

Frankfurt am Main, 12 July 2012
[as amended 15 March 2016]

Code of conduct for the members of the Executive Board of the Deutsche Bundesbank

1 Basic principles

- (1) The members of the Executive Board shall perform the functions arising from statutory provisions, the organisational statute of the Deutsche Bundesbank, their contract of employment or the nature of the office entrusted to them independently, impartially and selflessly.
- (2) In the performance of their duties they shall act without regard to self-interest. They shall avoid situations liable to give rise to a personal conflict of interests and shall disclose to the Board any personal conflicts of interests that are unavoidable. In particular, personal conflicts of interests which lead to financial advantages for the Executive Board member, spouse, partner, persons living in the same household or a minor shall be avoided.
- (3) They shall conduct themselves at all times in a way that upholds and promotes the Bundesbank's reputation and the public's trust in the Bundesbank.
- (4) They shall be pledged to secrecy about the affairs and facilities of the Bundesbank as well as its business operations. They may not testify or make statements in or out of court without permission even after they have left the service of the Bundesbank.

2 Acceptance of gifts

- (1) As bearers of public office, the members of the Executive Board may not accept benefits. In the course of carrying out their duties they may not demand, accept or accept a promise of such benefits either for themselves or a third party.
- (2) An impermissible benefit within the meaning of subsection (1) does not obtain if the Executive Board has previously approved the acceptance of such a gift. If prior approval is not possible or inappropriate, the member shall notify the Executive Board accordingly and seek the Board's approval. No approval is required if the material value of the gift does not exceed €50.

The member shall notify the Executive Board of gifts with a material value of more than €50 where a refusal appears inappropriate in the light of special circumstances surrounding the presentation or national or international custom would dictate against such a refusal. When

notifying the Executive Board, the member should suggest how the gift might be used. The Executive Board shall decide on its use.

Basic principles (section 1) are to be observed when accepting gifts.

- (3) The acceptance of benefits from public authorities, foreign central banks or supranational organisations is permissible. Basic principles (section 1) are to be observed when accepting such benefits.

3 Invitations to events

- (1) Members of the Executive Board may accept invitations to conferences, receptions or cultural events including appropriate hospitality if the member's participation in the event accords with the fulfilment of duties or is in the interests of the Bundesbank. This applies equally to the spouses or partners of Executive Board members when they are also invited and their accompaniment of the Board member concerned is in the interests of the Bundesbank or is consistent with internationally accepted custom. Any travel and overnight accommodation expenses, including those incurred by the accompanying spouse or partner, which arise in connection with the said participation shall be borne by the Bundesbank unless the organiser of the event assumes travel and accommodation costs within reasonable limits.
- (2) The acceptance of invitations from public authorities, foreign central banks or supranational organisations is permissible. Section 1 sentences 2 and 3 apply *mutatis mutandis*.
- (3) Basic principles (section 1) are to be observed when accepting invitations to events.
- (4) The members of the Executive Board shall notify the Executive Board at the latest by 31 January of the events which they attended in the previous year.

4 Lectures and speeches

- (1) No fees shall be accepted for lectures and speeches which are deemed to be part of the main duties of the Executive Board member concerned because they arise in connection with the office conferred on him/her or are to be seen as part of his/her public relations work of the Bundesbank or of his/her representation of the interests of the Bundesbank.

Travel and overnight accommodation expenses arising directly in connection with such lectures and speeches may be borne by the organiser of the event concerned within reasonable limits.

Where the refusal of a fee appears inappropriate in the light of special circumstances or national or international custom would dictate against such a refusal, the fee concerned shall be forwarded to the Bundesbank.

- (2) If there are doubts about whether the delivery of a given lecture or speech falls within the scope of subsection 1, the member concerned shall seek the advice of the Bundesbank's Corporate Governance Compliance Adviser and obtain, where necessary, a decision by the Board.

5 Secondary activities

- (1) The members of the Executive Board shall not hold any paid office, run any business or practise any profession other than their office at the Bundesbank.
- (2) Membership of a supervisory board or similar oversight body of a business enterprise requires the approval of the Executive Board. Such approval shall be refused if the company itself or an affiliated enterprise is subject to supervision or oversight by the Bundesbank, is a service provider or supplier of the Bundesbank or is a potential bidder for the award of a contract.

Membership of supervisory boards or similar bodies of business enterprises shall be disclosed in the Bundesbank's *Annual Report*.

- (3) Paid or unpaid work for a specified period as arbitrator, trustee, expert or the like may be approved by the Executive Board if the time required to perform this work does not impair the member's performance of his/her official duties and no conflicts of interest are to be expected. Fees and the reimbursement of expenses must be commensurate with the work performed and remain within customary bounds. Subsection (2) sentence 2 shall apply *mutatis mutandis*.
- (4) Lectures and speeches which do not fall within the scope of section 4 (1) as well as literary and scholarly work undertaken by members of the Executive Board shall generally be approved. When performing such work, the members of the Executive Board shall make it clear that they undertake such work in their personal capacity and such writings do not necessarily reflect the views of the Bundesbank. Subsection (3) sentence 2 shall apply *mutatis mutandis*.
- (5) The members of the Executive Board shall notify the Executive Board at the latest by 31 January of the secondary activities which they performed in the previous year, including the remuneration and other compensation received in connection therewith.

6 Honorary posts

- (1) The holding of honorary posts requires approval. This shall be granted in the case of posts of an academic or charitable nature provided professional interests are not impaired. If the holding of an honorary post is in the interests of the Bundesbank, any travel and overnight accommodation expenses arising in connection with this shall be borne by the Bundesbank.
- (2) The members of the Executive Board shall notify the Executive Board at the latest by 31 January of the expense allowances which they have received in connection with the holding of honorary posts within the meaning of subsection (1) sentence 2 in the previous year.

7 Advice from the Corporate Governance Compliance Adviser

In cases of doubt the Executive Board shall seek the advice of the Bundesbank's Corporate Governance Compliance Adviser prior to the granting, or withholding, of approval pursuant to sections 2 to 6. This equally applies to the members of the Executive Board when interpreting and applying this Code of Conduct.

8 Activities of Executive Board members on financial markets

(1) Private financial activities must be beyond any doubt. Information acquired in an official capacity must not be used for personal gain.

(2) The following private financial activities are prohibited to Executive Board members:

Transactions concerning

- a) individual marketable bonds and shares issued by financial corporations established or having a branch in the Union,
- b) derivative instruments related to such bonds and shares,
- c) combined instruments if one of the components falls under (a) or (b),
- d) units in collective investment schemes whose main purpose is to invest in such bonds, shares or instruments.

Exceptions apply for

- a) assets acquired before these rules entered into force or afterwards without action by the respective Executive Board member (e.g. by way of inheritance or gift); they may be kept, but have to be disclosed to the Executive Board member responsible for compliance without delay. Any disposition to those assets requires permission in accordance with subsection 3.
- b) transactions under a financial portfolio management provided that there is no prior contact between the portfolio manager and the member of the Board related to the transaction.

(3) Trading in financial markets with financial instruments listed in section 2 of the Securities Trading Act as far as they are not subject to subsection 2, in foreign currency and in gold require prior permission from the member of the Executive Board responsible for compliance; for this Board member's transactions permission is granted by the deputy. If the Bank offers the proposed business activity, it must be conducted at the Bank. No permission is required for portfolio management transactions, if prior to the relevant conclusion of business, there is no contact between the portfolio manager and the Board member.

(4) In the seven days preceding and on the day of any ECB Governing Council meeting, members of the Executive Board shall abstain from transactions within the meaning of subsection 3, with the

exception of portfolio management transactions specified therein. They shall also generally abstain from transactions where the interval between sale and purchase is not at least six months, if these are not portfolio management transactions.

(5) Members of the Executive Board must make every effort to ensure that transactions of their spouse, partner, persons living in the same household and minors comply with subsection 1 sentences 1, subsection 2 and subsection 4.

9 Disclosure of remuneration

The remuneration received by each member of the Bundesbank's Executive Board in the previous year shall be disclosed in the Bundesbank's *Annual Report*; the sum concerned shall be broken down into pensionable salary, non-pensionable remuneration and lump-sum allowance.

10 Publication

The Code of Conduct and any amendments to it shall be published in the *Federal Gazette* (Bundesanzeiger).