

# Code of Conduct

## – group-wide guidelines of HSBC Germany for all employees –

*Dear colleagues,*

*Our Bank thrives on the trust our clients place in our performance and our integrity.*

*We claim to do justice to this trust at all times and in every relationship. In order to achieve this, it is necessary not only to provide an outstanding service at all times, but also cultivate a business practice which is characterised by a high degree of integrity, loyalty and values.*

*This Code of Conduct outlines the guidelines we have set out, which form the basis for all of our Bank's activities. The values and principles anchored in the individual guidelines apply to everyone: to us, the members of the Management Board, as well as to every one of our employees. Our aim is for each individual to play their part in such a manner that our business is conducted true to these guidelines. We trust on your cooperation.*

*Düsseldorf, September 2020*

*The members of the Management Board, Germany*

### **Our conduct**

As a globally operating commercial bank we want to take on a pioneering role in a business world characterised by international connectivity. Even though we operate in a competitive environment, we constantly aim to treat clients, business partners and colleagues in a professional, respectful and fair manner.

This Code of Conduct represents a clear commitment to democracy, tolerance and equal opportunities. Our stated objective is for everyone to feel part of this bank, treated fairly and that our opinions matter – regardless of our gender, age, origin, marital status, religion, handicap, sexual orientation or ethnic and social background. We contribute to an atmosphere of mutual respect and value, targeted towards an organisational culture, in which everyone can use their full potential and strive towards their goals. Above this it is important to us to secure the wellbeing of our employees and protect them from physical and psychological harm.

We trust that all of our employees will take on their respective professional responsibility both inside and outside the Bank with the greatest degree of professionalism and loyalty and will act with courageous integrity at all times, i.e. acting dependable, responsible and doing the right thing.

### **1. Compliance with provisions**

As a bank operating within the global HSBC Group, we are obliged to comply with all of the laws and provisions applicable to our business in the respective jurisdictions in which we operate. When carrying out this business, each one of us is responsible for fulfilling legal, regulatory and internal provisions.

All of us are obliged to observe the HSBC Business Principles, e.g. commitment to clients and performance, risk management and sustainability. Moreover, we will base our business standards on HSBC values – to be dependable, open and connected – with both our clients and our colleagues. In this context, the HSBC Group's "Global Conduct Policy" is to be mentioned, which deals with fair customer outcome and the integrity of the financial markets and should serve as guidance for all our staff. The Policy is focussed on specific behaviour goals based on the five pillars *Strategy and Business Models, Culture and Behaviours, Customer, Markets and Governance and Oversight*, which have specific manifestations in every business line. In addition to this, the "HSBC Charter" provides worldwide guidance for taking the right decisions according to our company values and the Global Standards, particularly in difficult situations.

Particular importance is also attached to dealing with insider information. This is one of the topics which is regulated in detail in the Bank's compliance concept, to be observed strictly as an important component of the contracts of employment.

Further equally important internal Bank provisions are in particular, but not exclusively, detailed as follows:

- the operating regulations (Betriebsordnung)
- the work time regulation (Arbeitszeitordnung)
- money-laundering guidelines (Geldwäsche-Richtlinien)
- the Gift & Entertainment Policy
- the Sanctions Policy
- the Information Security Directive (Informationssicherheitsrichtlinien).

## 2. Our interests

Conflicts of interest can be used to question the integrity and professionalism of the Bank and each of us as employees. The concerns of our clients and the Bank must therefore always take priority over our own personal interests.

Therefore, to prevent and identify economic crime, other illegal activity or breaches of international and external policies, an information system was established at HSBC Germany assuring employees a discrete and anonymous communication channel to submit hints by engaging an ombudsman (Whistleblowing). All employees and direct managers are therefore advised to report any critical misconduct.

Furthermore, each of us is required to take all measures necessary to avoid any conflict of interest. In particular accepting and giving gifts, services, reductions, provisions, credit, payments and any other benefits can question the independence of the individual employee or that of the Bank. For this reason, such acts are only permitted within a strict framework. Such details are regulated in the Bank's Gift & Entertainment Policy. In order to avoid conflicts of interest it is also necessary for employees to devote their full working activities to the service of the Bank for the period of their employment contract and to carry out independent business, pursue secondary employment or act as business partner in another company solely with the Bank's prior consent. For the same reasons detailed above, our employees are also obliged to settle their private financial affairs in an exemplary manner.

## 3. The Bank's assets

Within the scope of our respective responsibilities we, the members of the Management Board, as well as each employee are responsible for the Bank's assets entrusted to us. Its entire business assets, i.e. its operational facilities and its other material and intellectual property as well as business documents, shall be used exclusively in the Bank's interests. This includes alongside careful use, specifically the targeted, efficient and cost-aware deployment of its entire assets. Moreover, it is in all of our interests to protect natural resources. It is therefore of particular importance to us that each individual employee tries within the scope of his or her working activity to find environmentally-friendly solutions and to deal responsibly with the environment.

Finally, each of us is obliged in both our professional and private life to refrain from anything which could impair the operational organisation and the workflow or damage the Bank.

## 4. Confidentiality and cooperation

Our clients trust that the observance of banking secrecy enjoys absolute priority at the Bank and that we treat their financial matters in strict confidentiality. For this sole

purpose, it is our primary goal to avoid any breach of the trust placed in us and our Bank.

This requires that all employees maintain strict silence regarding personal and business relationships, facilities and matters relating to the Bank and its clients, of which they have gained knowledge as a result of their activity. This obligation applies inside and outside the workplace and also continues after the termination of the employment contract. It is also essential that we apply the highest possible standards of care and are risk-aware when dealing with and storing data. This includes proper labelling of confidential data and taking measures to ensure the protection of personal data, acting in a risk conscious manner and suitably protecting confidential information and business documents from access by third parties or uninvolved colleagues.

It is of particular importance to us that we all succeed in communicating with each other as openly as possible, exchanging information and maintaining a working environment which is characterised by team spirit and cooperation while maintaining the necessary confidentiality. The interests of the team should always take priority over the interests of the individual. This is the only way to succeed in achieving the greatest possible efficiency that is required for professional business practice. Only in achieving the above can we do proper justice to the warranted trust our clients place in the Bank and its employees.

## 5. Our responsibility

We pursue a corporate responsibility strategy according to which responsible entrepreneurial action comprises economic, ecological and social responsibility. This is reflected in our social and cultural commitment, in our relationship with one another, in a conscientious use of resources, and in particular also in our core business activity. Our Code of Conduct defines the responsibilities of each individual. Accordingly, each employee is obliged to read and follow these guidelines. Infringement can involve disciplinary or labour law consequences. This Code of Conduct is of even greater importance for our managers. They must ensure the observance of the guidelines by suitable measures and illustrate their importance as a role model within the scope of the exemplary function they take on.

It is the joint responsibility of all of us to ensure that the guidelines set out in the Code of Conduct are adhered to.

## 6. Personal relationships

HSBC expects our people to behave professionally at work and to act with the utmost integrity and honesty.

We understand that personal relationships of a sexual or romantic nature can develop in the workplace and we also know that our people sometimes work alongside close family, civil partners or friends. The bank does not seek to intervene in personal relationships but it is important to

ensure that these relationships do not negatively affect our clients, other colleagues or our business and/or create any actual or perceived conflict in the actions our people take.

For this reason, we require the following:

We do not allow family members, spouses or those who are related by marriage or live in civil partnership to have managerial or supervisory responsibilities for one another. If so, we require one or both of them to change positions or working arrangements. If you are in such a relationship with a colleague and if you work in the same business line or function, you have to inform HR and your line manager about this relationship in writing. If you are not sure whether you are caught by this information duty, you should err on the side of caution, and declare the relationship.

We all know that many intimate relationships start at work. HSBC does not ban consensual intimate relationships between colleagues. But if you want to ask a colleague for a date, you should be thoughtful concerning any difference in seniority or position as this might make the other person feel under pressure or influence their response. If you cannot be certain that they will not be influenced as a result of your seniority or position at work, you should not ask them. If you do ask, and the other person does not say "yes", you should not persist. Pursuing a relationship with someone who does not want one could amount to harassment.

You are expected to behave appropriately and professionally at work at all times. If a relationship exists and comes to an end, you are expected to manage the situation privately outside the workplace. You should not allow a relationship with a colleague to affect your working environment, your contacts to clients or other colleagues, or the performance of your duties.

You should comply with the relevant Conflicts of Interest policy in relation to any relationship with clients, colleagues or other stakeholders. The regulations of this Code of Conduct concerning personal relationships to colleagues do not replace the Conflicts of Interest policy, but instead, they complement it. Any uncertainties related to how these policies are to be implemented can be easily eliminated by talking to the responsible control units or by talking to your line manager.

## **7. Use of social media**

You are expected to treat colleagues and clients always with respect. This expectation extends to your dealings with clients and colleagues on all electronic communication channels (including emails, technology platforms, social media and instant messaging), using both work and personal devices.

## **8. Work-related events**

HSBC expects our people to not only behave professionally at work, but also at work-related events. Our standards of conduct are primarily characterised by integrity and honesty and apply to dealing with clients and colleagues, inside and outside work premises as well as all other work-related events.

Everyone who works for HSBC Germany has a personal responsibility for upholding HSBC values. This also includes being respectful and helpful. If you are attending a work-related event, you are responsible for acting according to these values. Therefore, it is our duty to intervene if we see someone behaving unprofessionally. If you do not feel able to intervene on your own, you should ask for a colleague's help.

## **9. Handling of alcohol and drugs**

HSBC does not ban the consumption of alcohol at work-related events but you should remember that not all of our employees drink alcohol. We have to consider that and we expect our people to uphold HSBC values at all times. We all know that alcohol consumption is never an excuse for poor behaviour.

HSBC strictly prohibits the use of illegal drugs at work or at any work-related events.

If you require support for an alcohol or a drug problem, you can speak to your line manager, HR or seek help from your Employee Assistance Provider (pme family service). The contact information can be found on HR4U.

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