institutions

- Cooperation with the Frankfurt School of Finance & Management (FSOF) for a dual degree programme since 2015
- Co-teaching of the lecture "Communication and Information Systems" including exam administration for students at FSOF
- Supporting top performers at FSOF through scholarships or funding/partial funding of doctoral students/chairs
- Cooperation with Krefeld University of Applied Sciences (focus on IT)
- Provision of training positions in various fields



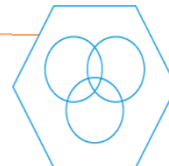
Suppliers

- Review of all suppliers with regard to compliance and governance guidelines of the Group
- Exchange with the Group's main suppliers/service providers for the procurement of energy-efficient IT infrastructure, clients or process-related optimisations



Industry associations / regulatory authorities / policy

- Membership in the Association of German Banks, CFD Association, Bitkom e.V., bwf Bundesverband der Wertpapierfirmen e.V., Bundesverband Fuhrparkmanagement e.V., the German Structured Securities Association (BSW), Deutsches Aktieninstitut e.V., Deutsches Institut für Interne Revision e.V., DIRK Deutscher Investor Relations Verband e. V., DSAG e. V, European Economic Senate (EWS) e.V., GDD e.V.
- Ongoing dialogue on political and regulatory issues with supervisory authorities (Bundesbank/ BaFin) as well as membership of the European Economic Senate
- Membership in the exchange council/working groups of several regional exchanges
- Participation in Deutsche Börse/Clearstream working groups
- Participation in UP KRITIS (Public Private Partnership for Critical Infrastructure Protection)



As part of our commitment to entrepreneurial responsibility, we strive to promote acceptable living conditions throughout our supply chain. We believe that all employees involved in our supply chain should be treated with dignity and respect, and we expect our suppliers to comply with internationally recognised International Labour Organisation (ILO) standards concerning workers' rights and working conditions. We also expect our suppliers and service providers to

guarantee compliance with the applicable standards concerning fair wages, safe working environments, reasonable working hours and access to basic facilities such as clean water, sanitation and reasonable housing. We maintain a constructive dialogue with our suppliers in order to address any problems that are identified and work together to take corrective action to improve the living conditions of workers. By adhering to these principles, we undertake to promote sustainable, ethical practices throughout our supply chain.

For flatexDEGIRO as a listed company, consultation with the capital market is very important. The Investor Relations department regularly consults with investors and analysts regarding business developments. The communication channels include company presentations at roadshows and investor conferences, analyst meetings and the publication of current news on the website. In the 2023 financial year, we were assessed by several rating agencies again in terms of our financial and non-financial performance. Of particular note is the independent rating for ESG risk and sustainability performance by **Sustainalytics**: The ESG risk rating of flatexDEGIRO, which was performed again in 2023, agreed with the previous year and identified a **low risk** due to the strong management of manageable risks. We expect that the measures already initiated, and the constant further development of our sustainable corporate governance will result in a continuous improvement of our non-financial performance.



Materiality analysis

To identify the sustainability topics relevant to flatexDEGIRO, a materiality analysis was conducted in 2020 based on the principles of sustainability context, materiality and completeness.

The purpose of this materiality analysis is to identify topics that are material for an understanding of the course of business, the performance of the business and the impact of business activities on non-financial aspects. The material topics identified form the basis for the development of flatexDEGIRO's sustainability goals and reporting on non-financial topics.

A multi-stage process was used to identify these material topics: firstly, a catalogue of topics was drawn based on national and international reporting standards, statutory regulations, peer group analyses and best practices. This resulted in a catalogue containing a wide range of topics relevant to sustainability. Clustering the topics and assigning them to pillars formed the basis for the internal coordination and discussion that followed in the second step. The result was a catalogue of potentially relevant topics for flatexDEGIRO from five pillars. The subsequent survey was conducted using a web-based query tool and focused on the Management Board, managers and employees from the specialist departments. They were asked to rate the topics using a four-point scale based on two predefined criteria:

1. Relevance for the long-term business development of flatexDEGIRO
2. Significance of the impact of flatexDEGIRO's business activities

Consequently, a topic is deemed material if it either has a high direct relevance for the business development and/or the impact of our business activities on the topic is assessed as high. In assessing the material sustainability issues, our managers and experts from the specialist departments drew on their experience, consultation with stakeholders and industry observations.

During the materiality analysis, flatexDEGIRO identified eleven topics as material according to the CSR-RUG. The results show that flatexDEGIRO’s understanding of sustainability is closely linked to its business activities and value-creation processes. In addition to the legally relevant concerns, additional non-financial concerns that deal with the topic of “customers and products” are reported.

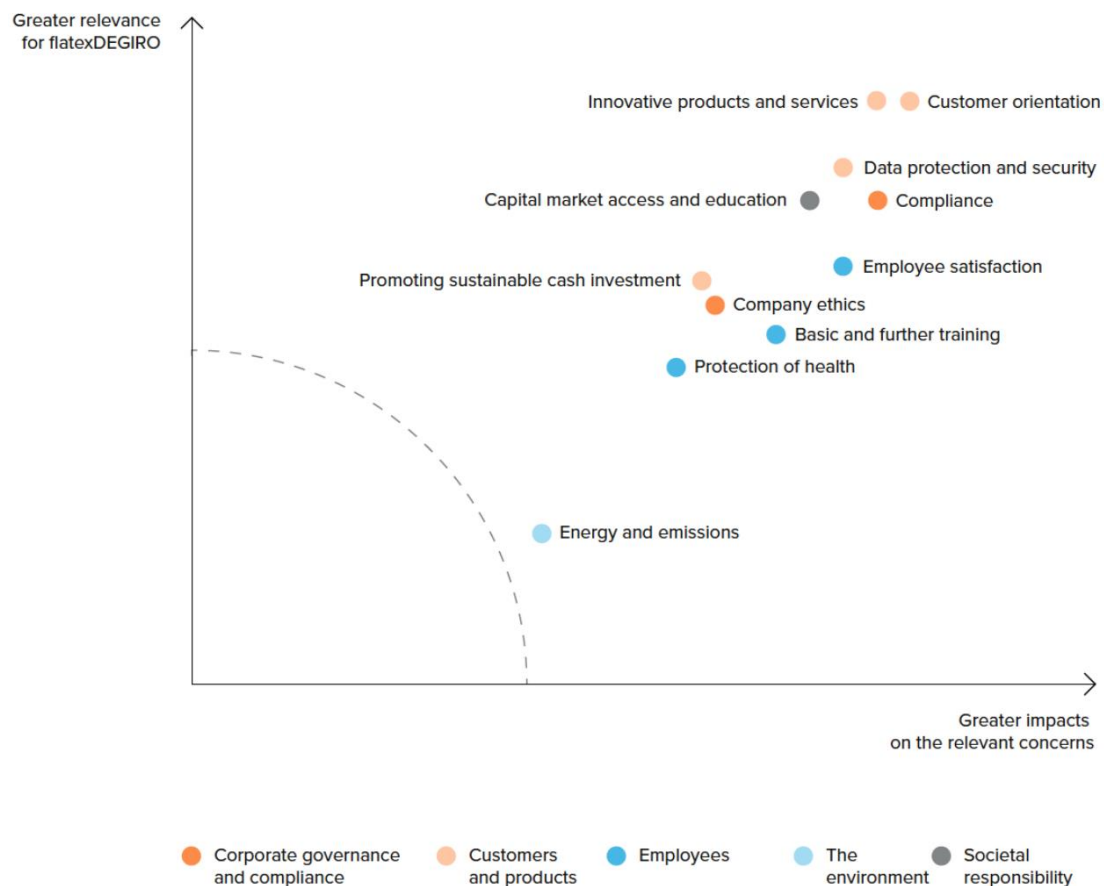
In the following table, the topics identified as material are assigned to the non-financial matters defined by law and the reporting in this report:

Index to the non-financial report

NFR-relevant concerns	Material topic	Section/page
Environmental concerns	1. Energy and emissions	Page 55
Employee concerns	2. Training and education	Page 46
	3. Health protection	Page 48
	4. Employee satisfaction	Page 50
Respect for human rights	5. Compliance	Page 27
Combating corruption and bribery	6. Business ethics	Page 25
Social issues	7. Capital market access and education	Page 69
Customers and products	8. Data protection and security	Page 34
	9. Customer orientation	Page 35
	10. Innovative products and services	Page 38
	11. Promotion of sustainable investment	Page 39

The Management Board of flatexDEGIRO validated and adopted the material topics identified as part of the materiality analysis in 2020. They were transferred into a materiality matrix as follows:

Materiality matrix



Looking ahead to the Corporate Sustainability Reporting Directive (CSRD), which becomes mandatory for flatexDEGIRO AG with its reporting for the 2024 financial year, the update to the materiality analysis, which focuses on the double materiality required in the future by the regulations, was initiated in the 2023 reporting year. This will enable us to identify both sustainability topics on which we potentially have a positive or negative impact through our business activities along the value chain, and those that have or could have a positive or negative impact on our performance.

Sustainability strategy

Responsible action and clear strategic orientation form the compass for the further sustainable development of flatexDEGIRO. To strengthen long-term economic success and fulfil our social responsibility, we integrate ecological and social issues into our core business.

In 2021, we specified the content of our sustainability claim and developed a complete sustainability strategy based on the materiality analysis described above. In workshops, the Management Board, the Sustainability Officer (Executive Director), and the specialist departments dealt intensively with the key issues in the areas of environment, social, and governance (ESG).






Targets were developed and measures defined to achieve them. The achievement of targets is measured – wherever possible – by means of qualitative and quantitative performance indicators.

The following tables show our key targets for all five pillars. In the individual chapters, we report on the current status of each topic.

As part of the update to the materiality analysis that was initiated in the reporting year, we are going to fundamentally rework our sustainability strategy and the goals and KPIs derived from it, with consideration for upcoming legal and regulatory requirements.

Corporate governance and compliance

Responsible corporate governance, action guidelines and effective management systems are the framework with which our aspirations are translated into daily action.








Topic	Goals/measures	KPI	Time frame	Status
Business ethics	Formulation of flatexDEGIRO's ethical values and inclusion in the Code of Conduct		2021	
	Signature of the Business Partner Code of Conduct by suppliers	40% of all suppliers	2024* (prev. year: 2023)	
		100% of all suppliers	Continuous	
Compliance	Integration and consolidation of DEGIRO's compliance functions into the Group-wide compliance system		2021	
	Evaluation of an extended whistleblowing system		2023* (prev. year: 2022)	




*adapted

 Ongoing  Completed  Under way

Customers and products






We offer our customers innovative products and services, a secure and stable technical infrastructure and efficient transaction processing.

Topic	Goals/measures	KPI	Time frame	Status
Data protection and security	Annual employee training in data protection and security	100% of employees	Continuous	
Customer orientation	Establishment of an additional customer service centre in Hamburg		2021	
	Minimisation of customer complaints	Net Promoter Score (NPS) > 50	Continuous	
Innovative products and services	Further development of the trading apps	Percentage of customer complaints	Continuous	
	Cooperation with partners from research, universities, scientific institutions and the media landscape		Continuous	
Promotion of sustainable investments	Transparent presentation and search options for ESG products on the website of flatexDEGIRO	Share of ESG products traded in volume and number	Continuous	
	Educational work with regard to sustainable financial products in cooperation with partners	Participants in seminars (in relation to the number of users)	Continuous	

 Ongoing
  Completed
  Under way

Employees

Challenges are best mastered as a team, especially in such a dynamic market environment. We want to continue to grow and secure the success of our company together.

Topic	Goals/measures	KPI	Time frame	Status
Training and education	Expansion of the training programme at flatexDEGIRO	Number of continuing education hours > 30h per year and employee	Continuous	
	Feedback and development meetings with all employees	100% of employees	Continuous	
Health protection	Establishment of a uniform Group-wide occupational safety strategy		2021	
	Offer preventive medical check-ups, vaccinations and occupational health and safety training courses		Continuous	
Employee satisfaction	Conducting a survey of employees	> 70% employee participation rate	Continuous	

Introduction of a new, Group-wide HR management system for all flatexDEGIRO employees	2021	
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Ongoing Completed Under way

Environment

We use natural resources sparingly, reduce our energy consumption continuously and lower our CO₂ footprint.



Topic	Goals/measures	KPI	Time frame	Status
Energy and emissions	Transition to green electricity at all flatexDEGIRO sites	100% of German office sites	2022	
		100% Group-wide	2025	
	Expansion of emissions calculation according to GHG Protocol	Scope 1, 2 and 3 emissions	Continuous	
	Reduction of emissions according to GHG Protocol	Scope 1 and Scope 2 emissions of German office sites at least -20% (baseline 2020)	2022	
		Scope 1 and Scope 2 emissions of all sites at least -70% (baseline 2020)	2026	
		Scope 3 emissions of all sites by up to -30% (baseline 2020)	2026	
	Conversion to LED technology at all flatex sites		2021	
	Group-wide switch to thin clients/notebooks		2021	
Introduction of an environmental data collection tool		2024* (prev. year: 2023)		


*The implementation of the environmental data collection tool was originally planned for 2023 and will be completed in 2024.

Ongoing Completed Under way

Social responsibility

We enable easy access to the capital market and promote financial literacy among people.

Topic	Goals/measures	KPI	Time frame	Status
Capital market access and education	Introduction of flatex next for simplified and fast access to stock exchange trading		2021	
	Regular sequence of generally accessible webinars and information events	Number of webinars, number of participants	Continuous	

 Ongoing

 Completed

 Under way

Corporate governance

Corporate governance and compliance

flatexDEGIRO bears social responsibility in many respects. In addition to creating value for all relevant stakeholders, this includes keeping a constant eye on the impact of our business model. As a forward-looking company, we strive to integrate economic, environmental and social aspects of responsible corporate governance.

Our business is built on compliance with regulatory requirements and legislation within the framework of our comprehensive approach to compliance management. However, our responsibility goes far beyond compliance with the minimum legal requirements. flatexDEGIRO is committed to its stakeholders, which include shareholders, customers and business partners. As an employer, we bear a special responsibility towards our employees and see ourselves as part of a society for which we want to create additional value.

The principles of good corporate governance are implemented on a daily basis at flatexDEGIRO by aligning corporate governance structures with corporate values, operational guidelines and effective management systems.

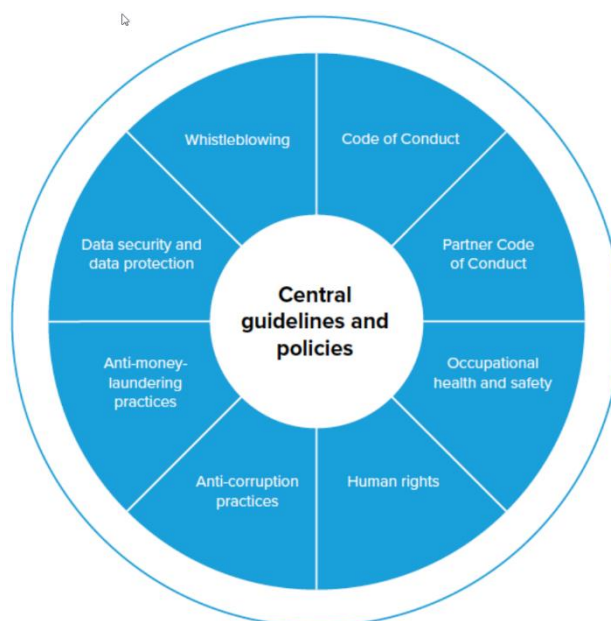
Business ethics

Our corporate ethics are expressed in our values, policies and daily actions. Our ethics determine how we fundamentally act in a value-oriented manner in all areas in the interests of our reputation and in the interests of our stakeholders. By acting transparently and through regular consultation, we reinforce the trust placed in our company.

To implement the values of a company in everyday business, a certain degree of formalisation is necessary. The principles of flatexDEGIRO's corporate ethics are set out, among other things, in a Code of Conduct that applies equally to all companies in the Group. The Code of Conduct also contains guidelines on quality requirements, customer orientation, conflicts of interest, anti-corruption, money laundering prevention, data protection, corporate institutions, environmental protection and safety, diversity, human rights and whistleblowing. The principles and values set out in the Code of Conduct are an unmistakable statement of the position of flatexDEGIRO AG and are both supplemented and substantiated by internal guidelines, operating procedures and guides.

Further guidelines and policies in the area of compliance set out regulations on specific topics and guide our employees in acting with integrity. We used the year 2023 to further develop and expand our internal guidelines and regulations.

flatexDEGIRO defines bribery and corruption as any attempt, direct or indirect, to influence the course of business unlawfully or obtain an unfair advantage. This includes offering, giving, demanding or accepting bribes or other unauthorised payments, be they in the form of cash, gifts, favours or other valuables. We adhere to strict national and international guidelines and laws designed to combat bribery and corruption and expect all employees, contractors, suppliers and business partners to adhere to these standards whenever they act on behalf of the company. We undertake to uphold the highest ethical standards and integrity in all aspects of our business activities and actively promote a culture of transparency, responsibility and ethical conduct.



It is also important to keep an eye on our value chain. Since 2022, major suppliers (measured in terms of sales) have been required to sign our Business Partner Code of Conduct. It is based on the following rules:

- flatexDEGIRO Code of Conduct
- UN Global Compact
- UN Universal Declaration of Human Rights
- Regulations or core labour standards of the International Labour Organization (ILO)

This regulates the basis of cooperation, both regarding social aspects and human rights as well as environmental protection and governance standards. As part of the KYC process, flatexDEGIRO requires its suppliers and other business partners to provide self-declarations and trusts them to comply with the above standards and avoid having any negative impact on the aforementioned aspects. Nevertheless, flatexDEGIRO reserves the right to monitor the compliance of suppliers and business partners with this Code of Conduct by requesting a self-declaration of the supplier, a declaration via third parties or the submission of certifications. Non-recognition and non-compliance in business transactions may lead to exclusion as a supplier or business partner.

Avoidance of conflicts of interest

The flatexDEGIRO Group is exposed to a wide range of conflicts of interest. First and foremost, interests collide where the interests of customers and the company are potentially at odds. Conflicts of interest can arise between (potential) customers and the flatexDEGIRO Group, the employees of the flatexDEGIRO Group, including their governing bodies, external companies, people affiliated with the flatexDEGIRO Group through contracts or other customers.

For example, the creation and dissemination of recommended investment strategies, proprietary trading, personal transactions, insider knowledge, performance-based remuneration and the acceptance of gifts or other contributions are traditionally fertile soil for conflicts of interest to take root. To represent these interests and settle conflicts of interest fairly and, in cases of doubt,

in favour of our customers' interests, numerous measures set out in the compliance policy are in place (including bans on trading, disclosure obligations, Chinese walls, rules concerning the awarding of contracts and the acceptance of contributions, employee training etc.). In cases of doubt, employees are obliged to consult the Compliance Office.

Compliance

Compliance management at flatexDEGIRO

Compliance is a central component of the corporate culture and a prerequisite for the sustainable success of flatexDEGIRO. On the one hand, our compliance management is aligned with the applicable regulatory framework. On the other hand, we follow additional standards that we set ourselves through our Code of Conduct as well as internal guidelines and frameworks. The latter includes a compliance control framework, anti-money laundering and anti-corruption guidelines, as well as general compliance guidelines and policies on data security and data protection. The overarching goal is to ensure compliance with all applicable laws, regulations, and standards at all times. We constantly evaluate our procedures and strategies as well as new legal regulations and update our compliance programme accordingly. All employees confirm the Compliance and Anti-Money Laundering (incl. Anti-Corruption) Policy at the beginning of their employment. All business relationships are also reviewed using various automated processes.

Our Compliance Office deals strategically with all compliance-related issues in day-to-day business. It is headed by our Compliance Officer, who reports directly to the Management Board and is also responsible for business ethics issues. The Compliance Office reports regularly to the Management Board and Supervisory Board on the current status of the compliance management system and relevant issues.

Our Group Money Laundering Officer is responsible for establishing and expanding a central unit for the prevention of money laundering. The officer also reports directly to the Management Board and is responsible for all matters relating to compliance with business and customer-related security systems for the prevention of money laundering, terrorist financing and other criminal acts in the Group. In addition, all employees upon joining the company are trained by the officer, and the training is repeated each year.

In the financial year ended, the focus of our work was on the continuous further development of compliance and money laundering-relevant processes to ensure compliance with all legal and regulatory requirements in the Group.

In connection with the special audit of flatexDEGIRO Bank AG carried out by the German Federal Financial Supervisory Authority (BaFin) in accordance with Section 44 of the German Banking Act (KWG), a fine of EUR 1 million for administrative offences was imposed in February 2023. Furthermore, a fine of EUR 4 million was paid in 2023 due to an order by the Italian competition authority – flatexDEGIRO is taking legal action against this.

Risk management and whistleblowing

Preventive and proactive work is required to prevent compliance incidents and violations. The basis for management is the risk strategy, which provides for Group-wide compliance and money laundering risk analyses as central instruments for assessing and mitigating potential compliance and money laundering risks. As part of the overall business strategy, these risk analyses are

conducted annually and cover 100% of the company's activities in Germany and abroad. A Group-wide risk analysis was conducted in 2023 to review corruption risks. This did not identify any significant corruption risks due to the business model. In the current Group-wide risk assessment, all significant compliance risks have been largely mitigated by establishing appropriate countermeasures.

In addition to risk management, flatexDEGIRO has implemented a whistleblower system for the preventive identification and combating of wrongdoing. Employees who blow the whistle are protected from retaliation. Information on suspected cases, possible violations of the law and incidents of discrimination can be reported anonymously and confidentially. Introduced in the reporting year, the Whistleblower Policy governs the exact procedure to follow in the case of conspicuous behaviour that violates the law or internal guidelines. It serves as an early-warning system for detecting and countering wrongdoing, which makes it the foundation of a successful risk management system.

Compliance training

To maintain a high level of compliance performance and prevent compliance violations, compliance training courses are held for employees every year. We expect and require all employees to act in compliance with the law at all times, i.e. to strictly follow internal rules and laws.

A core task of the Compliance Office is therefore to train and advise employees on the relevant compliance issues. In addition to general compliance training, the focus in the financial year was on anti-money laundering and anti-corruption measures, data protection, IT security and occupational safety. These training sessions are held regularly – at least annually – to actively raise awareness among all employees. In the 2023 financial year, all employees received anti-corruption training. Specific employee groups also received anti-fraud training. Through our intensive training activities, we aim to steadily embed integrity and compliant behaviour more deeply in all employees on a sustainable basis. In addition, all members of the Management Board and Supervisory Board were trained on anti-corruption policies and procedures in 2023.

In the 2023 financial year, no cases of corruption, discrimination, or other compliance suspicions were received via the whistleblower system of flatexDEGIRO.

Successful remediation of key findings of the special audit in accordance with Section 44 KWG

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, in the form of qualitative and quantitative reinforcements to relevant functions, for example, and the creation of dedicated programme structures to adopt and implement all the necessary changes in full, applying a risk-based approach. One particular focus in 2023 was to resolve some of the major deficiencies in the very short term, particularly those that related to the application of credit risk mitigation techniques (CRMT) in connection with margin loans at DEGIRO. flatexDEGIRO was able to do this within just ten months of receiving the audit report. In agreement with the special commissioner appointed by BaFin for this purpose, the supervisory

authority confirmed that these CRMT could be applied again at the end of September 2023. The Management Board is striving to resolve the remaining relevant findings successfully in 2024.

Personnel measures taken without delay

Even before the special audit in 2022 had finished, flatexDEGIRO started to take a number of sustainable personnel decisions, partly involving new recruitment, which were continued methodically and largely finalised in 2023. These primarily relate to functional areas in direct connection with Internal Audit, Internal Control Systems, Regulatory Reporting and Anti-Money-Laundering, as well as corresponding activities in the risk management and compliance system.

Dr. Matthias Heinrich was appointed as the new Chief Risk Officer of flatexDEGIRO Bank AG in October 2022 and new management structures were established for qualitative improvements in several functional areas. Internal Control Systems was reorganised and established as an autonomous department with additional staff, reporting directly to the CEO.

Overall, the workforce in the functional areas described above was more than doubled in 2023, compared with the number of employees when the special audit began in early 2022. Only a small number of new staff are still planned for specific functions here in 2024.

Comprehensive project structure to ensure efficient remediation and presence in the Company culture

In addition to this new recruitment, flatexDEGIRO launched a project in late 2022 to work through the audit findings, which was led by Steffen Jentsch, Chief Process Officer and Member of the Management Board of flatexDEGIRO Bank AG. The project is divided into eight sub-projects and is supported by some 50 internal and external staff. The associated steering committee is made up of Steffen Jentsch, as well as other Management Board members of flatexDEGIRO Bank AG: Frank Niehage (CEO), Dr. Benon Janos (CFO) and Dr. Matthias Heinrich (CRO). The Supervisory Board is kept fully informed of the status of the remedial measures and discusses them at its meetings. Britta Lehfeltdt joined the Supervisory Board in June 2023 as an additional member. As a member of the Management Board of DB Privat- und Firmenkundenbank AG (Frankfurt/Main) from 2018-2019, she was also responsible for compliance, anti-money-laundering, outsourcing and crisis management. Furthermore, the Audit Committee was transformed into a Joint Risk and Audit Committee in August 2022, and Britta Lehfeltdt has been a member of this committee since June 2023.

The project aims to work through all relevant findings in a structured manner before the end of 2024 and to increase the maturity level of the entire organisation. Particularly in the field of written rules and general organisational structures, flatexDEGIRO Bank is making improvements and changes to specific entities, to permanently strengthen Internal Control Systems and especially supervisory processes. Above and beyond the resolution of identified deficiencies, it is the declared aim of the Management Board to embed the findings and underlying approaches in a maturity level model for the continuous development of the entire organisation, thus providing a sustainable framework for the Group's desired growth.

Three-stage remediation in line with internal priorities

The entire remediation project was divided into three phases in line with the internal priorities:

1. The principal focus was on regaining approval to apply credit risk mitigation techniques for margin loans at DEGIRO, because this was the only audit outcome that had a direct impact on risk-weighted assets, and thus on the regulatory capital surplus of flatexDEGIRO, and

which indirectly slowed the expansion of the customer offering in this area. Within just ten months, flatexDEGIRO was able to complete the entire design and implementation phase, including the corresponding quality assurance, to carry out the subsequent effectiveness test, and to complete the additional testing by the special commissioner appointed by BaFin. In agreement with the special commissioner, BaFin confirmed in late September 2023 that these credit risk mitigation techniques could be used again. Such a rapid adaptation of the measures by BaFin was possible thanks to the appointment of a special commissioner, which alleviated the need for a follow-up test, which would usually only take place much later.

2. Once the credit risk mitigation techniques could be applied again, the focus shifted to working through the main remaining findings. The draft solutions were presented in a joint workshop with BaFin, the German Federal Bank (Deutsche Bundesbank) and the special BaFin commissioner in late November 2023. Implementation of the solutions began immediately afterwards. The intention is to give the results to the special commissioner for a final assessment once the Internal Audit function has carried out the effectiveness testing. The successful examination by the special commissioner is a prerequisite for BaFin to be able to declare the special commissioner's mandate terminated. Currently, around 70 % of the necessary, internally defined resulting objects are already in implementation. The current reports in Regulatory Reporting have been implemented in accordance with the rules.
3. Finally, the intention is to wrap up open topics that are not of material significance and transfer them to the functional units for continuous improvement. Marginal business areas such as football financing, factoring and property financing have since been discontinued, with minor exposures now being wound up. These activities were only carried out on a limited basis in the context of negative interest rates but have no strategic relevance for flatexDEGIRO. The audit findings that related to these business areas have therefore partly been resolved or no longer apply.

Presentation of the remediation and quality assurance process

The findings were remedied by creating resulting objects, which had to go through a three-stage quality assurance process, passing what are known as quality gates at each stage:

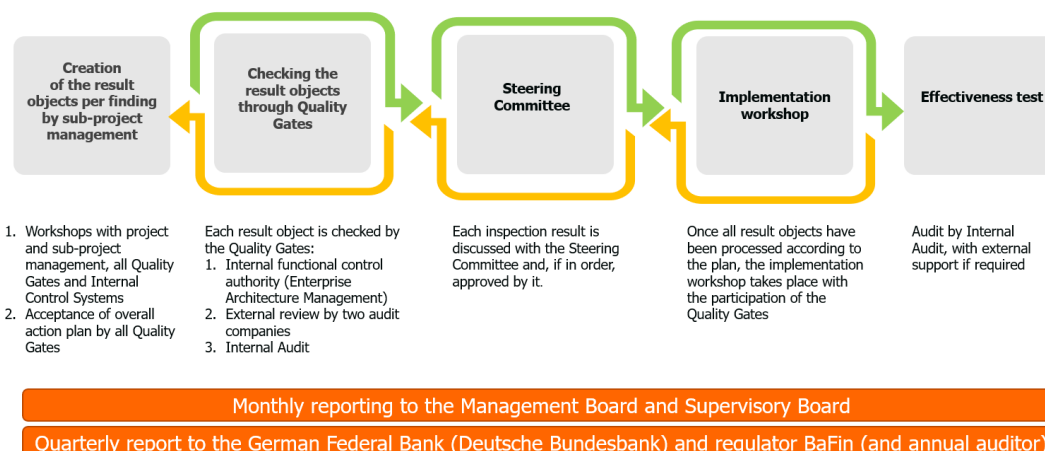
- 1st Quality Gate - Internal functional controls (Enterprise Architecture Management)
- 2nd Quality Gate - Two external statutory auditing firms
- 3rd Quality Gate - Internal Audit, with the assistance of another external statutory auditing firm

The third quality gate, i.e., the Internal Audit, is also monitored from a critical perspective by the Steering Committee.

In the design phase a solution design is developed for each resulting object, which is approved and checked by all three Quality Gates before being discussed individually by the Steering Committee and approved if applicable. Only then does implementation of the mitigating measures begin, with the involvement of the functional departments and the Quality Gates. Implemented measures are subsequently put through implementation testing and effectiveness testing by the Internal Audit.

Quality assurance process

Interlocking of controls and close monitoring by the steering committee



A regular dialogue takes place with the special commissioner in order to ensure the status and quality of the remediation work. In addition, the status of remediation work is regularly discussed in the Management Board meetings of flatexDEGIRO Bank AG. The Supervisory Board is informed in detail about the status of remediation measures by means of regular reporting and discusses them at its meetings. Additionally, the status is regularly presented by the responsible Management Board member of flatexDEGIRO Bank in the Group Audit Committee, to ensure that the Supervisory Board receives the necessary depth of information. The same applies to the auditors of the consolidated financial statements. Furthermore, the Supervisory Board holds meetings with Internal Audit and the Quality Gates independently of the Management Board. Reporting to BaFin and Deutsche Bundesbank takes place quarterly.

The Management Board is also very positive about the extremely constructive dialogue with BaFin and Deutsche Bundesbank, also in connection with preliminary discussions about a new capital allocation strategy, for example (see below), in which both BaFin and its special commissioner expressed a positive opinion about the remediation work that had already been completed and the personnel measures and processes that had been initiated.

Taxes

Compliance with the applicable tax obligations plays an emphasised role. flatexDEGIRO aligns its entrepreneurial actions in all jurisdictions and markets in which it operates according to this requirement. This applies both to its own affairs and to the affairs of customers, employees, and business partners.

The actions of flatexDEGIRO are predicated on compliance with laws and other regulatory requirements and are supported by a comprehensive compliance management system. This also entails the fulfilment of fiscal duties resulting from business activities in Germany and abroad. So as to be able to fulfil our fiscal duties correctly and completely, the duties and responsibilities in connection with flatexDEGIRO's tax obligations must be governed unequivocally. In the reporting year, we therefore adopted Group fiscal guidelines containing guidance on the strategic assurance of tax compliance and addressing the basic elements of a tax compliance management system.

The new Group guidelines also govern the role and responsibilities of the tax department at flatexDEGIRO responsible for each of the various fields of fiscal responsibility. The guidelines also define the key framework for collaboration between the tax departments and the specialist and business areas to ensure compliance with fiscal duties.

As a rule, compliance with the fiscal regulations involves the corresponding specialist departments. This is normally done by the management or other departments of the company with regard to business projects, transactions, legal changes, or as part of a new product process.

Appropriately trained and experienced employees, including two tax consultants, are employed in the specialist departments. Regular training and continuing education measures ensure professional competence. The training courses also cover aspects of avoiding tax evasion or the evasion of international sanctions by employees. As a matter of principle, more complex tax issues are clarified with external specialist support. New legislation and changes in the legal situation are analysed in advance by the specialist departments and their effects are validated with external consultants where necessary. The monitoring and management of tax risks is the responsibility of the specialist departments, which report regularly to the responsible Management Board member.

The annual tax returns are prepared and submitted by a tax consulting/auditing firm after input from the specialist departments. A review process is carried out as an additional measure to ensure compliance with applicable regulations. Tax consulting firms are also regularly involved in the preparation of annual tax reports for customers to ensure appropriate quality.

As a matter of principle, we maintain an open and transparent dialogue with the tax authorities. The tax authorities are involved on a case-by-case basis in matters requiring interpretation so as to obtain clarification or an amicable outcome. Political influence on tax issues is not pursued. The consideration of tax concerns is generally taken up and subjected to a professional assessment, if necessary, with the involvement of external consultants.

Taxes play a crucial role in enabling the state to provide important services to society, such as healthcare, education, housing, and infrastructure. The state is responsible for tax laws and their implementation, but companies play an important role as taxpayers. flatexDEGIRO believes that a responsible approach to taxation is an essential component of sustainable business in a robust, functioning society. Meeting tax obligations is considered a duty to society.

The current tax expense of flatexDEGIRO in 2023 amounts to EUR 31.2 million on income taxes. The taxes for 2023 are distributed among the following countries:

- Germany: EUR 18.1 million
- Netherlands: EUR 10.5 million
- Austria: EUR 2.5 million
- Bulgaria: EUR 0.1 million

Customers and products

Customers and products

Data protection and security

As of 31 December 2023, flatexDEGIRO managed around 2.7 million customer accounts and processed approximately 57 million transactions in the financial year – two figures that illustrate why data protection and security are essential components of our business processes. This involves protecting the confidentiality of data, ensuring that it is not used for non-contractual purposes and ensuring that systems are accessible and data manipulation and loss are prevented. Through strict measures, including in the Privacy Policy, we regulate the collection, use, disclosure and storage of user data that is disclosed to third parties. This guarantees that data collection does not take place without the user's consent.

Responsibilities

To always ensure data privacy and security, we have set up a complex security organisation. Responsibility is borne by the Information Security Officer/IT Risk Manager, the IT Security Officer and the Data Privacy Officer, who each perform different focal points of activity. They report monthly to the Management Board and Supervisory Board on the current situation, developments and events in the area of IT security. The basis for legally compliant conduct and assistance for all employees are our data privacy policy and work instructions. Data subjects can raise concerns about the protection of their data via clear and easily accessible public mechanisms that are available 24/7.

The information security officer informs and advises the management on all information security issues, initiates and monitors the relevant processes, measures and training courses, and serves as a point of contact at all times, e.g. for the creation of emergency plans or the investigation of information security incidents. The IT Security Officer is responsible for the operational implementation of requirements within the scope of IT security. This primarily includes the search for possible vulnerabilities and preventive technical measures.

The data protection officer is responsible for advising and informing the management and our employees on data protection issues. In addition, he monitors compliance with the requirements of the General Data Protection Regulation (GDPR) and internal data protection agreements and works closely with the relevant supervisory authorities.

The IT Risk Manager coordinates IT risk analyses in the company, informs the management about the current IT risk situation, controls the appropriate design of security measures, and bears responsibility for the IT risk register.

Systems

We ensure data privacy and security with the help of state-of-the-art software and cutting-edge technologies. Among other things, our systems are secured by a multi-level firewall and endpoint protection on all devices. We also have distributed denial of service (DDOS), enhanced e-mail protection and a multiple redundancy policy for data storage and processing.

Regarding access controls, a process for appropriate IT authorisation allocation has been implemented. This process is designed to ensure that each employee only has the rights they need for their job. This process is governed by a work instruction on authorisation management.

A corresponding specialist department has been set up for assigning rights and profiles in the applications and for recertification management.

In addition, our two data centres ensure the maintenance of operations. Our data centres are certified in accordance with ISO 27001 (information security management). This is confirmed by an independent auditor through annual audits. We review changes in the Group continuously and adapt any processes to maintain the highest standards.

As part of the cooperation with UP KRITIS (Initiative for cooperation between operators and the state to protect critical infrastructures), we work with other operators of critical infrastructure, their associations, and the relevant government agencies to ensure supply through infrastructures that are essential in Germany.

All cybersecurity incidents on flatexDEGIRO identified in the 2023 financial year were successfully averted by our systems and processes. An increase in phishing and ransomware attacks was recorded, which target the integrity and confidentiality of the company and of customer data. There was no outflow of customer or company data due to a cyberattack. As part of the integration with DEGIRO, the infrastructure, applications, workflows, and IT security processes were harmonised further in this reporting year. To name one example, the Group-wide Incident Management guidelines were revised in the 2023 reporting year. These guidelines determine the way incidents at flatexDEGIRO are to be handled. Incident management encompasses the reporting, documentation, processing, escalation (if necessary), resolution, and monitoring of incidents. In this regard, all employees are obliged to report incidents through the designated channels exclusively, so that operational impairments can be eliminated as quickly and efficiently as possible.

Additionally, flatexDEGIRO made further optimisations to the Group-wide Business Continuity Management system in the reporting year. This system protects against harmful events that have an unacceptable impact on business operations. The optimised system should ensure that appropriate measures are put in place to prevent business operations from being interrupted even after a major harmful event (i.e. prevention) or that they are able to continue reasonably after a failure (i.e. reaction). Business continuity management focuses on time-critical business processes that can be protected against failure. Aside from mitigation and the implementation of effective countermeasures, business continuity management aims to analyse risks that threaten the continued existence of the company and the impacts thereof.

In the Digital Operational Resilience Act (Regulation (EU) 2022/2554), also known as DORA, the European Union has created a regulation concerning cybersecurity, IT risks, and digital operational resilience in the financial sector that will apply to flatexDEGIRO Bank AG from 17 January 2025 onwards. As a member of UP KRITIS, flatexDEGIRO is already well prepared for the upcoming requirements.

Customer orientation

As an online broker, flatexDEGIRO provides various trading platforms and access options for trading securities products. The offer is aimed exclusively at independent traders and investors, as flatexDEGIRO offers an exclusively advisory-free business under its brands. Transparent pricing models, favourable conditions and a comprehensive and independent product offering are among the cornerstones of our business model. We strive to exceed our customers' expectations.

The Management Board is responsible for managing customer expectations and discusses all key issues at regular Management Board meetings. Important functions such as customer satisfaction, service, and complaint management are the responsibility of the Director of Banking Operations on the Management Board of flatexDEGIRO Bank AG.

It is in line with our ethical standards to act openly and transparently in all areas of customer communication and customer processes. This is expressed, for example, in cost transparency vis-à-vis customers. Before placing an order, customers can easily view the costs in detail. In addition, one of our basic principles is that there are no hidden charges to customers.

flatexDEGIRO also has a regular dialogue with customers at various levels. We take customer requests and needs on board in face-to-face conversations and in discussions at investment conferences. We also organise roadshows, customer events, and training courses that include feedback sessions with the participants. Digital media such as videos, webinars and virtual trader get-togethers are also on offer.

Customer satisfaction and customer feedback

Customer satisfaction is regularly surveyed as part of standardised customer surveys. Our goal is to determine service satisfaction as well as customer expectations regarding offered and desired products and services, and in doing so identify potential for further developments at flatexDEGIRO. In addition, there is a department (Client Quality Assurance) specifically dedicated to monitoring and improving the customer experience. This function is responsible for improving and ensuring quality standards in all business practices and processes within flatexDEGIRO. Regular customer experience score analyses provide insights from the customer's perspective. This enables us to identify potential improvements to our services at an early stage and take action tailored to the needs of our customers.

In the 2023 financial year, the Net Promoter Score (NPS)¹ declined for both flatex and DEGIRO, which, according to the surveys we carried out, was essentially due to fee adjustments. Net Promoter Scores of 41 (previous year: 46) and 44 (previous year: 55) were calculated for flatex and DEGIRO respectively in December 2023. Compared to our competitors, however, we still consider our fee structures exceptionally competitive and transparent.

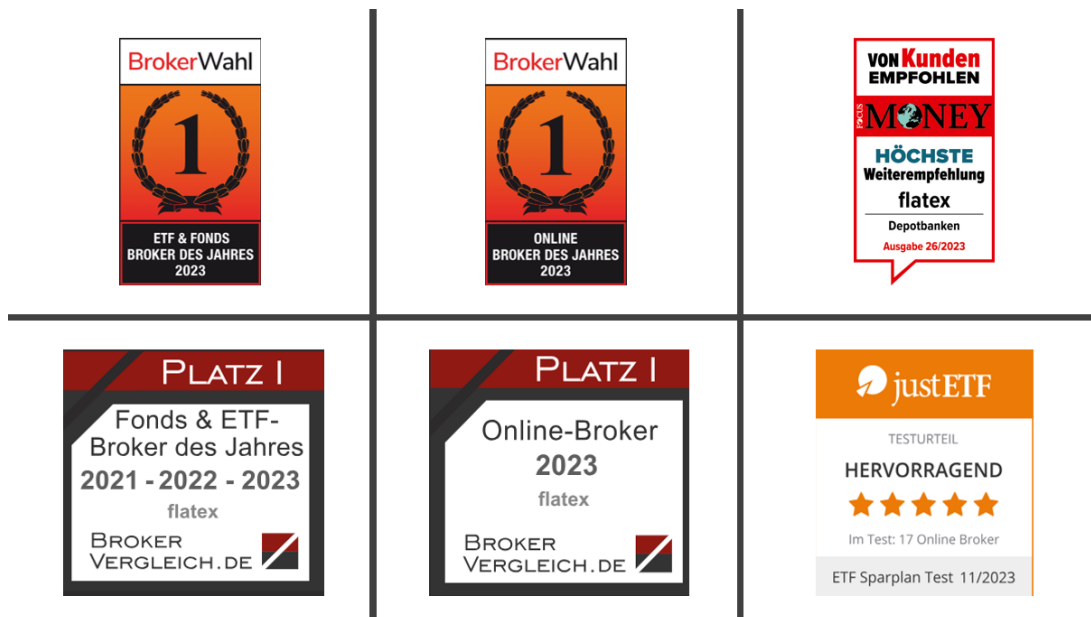
We are strengthening our customer-centric culture by collecting continuous feedback and optimising our business processes on this basis. All customers are offered a variety of ways to contact us that are always available, from telephone and e-mail to communication via web branch. In the reporting year, an additional communication channel was established to enable customers to contact our customer services directly via the app. Our highly qualified customer service employees have completed banking training, possess several years of professional experience in the financial services sector or have obtained a degree. They process customer inquiries in a highly professional manner and improve customer satisfaction in the process. They also receive ongoing training, such as in legal frameworks and product specifications.

All customer communication, including all customer complaints, is documented and evaluated in a CRM tool. This tool is also constantly being further developed. The overriding goal in all business areas is to steadily reduce the number of customer complaints or resolve them in the best possible

¹ The Net Promoter Score expresses how likely satisfied customers are to recommend our products to a friend or business partner. High scores of nine or ten are awarded by customers who intend to make a positive recommendation. They are considered active promoters. Customers who awarded a score of seven or eight are passive, and customers who score six or less are categorised as detractors. The NPS is derived from the percentage of promoters minus the percentage of detractors and is on a scale from -100 to 100.

way. To this end, we opened a new customer service centre in Hamburg in 2021 and are constantly adding more customer service staff at existing sites.

In the financial year ended, the Group received recognition in numerous European publications for its flatex and DEGIRO brands. As in the previous year, flatex won several prizes for its online brokerage services in the 2023 reporting year, winning the brokerage awards from BrokerTest and BrokerComparison in Germany and Austria in the main category of Best Online Broker and the sub-category Best ETF & Fund Broker. In the brokerage award, this meant that flatex was able to defend its previous year's success in both categories.



DEGIRO continued to convince customers and juries in a number of important core and growth markets in 2023, again winning several prizes for its range of online brokerage services. In addition to prestigious national awards, like the audience prize from CashCow in the Netherlands, the Rankia award as "Best International Broker for Stocks" and recognition for the best customer service from "Corriere della Sera" in Italy, DEGIRO also collected awards at the European level, including "Best European Discount Broker" from Investing and "Best stock trading app" from BrokerChooser.



Innovative products and services

In the brokerage business, “digital proximity” to the customer is also key. Alongside transparent communication and rapid provision of relevant information, this includes a stable brokerage platform with state-of-the-art functions, and innovative products and processes. The added value for our customers arises from the interaction of the product, platform, and price. In addition to offering good price-performance ratio with an extensive, innovative and constantly growing product portfolio, continuous investment in the platform is an important part of ensuring consistent availability even on days with a particularly high level of trading.

Our goal is to further simplify capital market access by expanding functionalities for additional product groups, such as ETF and fund savings plans as well as exchange-traded products (ETPs). To achieve this, we have implemented an innovation process based on two pillars.

The first pillar is a structured process for continuous improvement of the product and service portfolio. This includes a detailed analysis of the specialist, technical and (regulatory) legal requirements. All specialist departments, such as Marketing, Banking Centre, Legal and IT, are involved in this process. External specialists in the fields of design thinking and behavioural science, for example, are also consulted at an early stage. The process is coordinated by Product Management.

The second pillar is a creative approach based on cooperation and exchange. On the one hand, we maintain a dialogue with other service providers and product suppliers in the financial industry about experiences, ideas and best practices. Equally important, however, is the exchange of ideas outside the financial community to gain additional impetus from other specialist areas. That is why we work with partners from research and science – universities, national and European institutions – at all our sites.

Responsibility for the innovation process lies with R&D (research and development) and Product Management. Decisions on the use of synergies, future orientation and concrete next steps are made in the Requirements Board, which comprises members of the Management Board and

experts. The Management Board is represented on the Requirements Board and is therefore directly involved in the processes.

Our brands reflect online broker businesses without physical branches. They provide customers with a number of different trading platforms and access options for trading in securities products. These access options are continuously improved with the aim of offering an excellent customer experience and reaching additional groups of customers. Since late 2020 flatex has offered its customers in Germany, and since spring 2023 also those in Austria, another layout (flatex next) in addition to its existing comprehensive user interface, which was developed to provide even more intuitive and clearly structured access to securities trading. In addition to the mobile app, the flatex next desktop application was rolled out in 2023.

Promotion of sustainable investment

flatexDEGIRO would like to raise customers' awareness of sustainable investing and make them aware of the advantages of this form of investment. Sustainable investments can be interesting both from a return perspective and in terms of their contribution to environmental protection and social responsibility and equality. Promoting this form of investment can contribute to more sustainable economic development. This is why it is flatexDEGIRO's goal to make ESG products visible, for example, shares in companies that pay attention to the environment, society and good corporate governance. The search function for shares, ETFs and funds already includes the category "flatex green", which is being upgraded continuously.

flatexDEGIRO has developed a comprehensive product portfolio in the area of sustainable investments over the past years. Due to the extensive range of stock exchanges and trading venues, our customers have access to a correspondingly large number of sustainable products. We also cultivate partnerships with renowned providers of sustainable investment products such as BlackRock, Amundi or VanEck. This enables us to offer our customers attractive conditions for the corresponding products.

We strive to continue organising seminars on the topic of "sustainable investment" in cooperation with providers of sustainable investment funds and to conduct educational work with regard to sustainable financial products.

In the 2023 reporting year, we and our long-standing partner Whitebox were able to expand our range of products for flatex Germany in order to provide direct access to digital asset management on a trial basis. For retail investors – as well as investors who are less confident making investment decisions in times of crisis – investing through a digital asset manager represents an alternative option. flatexDEGIRO and Whitebox have been B2B partners for more than seven years. During this time, Whitebox has been named the best robo-advisor in Germany on a number of occasions, with its range of products, the quality of its service and the attractiveness of its pricing model always receiving particularly high scores. This strategic rapport, combined with the trust and deep mutual understanding that has developed over time, makes Whitebox the perfect partner for flatexDEGIRO to offer its customers this extra service seamlessly and intuitively. With regard to the new product **flatex wealth**, it is worth noting that customers are able to select from four different investing strategies, two of which focus on sustainable investments. Depending on the chosen investing strategy, **flatex wealth** requires a minimum investment of EUR 25 for savings plans or EUR 5,000 as a one-off investment; both are for investment products that are independent of banks and have no minimum term. The investing strategies provide for investments in, inter alia, securities products that meet the sustainability

standards of “Socially responsible investing”, for example. In the future, we will strive to roll out this range of products in other markets too.

Employees

Employees

The long-term entrepreneurial success of flatexDEGIRO is predicated on the expertise, dedication and flexibility of our employees. Interdisciplinary teams drive ideas and develop new, networked solutions for our customers. Together, we take advantage of opportunities offered by the dynamic environment. In addition to operational growth, this includes the further internationalisation of our business through the merger with DEGIRO.

In May 2021, the merger of DeGiro B.V. into flatexDEGIRO Bank AG was completed with retroactive effect from 1 January 2021. Immediately after the completion of the transaction, DEGIRO became a branch of flatexDEGIRO Bank as a result of the merger. During the entire process before and after the merger, there was a great deal of overlap in the values that had previously been embraced, so a common corporate culture was quickly established consistent with the motto "One team – one dream".

Our HR management is geared towards supporting the dynamic development of the company while at the same time focusing on the individual. The merger has made it possible to offer all employees an international working environment. The goal of our HR work is to harness synergies and support employees so that they can contribute their skills in the best possible way during this phase of strong corporate growth.

Attracting and retaining the best employees is crucial to our success. In view of the strong global competition for the best specialists and managers, an attractive and impressive overall offer for employees is becoming increasingly important. The success of our HR strategy is largely dependent on the skills and experience of our employees, and therefore on our ability to retain talented employees, motivate and develop them and attract new employees strategically. This is also reflected in the strategic direction of our HR work in recent years. We are therefore continuously working on measures to increase the attractiveness of the flatexDEGIRO Group – especially in the European labour market.

To get in touch with potential applicants, we already rely heavily on the use of digital platforms such as our country-specific career websites as well as global and regional social networks. This enables us to address the various target groups appropriately. In addition, all employees are encouraged to make us aware of potential talent from their own networks, as we believe that impressed employees do the best advertising by word of mouth.

Since 2021, in light of the Corona pandemic, we have been conducting our talent search primarily with digital solutions, although we also participate in some face-to-face events. The goal is to continuously expand our digital presence and provide the best possible information about flatexDEGIRO as an employer virtually. For example, we are represented at digital trade fairs and conferences, we conduct digital excursions for students at various universities for sites in Germany and we organise specialist presentations for junior staff. Virtual contact allows for a demand-oriented, flexible and location-independent approach. This is how we continue to succeed in attracting and recruiting talent.

In addition, we continuously participate in specific career events that serve to directly address and attract especially female junior talents from various specialist fields. With various initiatives such as podcasts, career fairs, networking events and posts on our social media channels aimed specifically at women, we focus in particular on our female employees as female role models.

Employees

The digital onboarding process that was launched in 2022 has proven successful and continued in the reporting year. New employees and their managers receive support in the phase leading up to the first day at work and thereafter. The aim is to ensure a successful first day at work and to build a bond between new employees and their future team at an early stage. It is important that employees receive e-mails, for example, to familiarise them with the field of business and the team.

In addition to the digital onboarding process, however, it is important that all new employees get to know each other in person. To this end, we introduced an international physical onboarding event at the beginning of 2022, and it took place again in the reporting year. The onboarding event is also used to introduce the new employees to the various specialist departments through presentations by a department head.

At the same time, it is important to counteract demographic change. Initiatives to secure young talent are anchored in the strategic HR agenda. These include, for example, collaborations with universities, new trainee programmes with a focus on digitisation or interdisciplinary training. The comprehensive range of training opportunities, innovative qualification options and the possibility of various development paths are also intended to make the Group attractive to talented young people.

Human resource management

Our HR organisation has offices in Frankfurt am Main, Amsterdam, and Sofia. The Chief HR Officer (CHRO) is responsible for human resources throughout the Group and is a member of the Management Board.

In 2021, we proceeded with the introduction of a dedicated HR management system and released it for operational use as planned in the second quarter. This ensures that all relevant HR information can be presented and accessed in a single system. It includes essential HR processes from recruiting to onboarding/offboarding, as well as all available training courses. They are offered and accessed via the platform. In the case of mandatory training courses in particular, their timely completion is tracked. In addition, a global, uniform database is available for the first time. By deploying SAP SuccessFactors® as a professional human capital management solution in 2021, flatexDEGIRO AG supports its employees during each phase of the employee lifecycle and simplifies the global collaboration between employees in their daily work.

The job market in the field of banking and financial services is experiencing a growing shortage of specialists. In a hotly contested market, it is crucial to position ourselves with an HR strategy tailored to a dynamic environment and take strategic action to increase the attractiveness of our company, attract highly qualified employees and retain them on a long-term basis. For one, our renewed **TOP EMPLOYER** certification underlines the success of our HR work. Our recertification in the 2023 reporting year reflects our commitment to providing an outstanding employee experience and developing a first-class HR policy. It helps to further successfully position the flatexDEGIRO employer brand in the market. Likewise, we achieved the best score of all the online brokers on the German employer rating platform kununu.

All strategic decisions relating to health protection and occupational safety are also managed centrally. The measures to be implemented in the financial year are developed by the HR department and coordinated with the Management Board. Our local contacts decide on sensible additions at the individual sites.

Implementation of the fundamental conventions of the International Labour Organisation

flatexDEGIRO recognises the five fundamental principles of the International Labour Organisation, as well as its Core Labour Standards, and is committed to them. As part of its business activities, flatexDEGIRO works to ensure compliance with the Core Labour Standards of the ILO and with international standards.

The five fundamental principles of the International Labour Organisation define the self-image and actions of flatexDEGIRO and encompass:

1. Freedom of association and the right of collective bargaining
2. Elimination of forced labour
3. Abolition of child labour
4. Elimination of discrimination in respect of employment and occupation
5. Occupational health and safety

These fundamental principles have been incorporated into ten conventions (Core Labour Standards) that define them in real terms:

1. Convention 87 Freedom of Association and Protection of the Right to Organise (1948)
2. Convention 98 Right to Organise and Collective Bargaining (1949)
3. Convention 29 Forced Labour (1930) and Protocol of 2014 to the Forced Labour Convention
4. Convention 105 Abolition of Forced Labour (1957)
5. Convention 100 Equal Remuneration (1951)
6. Convention 111 Discrimination (Employment and Occupation) (1958)
7. Convention 138 Minimum Age (1973)
8. Convention 182 Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour (1999)
9. Convention 155 Occupational Safety and Health (1981)
10. Convention 187 Promotional Framework for Occupational Safety and Health (2009)

Staffing level

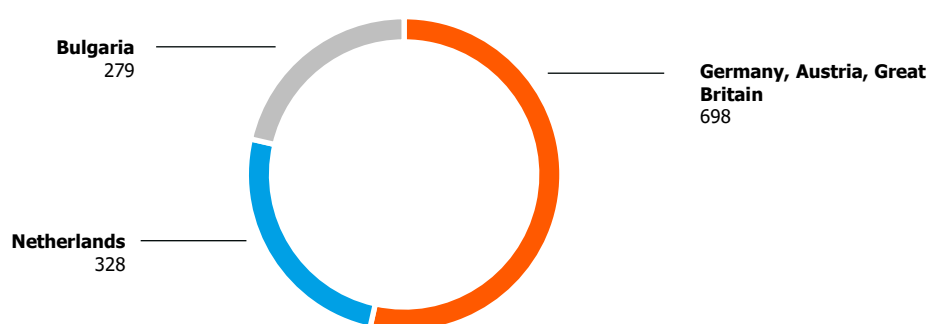
As of 31 December 2023, flatexDEGIRO employed 1,305 people at 14 sites across Europe. The number of employees has increased from 1,293 to 1,305 year over year.

Employees

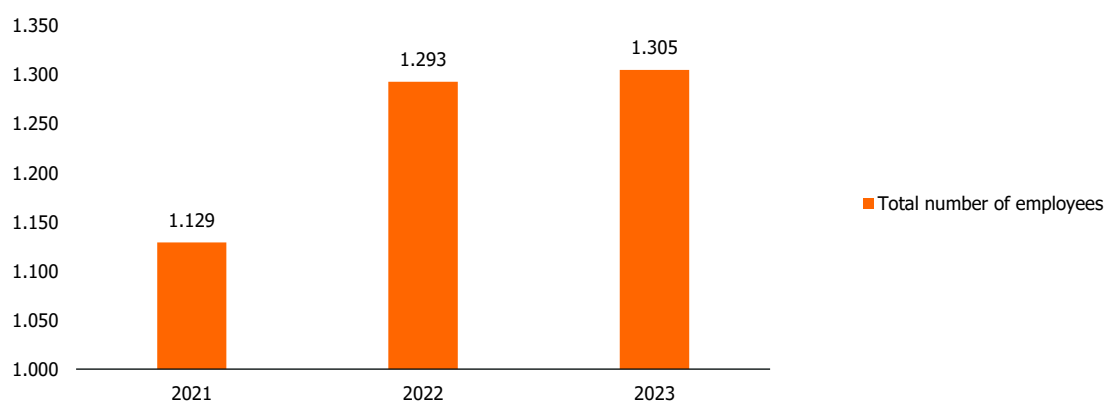
GRI 2-7: Employees broken down by employment contract and employment relationship (as of 31 December 2023)

	Germany, Austria, Great Britain		Bulgaria		Netherlands		Entire Group		Total
	Men	Women	Men	Women	Men	Women	Men	Women	
by employment contract	482	216	186	93	239	89	907	398	1,305
permanent	455	205	183	91	165	55	803	351	1,154
temporary	27	11	3	2	54	33	84	46	130
without guaranteed working hours	0	0	0	0	20	1	20	1	21
by employment relationship	482	216	186	93	239	89	907	398	1,305
Full time	447	144	185	92	195	72	827	308	1,135
Part time	35	72	1	1	44	17	80	90	170

Total number of employees, broken down by country/region (as of 31 December 2023)



Total number of employees from 2021 to 2023*



* as of 31 December, of the respective year

Training and education

Talent development

Against the backdrop of demographic change, flatexDEGIRO is investing in promising talent – trainees and students. Seven young people (as of 31 December 2023) are being trained as IT specialists for application development and system integration as well as bank clerks in the dual system. In addition to technical skills, we attach importance to teaching our corporate culture, teamwork, and customer orientation.

Since 2015, flatexDEGIRO has been cooperating with the Frankfurt School of Finance & Management and sponsoring the first dual FinTech bachelor's degree in "Digital Business". The aim is to provide students with a practical, dual education that reconciles and teaches students the different requirements of IT and financial services. We currently employ ten students from three cohorts in Germany, who work two to three days a week and during the lecture-free period. Our goal is to promote skilled talented young people and attract them to the company after they have completed their training or studies.

To allow employees and new colleagues to get to know and understand the company and our sites/divisions in full, we have been offering a specially developed trainee programme for some time. It enables participants to gain insights into different areas over around 24 months so that they can then make the right decision for their further professional development.

Development and training

flatexDEGIRO expects a high degree of professionalism and willingness to learn from its employees. Diverse tasks and interdisciplinary projects offer individual development opportunities, which we promote through targeted training opportunities. The aim is to train our employees according to their personal development needs and areas of responsibility. Learning and development are key success factors for a positive corporate culture. The skills and competencies of our employees are crucial for profitable growth and sustainable success. That is why we want to further modernise our learning culture and promote continuous, self-directed learning, including learning from others, even more strongly. Employee development at flatexDEGIRO is guided by the motto "There is talent in everyone!". This means that development opportunities and support are open to everyone equally.

To identify the potential for development in our employees, we hold annual employee interviews both to evaluate the employees' performance and to discuss and plan personalised advanced training opportunities. The digital employee assessment, which was integrated into the system in 2022, was very well received by employees and has established itself as a tried-and-tested tool that supports the assessment process in the 2023 reporting year.

GRI 404-3 Regular performance and career development reviews*

	Men	Women
Employees in a managerial role	87.0%	81.0%
Employees not in a managerial role	82.9%	86.8%

*The calculation does not include the following employees: Employees who joined the Group after 1 October 2023, managing directors and members of the Management Board, student trainees and interns, employees whose final day is before the start of the performance measurement cycle, employees taking a leave of absence for the majority of the year and for the performance measurement window (1 December to 31 January).

We understand development as much more than a promotion or a change of job, namely the expansion of one's own experience and skills. In regular development meetings, which are part of the annual employee appraisals, employees work with their managers to come up with ideas for their individual development and define specific training and development measures aimed at personal and professional skills. In the training and development measures, we follow the "70-20-10" philosophy: we focus on the elements of "learning from experience" (70%), "learning from others" (20%), and "learning through training and with media" (10%).

Our learning and development offerings cover a wide range of learning objectives: career entry, knowledge enhancement, personal development, and leadership development. Digital learning formats are playing an increasingly important role in our development offerings. Even before the coronavirus pandemic in 2020 and the acceleration of digitisation it sparked across all sectors, we, as a Group with an affinity for IT, revised our development offering for managers and employees to meet the challenges of digital transformation and a modern working world with the help of appropriate learning formats and content with the help of appropriate learning formats and content.

The continuous development of our employees' digital skills will continue to be crucial in the future. The portfolio includes self-learning offerings as well as individual consulting and support for teams and managers in the digital transformation. As part of the digital transformation, significant progress has been made in digitising our training offering. Today, all employees enjoy an enhanced learning experience and optimised access to the entire training catalogue. The digital training offerings are made available to employees via our HR management system. Mandatory training such as compliance, data protection etc. is also available to employees via the HR management system. In addition, the numerous targeted online training formats in the business and service units provide training on specific technical content.

With an average of well over 100 training courses per year, we cover a wide range of topics – from English lessons and area-specific training events to in-service studies. While most of the training courses during the Corona pandemic were held online only, more face-to-face training courses were provided for employees again in 2023. The focus of the training courses in the financial year was on the development of professional skills.

We are constantly working on our personnel development formats and on qualified exchanges and knowledge transfers between our specialists and managers. For example, a High Potential Circle has been institutionalised at flatexDEGIRO for several years. The programme will continue in 2024. In addition to the High Potential Circle, we established another training programme aimed at our managers in 2022 with a focus on leadership. Tailored training courses are also offered to managers who are particularly high performers in our succession and talent pipeline.

Action plans are agreed that include measures such as training, executive coaching or mentoring and interactions with members of the Management Board and Supervisory Board.

Leaders play a critical role in creating the operating climate and culture we strive for: a culture that enables our employees to thrive and keeps our company competitive in the future. The development of our leaders has always been a central concern of flatexDEGIRO. Our Leadership Model describes the Group's view of the skills that underlie effective leadership. It reflects the strategic requirements of the Group and draws on rigorous scientific research to identify the knowledge and skills at the core of effective leadership.

While the fundamental principles of leadership are constant, leaders must continually develop themselves by applying their skills in a disruptive and changing environment. They must simultaneously build the capabilities of the teams they lead and create an environment that supports continuous learning and is adaptive and inclusive. At the same time, driving change and innovation does not have to come at the expense of our customers' interests. Behaviour and business practices must be always guided by a clear sense of purpose and principle.

We have taken important steps to respond to these changing requirements. Our leadership development programme was redesigned in 2022 to provide a more personalised, modular approach that allows leaders to learn when and how they need to. Based on the revised leadership model, all learning opportunities are designed to prepare our leaders for their future roles.

Topics such as coaching, feedback, building a high-performing team, and leadership styles are available for selection. Virtual classroom workshops are complemented by additional resources such as videos on demand, professional articles, or podcasts. The range of learning opportunities is constantly evolving based on continuous feedback from leaders and the strategic needs of the Group.

Our organisation prioritises providing strategic training for potential managers to enable them to develop the necessary skills to lead effective teams. At the same time, however, we must ensure that employees who distinguish themselves as experts in their field are given the same opportunities for career progression. We do not consider the ability to lead teams a mandatory prerequisite to successful career development. Our specialists should have the opportunities and scope to apply their knowledge to further the interests of the company in their fields. New ideas, product developments, improved processes, or market adjustments cannot succeed unless technical careers and managerial careers are valued equally. By restructuring our career development planning in the reporting year, we are creating an environment in which various talents and skills are valued equally, and in doing so we are promoting individual opportunities for employees to tap their full professional potential. We aim to actively support expert careers and advance them with personalised advanced training opportunities.

Health protection

Part of our self-image as a responsible employer is to protect the health of our employees. That is why we implemented a uniform Group-wide occupational safety strategy in 2022, for which the management bears overall responsibility. An important step in this process was the Group policy "Health protection and occupational safety". This policy defines the responsibilities of the company and its employees so that we can keep the workplace safe and productive together. Management works with employees to review and update this and other policies and procedures. We recognise that workforce consultation and participation in our safety system is critical and

improves decision-making on workplace health and safety issues. The health and safety management system applies to all employees of the Group. Consultation is also incorporated into the risk assessment process and the development of safe work practices. Suggestions for changes and improvements to policies, procedures or safe work practices are encouraged through management reports. Meetings are held at regular intervals to advise and inform employees on safety issues.

flatexDEGIRO offers all employees the opportunity to work remotely from home. In the course of the coronavirus pandemic, the options for remote and flexible working (work@home policy) were significantly expanded and continued in the 2023 reporting year. Employees can work remotely in defined time models and flexibly schedule their working hours.

In the 2023 reporting year, the abating pandemic made it possible to provide preventive check-ups and fully on-site training again. In the autumn of the 2023 reporting year, we offered our employees the opportunity to receive a flu vaccination. Online training was also provided on the topics of occupational health and safety, computer workstations, and first aid, as well as instruction in fire protection. In addition, an on-site occupational health examination was offered. In addition, "Healthy Days" were held at individual sites to provide employees with targeted information and training on specific topics.

The HR department launched its "Well-being Month" initiative at the start of June 2023. This initiative represents a step forward for flatexDEGIRO and highlights the importance of looking after the mental and physical well-being of the workforce. The initiative involved a series of exciting activities and events designed to help employees boost their well-being in all aspects of life, from yoga and meditation to nutrition and workshops with experts. The initiative clearly demonstrated that flatexDEGIRO is working to provide every employee with the resources and support they need.

flatexDEGIRO believes that providing health-related services outside of "Well-being Month", is a key aspect of its culture. Consequently, the HR department launched a new mental and physiological health format known as "lunch&learn" after the conclusion of "Well-being Month". At regular intervals, experts from a wide range of specialist departments were invited to provide helpful mental health tips in one-hour presentations. The scope of topics dealt with is extremely broad, such as stress management, healthy sleep, nutrition, and how they affect mental health. Employees also had the chance to ask the experts specific questions and converse with them. This diverse programme guarantees that something is interesting and relevant for every employee. This is reflected in the rate of participation, which underlines the effectiveness of the format.

The greatest challenge for the health protection of our employees is the sedentary nature of computer workstations. This challenge is addressed through preventive medical check-ups and a modern, ergonomic working environment – in the form of height-adjustable desks and posture-promoting chairs, for example. Due to the intensive use of mobile working and the promotion of New Work, which is also planned, our responsibility as an employer is expanding in this area. Accordingly, we provided mandatory targeted training on occupational safety and health protection for mobile working in the 2023 reporting year. We offer a wide range of preventive measures such as stress management and exercise programmes.

We work with external experts who also provide employees with psychological, educational and financial support to help them balance family and career, for example by organising courses, workshops and employment opportunities for children, as well as a service hotline for initial

telephone advice on personal life management challenges. Our managers and works council members can also contact our external experts for support on issues relating to their role.

Due to flatexDEGIRO’s business model, only a few reportable occupational and travel accidents were recorded among our employees. One reportable occupational/travel accident was recorded in the 2023 financial year. Despite this very low rate, it is important for flatexDEGIRO to constantly promote a culture of safety within the company.

Employee satisfaction

The satisfaction of our employees and, consequently, their loyalty to the company are among our most important measures of success. Our responsibility as an employer is to retain employees in the current phase of very dynamic corporate growth and continuous change.

Regular exchanges take place with supervisors within the teams. The management of the specialist departments and the teams, as well as selected specialists from the Key People Circle, regularly engage in direct exchange and constructive dialogue through personal meetings and calls.

Direct employee feedback is also an essential element for good and targeted HR work. Against this background, a global employee survey was introduced in 2021, which was conducted again in 2023. At over 86% (previous year: 81%), the participation rate has increased again year over year. It has become clear that the feedback tool has become established and is being used by employees.

An average length of service of around 4.7 years is evidence of flatexDEGIRO's attractiveness as an employer. The total fluctuation in 2023 was 15.8% (previous year: 17.9%).

Fluctuation, also broken down by own terminations / total fluctuation

	2023	%	2022	%	2021	%
Based on own terminations	143	11.0	250	15.9	144	10.6
Total fluctuation	206	15.8	282	17.9	224	16.6

Employee communication

Active, open communication is also tremendously important to us outside of this process. Whenever an important decision is made or an event occurs, the Management Board notifies all employees directly in town hall calls or by e-mail.

Continuous internationalisation not only requires an intensive dialogue between the Management Board and employees, but also stronger inter-workforce communication at the various sites of flatexDEGIRO. As a result, a new Group-wide intranet was developed with the assistance of employees in the financial year. The goal is not only to use the intranet as a source of information but also to strengthen communication between colleagues with its wide range of tools. The rollout of the new intranet was headed by the Corporate Communications department. The plan is to use roadshows to introduce the tool at every site and discuss potential improvements in a dialogue with employees.

Group-wide “Demo Days” were introduced in the 2023 reporting year to keep employees up to date on current technological advancements in the services on our trading platforms. These monthly “Demo Days” are used to present new developments in connection with the flatex and DEGIRO platforms. Newly added or improved features are introduced by specialist departments that explain the additional benefits they offer our customers. Especially considering the rising number of employees in recent years, this format gives the entire workforce an insight into the innovative development of our products and services and keeps them up to date.

Work-life balance

Changes in society bring with them different expectations regarding work-life balance. At flatexDEGIRO, this has already played a central role in the past. Through flexible working time models, we want to unburden employees in the various phases of their lives and offer them opportunities to individually combine their professional and private lives. These include flexible working hours, trust-based working hours, sabbaticals, partial retirement, and partner months. In particular, the return of parents to working life is encouraged by various part-time models and the assumption of childcare costs until the child starts school. In addition, our external expert provides advice and support on topics such as home care and care for the elderly. With an ageing workforce, caring for relatives is becoming increasingly important. Accordingly, our workshops and consulting services on the subject of care are increasingly in demand.

In 2023, flatexDEGIRO employees again had the option of working remotely (and hybrid). All employees are or were equipped with the necessary equipment. Due to the high acceptance of mobile working, our goal is to retain the opportunities of *New Work* beyond the pandemic and continue to offer them to our employees.

Total number of employees, additionally broken down by full-time/part-time
(as of 31 December 2023)

	2023	%	2022	%	2021	%
Total number of employees	1,305	100.0	1,293	100.0	1,129	100.0
Thereof full-time	1,135	87.0	1,090	84.3	951	84.2
Thereof part-time	170	13.0	203	15.7	178	15.8

Diversity

flatexDEGIRO has committed to promoting an inclusive working environment that supports equal opportunities for all employees, regardless of gender, ethnicity, age, sexual orientation, disability, or other characteristics. We are certain that diversity and inclusion are essential when it comes to promoting innovation, creativity, and business success, and actively strive to create an environment in which everyone feels appreciated and respected and can tap their full potential.

Our managers at all levels receive training and guidance from Human Resources to foster “diverse teams” in the above sense, where employees respect each other, can develop their full potential, and thus succeed together. Our company promotes diversity in the work environment and respectful and unprejudiced interaction. For example, we celebrate our diversity and each month

feature an employee and their cultural group, traditional festivals, or holidays in our monthly newsletter under the heading “celebrate the difference”.

Our self-image includes an appreciative corporate culture that offers all our employees equal opportunities for advancement. flatexDEGIRO is committed to equal pay for men and women. Maintaining such an environment is the responsibility of every employee. Our managers lead in a manner that fosters an environment of respect for everyone. The company is firmly committed to fostering a supportive and inclusive culture throughout the workforce. It is in our best interest to promote diversity and eliminate discrimination in the workplace. Our Code of Conduct states that flatexDEGIRO will not tolerate discrimination based on age, gender, ethnicity, disability, sexual identity, religion, or belief. In keeping with our commitment to equal opportunities, we actively run initiatives to recruit from a diverse talent pool. Our recruitment procedures are designed to attract candidates with a range of different backgrounds, including from under-represented groups, and we ensure that decisions concerning recruitment are made solely based on merit and qualifications. We work with various professional associations, participate in selected recruitment drives and utilise inclusive job adverts to reach a wide range of applicants. We also provide our HR officers with training in unconscious bias to ensure that our selection processes are fair and equitable. By actively hunting for a variety of talented people, we want to build a workforce that reflects our company’s rich diversity and encourages innovation and creativity within our Group. In addition, we adopted a “Diversity and Inclusion Statement” in 2021, which regulates cooperation even more precisely and describes it in more detail. In addition to equal rights for people, the diversity of cultures and generations, as well as equal opportunities for lesbian, gay, bisexual, transgender, queer, intersex and asexual (LGBTQIA) employees, are among the cornerstones of our commitment to diversity and inclusion. Criteria such as maternity or marital partnerships have also been explicitly excluded as grounds for discrimination. Topics relating to respectful interaction with one another are also regularly addressed as part of compliance training.

Any violations of our guidelines can be reported at any time by employees to their direct superiors, the Compliance Office or the Works Council (flatexDEGIRO Bank AG). Anonymous reporting channels are also available. Incidents of any kind are immediately followed up on and processed – they can even lead to termination. No incidents of discrimination were recorded at flatexDEGIRO in the 2023 reporting year.

The inclusion of people with disabilities is another element of our diversity strategy. Barrier-free access to workplaces and work equipment is just as high a priority for us as implementing accessibility in our digital offerings on the customer side. We are also well positioned following the Barrier-Free Accessibility Strengthening Act, which came into force in 2021.

In the 2023 financial year, the proportion of female employees decreased slightly from the previous year’s level (31.0%) to 30.0%. At the same time, the proportion of women in management positions decreased slightly from 25.6% in 2022 to 22.3% in 2023. In the reporting period, the proportion of women on the Management Board level remained at 0%, although it increased to 25% on 1 April 2024 following the appointment of Christiane Strubel (Chief Human Resources Officer).

GRI 405-1: Diversity of governance bodies and employees in 2023
(As of 31 December 2023)

	Total	Men	Women	< 30 years	30-50 years	> 50 years
Supervisory Board*	5	3 60%	2 40%	0 0%	0 0%	5 100%
Member of the Management Board	3	3 100%	0 0%	0 0%	0 0%	3 100%
Executive management	62	51 82%	11 18%	0 0%	44 71%	18 29%
Employees in a managerial role	129	98 76%	31 24%	2 2%	98 76%	29 22%
Employees not in a managerial role	1,111	755 68%	356 32%	353 32%	642 58%	116 10%
Total	1,305	907 70%	398 30%	355 27%	783 60%	167 13%

*Supervisory Board not included in the total number or percentage of employees

Total number of employees, broken down by gender
(as of 31 December 2023)

	2023	%	2022	%	2021	%
Total number of employees	1,305	100.0	1,293	100.0	1,129	100.0
Thereof women	398	30.0	401	31.0	367	32.5
Thereof men	907	70.0	892	69.0	762	67.5

Proportion of female managers
(as of 31 December 2023)

	2023	2022	2021
Women in the first two levels below the Management Board in %	18.6	12.7	11.3
Total women in management positions in %	22.3	25.6	21.8

A total of 21 people with severe disabilities were employed by the Group as of 31 December 2023. This corresponds to a rate of 1.6%.

Environment

Environment

It is the declared goal of flatexDEGIRO to contribute to environmental and climate protection by conserving resources and minimising the environmental impact of our business activities. The flatexDEGIRO Code of Conduct also creates a framework for responsible action in terms of environmental protection.

The Sustainability Officer, who was appointed in the 2020 financial year and is ISO certified, is responsible for active environmental management at flatexDEGIRO. The Sustainability Officer continuously coordinates all environmentally relevant decisions with the Management Board, to which they report directly. They also initiate the binding definition of environmental targets and are responsible for the implementation of agreed measures in the specialist departments. The Management Board bears ultimate responsibility for all environmental issues in the company.

Energy and emissions

Environmental management

For a medium-sized company, using energy as sparingly as possible represents the greatest lever for flatexDEGIRO's continuously improving environmental performance, in addition to business travel. The reduction of energy consumption, and thus the avoidance of greenhouse gas emissions, which contribute significantly to global warming, is the focus of our environmental management. In doing so, we are fulfilling our responsibility towards society and future generations.

As part of risk management, relevant environmental regulatory developments are monitored continuously. These include the Taxonomy Regulation, the Sustainable Finance Disclosure Regulation (SFDR), the BaFin Guidance Notice on Dealing with Sustainability Risks, the Corporate Sustainability Reporting Directive (CSRD) in conjunction with the European Sustainability Reporting Standards (ESRS), the technical implementation standards (ITS) on supervisory disclosures of ESG risks pursuant to Article 449a CRR of the European Banking Authority (EBA) and the Minimum Requirements for Risk Management (MaRisk). We do not expect any significant adverse effects from this thanks to our innovative business model and small corporate carbon footprint.

Energy consumption and reduction measures

flatexDEGIRO takes its own environmental responsibility seriously and aims to reduce its energy consumption at each site and, in turn, its emissions. A wide range of measures are implemented to reduce our CO₂ emissions. For example, all German offices switched to low-carbon green electricity in 2022.

Our sites use natural gas or district heating to meet the heating needs of the offices. The buildings used by flatexDEGIRO use natural lighting to minimise their electricity consumption. New sites are fitted with as many glass elements as the building will allow to minimise the energy required for lighting. Energy-efficient LED lights controlled by efficient motion sensors are standard at the sites.

Intelligent control of building technology is also standard at all our new sites, so that high energy efficiency is achieved by controlling consumption and optimising controlled usage behaviour. This prevents the air conditioning from working against the heating, for example. A temperature in a predefined range is set for each room and the system decides whether the heating or air conditioning is needed for this.

The relocation of our headquarters within Frankfurt to the "Omniturm" in the 2022 financial year was also carried out in accordance with our requirements for sustainable office infrastructure. The building is certified sustainable and digital. It has been awarded the LEED (Leadership in Energy and Environmental Design) sustainability certificate and is WiredScore-certified for its digital connectivity, both times at the highest Platinum award level.

The business model requires the use of data centres and server infrastructure, which can be highly energy and emissions intensive. The data centres account for a significant percentage of our total electricity requirements. Around 53% of electricity consumed in 2023 was attributable to the data centres. We constantly review and optimise the infrastructure and invest in new technologies to increase performance and – independently – reduce energy requirements. Our data centres in Germany have a power usage effectiveness (PUE) of around 1.3. This is far below the German average of 1.55, as determined in a study carried out by Bitkom e.V. in 2022. The lower the value, the higher the energy efficiency. These too are supplied with green electricity to minimise greenhouse gas emissions.

Our fundamental approach to improving our environmental performance lies in the improvement of our energy performance, which is the largest factor driving our greenhouse gas emissions. The use of clean energy sources accelerates our progress towards our net zero target. We have therefore commissioned an external energy audit that qualifies as an external environmental audit under ISO 50001. It was conducted by an energy auditor registered under DIN EN 16247-1. The report underlines the importance of modern, energy-saving technology and equipment. It also underlined the high energy standard of the rented space.

As a result of this process of upholding strict energy standards, our emissions have been reduced. As our business model is structured in such a way that there are no industrial production processes, we do not contribute to the other aspects that drive environmental degradation (air pollution, water pollution, solid waste etc.).

The switch from classic PCs to thin clients or notebooks was completed in 2021, enabling us to both save resources and lower our electricity usage. Finally, the development of our energy consumption confirms the statements of the energy audit. Despite a growing number of employees, we managed to keep our electricity consumption constant year over year.

We do not merely conduct internal and external audits to identify the need to adapt in good time, but also to ensure transparency by communicating them externally on our website and in the non-financial report, as well as internally on the intranet and other communication channels. This facilitates sound decision-making to address the identified potential for improvement in cooperation with the relevant specialist departments.

To further demonstrate our commitment to ecological sustainability and compliance with the applicable regulations, standards and guidance relating to decarbonisation, it is our stated goal to reduce Scope 1 and Scope 2 emissions, as defined by the Greenhouse Gas Protocol, by 70% at all sites by 2026. All our German sites already use electricity from renewable sources. Green electricity makes up around 77% of our Group-wide electricity consumption. Moreover, we are

expanding our emissions calculations continuously to cover all areas, including Scope 3 emissions, which are difficult to calculate.

The renewable energy measures affect 100% of our places of business and their implementation is set to be expanded in stages. Our efforts to take a sustainable approach to fulfilling our environmental responsibility also entail cooperation with suppliers and service providers. This ensures that our environmental performance improves all along the value chain. The engagement counts as part of the procurement process for low-emission and high-efficiency infrastructure and procedural optimisations.

GRI 302-1 Energy consumption within the organisation

	2023	2022*	2021**
Total energy consumption in MWh	5,169.1		
Electricity consumption	2,402.7	2,368.0	2,563.0
Buildings and data centres	2,365.6	2,368.0	2,563.0
Electric vehicles	37.1	0.0	0.0
Heating consumption	1,032.5		
Gas	851.7		
District heating	180.8		
Fuel consumption	1,733.9	1,577.8	
Petrol	917.0	463.5	
Diesel	816.9	1,114.3	

*No consumption data available for heat consumption in 2022

**No consumption data available for heat and fuel consumption in 2021

Direct and indirect CO₂ emissions

flatexDEGIRO does not own any buildings but is a tenant at all its locations. Various sites use natural gas or district heating to meet the heating needs of the offices. Direct CO₂e emissions (Scope 1 emissions) are released through the use of our vehicle fleet. While the use of our vehicle fleet was weaker in 2022 due to the Corona pandemic, there was an increase in emissions in the past year. Emissions from the use of the vehicle fleet were fully offset (by financing carbon offset projects through the environmental organisation myclimate Deutschland gGmbH). Further explanations regarding existing and planned measures to reduce these emissions are explained in the section "Mobility behaviour at flatexDEGIRO".

Another significant part of our emissions results from the purchase of electricity and district heating (Scope 2 emissions). In 2023, 270.9 metric tonnes of CO₂ equivalents (CO₂e) were emitted. All our German office sites and data centres we operate in Germany run on electricity from renewable sources. To further develop environmental data collection in this area, we are evaluating the implementation of a data collection tool that will be used in the future to record,

analyse and document all directly and indirectly caused emissions in accordance with the requirements of the Greenhouse Gas Protocol and ISO 14064-1. The introduction of an environmental data collection tool began in the 2023 financial year and will be complete in 2024.

To reduce the absolute level of Scope 2 emissions, we have been purchasing low-emission green electricity, i.e. electricity from renewable energy sources, at all German sites since 2022. We aim to extend the switch to green power to all European office sites by the end of 2024.

The sum of Scope 1 and Scope 2 emissions was reduced from 919.4 metric tonnes of CO₂e (2022) to 878.4 metric tonnes of CO₂e in 2023. Adjusted for offsetting services, the balance of our net Scope 1 and Scope 2 emissions is reduced from 489.2 metric tonnes of CO₂e (2022) to 426.8 metric tonnes of CO₂e in the financial year ended (-12.8%).

GRI 305-1 Direct (Scope 1) GHG emissions

GRI 305-2 Energy indirect (Scope 2) GHG emissions

	2023*	2022**	2021**
Total greenhouse gas emissions in t CO₂e	878.4	919.4	962.7
Scope 1: direct GHG emissions	607.5	628.8	487.5
Gas	155.8	198.6	
Fuel	451.6	430.2	
Scope 2: indirect GHG emissions (market-based)	270.9	290.6	475.2
Electricity	247.6		
District heating	23.4		
Emissions in kg CO₂e per employee	673.1	711.1	852.7

*Scope 2 emissions have been disclosed in line with the market-based approach of the Greenhouse Gas Protocol. Applying the location-based approach would result in 1,073.0 t CO₂e for electricity and district heating.

**Emission data incomplete for 2021/22

flatexDEGIRO also avoids emissions that occur in upstream or downstream parts of the value chain (Scope 3 emissions). In our supply chain, for example, we are guided by sustainability standards: we procure hardware – primarily notebooks, monitors, servers, and switches – directly from the manufacturer in a climate-friendly manner, thus avoiding additional routes via intermediaries. In cooperation with our most important suppliers, we share information on current product developments and take sustainability aspects into account. All products are subjected to intensive testing in advance to minimise failures. Our focus on the use of energy-efficient and stable IT solutions not only benefits the environment, but also our expenditure on operating costs. We also want to become more climate-friendly in contact with our customers and have been sending correspondence within Germany in a climate-neutral manner since mid-2021.

Mobility behaviour at flatexDEGIRO

Since the transport sector contributes significantly to environmental pollution, it is our goal to work towards climate-friendly mobility. flatexDEGIRO has been pushing digital work to reduce the number of business trips, and not just since the Corona pandemic. To this end, all sites have been equipped with new, professional video conferencing technology since 2019 to ensure a smooth digital exchange. We have also installed the conferencing software on all our employees' computers so that all employees can use it from home or on the road, regardless of the conferencing technology at the sites.

A travel cost management tool was rolled out in the reporting year. The travel management tool can be used to book upcoming business trips – always in compliance with the applicable travel policy. The Purchasing department can even add individual tariffs for airlines or hotel chains to allow all employees to profit from those rates. Besides booking hotels, flights, and trains, the tool can be used to record related emissions. On this basis, we will therefore be able to report emissions from business trips for 2024. Our goal is to plan and optimise business trips in such a way as to minimise greenhouse gas emissions. We are also planning to evaluate various offsetting models for the reported emissions. Regardless of the quantitative measurement of the emissions, we have updated our travel policy so that modes of transport with the lowest emissions possible are preferred, with consideration for ecological factors, and that resulting CO₂ emissions are offset.

Since April 2021, we have been directly offsetting all emissions generated by vehicle use with a carbon-neutral fuel card. Thus, in the 2023 financial year, a total of 451.6 metric tonnes of CO_{2e} emissions were offset via carbon offset projects run by the **myclimate** organisation in accordance with the Gold Standard. In the 2023 reporting year, we adjusted our fleet guidelines to promote e-mobility. In the future, depending on the delivery situation and preferably in cases where the annual mileage is below 25,000 km, electric or hybrid vehicles will be made available as company cars. At the end of the 2023 reporting year, the proportion of electric or hybrid vehicles in the fleet was around 67%. In addition to individual company cars, there are currently eight pool company cars at the sites, five of which already have electric or hybrid drives. As their leases expire, the remaining vehicles will also be converted to electric, or hybrid drives as long as this suits their intended purpose.

Further emissions are caused by our employees' commute to work. flatexDEGIRO promotes the use of public transport and bicycles. We promote the switch to e-mobility by encouraging our landlords to install charging infrastructure at suitable locations. In addition to the existing charging infrastructure at our Frankfurt site, the installation of 20 charging points at our Neuss site was completed in the 2023 reporting year. Evaluation is currently underway for our other sites, and in some cases, we are waiting on landlords to begin implementation. Through various measures designed to promote mobile working by our employees, the generation of emissions from commuting to work is avoided altogether.

flatexDEGIRO aims to reduce Scope 1 and Scope 2 emissions by at least 70% by 2026 (2020 baseline). Scope 3 emissions are considered in their respective context (e.g. commuting), and we intend to reduce these by up to 30% as opportunities arise (2020 baseline).

Water consumption and protection of biodiversity

Considering the massive negative impacts and current ecological developments on a global level – such as water and resource scarcity, deforestation and the threats to biodiversity – companies and society must contribute to the protection of our natural environment.

Given the flatexDEGIRO Group's role as a service provider, its use of resources is limited compared to manufacturing industries. flatexDEGIRO provides office space for employees that is heated/cooled, is supplied with electricity, and drinking water. Aside from the continuous reduction of direct emissions (see "Direct and indirect CO2 emissions"), the Group continues to strive to use water responsibly. There are currently no engagements in our credit portfolio linked to sectors that have a direct negative impact on water consumption and the protection of biodiversity. Following the update to our investment guidelines, no financing or investing activities will take place in direct connection with sectors such as the metals and mining industry, the oil and gas industry, the construction of hydroelectric power stations or the forestry and agriculture (including palm oil).

With consideration for our low operational use of resources and the restrictions on financing and investing activities in critical sectors, the Group considers the matters of water consumption and protection of biodiversity negligible.

Reporting according to Article 8 of the EU Taxonomy Regulation

Within the framework of the EU Action Plan on Sustainable Finance, the redirection of capital flows towards sustainable investments is a key objective. Against this background, Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020, establishing a framework to facilitate sustainable investment and amending Regulation (EU) 2019/2088 (hereinafter referred to as the Taxonomy Regulation) entered into force as a uniform and legally binding classification system, defining which economic activities are considered "environmentally sustainable" in the EU. The results of this classification are to be reported annually on a company-specific basis. In 2021 and 2022, the criteria for the environmental objectives "Climate Change Mitigation (CCM)" and "Climate Change Adaptation (CCA)" were initially defined in Article 9 of the Taxonomy Regulation. The criteria were adopted for the other four environmental objectives in June 2023: sustainable use and protection of water and marine resources (WTR), transition to a circular economy (CE), pollution prevention and control (PPC), and protection and restoration of biodiversity and ecosystems (BIO). These new criteria were applied for the first-time regarding taxonomy eligibility in the 2023 financial year.

The Taxonomy Regulation previously encompassed the following delegated acts:

- Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021 on the two climate-related environmental objectives
- Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021 on reporting
- Commission Delegated Regulation (EU) 2022/1214 of 9 March 2022 on the addition of new economic activities (in conjunction with nuclear energy and natural gas) as regards the two climate-related environmental objectives and on the revision of reporting
- Commission Delegated Regulation (EU) 2023/2485 of 27 June 2023 on the revision of existing and the addition of new economic activities as regards the two climate-related environmental objectives

- Commission Delegated Regulation (EU) 2023/2486 of 27 June 2023 on the addition of new economic activities as regards the four non-climate-related environmental objectives and on the revision of reporting

With regard to the classification of an economic activity as “environmentally sustainable” within the meaning of the Taxonomy Regulation, a distinction must be made between taxonomy eligibility and taxonomy alignment. In the first step, it must be checked whether an economic activity is within the regulatory scope of the Taxonomy Regulation and thus taxonomy eligible. Only taxonomy-eligible economic activities can be considered “environmentally sustainable” and thus taxonomy-aligned if certain criteria are met. Accordingly, the second step is to evaluate whether the economic activity makes a significant contribution to an environmental objective, does not significantly compromise another environmental objective, and ensures compliance with the minimum protection requirements. For compliance with the minimum protection, Article 18 of the Taxonomy Regulation specifies that the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights, including the fundamental principles and rights from the eight core conventions set out in the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work (ILO Core Labour Standards), and from the International Bill of Human Rights are to be followed.

According to question 4 of the EU Taxonomy FAQs of 20 December 2021, consolidated non-financial reporting is based on the classification of the parent company as a financial company (asset manager, investment firm, credit institution, or insurance company) or as a non-financial company. Which KPIs have to be reported according to Art. 8 of the taxonomy is therefore based on the classification of the (parent) company that is obliged to prepare the non-financial (group) reporting. As in previous financial years, in the interpretation of the FAQs, a classification of flatexDEGIRO AG, as a reporting company, as a non-financial company is made.

On 21 December 2023, the European Commission published the Draft Commission Notice on the interpretation and implementation of certain legal provisions of the Disclosures Delegated Act under Article 8 of the EU Taxonomy Regulation on the reporting of Taxonomy-eligible and Taxonomy-aligned economic activities and assets, which permit the further specification of the EU Taxonomy FAQ of 20 December 2021. According to question 7, the parent entities of financial conglomerates should follow the prudential scope of consolidation for their activities that fall under prudential regulation and report the consolidated KPIs on a group level. According to our interpretation of the FAQ, these delegated acts for financial institutions require the disclosures to be made on the highest level of the prudential scope of consolidation. As the document is only a draft so far, its content has not been taken into account in the 2023 reporting year.

As it is obliged to publish a non-financial report, the flatexDEGIRO Group is obliged to apply the rules of the Taxonomy Regulation. Pursuant to Section 315e (1) in conjunction with Section 290 (1) HGB, the consolidated financial statements of the flatexDEGIRO Group as of 31 December 2023 have been prepared in accordance with IFRS.

For the 2023 financial year, it has been necessary to disclose the shares of turnover of taxonomy-eligible and non-taxonomy-eligible as well as taxonomy-aligned and non-taxonomy-aligned economic activities, as well as capital expenditures and operating expenses. A “best-effort approach” has been taken to calculate our quantitative and qualitative disclosures and accounts for our current level of knowledge. Insufficient taxonomy-aligned information from suppliers and services providers, especially small and medium-sized enterprises (SMEs), has made classification more difficult. Through an active dialogue with the relevant suppliers and service providers, we

are striving for complete cover in future. At the same time, we expect better data quality and availability from the gradually implemented CSRD reporting obligation.

Economic activities relevant to sales

Based on the descriptions of the economic activities in the Delegated Climate Acts of the Taxonomy Regulation, the activities of the flatexDEGIRO Group were analysed as to whether and to what extent the economic activities are taxonomy-eligible with respect to the environmental objectives of climate change mitigation and adaptation. The taxonomy-eligible economic activity "data processing, hosting and related activities" (CCM 8.1) includes "storage, manipulation, management, movement, control, display, switching, exchange, transmission or processing of data through data centres, including edge computing". As part of our business activities, activities are performed in this segment. Since flatexDEGIRO AG does not manage its own data centre space, the partial spaces of external providers ("operated on co-locations") were included in the evaluation. In order to make a significant contribution to climate protection in accordance with the Taxonomy Regulation, data centres must comply with the EU Code of Conduct for Data Centre Energy Efficiency. As we have not yet had compliance with the code externally audited as required by the Taxonomy Regulation, we classify the data centres used for economic activity CCM 8.1 as not taxonomy-aligned in the reporting year.

Economic activities in the fossil gas and nuclear energy sectors must be reported separately under Commission Delegated Regulation (EU) 2022/1214. flatexDEGIRO has no engagements linked to economic activities in the fossil gas and nuclear energy sectors.

Cross-cutting activities

flatexDEGIRO has a vehicle fleet that includes both company cars and pool vehicles. Thus, the economic activity "Transport by motorcycles, passenger cars and light commercial vehicles" (CCM 6.5) is relevant as a cross-cutting activity covering the acquisition, leasing and operation of vehicles in classes M1 and N1 (passenger cars and light commercial vehicles with a maximum total weight of 3.5 t). As we are accelerating the (partial) electrification of our fleet, most new vehicles procured already meet the CO₂ limits set by the Taxonomy Regulation. These vehicles have also been shown to comply with the main other requirements of the Taxonomy Regulation, which relate to applicable EU legislation for new vehicles. As vehicle users are free to choose their vehicle tyres, the taxonomy alignment of the tires could not be demonstrated for the reporting year. Therefore, we report the capital expenditures associated with our vehicle fleet as not taxonomy aligned.

The real estate-related investments in the reporting year mainly relate to the economic activity "Acquisition and ownership of buildings" (CCM 7.7) and refer to real estate-related leases of the flatexDEGIRO Group. In accordance with Annexes 1 and 2 of Commission Delegated Regulation (EU) 2021/2139 supplementing the Taxonomy Regulation, taxonomy alignment can be verified, among other things, through the disclosure of the energy class, which must correspond to class A or better for alignment. As a qualification of the criteria for the material contribution and specific DNSH criteria, for the properties in our leasing assets, has not yet been completed, we classify the capital expenditures resulting from the cross-cutting activity CCM 7.7 as not taxonomy-aligned.

Calculation of the taxonomy KPIs

The total values of the Group underlying the calculation according to the Taxonomy Regulation for the reporting year amounted to EUR 390.7 million (2022: EUR 407.0 million) in turnover, EUR 51.8 million (2022: EUR 59.6 million) in capital expenditures and EUR 20.1 million (2022: EUR

15.8 million) in operating expenses. In this context, turnover in accordance with the Taxonomy Regulation corresponds to the sales revenue in the consolidated statement of income in the consolidated financial statements. The relevant capital expenditures were determined based on the consolidated statement of financial position in the consolidated financial statements and result from the sum of additions to and changes in the scope of consolidation of property, plant and equipment, intangible assets (excluding goodwill) and rights of use. In accordance with the rules of the Taxonomy Regulation, the disclosures on capital expenditures are not part of a capital expenditure plan. The Taxonomy Regulation defines relevant operating expenses as expenses for research and development, building refurbishment measures, short-term leasing, maintenance and repair and other direct expenses in connection with the day-to-day maintenance of property, plant and equipment.

The data on turnover, capital expenditure and operating expenses shown below as taxonomy-eligible or aligned are directly allocated to the operation of data centres in accordance with economic activity CCM 8.1. We did not generate any turnover from cross-cutting activities. Only capital expenditure was attributed to economic activities CCM 6.5 and CCM 7.7.

Double counting within the meaning of the Taxonomy Regulation is avoided, as taxonomy-eligible turnover can only be allocated to one economic activity. In addition, capital expenditures and operating expenses were only allocated to the cross-cutting activities CCM 6.5 and CCM 7.7 if the financed measures could not be linked directly with the turnover-relevant economic activity CCM 8.1. The taxonomy alignment of each individual activity identified as taxonomy-eligible has been reviewed.

As the Taxonomy Regulation has not yet adequately covered our core business, an aggregated view of the taxonomy eligibility of all economic activities for 2023 also results in only a small taxonomy-eligible share of turnover (0.1%), capital expenditures (24.3%) and operating expenses (6.3%) for the Group.

The high standard of the technical assessment criteria requires a longer transformation. We intend to continuously increase the taxonomy alignment of our economic activities.

Share of turnover attributable to goods or services linked to taxonomy-aligned economic activities – disclosure for 2023

Financial year 2023	2023		Substantial contribution criteria**						DNSH criteria ('Does Not Significantly Harm')						Minimum Safeguards	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) turnover 2022	Category enabling activity	Category transitional activity	
	Code*	Turnover	Proportion of Turnover 2023	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy					Biodiversity
Economic Activities		million €	%	Y; N; EL; N/EL	Y; N; EL; N/EL	Y; N; EL; N/EL	Y; N; EL; N/EL	Y; N; EL; N/EL	Y; N; EL; N/EL	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	in %	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1.)		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	Y	Y	Y	Y	Y	Y	Y	0.0		
Of which enabling		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	Y	Y	Y	Y	Y	Y	Y	0.0	E	
Of which transitional		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	Y	Y	Y	Y	Y	Y	Y	0.0		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Data processing, hosting and related activities	CCM 8.1	0.5	0.1	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.1		
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	0.0	0.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0		
Acquisition and ownership of buildings	CCM 7.7	0.0	0.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2.)		0.5	0.1	0.1	0.0	0.0	0.0	0.0	0.0								0.1		
A. Turnover of Taxonomy-eligible activities (A.1. + A.2.)		0.5	0.1	0.1	0.0	0.0	0.0	0.0	0.0								0.1		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		390.2	99.9														99.9		
TOTAL		390.7	100.0														100.0		

The Code constitutes the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution, as well as the section number of the activity in the relevant Annex covering the objective, i.e.:

- Climate Change Mitigation: CCM
- Climate Change Adaptation: CCA
- Water and Marine Resources: WTR
- Circular Economy: CE
- Pollution Prevention and Control: PPC
- Biodiversity and ecosystems: BIO.

** Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective; N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective; EL – Taxonomy-eligible activity for the relevant objective; N/EL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective.

Share of capital expenditures attributable to goods or services linked to taxonomy-aligned economic activities – disclosure for 2023

Financial year 2023	2023		Substantial contribution criteria**						DNSH criteria ('Does Not Significantly Harm')						Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) CapEX 2022	Category enabling activity	Category transitional activity		
	Code*	CapEX	Proportion of CapEX 2023	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy				Biodiversity	Minimum Safeguards
Economic Activities		million €	%	Y; N; EL; NEL	Y; N; EL; NEL	Y; N; EL; NEL	Y; N; EL; NEL	Y; N; EL; NEL	Y; N; EL; NEL	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N			
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Capex of environmentally sustainable activities (Taxonomy-aligned) (A.1.)		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	Y	Y	Y	Y	Y	Y	Y	0.0		
Of which enabling		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	Y	Y	Y	Y	Y	Y	Y	0.0	E	
Of which transitional		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	Y	Y	Y	Y	Y	Y	Y	0.0		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Data processing, hosting and related activities	CCM 8.1	5.2	10.0	EL	NEL	NEL	NEL	NEL	NEL								13.6		
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	1.9	3.7	EL	NEL	NEL	NEL	NEL	NEL								1.0		
Acquisition and ownership of buildings	CCM 7.7	5.5	10.5	EL	NEL	NEL	NEL	NEL	NEL								24.6		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2.)		12.6	24.3	24.3	0.0	0.0	0.0	0.0	0.0								39.2		
A. CapEx of Taxonomy-eligible activities (A.1. + A.2.)		12.6	24.3	24.3	0.0	0.0	0.0	0.0	0.0								39.2		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		39.2	75.7														60.8		
TOTAL		51.8	100.0														100.0		

*The Code constitutes the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution, as well as the section number of the activity in the relevant Annex covering the objective, i.e.:

- Climate Change Mitigation: CCM
- Climate Change Adaptation: CCA
- Water and Marine Resources: WTR
- Circular Economy: CE
- Pollution Prevention and Control: PPC
- Biodiversity and ecosystems: BIO.

** Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective; N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective; EL – Taxonomy-eligible activity for the relevant objective; NEL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective.

Share of operating expenses attributable to goods or services linked to taxonomy-aligned economic activities – disclosure for 2023

Financial year 2023	2023		Substantial contribution criteria**						DNSH criteria ('Does Not Significantly Harm')						Minimum Safeguards	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) OpEx 2022	Category enabling activity	Category transitional activity
	Code*	OpEx	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity				
Economic Activities		Proportion of OpEx 2023	Y; N; EL; NEL	Y; N; EL; NEL	Y; N; EL; NEL	Y; N; EL; NEL	Y; N; EL; NEL	Y; N; EL; NEL	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	in %	E	T
	million €	%																
A. TAXONOMY-ELIGIBLE ACTIVITIES																		
A.1. Environmentally sustainable activities (Taxonomy-aligned)																		
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1.)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	Y	Y	Y	Y	Y	Y	Y	0.0		
Of which enabling	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	Y	Y	Y	Y	Y	Y	Y	0.0	E	
Of which transitional	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	Y	Y	Y	Y	Y	Y	Y	0.0		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																		
Data processing, hosting and related activities	CCM 8.1	1.3	6.3	EL	NEL	NEL	NEL	NEL	NEL							5.6		
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	0.0	0.0	EL	NEL	NEL	NEL	NEL	NEL							0.0		
Acquisition and ownership of buildings	CCM 7.7	0.0	0.0	EL	NEL	NEL	NEL	NEL	NEL							0.0		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2.)	1.3	6.3	6.3	0.0	0.0	0.0	0.0	0.0	0.0							5.6		
A. OpEx of Taxonomy-eligible activities (A.1. + A.2.)	1.3	6.3	6.3	0.0	0.0	0.0	0.0	0.0	0.0							5.6		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																		
OpEx of Taxonomy-non-eligible activities	18.8	93.7														94.4		
TOTAL	20.1	100.0														100.0		

*The Code constitutes the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution, as well as the section number of the activity in the relevant Annex covering the objective, i.e.:

- Climate Change Mitigation: CCM
- Climate Change Adaptation: CCA
- Water and Marine Resources: WTR
- Circular Economy: CE
- Pollution Prevention and Control: PPC
- Biodiversity and ecosystems: BIO.

** Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective; N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective; EL – Taxonomy-eligible activity for the relevant objective; NEL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective.

Taxonomy Regulation key figures | Summary for 2023

Key figures on EU taxonomy | Turnover
Share of turnover / total turnover

in %	Proportion of turnover / Total turnover	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
Climate Change Mitigation (CCM)	0.0	0.1
Climate Change Adaptation (CCA)	0.0	0.0
Water (WTR)	0.0	0.0
Circular Economy (CE)	0.0	0.0
Pollution Prevention and Control (PPC)	0.0	0.0
Biodiversity and ecosystems (BIO)	0.0	0.0

Key figures on the EU taxonomy | Capital expenditure (CapEx)
Share of capital expenditure (CapEx) / total capital expenditure (CapEx)

in %	Proportion of CapEx / Total CapEx 2023	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
Climate Change Mitigation (CCM)	0.0	24.3
Climate Change Adaptation (CCA)	0.0	0.0
Water (WTR)	0.0	0.0
Circular Economy (CE)	0.0	0.0
Pollution Prevention and Control (PPC)	0.0	0.0
Biodiversity and ecosystems (BIO)	0.0	0.0

Key figures on the EU taxonomy | Operating expenses (OpEx)
Share of operating expenditure (OpEx) / total operating expenditure (OpEx)

in %	Proportion of OpEx / Total OpEx 2023	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
Climate Change Mitigation (CCM)	0.0	6.3
Climate Change Adaptation (CCA)	0.0	0.0
Water (WTR)	0.0	0.0
Circular Economy (CE)	0.0	0.0
Pollution Prevention and Control (PPC)	0.0	0.0
Biodiversity and ecosystems (BIO)	0.0	0.0

Social responsibility

Social responsibility

Creation of value for society

Not only is flatexDEGIRO AG considered an important employer in the market, but it also contributes to public life and the good of society as a taxpayer – at its German sites and at its major international sites in the Netherlands, Bulgaria and Austria. And whenever we make investments, such as to maintain our offices, we insist on the greatest possible proximity to and cooperation with regional trade businesses and service providers. More information about our fiscal policy is available under “Taxes” on pages 31–32.

Capital market access and education

Our business model helps us promote the participation of society as a whole in international capital markets. Long-term, high-yield investments on the capital market in the form of equities, funds and ETFs play a key role in wealth creation. Participation in the performance of international financial markets should be possible for as large a group of people as possible, including to supplement state pensions. Only easy access to the financial market and reasonable transaction costs makes capital investment accessible and attractive even for small investors with lower investment capital. Our platforms meet these requirements. Please refer to the explanations in the section “Innovative products and services”.

An extensive range of information and training courses for basic economic and financial knowledge, introductions to the flatexDEGIRO online platforms and product training help flatexDEGIRO customers make considered and well-founded decisions. With videos, interactive formats and subject-based events, a wide selection of information sources is offered. With “The Art of Investment”, flatexDEGIRO broadcast a TV documentary that conveys important fundamental knowledge for private investors on multiple TV channels and online in Europe in January 2022. In four episodes, renowned journalists, professors, behavioural researchers and investors question some of the biggest misunderstandings about investment by analysing historical events and the mechanisms at work.

In our quest to make investing accessible to everyone who wants to shape their own financial future, DEGIRO partnered with **LINDA.** in 2022. LINDA. is the largest content platform for women in the Netherlands. To educate women more about investing, LINDA. and DEGIRO have created a series of blog articles, educational videos and podcasts and organised a “masterclass seminar” for women. The educational content was seen by millions of Dutch women and the workshop sold out in less than two days. DEGIRO also cooperates with other partners, such as **The Next Women** and **Dutchess Capital**, to offer seminars for women on capital investment.

At the same time, the “**Anyone Can Invest!**” initiative launched in 2023 is actively breaking down barriers and promoting a culture more heavily geared towards diversity. Around 100 women were invited to flatexDEGIRO’s headquarters in Frankfurt, where they had the opportunity to hear informative presentations about various aspects of investing. Not only did the event offer broad insights into the world of investing, but it also facilitated an interactive dialogue between experts and participants. After the presentation, many of our guests felt inspired to get more involved in wealth accumulation, pensions, and securities. Any motivation we were able to effect through this event is a victory. Supporting events such as “**Female Finance**” is part of our commitment.

In the coming years, flatexDEGIRO will continue to pursue the goal of making investment and private retirement planning easier and more accessible for retail investors. The planned further

Social responsibility

development and launch of mobile applications in additional countries will contribute to this. This is intended to specifically serve the long-term asset accumulation and retirement provision of a broad section of the population.

Education for future generations

As a long-standing partner of the Frankfurt School of Finance & Management and the universities in Krefeld and Zwickau, we support future graduates with their career opportunities whilst also promoting regional and interregional initiatives.

To further consolidate our position as a leading online broker in Europe, the development, creation, and maintenance of software, hardware and IT infrastructure is crucial. In the reporting year, to encourage potentially talented individuals, we and the University of Applied Sciences Zwickau (WHZ) organised a hackathon where participants had the opportunity to develop an idea and turn it into a program code within 24 hours. These events are beneficial to companies and participants several ways. Through their intensive collaboration, hackathons not only foster a team spirit, but also train the creative and analytical skills of participants, which helps encourage innovation. Event formats like these also provide a platform for networking and idea-sharing, which supports individual professional development as well as the creation of new projects and partnerships. We see our close collaboration with universities as an integral part of our support for social development.

Likewise, promoting financial literacy for younger generations is a priority in our eyes. Our partnership with the interregional federal association of all stock market clubs and societies at German universities, Bundesverband der Börsenvereine an deutschen Hochschulen (BVH) e. V., arose from our shared passion for the capital market. flatexDEGIRO sponsors the BVH and helps it enable young people to access the capital market in the form of financial literacy training. Every year, many of our employees obtain the "Börsenführerschein", or "Stock Market Driving Licence", which is just one of the advanced training courses offered.

GRI content index

Global Reporting Initiative (GRI)

For the 2023 financial year, flatexDEGIRO reports on its sustainability performance in accordance with the standards published by the GRI. The information contained in the report was selected based on a materiality analysis carried out in 2020 and relates to information from the 2023 Non-Financial Report (NFR), the 2023 Annual Report (AR) and the website of flatexDEGIRO AG (www.flatexdegiro.com).

This report also serves as our annual communication of progress on the implementation of the ten principles of the UN Global Compact (UNGC).

The following table assigns the relevant standards to the main topics:

Material topics	GRI standard
Corporate governance and compliance	
Compliance and business ethics	GRI 201: Economic Performance 2016
	GRI 205: Anti-corruption 2016
	GRI 206: Anti-competitive Behaviour 2016
	GRI 207: Taxes 2019
	GRI 406: Non-discrimination 2016
	GRI 308: Supplier Environmental Assessment 2016
	GRI 414: Supplier Social Assessment 2016
Customers and products	
Innovative products and services	Management approach: NFR, page 38
Customer orientation	GRI 417: Marketing and Labelling 2016
Data protection and security	GRI 418: Customer Privacy 2016
Promotion of sustainable investment	Management approach: NFR, page 39
Environment	
Energy and emissions	GRI 302: Energy 2016
	GRI 305: Emissions 2016
Employees	
Employee satisfaction	GRI 401: Employment 2016
	GRI 402: Labour/Management Relations 2016
	GRI 405: Diversity and Equal Opportunity 2016
Health protection	GRI 403: Occupational Health and Safety 2018
Training and Education	GRI 404: Training and Education 2016
Social responsibility	

Capital market access and education	Management approach: NFR, page 69
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GRI content index

The page references are to the Non-Financial Report (NFR), the Annual Report (AR) and the Corporate Governance Statement (CSR).

Statement on the use of the GRI Standards:

flatexDEGIRO AG has reported the information mentioned in this GRI Content Index for the period from 1 January 2023 to 31 December 2023 in accordance with the GRI Standards.

GRI 1: Foundation 2021

GRI 2: General Disclosures

Disclosures		Page	Comment and external references	UNGC
The organisation and its reporting practices				
GRI 2-1	Organizational details	AR, page 38–39; AR, page 45		
GRI 2-2	Entities included in sustainability reporting	NFR, page 14; AR, page 113–114		
GRI 2-3	Reporting period, frequency and contact point	NFR, page 14	The report is published annually. The point of contact is our Sustainability Officer / Executive Director Thomas Windisch, thomas.windisch@flatexdegiro.com	
GRI 2-4	Restatements of information		There have been no adjustments since the previous year's report.	
GRI 2-5	External assurance	NFR, page 14	No external assurance	
Activities and workers				
GRI 2-6	Activities, value chain and other business relationships	AR, page 44; AR, page 45–50; AR, page 113–114		
GRI 2-7	Employees	AR, page 46; NFR, page 42–44;		6
GRI 2-8	Workers who are not employees	NFR, page 42		6
Corporate governance				

Disclosures		Page	Comment and external references	UNGC
GRI 2-9	Governance structure and composition	AR, page 22-34; AR, page 97-99; AR, page 163-164; CSR, page 8-16		
GRI 2-10	Nomination and selection of the highest governance body	AR, page 28-31; CSR, page 12; CSR, page 14-15	Declaration of Conformity with the German Corporate Governance Code	
GRI 2-11	Chair of the highest governance body	AR, page 30 CSR, page 9		
GRI 2-12	Role of the highest governance body in overseeing the management of impacts	AR, page 22-34; AR, page 84-87		
GRI 2-13	Delegation of responsibility for managing impacts	NFR, page 14-15;		
GRI 2-14	Role of the highest governance body in sustainability reporting	NFR, page 14; NFR, page 17-18; CSR, page 13; CSR, page 21		
GRI 2-15	Conflicts of interest	AR, page 31; CSR, page 7		10
GRI 2-16	Communication of critical concerns	CSR, page 12-16		
GRI 2-17	Collective knowledge of the highest governance body	AR, page 22-35		
GRI 2-18	Evaluation of the performance of the highest governance body	AR, page 22-35		
GRI 2-19	Remuneration policies	AR, page 41-43; AR, page 75-76; AR, page 167-169	Declaration of Conformity with the German Corporate Governance Code	
GRI 2-20	Process to determine remuneration		Remuneration system for members of the Supervisory Board Remuneration system for members of the Management Board	
Strategy, policies and practices				
GRI 2-22	Statement from senior decision-maker	NFR, page 3-4		
GRI 2-23	Policy commitments	NFR, page 25		10
GRI 2-24	Embedding policy commitments	NFR, page 25		10
GRI 2-25	Processes to remediate negative impacts	NFR, page 14-18;		
GRI 2-26	Mechanisms for seeking advice and raising concerns	NFR, page 25		10
GRI 2-27	Compliance with laws and regulations		There were no breaches of the law in the reporting year.	
GRI 2-28	Membership of associations		Industry associations and supervisory authorities	
Stakeholder engagement				
GRI 2-29	Approach to stakeholder engagement	NFR, page 14-19; NFR, page 35-40		
GRI 2-30	Collective bargaining agreements		All employees of flatexDEGIRO receive competitive remuneration. Collective	3

Disclosures	Page	Comment and external references	UNGC
		bargaining agreements do not apply.	

GRI 3: MATERIAL TOPICS

Disclosures	Page	Comment and external references	UNGC
GRI 3-1	Process to determine material topics		
GRI 3-2	List of material topics		

Disclosures	Page	Comment and external references	UNGC
GRI 201	Economic Performance 2016		
GRI 3-3	Management approach	AR, page 19–20; AR, page 115–120	
GRI 201-1	Direct economic value generated and distributed	AR, page 102–107	
GRI 201-2	Financial implications and other risks and opportunities due to climate change	AR, page 115; NFR, page 60–69	7
GRI 201-3	Defined benefit plan obligations and other retirement plans	AR, page 165–169	
GRI 201-4	Financial assistance received from government		We received no financial assistance from the government in the reporting year.
GRI 205	Anti-corruption 2016		
GRI 3-3	Management approach	NFR, page 14–16; NFR, page 19; NFR, page 27–28	
GRI 205-1	Operations assessed for risks related to corruption	NFR, page 27	
GRI 205-2	Communication and training about anti-corruption policies and procedures	NFR, page 28	10
GRI 205-3	Confirmed incidents of corruption and actions taken	NFR, page 28	10
GRI 206	Anti-competitive Behaviour 2016		
GRI 3-3	Management approach	NFR, page 14–16; NFR, page 19; NFR, page 27–28	
GRI 206-1	Legal actions for anti-competitive behaviour, anti-trust and monopoly practices	NFR, page 27	
GRI 207	Taxes 2019		
GRI 3-3	Management approach	NFR, page 28–33	
GRI 207-1	Approach to tax	NFR, page 31–33	
GRI 207-2	Tax governance, control and risk management	NFR, page 27; NFR, page 31–33	
GRI 207-3	Stakeholder engagement and management concerns related to tax	NFR, page 14–16; NFR, page 31–33	
GRI 207-4	Country-by-country reporting	NFR, page 31	

Disclosures		Page	Comment and external references	UNGC
GRI 302	Energy 2016			
GRI 3-3	Management approach	NFR, page 14–16; NFR, page 25; NFR, page 55		
GRI 302-1	Energy consumption within the organization	NFR, page 55–61		7, 8
GRI 305	Emissions 2016			
GRI 3-3	Management approach	NFR, page 14–16; NFR, page 25; NFR, page 55		
GRI 305-1	Direct (Scope 1) GHG emissions	NFR, page 57-61;		7, 8
GRI 305-2	Energy indirect (Scope 2) GHG emissions	NFR, page 57-61;		7, 8
GRI 305-3	Other indirect GHG emissions (Scope 3)	NFR, page 57-61;		7, 8
GRI 308	Supplier Environmental Assessment 2016			
GRI 3-3	Management approach	NFR, page 14–16; NFR, page 19; NFR, page 25-26		
GRI 308-1	New suppliers that were screened using environmental criteria	NFR, page 3–4; NFR, page 25-26		8
GRI 401	Employment 2016			
GRI 3-3	Management approach	NFR, page 14–16; NFR, page 21–22; NFR, page 51		
GRI 401-1	New employee hires and employee turnover	NFR, page 42; NFR, page 50		6
GRI 401-3	Parental leave	NFR, page 51-53		6
GRI 402	Labour/Management Relations 2016			
GRI 3-3	Management approach	NFR, page 14–16; NFR, page 42		
GRI 402-1	Minimum notice periods regarding operational changes		flatexDEGIRO notifies all employees of upcoming operational changes as early and as comprehensively as possible.	
GRI 403	Occupational Health and Safety 2018			
GRI 3-3	Management approach	NFR, page 14–16; NFR, page 21–22; NFR, page 42; NFR, page 48–51		
GRI 403-1	Occupational health and safety management system	NFR, page 48–51		
GRI 403-2	Hazard identification, risk assessment, and incident investigation	NFR, page 48–51		
GRI 403-3	Occupational health services	NFR, page 48–51		
GRI 403-4	Worker participation, consultation and communication on occupational health and safety	NFR, page 48–51		
GRI 403-5	Worker training on occupational health and safety	NFR, page 48–51		
GRI 403-6	Promotion of worker health	NFR, page 48–51		
GRI 403-9	Work-related injuries	NFR, page 48–51		

Disclosures		Page	Comment and external references	UNGC
GRI 404	Training and Education 2016			
GRI 3-3	Management approach	NFR, page 14–16; NFR, page 21; NFR, page 46		
GRI 404-2	Programs for upgrading employee skills and transition assistance programs	NFR, page 46–48		
GRI 404-3	Percentage of employees receiving regular performance and career development reviews	NFR, page 46		
GRI 405	Diversity and Equal Opportunity 2016			
GRI 3-3	Management approach	NFR, page 14–16; NFR, page 21; NFR, page 51–54; CSR, page 16–18		
GRI 405-1	Diversity of governance bodies and employees	CSR, page 16–18		6
GRI 406	Non-discrimination 2016			
GRI 3-3	Management approach	NFR, page 14–16; NFR, page 21; NFR, page 25–26		
GRI 406-1	Incidents of discrimination and corrective actions taken	NFR, page 27–28		6
GRI 412	Human Rights Assessment 2016			
GRI 3-3	Management approach	NFR, page 14–16; NFR, page 19; NFR, page 25–25		
GRI 412-2	Employee training on human rights policies or procedures	NFR, page 27–28	The training relating to the Code of Conduct also covers human rights.	2
GRI 414	Supplier Social Assessment 2016			
GRI 3-3	Management approach	NFR, page 14–16; NFR, page 19; NFR, page 25–26		
GRI 414-1	New suppliers that were screened using social criteria	NFR, page 3–4; NFR, page 25–26		4, 5
GRI 417	Marketing and Labelling 2016			
GRI 3-3	Management approach	NFR, page 14–16; NFR, page 21; NFR, page 35–39		
GRI 417-1	Requirements for product and service information and labelling	NFR, page 35–39		
GRI 417-2	Incidents of non-compliance concerning product and service information and labelling		No incidents of non-compliance were identified in the reporting year.	
GRI 417-3	Incidents of non-compliance concerning marketing communications		No incidents of non-compliance were identified in the reporting year.	
GRI 418	Customer Privacy 2016			
GRI 3-3	Management approach	NFR, page 14–16; NFR, page 21; NFR, page 34–37		

Disclosures	Page	Comment and external references	UNGC
GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	There were no substantiated complaints in the reporting year.	

2023

Non-financial report

Legal notice

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