

# BAYER KRAUSS HUEBER

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By messenger  
flatexDEGIRO AG  
- The Management Board -  
c/o Better Orange IR & HV AG  
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Munich of Bavaria, 20 May 2024  
40178/OKR

**Annual General Meeting of flatexDEGIRO AG on 04 June 2024**

**Counterproposal to agenda item 9 pursuant to § 126 para. 1 and 4 of the German Stock Corporation Act (AktG)**

Dear Dr. Janos,  
Dear Mr Simmang,  
Dear Mrs Strubel,

We hereby reiterate that we represent GfBk Gesellschaft für Börsenkommunikation mbH, located at Am Eulenhof 14, 95326 Kulmbach, legally represented by its sole authorized managing director Mr. Bernd Förtsch ("GfBk"). An original power of attorney has already been provided to you.

GfBk will oppose the proposal of the Executive Board and Supervisory Board regarding item 9 of the agenda, "Resolution on the authorization to grant subscription rights to shares of the company (Stock Option Plan 2024) and the creation of a Conditional Capital 2024 as well as the corresponding amendment to the Articles of Association," and submits the following

**Counterproposal**

The resolution proposal is as follows:

Item 9 is to be adopted with the following stipulation:

Sub-item 9 a) (1) concerning the "Group of Eligible Participants" is amended as follows:

*“Group of Eligible Participants*

*Under the Stock Option Plan 2024, a total of up to 5,501,627 stock options ("**Total Volume**") will be granted exclusively to the employees and members of the Executive Board of flatexDEGIRO AG or to the employees and members of the management of companies affiliated with flatexDEGIRO AG, provided they are not members of the Executive Board of flatexDEGIRO AG, (collectively "Eligible Participants" and each individually "Eligible Participant").*

*The Total Volume is distributed among the eligible groups of persons as follows:*

- i. Up to 32.50% of the Total Volume may be allocated to members of the Executive Board of flatexDEGIRO AG;*
- ii. Up to 17.50% of the Total Volume may be allocated to employees of flatexDEGIRO AG;*
- iii. Up to 17.50% of the Total Volume may be allocated to members of the management of companies affiliated with flatexDEGIRO AG, provided they are not members of the Executive Board of flatexDEGIRO AG;*
- iv. Up to 32.50% of the Total Volume may be allocated to employees of companies affiliated with flatexDEGIRO AG. “*

**Justification:**

The proposed stock option plan fails in several aspects to achieve the goal of motivating employee participation and violates principles of corporate governance.

According to corporate governance principles, a separate program should be implemented for the Management Board and employees, as the influence of these two groups on business development

is inherently different. The Management Board is charged by virtue of its position with the management of the company and the strategic decisions. Here, both individual objectives and the overall market development must be considered when granting compensation. In this respect, the Supervisory Board must consider the following parameters:

- When establishing the compensation system and determining the specific total compensation, the relevant recommendations of the German Corporate Governance Code of April 28, 2022 (G.1 - G.5) are to be observed;
- The proportion of fixed compensation should not exceed the intended proportion of short- and long-term variable compensation;
- The proportion of short-term, especially one-year variable compensation, should not exceed the proportion of long-term variable compensation;
- The performance parameters for determining the variable compensation are to be set individually for each member of the Executive Board for the upcoming fiscal year and aligned with strategic objectives.

The program proposed by the administration does not meet these requirements. On the contrary: The disproportionate favoring of the Management Board in relation to the number of employees gives the impression that the Executive Board is to be unduly favored. Furthermore, the success-oriented goals set in the proposed program (e.g., the stock price must rise over the hurdle rate on a single trading day within three years) hardly presuppose a long-term positive development of the stock. For the employees, however, this hurdle rate means, conversely, that the stock must first rise by 40% before the options reach the "Knock In."

In order to adequately compensate the employees of flatexDEGIRO AG and those of affiliated companies and to be able to adopt the proposed option program despite the identified weaknesses, GfBk proposes to at least revise the allocation ratio between executives and employees as outlined above.

Furthermore, GfBk notes the following: In the event that the rumors currently circulating in the market prove true and the current Supervisory Board under the leadership of the current Chairman of the Supervisory Board should decide to extend the contracts of the currently serving Executive Board members shortly before the upcoming Annual General Meeting, GfBk reserves the right to reject all proposals related to agenda item 9. The extension of the Executive Board contracts

should, to preserve corporate governance, be decided only after the Annual General Meeting by the then-elected Supervisory Board.

Yours sincerely

Dr. Krauß  
Lawyer