

Courtesy translation.

In case of doubt, please refer to the "Verhaltenskodex für die Mitglieder des Vorstands der Deutschen Bundesbank"

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 their duties 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 their own interests. They shall avoid situations which might lead to a personal conflict of interests and shall disclose to the Executive Board any personal conflicts of interests that are unavoidable. In particular, personal conflicts of interests which lead to financial advantages for the member of the Executive Board or persons close to them (in particular to their spouse or civil partner; persons living within the same household; a child or parent) should 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 are obliged to maintain 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 authorisation even after they have left the service of the Bank.

2. Acceptance of gifts

- (1) In their capacity as public officials, the members of the Executive Board are subject to the prohibition of accepting advantages. In return for the discharge of a duty, they may not demand, allow themselves to be promised or accept any advantage for themselves or for a third party.
- (2) A prohibited advantage within the meaning of subsection (1) shall not be deemed to exist if the Executive Board has previously authorised the acceptance of the gift. If prior authorisation is not possible or inappropriate, the Executive Board member shall notify the Executive Board accordingly and obtain the board's authorisation. No authorisation needs to be obtained if the material value of the gift does not exceed €50.

The Executive Board member shall notify the Executive Board in the case 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 conflicting national or international conventions. When notifying the Executive Board, the member should suggest how the gift might be used. The decision on its use shall rest with the Executive Board.

The basic principles (Section 1) are to be observed when accepting gifts.

(3) The acceptance of advantages from public authorities, foreign central banks or international or supranational organisations is authorised. The basic principles (Section 1) are to be observed when accepting such advantages.

(4) The members of the Executive Board shall notify the Executive Board by the end of the first quarter of each year at the latest of all gifts with a material value of more than €50 accepted in the previous year.

(5) The acceptance of gifts with a value of more than €10 received by members of the Executive Board in their capacities as public officials shall be reported to the payroll office for the purpose of taxation, unless the donor has already had the resulting non-cash benefit taxed.

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 Bank. This shall apply accordingly to spouses or civil partners of the members of the Executive Board if the invitation refers to them and a refusal appears inappropriate in the light of special circumstances surrounding the invitation or a refusal would be inconsistent with national or international conventions. Any travel and overnight accommodation costs incurred by the Executive Board member in connection with participation in the event shall be borne by the Bank. This shall also apply to the expenses of the accompanying spouse or civil partner if the Bank's Corporate Governance Counsel has confirmed, prior to acceptance of the invitation, that the conditions required pursuant to sentence 2 have been met.

(2) The acceptance of invitations from public authorities, foreign central banks or international or supranational organisations is authorised. Subsection (1) sentence 3 shall apply accordingly. If, in the event of an invitation pursuant to sentence 1, the member of the Executive Board is accompanied by their spouse or civil partner, subsection (1) sentences 2 and 4 shall apply accordingly to the accompanying spouse or partner.

(3) The basic principles (Section 1) are to be observed when accepting invitations to events. Section 2 subsection (5) applies accordingly.

(4) The members of the Executive Board shall notify the Executive Board by the end of the first quarter of each year at the latest about all events they attended alone or accompanied by their spouse or civil partner 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 an Executive Board member, as these arise in connection with the office conferred on them or are to be seen as part of their public relations work or of their representation of the interests of the Bank.

Travel and overnight accommodation costs arising directly in connection with such lectures and speeches shall be borne by the Bank.

Where the refusal of a fee appears inappropriate in the light of special circumstances or a refusal would be inconsistent with national or international conventions, the fee concerned shall be transferred to the Bank.

(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 Bank's Corporate Governance Counsel and obtain, where necessary, a decision by the Executive 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 Bank.

(2) Joining a supervisory board or similar oversight body of a business enterprise requires authorisation from the Executive Board. As a general rule, authorisation will be refused where

a) the activity can potentially give rise to a conflict of interest or

b) the company itself or an enterprise affiliated with it is

(aa) subject to supervision or oversight by the European Central Bank or another national supervisory authority within the meaning of the Regulation on the Single Supervisory Mechanism;¹

(bb) a counterparty to a Eurosystem central bank in its monetary policy or foreign exchange operations;

(cc) a provider of services or supplies to the Bank;

(dd) under consideration as a tenderer in a procurement procedure.

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 authorised by the Executive Board if the time required to perform this work does not impair the member's performance of their official duties and no conflicts of interests 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 accordingly.

(4) Lectures and speeches which do not fall within the scope of Section 4 subsection (1) as well as literary and scholarly work undertaken by members of the Executive Board are authorised in general. When performing such work, the members of the Executive Board shall make it clear in their contributions that they have undertaken such work in their private capacity and that the contributions given do not necessarily reflect the views of the Bank. Subsection (3) sentence 2 shall apply accordingly.

(5) The members of the Executive Board shall notify the Executive Board by the end of the first quarter of each year at the latest of any secondary activities they performed in the previous year, including any remuneration or other compensation received in connection therewith.

6. Honorary posts

(1) The holding of honorary posts requires authorisation. 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 Bank, any travel and overnight accommodation costs arising in connection with this shall be borne by the Bank.

(2) The members of the Executive Board shall notify the Executive Board by the end of the first quarter of each year at the latest of all 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.

¹ Council Regulation (EU) No 1024/2013 of 15 October 2013 conferring specific tasks on the European Central Bank concerning policies relating to the prudential supervision of credit institutions.

7. Advice from the Corporate Governance Counsel

In cases of doubt the Executive Board shall seek the advice of the Bank's Corporate Governance Counsel prior to the granting, or withholding, of authorisations pursuant to Sections 2 to 6. This applies accordingly to the members of the Executive Board when interpreting and applying this Code of Conduct.

8. Executive Board member transactions on the financial markets

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

(2) Prohibitions: The following private financial transactions are prohibited for members of the Executive Board:

Transactions

- a) in individual marketable bonds and shares or other equity or debt instruments issued by financial corporations² established or having a branch in the European Union or by regulated entities;³
- b) in derivative instruments related to any such equity and debt instruments;
- c) in combined instruments, if one of the components falls under (a) or (b);
- d) in foreign exchange and gold for investment purposes;
- e) in units of collective investment schemes (including ETFs) whose main purpose is to invest in instruments pursuant to (a) to (d).

(3) Authorisation requirements: Transactions on the financial markets in financial instruments pursuant to Section 2 of the Securities Trading Act, insofar as they are not covered by the prohibitions pursuant to subsection (2), require prior authorisation from the member of the Executive Board responsible for compliance⁴.

(4) Reporting requirements: Members shall be required to ex post report other private financial transactions which are not subject to the prohibitions referred to in subsection (2) or the authorisation requirements referred to in subsection (3), where these transactions involve amounts of more than €10,000 in a single calendar month per asset; the report shall be made to the member of the Executive Board responsible for compliance within 30 calendar days of execution and shall include the contracting parties, the legal grounds and the consideration. It is prohibited to split up private financial transactions solely for the purpose of circumventing the mandatory reporting threshold.

(5) Members shall refrain from carrying out transactions falling under subsections (3) and (4) on the day of, and seven days prior to, meetings of the ECB Governing Council; this shall not apply to regular savings plans. They shall also refrain from transactions in which, as a rule, there are not at least six months between purchase and sale. To the extent that the Bank offers the intended transaction, it must be conducted via the Bank. If transactions are settled via safe custody accounts outside the Bank, the Executive Board member shall arrange for duplicate copies to be sent to the Compliance Officer; see subsection (8) of this Section.

(6) Deviations from the restrictions under subsections (2) to (5) shall apply as follows – without prejudice

² "Financial corporations" are those entities defined as such in Regulation (EU) No 549/2013 of 21 May 2013 on the European system of national and regional accounts in the European Union, as amended.

³ Lists of regulated entities are published or made available by the European Central Bank in accordance with Guidelines (EU) 2021/2253 and (EU) 2021/2256 of the European Central Bank of 2 November 2021 laying down the principles of the Eurosystem Ethics Framework (ECB/2021/49) and the Ethics Framework for the Single Supervisory Mechanism (ECB/2021/50).

⁴ The general deputisation rules apply to transactions carried out by this member of the Executive Board.

to the general principles under subsection (1) sentence 1:

- a) Capital investments prohibited under subsection (2) acquired prior to these regulations coming into effect or becoming applicable to the Executive Board member, or, without any action by them at a later point in time (e.g. by way of inheritance or gift), so called legacy assets, may be kept; however, they shall be disclosed to the member of the Executive Board responsible for compliance without undue delay. Deviating from the prohibition standard laid down in subsection (2), transactions in such assets and the exercise of rights associated with legacy assets shall require prior authorisation pursuant to subsection (3). Where conflicts of interests arise with regard to legacy assets during the performance of professional duties, these must be reported separately to the member of the Executive Board responsible for compliance. This report should contain a proposal on how to remedy the conflict of interest.
 - b) Deviating from the prohibition standard laid down in subsection (2), the acquisition or redemption of cooperative shares (Genossenschaftsanteile) shall be subject to authorisation pursuant to subsection (3); authorisation is not required with regard to subscriptions to cooperative shares up to a maximum of €10,000 per calendar month.
 - c) Deviating from the prohibition standard laid down in subsection (2), purchases of savings bonds, assets held in fixed-term deposit accounts and other instruments generating a certain guaranteed rate of interest shall be subject to the reporting requirements laid down in subsection (4).
 - d) Deviating from the authorisation requirements laid down in subsection (3), transactions in investment fund shares (incl. ETFs), insofar as these do not fall under the prohibitions laid down in subsection (2) sentence 2(d), shall be subject to the reporting requirements laid down in subsection (4).
 - e) The restrictions laid down in subsections (2) to (5) do not apply to
 - aa) transactions made under a portfolio management agreement where there is no relevant contact between the portfolio manager and the member of the Executive Board before the transaction in question is made;
 - bb) purchase and redemption of insurance policies, old-age provision contracts (including annuities and "Riester" policies) and savings and loan contracts;
 - cc) arrangement of mortgages;
 - dd) transfers from a member's current, overnight money or savings account in any currency to another current, overnight money or savings account belonging to themselves or a third party (unless these transfers fall under subsection (c));
 - ee) other private financial transactions which are not expressly prohibited and the value of which does not exceed €10,000 within any given calendar month;
 - ff) other expenditures, including the purchase or sale of non-financial investments or assets including real estate.
- (7) The members of the Executive Board shall make every effort to ensure that transactions of their spouses, civil partners, other persons living in their household and their own minor children are in compliance with subsection (1) sentence 1, subsection (2) and subsection (5).
- (8) The internal Chief Compliance Officer shall assist the member of the Executive Board responsible for compliance in carrying out the tasks referred to in Section 8. In particular, the Chief Compliance Officer

shall check for compliance with the aforementioned obligations by the Executive Board members, evaluate safe custody account transactions, make recommendations for action to the Executive Board member responsible for compliance and take over the necessary documentation. For this purpose, reports to the member of the Executive Board responsible for compliance in connection with private financial transactions shall be provided to the Chief Compliance Officer. For the purposes of the authorisation requirements under subsection (3), the Chief Compliance Officer shall evaluate the relevant application before the member of the Executive Board responsible for compliance makes their final decision. The Chief Compliance Officer shall also initiate the annual declarations of completeness and/or negative declarations to be submitted by all members of the Executive Board. In cases of doubt, the Chief Compliance Officer may seek the advice of the Corporate Governance Counsel.

9. Disclosure of remuneration

The remuneration received by each member of the Bank'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 expenses allowance.

10. Publication of the Code of Conduct

The Code of Conduct shall enter into force on 1 January 2024 and shall be published in the Federal Gazette.