

# flatexDEGIRO AG

## Code of conduct and ethical principles

flatexDEGIRO AG | 31.03.2022

## Preamble

flatexDEGIRO AG operates in business areas where success depends to a large extent on trust and confidence of our customers, our shareholders, our contract partners and our employees. This Code of Conduct provides the basis for the acquisition, maintenance and expansion of this very confidence.

The principles and values conveyed by the Code clearly represent the position of flatexDEGIRO AG, which is also supported by internal guidelines, work instructions and manuals that are supplemented and concretized.

The Code applies to the entire Group and compliance by all employees is encouraged. Any violation of the rules and regulations contained herein in the Code of Conduct is likely to result in disciplinary and/or labor and employment law consequences. It is the basis of our Compliance Management System and forms the ethical-legal framework of our corporate culture.

We expect every employee to act in accordance with the principles and values which are set forth in this Code. Employees must always comply with utmost professional responsibility inside and outside the Group with the greatest possible professionalism and integrity and avoid anything that could harm customers, suppliers, other employees and who could harm the Group or its shareholders.

In addition, the Group has agreed to apply the recommendations of the Government Commission on the German Corporate Governance Code in accordance with the principle of "Comply or Explain".

## 1. Compliance

We expect all employees to observe and comply with all laws, guidelines and regulatory regulation and instructions. We are open and transparent towards the supervisory authorities. Punctual, complete and not misleading reporting is ensured.

In situations that are not specifically covered by existing instructions, processes or rules, every employee should ask himself/herself the following questions when evaluating his/her actions and decisions:

- Is there any kind of conflict of interest?
- Does my behavior conflict with the short or long-term interests of the companies of the Group, its customers or its owners?
- Does my behavior pose a risk to the health or safety of other people or other's material assets?
- Does my behavior or appearance damage the reputation of the company I represent?
- Would the Group lose customers if they knew about such behavior?
- For further questions and in cases of doubt, the Compliance Unit is available as a contact partner.

## 2. Behavior to the outside

### 2.1 Conduct towards clients

The satisfaction of our customers is the core element of our business. All employees must at all times behave with integrity, transparency and honesty in their dealings with customers and all other parties with whom our company deals. The company is committed to an open and professional manner with the greatest possible commitment to its customers and business partners.

The customer's interest is in the foreground. Information about the customers themselves, about accounts and transactions is treated confidentially. High safety standards protect information regarding to customers, employees, shareholders and in general all sensitive records and data.

Fair treatment and best possible service are a matter of course. An appropriate and good complaint management ensures efficient, precise and rapid handling of complaints and promotes relationships with our customers.

We disapprove and do not support business practices that could damage our reputation or where there is a reasonable suspicion that the customer is violating laws and basic ethical values. Always when employees become aware of possible illegal or reputation-damaging activities in which a customer, potential customer or any other business partner may be involved, the Compliance Unit must be informed.

The facts of the case will be examined by the Compliance Unit - if applicable with the involvement of the Executive Board. Other departments (e.g. Audit, Legal, Human Resources) may also be consulted for further investigation.

## 2.2 Conduct towards suppliers

To avoid possible conflicts of interest between suppliers and the Group or individual employees, or to solve them where they occur, countermeasures will be taken to turn them off.

## 2.3 Conduct towards shareholders and investors

The confidence of investors and the protection of the company's shareholders must be protected.

Therefore, the following is ensured:

- A professional and conscientious management that ensures a sustainable competitive return on investment for our shareholders and investors
- The disclosure of all relevant information to our shareholders and investors in accordance with legal requirements
- Protection, preservation and increase of the investment of the shareholders and investors
- Attention to the requests, suggestions, complaints and formal submissions of shareholders and investors

## 2.4 Conduct towards shareholders and investors

The concept of free and competition is expressly supported:

- Intellectual and material property is respected
- Receiving or participating in questionable payments, incentives or favors to gain competitive advantage is not allowed and will be sanctioned
- The exchange and use of confidential information with competitors or other third parties is prohibited without prior customer consent
- We ensure that advertising and marketing are honest and not misleading; and that regulatory requirements are observed in this regard.

## 3. Conflict of interest

Conflicts of interest should be avoided or dealt with appropriately. Dealing with possible conflicts of interest between different clients are regulated in the corresponding rules (e.g. Conflict of Interest Policy). Conflict potential can also arise, when employees pursue private interests or make decisions that make it difficult to perform official duties objectively or effectively, or when the pursuit of private interests may be associated with disadvantages and losses to the detriment of the company. Therefore, all employees must rule out current or apparent conflicts of interest.

Conflicts of interest of any kind should be reported immediately to the compliance unit. If necessary, measures to avoid or remedy such conflicts will be initiated by the Compliance Unit and if necessary, the superiors or organs are involved in the communication. Involved employees are excluded from decision-making processes in such situations.

### 3.1 Business with personal background

Conflicts of interest can arise especially in transactions with persons with close personal or family ties. Special care must be taken to avoid the risk or even the appearance of a possible conflict of interest. This includes all activities and negotiations with business partners and intermediaries in the provision of banking and securities transactions and all other banking services. "Connected persons" are close family members (children, parents or siblings), life partners or other persons with whom the employee has a close personal relationship.

In such constellations, the entire process must always be disclosed to and consulted with the Compliance Unit. If necessary, it will - with the involvement of the responsible supervisor - propose measures to mitigate the conflict of interest. In individual cases, additional control mechanisms can be implemented, including the transfer of responsibility for the affected business to another employee. A complete prohibition of the transaction is also possible.

## 3.2 Personal finances

All employees must also manage their personal finances properly at all times.

## 3.3 Personal transactions

Personal transactions of employees may be contrary to the interests of clients or the Group. Unavoidable conflicts of interest must be disclosed. flatexDEGIRO AG has developed and implemented extensive guidelines for handling conflicts of interest and personal business transactions.

## 3.4 Insider trading

Anyone with inside information may not use the financial instruments concerned buy or sell for his own account nor for the account of third parties (trading ban). Furthermore, no recommendations or advice may be given to third parties (recommendation prohibition). Anyone who possesses insider information may only use this information within the scope of their professional duties and in compliance with the compliance guidelines (prohibition of disclosure).

## 3.5 Market manipulation

Under the MAR, it is prohibited to provide incorrect or misleading information about circumstances or to induce such information in any way that is material to the valuation of a financial instrument, or to unlawfully conceal such circumstances, if this would cause the market price of financial instruments to be manipulated. The following actions or omissions will be punished as a violation of the prohibition of market or price manipulation and are therefore strictly prohibited:

- „Wash sales" - securities transactions in which the buyer and seller are economically identical and therefore there is no change of ownership
- "Prearranged trades" - an agreement between the parties involved in the trading transaction on the essential transaction details (e.g. price, quantity)
- "Painting the tape" - securities transactions that give the wrong impression of economically justified transactions

- "Marking the close" - taking advantage of exchange hours (e.g. close of trading) with the intention of misleading other market participants
- "Cornering" - gaining control over demand for financial instruments to create the impression of a shortage
- Spreading rumors to mislead market participants in some way to make them buy, sell, hold

Information must always be communicated in a clear, comprehensive and timely manner to ensure fair, appropriate, professional and transparent communication. To avoid misleading impressions, special care is required, among other things, in advertisements, promotional activities and the publication of information material.

### 3.6 Relations with public officials

When dealing with representatives of governments and public authorities, all actions must be omitted that could unlawfully influence their decisions. Above all not to give money, gifts or other benefits to public officials that may be in any way considered or could be interpreted improper influence, bribery or corruption.

Each employee of the Group is subject to the regulations of the local jurisdiction.

## 4. Combating corruption

Business decisions must be made independently and solely on the basis of economic; ethical aspects must be taken into account. Personal profit interests, family or personal relationships with business partners should not play a role in this. The international efforts to combat bribery and corruption are fully supported by flatexDEGIRO AG.

We comply with all local and international laws to fight corruption and bribery to the full extent. Our employees and managers is strictly forbidden to accept, offer, pay, approve or use bribes or to make corrupt offers in another form. flatexDEGIRO AG also expects that all business transactions and processes are transparent and run with integrity. This is to prevent employees or third parties with whom we do business from receiving unjustified advantages or even the appearance of questionable behavior.

To ensure these requirements, flatexDEGIRO AG has defined corresponding specifications in its Compliance Policy. In addition, employee training courses are held on a yearly basis.

The acceptance and granting of gifts and invitations is monitored and documented; suspicious cases can be reported at any time via our whistleblowing system.

In all activities, flatexDEGIRO AG strives for fairness, transparency and honesty, also with regard to prices, licenses and sales rights. To ensure value, quality, competitiveness and reliability, the group maintains long-term stable relationships with its suppliers. The Group prefers and welcomes suppliers and subcontractors that are oriented towards sustainability and do not violate our own ethical standards.

If, in a particular case, it is doubtful whether a presumption of advantage could exist, employees must report the relevant facts to the compliance unit; this excludes the suspicion of presumption of advantage and prevents dependency. Timely disclosure can dispel the suspicion of the acceptance of an advantage in advance.

## 5. Prevention of money laundering

flatex Bank AG, which belongs to flatexDEGIRO AG, is a CRR credit institute and thus an institute in the sense of the German Banking Act (KWG). As obligated under the German Anti Money Laundering Act (GwG), we have therefore established appropriate business and customer-related security systems to prevent money laundering, terrorist financing, the violation of financial sanctions and other criminal action. We support international efforts to combat money laundering, terrorist financing and other criminal activity through our comprehensive anti money laundering program. Customers and ongoing transactions are monitored under this program using thorough procedures and automated filtering and monitoring systems. Our AML standards comply with the relevant legal requirements and the guidelines of the financial supervisory authorities. They are also based on the recommendations of the Financial Action Task Force (FATF).

Our anti money laundering policy applies Group-wide to all business units, regardless of their geographical location. All our employees and managers are required to comply with them to prevent our name or our products and services from being misused for money laundering purposes. We only conduct transactions where our partners have been clearly identified and require all employees to critically analyze the underlying transactions behind our engagements and to document any suspicious action so that participation in money laundering transactions can be effectively prevented. We expect the same care from our business partners. To ensure that we always apply the best possible practices, we continually review our money laundering prevention goals and strategies.



## 6. Data protection

We maintain trustworthy and open communication within the legal framework, the official and internal regulations, especially in regard of banking secrecy and data protection. Within flatexDEGIRO AG we exchange information among ourselves only to the extent that it is necessary to meet the needs and requirements of their business activities and actions. Employees may neither pass on confidential business information to third parties nor directly or indirectly use for their own benefit which they have acquired by exercising their profession. Our employees are also required to comply with data protection regulations and other legal and internal rules relating to confidential or sensitive information.

Data protection is an integral part of every employment contract. Employees will receive regular training on data protection upon joining the company and thereafter. Any violation of this privacy policy may result in disciplinary action.

## 7. Corporate facilities, environment and security

The handling of equipment and other values that are the property of flatexDEGIRO AG must be done with utmost care.

The companies and their employees use them only for the purpose for which they are intended. Thereby a target-oriented, efficient and cost-conscious use is to be ensured. It is also part of the self-conception, to ensure responsible handling of the environment. This includes not only compliance with applicable environmental laws, but also the constant effort to protect natural resources and find environmentally friendly solutions. Wherever possible, environmental aspects are also integrated into our operating procedures and the most environmentally friendly techniques are used.

In addition to flatexDEGIRO's economic success, the safety and health of its employees is highest priority. For this reason, a healthy and safe working environment is also guaranteed for employees on basis of the applicable occupational health and safety laws.

It is also part of our self-image to behave professionally, respectfully and fairly towards external partners for the benefit of our common interests. We believe this is also necessary in a competitive global environment.

## 8. Diversity and human rights

Within flatexDEGIRO AG, respect for all people regardless of their ethnic origin, religion, ideology, disability, sexual identity, gender and age is considered an essential element of respectful human interaction both among each other and with customers and business partners. We assess our employees solely on basis of their individual performance and give them honest and fair feedback.

We respect human rights and disapprove any form of child labor and exploitation. This includes respecting the dignity, rights and privacy of others as well as striving to know and understand the ideas and concerns of others.

## 9. Whistleblowing system

A whistleblower system is regarded as an early warning system for identifying and combating grievances. It is thus the basis for successful risk management. Employees who wish to point out grievances of any kind, can always contact the Group Money Laundering Officer or his representative. It is irrelevant whether employees wish to draw attention to potential violations of the German Anti Money Laundering Law (GwG), German Banking Act (KWG) or German Securities Trading Act (WpHG) or point out other or general deficits. A designated process has been implemented to enable employees to report violations while maintaining the confidentiality of their identity.

*In case of doubt, the German version of the flatexDEGIRO AG Code of Conduct takes precedence over the English version.*