

 BKB Bank <i>seit 1863</i>	The BKB Bank Code of Conduct	OD number: 030_A1	Version: 3	Effective date: 30 March 2017
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1 Introduction

At BKB Bank, values are the touchstone for day-to-day thinking and actions. The attributes of professionalism, respect and openness represent these values. Together, they form a whole in which they are completely interconnected. This leads to model qualities such as a customer-friendly approach, efficiency, entrepreneurial spirit and the ability to innovate, as are also expressly emphasised in BKB Bank's business strategy.

In our responsibility to our customers, business partners, shareholders, employees and the company, we profess democracy, tolerance, human rights and equal opportunities. Together with the generally recognised standards in the areas of labour rights, environmental protection and anti-corruption, these are the guiding principles for our actions.

The Code of Conduct is a framework for BKB Bank that is applied and implemented through internal rules and policies corresponding to its business areas and specific characteristics. The Code of Conduct is binding for all BKB Bank employees. It forms the foundation for a lawful and ethically oriented sustainable corporate culture, to which we are committed both internally and externally.

2 Customers and business partners

We maintain a culture of trust in our relationships with customers and business partners. This involves fairness, professionalism, transparency, respect and the values practised by BKB Bank.

When providing services to our customers, their interests are our priority. We comply with the legal requirements that regulate dealing with conflicts of interest for the protection of our customers. We have taken the necessary organisational measures in order to avoid, minimise or disclose conflicts of interest that may arise within any of our business relationships.

We protect our customers' data and only share it with third parties if our customers have given their consent, this is legally permissible or there is a legal obligation to do so. Our data protection officer works towards compliance with data protection requirements and is the contact for our customers, business partners and employees.

We follow up customer complaints as part of our complaints management. They motivate us to enhance and improve our internal processes and quality assurance on an ongoing basis.

3 Responsibility

3.1 Responsibility in business relations

We take our social responsibility very seriously. The sustainability of our business activities is of great importance to the company. Our customers work together with us consistently in a culture of trust and on the basis of mutual respect. Proximity and personal contact are important factors for BKB Bank in this regard. Our customers are supported by staff with many years of experience and extensive expertise.

3.2 Responsibility for the environment

We conserve natural resources and comply with the legal provisions for environmental protection and integrate these into our operating processes. We take account of environmental aspects in business decisions, and also when selecting our service providers.

3.3 Product responsibility

Our self-image commits us to offering products and services that meet the needs of our customers and also have a social benefit.

The key factors here are transparency and close contact with customers. We keep our own employees and also our corporate customers up to date on current developments in regular meetings and workshops. BKB Bank sets store by a high degree of flexibility and the ability to respond quickly and appropriately to changed market conditions.

When designing and selecting our products, we are led by the needs of our customers and ensure the necessary transparency with regard to the information about terms and conditions, costs and commissions incurred and the risks of the obligations entered into.

4 Employees

A core component of BKB Bank's business philosophy is the appreciation it shows towards its employees. The positive image is crucially dependent on the dedication of each individual. In the future too, the large number of tasks and exceptional challenges can only be dealt with by highly motivated and skilled employees working as a team. Our dealings with each other are characterised by mutual respect, trust and honesty. BKB Bank is aware of the great importance of employees for the company and its business activities.

We respect the opinions of others and also their privacy and personality rights. We undertake to treat all people with dignity and respect, irrespective of their origin or life circumstances.

We do not tolerate any discrimination on the basis of age, gender, ethnic origin, nationality, religion, political opinion, belief system, race, disability or sexual identity against employees or third parties. Personnel-related decisions, e.g. when hiring, promoting or setting salaries, are made without any discrimination. We ensure a working environment that is characterised by respect, politeness, honesty and tolerance, where the value and dignity of each individual is recognised and discrimination is not tolerated.

In performing our work, we orient ourselves on the statutory and regulatory provisions, professional standards and our own internal rules and guiding principles.

Training courses and information regarding the observation of and compliance with statutory provisions, internal rules and operating procedures are obligatory for all employees.

5 Responsible and professional behaviour

Responsible and professional behaviour is a core corporate objective at BKB Bank. In addition to complying with statutory regulations, it also undertakes to observe current market standards and its own principles as expressed in this Code of Conduct.

5.1 The good reputation of the bank

A significant part of BKB Bank's public image is determined by the conduct of its staff. Professional behaviour at every opportunity ensures BKB Bank's good reputation as a bank. Our employees are not permitted to abuse BKB Bank's good reputation or their own position within the company for their personal interests or for the interests of third parties.

5.2 The bank's public image

The bank's public image is partly shaped by the media. Public expressions of opinion and communication with the media must reflect the company's values and convey them to the outside world. This applies with respect to both traditional media (radio, television, newspapers etc.) and also "new" or social media (e.g. WhatsApp messages, the Internet, chatting, blogging, forums, Second Life and social networks such as Facebook, XING, LinkedIn etc.). As regards the latter, the bank's social media guidelines set out the pertinent rules of conduct.

Public statements in the name of BKB Bank can only be made by the Executive Board or authorised members of staff.

5.3 Competition rules

BKB Bank is bound by strict rules to guarantee free competition on the market (e.g. ban on unfair competition, price fixing and unfair trading practices such as misleading or denigrating advertising). The competition rules must be complied with in all departments, and breaches avoided.

5.4 Sound personal financial circumstances

Sound personal financial circumstances are an important prerequisite in guaranteeing an individual's independence and integrity. Under no circumstances may financial dependencies as a result of loans from customers, suppliers or other business partners lead to conflicts of interest. This naturally does not apply to transactions from simple current accounts or lending relationships with banks and insurance companies.

5.5 Appropriate attire

A professional attitude and appearance are pillars of customer confidence and satisfaction, i.e. also pillars of BKB Bank's business success. BKB Bank sets great store by its employees wearing appropriate clothing in line with general business norms.

5.6 Accepting gifts and other benefits

BKB Bank attaches great importance to the transparency of relations between employees and third parties and in particular the integrity of its employees. Strict rules apply to the giving and receiving of gifts and other benefits. These are set out for all BKB Bank employees in organisation directive OD 029. On no account may the acceptance of gifts and benefits be connected with an expectation of something in return.

If the benefits received or given exceed a certain level of proportionality, then the persons involved may be suspected of active or passive corruption. Active and passive corruption constitute criminal offences. If these offences or even merely the appearance of influencing business decisions are associated with the bank, then this inevitably leads to considerable reputational damage for the bank as a whole.

Even below the threshold of a punishable offence, the acceptance of benefits can lead to conflicts of interest with respect to business partners, competitors, officials, customers or employees. Supervision regulations require the bank to take suitable measures not just to avoid harming customer interests, but to prevent such conflicts of interest arising.

Bribes must not be accepted, demanded or negotiated for third parties.

5.7 Money laundering, terrorism financing, financial sanctions and embargoes

Money laundering and financing of terrorism are crimes and BKB Bank is required to prevent these practices. The preventive measures implemented by the bank serve to protect its good reputation in this respect. Our measures to prevent the processing of criminally acquired funds implement the national and international standards for the prevention of money laundering and terrorism financing and are subject to a constant monitoring and adaptation process.

We ensure compliance with existing financial sanctions and embargoes in accordance with the current legal requirements with technical support and ongoing monitoring processes.

5.8 Compliance with tax laws and regulations

Compliance with tax laws and regulations is of great importance for the bank. BKB Bank is a responsible taxpayer and places great value on compliance with tax laws and professional and legal tax planning – which is stipulated in the corporate objectives.

Customers must not be advised in a manner that could cause them to breach tax laws or regulations. No financial instruments may be recommended nor transactions executed that conflict with legal practice and encourage or bring about tax fraud. Help with such transactions is not permitted either. This encompasses negligent, grossly negligent and wilful actions.

The respective tax conditions must be taken into account when issuing new products or in the case of activities in new markets.

5.9 Protection of personal data and the confidentiality of information

Customer relationships are based on trust and confidentiality. All information acquired about customers or business partners of the bank is subject to professional secrecy and must therefore be treated as confidential information. All internal information about customers and business partners must be protected against unauthorised use, disclosure, modification and destruction. This data is only permitted to be used for the purpose for which it was collected. The protection of confidential data applies to all types of data storage media.

Unauthorised persons must not be enabled to gain access to the bank's premises or IT systems.

The statutory and internal company regulations on confidentiality, management and processing of personal data are to be complied with in all matters.

As an employer, BKB Bank protects all the data of its staff in accordance with the current laws and regulations.

5.10 Prevention of market abuse and market manipulation

Market abuse (abuse of insider information) and market manipulation (price manipulation, spreading of false information) are deemed serious violations of business ethics. For this reason, compliance with the bank's rules must be closely observed. Transactions that are based on confidential information or lead to conflicts of interest are not permitted. For the same reason, no activities can be performed that distort the market price of tradable financial instruments or artificially inflate their trading volume with the intention of misleading market players.

All confidential information about BKB Bank, customers and business partners, which employees have obtained in the course of their work, is to be protected and must not be used for personal advantage or for the advantage of others.

5.11 Conflicts of interest

BKB Bank expects its staff to carefully separate their working and personal lives, maintain their independence in all circumstances and avoid conflicts of interest. Consequently, employees are not permitted to conclude business or transactions which directly or indirectly affect them personally and may thus result in a conflict of interest.

Interference, exertion of pressure or influence, petitions or requests which could endanger impartial decision-making on matters affecting customers or business partners are not permitted.

Customers must not be given preferential rates or other advantages that are in conflict with the current regulations.

With regard to dealing with conflicts of interest, BKB Bank has implemented a conflict policy that is regularly reviewed and adapted.

5.12 Donations and philanthropic sponsorship

Donations and sponsorships primarily serve to support academic, societal, cultural, social and environmental purposes. Donations are made exclusively as permitted by law and exclusively by the Executive Board or expressly authorised employees. We never use donations to unlawfully influence third parties or circumvent legal provisions.

5.13 Internal whistleblower system

We expect our employees to fulfil all duties under their employment relationship as a matter of course and to behave loyally towards BKB Bank in every respect. These duties also include informing the bank of suspicions if other staff members commit serious misdemeanours as part of their work or possibly even a crime which damages or could damage the bank. For this reason, BKB Bank has taken the corresponding precautions that enable all employees to report any misdemeanours or crimes as early as possible without fear of any disadvantages for themselves as a result.