

**Declaration pursuant to Section 161 of the
Stock Corporation Act (AktG)
of the Management Board and the Supervisory Board
regarding the German Corporate Governance Code**

The Management Board and the Supervisory Board of HSBC Trinkaus & Burkhardt AG declare that, subject to the exceptions and/or modifications as set out below, they have complied with the "Recommendations of the Government Commission for the German Corporate Governance Code" as published in the official section of the web-based Federal Gazette in the version of 15 May 2012, and that they will continue to comply with this Code in the future.

The Company does not implement the recommendation, in accordance with section 2.3.2 of the German Corporate Governance Code (the "Code"), of giving notice of convening the General Meeting, and disseminating related documents to financial services providers, shareholders, and shareholders' associations by electronic means if the approval requirements have been fulfilled. Given that the Company's shares are bearer shares, to implement this recommendation in practice would incur material obstacles, and is also likely to incur significant costs. Taking the Company's shareholder structure into account, there is no real need to propose the requisite resolution for approval to the General Meeting.

Section 5.4.1 is not implemented to the extent that it provides for an age limit for Supervisory Board members. Such a limitation would needlessly restrict the Company's flexibility, since a fixed age limit would require a change in Supervisory Board membership even when a member, notwithstanding his or her age, was performing highly useful services for the Bank.

The Company does not comply with the recommendation of Section 5.4.2, according to which the Supervisory Board should not include more than two former members of the Management Board. HSBC Trinkaus has preserved its special character as a private bank - where long-term and personal client relationships represent a key strategic element - even after the change in its legal form to a public limited company. Through the transition from the Bank's executive management to the Supervisory Board, in the past the Company has managed to avoid disruptions of client relations and ensured continuity, which the former Managing Partners or Management Board members ascertain as members of the Supervisory Board. A strict limitation to two former members of the Management Board does not support this concept.

The recommendation of the Government Commission in section 5.4.3 of the Corporate Governance Code has been implemented with the modification that elections to the Supervisory Board will only be made on an individual basis if a shareholder has presented a motion to this effect at the Annual General Meeting for which the election is scheduled. This regulation provides sufficient protection to shareholders whilst at the same time granting the necessary organisational flexibility.

Furthermore, the Company has refrained from adopting the recommendation of the Government Commission in sentence 3 of section 5.4.3 of the Code that the shareholders should be notified, in advance, of the candidates for an upcoming election of the chairperson of the Supervisory Board. According to the Articles of Association of HSBC Trinkaus and Burkhardt AG, the term of office for which members of the Supervisory Board are elected ends on the same date for all members, so that new elections at the end of a term are automatically new elections of the entire Supervisory Board. Upon such a complete new election, the newly-elected members convene immediately after the Annual General Meeting in which the election took place in order to appoint one of their number as the chairperson. An earlier announcement of the candidates for the chairmanship by the old Supervisory

Board (as recommended by the Code) would pre-determine and limit the freedom of the new Supervisory Board to appoint its chairperson. Even though the newly elected Supervisory Board would not be bound by the announcements of candidates proposed by the old Supervisory Board, any deviation from such announcement would result in negative publicity detrimental to the Bank.

The recommendation in section 5.4.6 concerning disclosure of individualised details of the remuneration of Supervisory Board members (including fees for personal advisory or intermediation services rendered) in the Corporate Governance Report, has not been adopted. The details regarding the remuneration of Supervisory Board members are disclosed in the *consolidated management report of the financial statements of HSBC Trinkaus & Burkhardt AG*. Such disclosure to the general public would constitute a gross interference with Supervisory Board members' right of privacy – particularly with respect to fees for personal services rendered, such as advisory services – without a strict necessity for such interference.

The Government Commission's Recommendation in section 6.3 is applied with the clarifying note that parity of information between shareholders, financial analysts and comparable recipients is limited to information which may have an impact on the share price. For the purpose of clearly defining the scope of "passing on of information", expressions of opinion by members of the executive bodies in the press and other media, as well as background discussions with financial analysts and rating agencies do not constitute "new facts" within the meaning of section 6.3 of the Code.

Published information about the company as defined in section 6.8 only comprises information that may affect the share price of HSBC Trinkaus & Burkhardt AG. The comments above regarding section 6.3 apply mutatis mutandis.

Varying from section 7.1.2, HSBC Trinkaus & Burkhardt AG will observe the statutory deadlines for the preparation of its consolidated financial statements and interim reports, to enhance its timing flexibility in preparing such statements and reports.

HSBC Trinkaus & Burkhardt AG will comply with the recommendation in section 7.1.4 subject to the legal disclosure thresholds being reached; this reference helps to avoid any interpretation issues.

Düsseldorf, February 2013

For the
Management Board:

For the
Supervisory Board:

Andreas Schmitz
Chairman

Dr Sieghardt Rometsch
Chairman