

**AGM convocation / explanatory notes**

Flow Traders operates in a fast moving, complex and highly competitive environment. To be successful in the long run, Flow Traders aims to attract a diverse pool of (international) Supervisory Board members who meet the highest requirements. The market for these Supervisory Board / Non-executive Director profiles is highly competitive.

In light of this, an independent external advisor has conducted a benchmark study against Dutch, two-tier board, listed companies that are broadly comparable in terms of market capitalization.<sup>1</sup> A comparison against equivalent positions in this peer group shows that Flow Traders' current fee structure and total fee levels are not aligned with the external market.

Based on the outcomes of this benchmark study and the competitiveness of the market for (international) Supervisory Board members, we propose to adjust our fee structure and fee levels for the Supervisory Board as follows:

- Increase the annual fixed fee to EUR 100,000 for the Chairman and EUR 70,000 for the Members;
- Introduce committee fees; EUR 15,000 for the Chairman of the Audit and Remuneration & Appointment committees, EUR 10,000 for the Chairman of the other committees and EUR 7,500 for the Members of a committee;
- In line with our current policy, members of the Supervisory Board do not receive variable remuneration. Also, Flow Traders does not grant any share-based remuneration, personal loans, guarantees or the like to the members of the Supervisory Board as part of their compensation package.

Our current fee structure and fee levels have been in place since our IPO in 2015 and have been re-approved during our 2020 AGM.

<sup>1</sup>The sample consist of companies listed on the AScX (12%), AMX (69%) and AEX (19%).

**FLOW TRADERS REMUNERATION POLICY  
FOR THE SUPERVISORY BOARD**

**1) Scope and definitions**

Scope

This Remuneration Policy sets out the policies and procedures, which shall be applied by Flow Traders with respect to the remuneration of members of its Supervisory Board for 2021 onwards. Ongoing compliance with applicable laws and regulations will be reviewed on an annual basis.

Definitions

**AGM** means Annual General Meeting;

**DCC** means the Dutch Civil Code;

**Flow Traders** means Flow Traders B.V. and Flow Traders N.V. and is also referred to as the **Company**;

**2) Remuneration philosophy and compensation structure**

Philosophy

The Remuneration Policy ensures that the remuneration of the Supervisory Board members is appropriate to the size and organisation of Flow Traders, the nature, scope and complexity of Flow Traders’ activities as well as the responsibilities of the role and the time spent. The Company’s remuneration practices have been built on, and are driven by, a gender-neutral approach.

Given the nature of the responsibilities of the Supervisory Board as an independent body, remuneration of the members of the Supervisory Board is not tied to the performance of the Company.

Compensation structure

The remuneration of the members of the Supervisory Board consists of a fixed annual fee, committee member fees and committee chairman fees. The fixed remuneration is higher for the Chair than for other members of the Supervisory Board, given the greater time commitment and enhanced level of responsibilities.

The Supervisory Board fees (on an annual basis) are as follows:

<b>Fixed fee</b>	
Chair of the Supervisory Board	EUR 100.000,-
Member of the Supervisory Board	EUR 70.000,-
<b>Committee and Committee Chair fees</b>	

Committee Chair fee (All Committees except Audit and Remuneration & Appointment Committee)	EUR 10.000,-
Audit and Remuneration & Appointment Committee Chair fee	EUR 15.000,-
Committee member fee	EUR 7.500,-

Members of the Supervisory Board do not receive variable remuneration. Also, Flow Traders does not grant any share-based remuneration, personal loans, guarantees or the like to the members of the Supervisory Board as part of their compensation package.

Supervisory Board members are compensated for expenses, based on actual costs incurred.

**3) Term**

Appointments of members of the Supervisory Board are for a fixed term of maximum 4 years, after which reappointment is possible. Members of the Supervisory Board shall resign in accordance with the rotation schedule, as published on the website of the Company. No notice period or termination fees are applicable.

**4) Governance**

The fixed fee for Supervisory Board members is reviewed once every four years, based on relevant market benchmarks. This remuneration policy may only be amended by the General Meeting of Shareholders pursuant to a proposal of the Supervisory Board. The Remuneration and Appointment Committee supports the Supervisory Board in this area.