

Extract from the Statutes of the Honourable Society of Hamburg Merchants (Versammlung Eines Ehrbaren Kaufmanns zu Hamburg e.V.)

Article 2: Objects of the Society

- I. The Society promotes the tradition of self-governance of the business community in Hamburg, which has become established here particularly since 1517.
- II. The Society promotes the cohesion of its members and their cooperation with the Hamburg Chamber of Commerce and the business associations active in Hamburg.
- III. In consultation with the Hamburg Chamber of Commerce, the Society supports the Chamber's work in communication with the business community, government, the media and the general public. The Society may, in close cooperation with the Chamber of Commerce, make comments on issues of business ethics and other issues relating to the concerns of its members.
- IV. The Society advocates compliance with the generally recognised principles of business ethics and the principle of good faith, within the framework of existing legislation, and avoidance of actions which are not compatible with the principle of commercial good faith.
- V. The members of the Society support these goals and undertake to observe the standards set out in clause IV above.
- VI. The Society supports members who have good reason to complain of actions or omissions by other members or third parties which are not in keeping with the standards set out in clause IV above. The Society examines any complaints brought against members, protects its members from unjustified complaints, and endeavours in the event of justified complaints to find a solution using the means set out in the present Statutes.
- VII. The Society does not issue legal expert opinions, and does not intervene in commercial litigation.
- VIII. The purpose of the Society is not directed at business operations.

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Christian Dyckerhoff

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Preface

The roots of the Honourable Society of Hamburg Merchants date back to 1517. That means it has the longest tradition of all business associations in Hamburg. Its focus on business ethics, reflected in the title "Honourable", is more topical today than ever before. However, there are many different interpretations of exactly what "honourable" means in a business context. The core elements of business ethics, in the view of the 1,000 individual members of our Society, are summarised in this leaflet, subdivided into the three areas of ethics in personal conduct, ethics in company activities, and ethics in commerce and society. That is the foundation of the Society's activities, with a special focus on promoting the understanding of business ethics in the younger generation, and combating corruption. Further information on these goals and on our Society is given at the website www.veek-hamburg.de. I very much hope that you will agree with our principles of business ethics, and that we can gain your interest in our Society and in the ideals of the Honourable Society of Hamburg Merchants.

Sincerely yours,

Christian Dyckerhoff

(Chairman of the Honourable Society of Hamburg Merchants)



Contact

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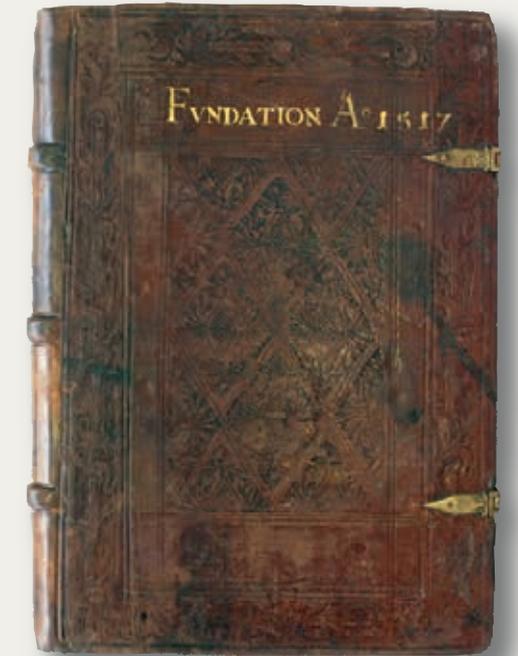
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Principles of Business Ethics

The concept of the
"Honourable Society
of Hamburg Merchants"

(Versammlung Eines Ehrbaren
Kaufmanns zu Hamburg e.V.)



Business ethics in personal conduct – the values of the “honourable merchant”

Be open to the world, embrace freedom.

Keep your word.

- A handshake is enough to seal a deal.
- Good business relations are built on mutual trust.
- That means fair negotiation, timely delivery, and correct invoicing.

Exercise sound commercial judgement.

- Successful business is dependent on comprehensive knowledge.

These principles of business ethics have been built up in the course of development by Hamburg merchants. Their roots date back to 1517, when the Honourable Society of Hamburg Merchants was established. Its history has always been characterised by commitment to international relations and free trade.

The principle of “My word is my bond” is indisputably one of the generally recognised ideals in commercial business. The handshake between business partners to seal a transaction is a symbol of that. The same symbol and the same principle applies even where there is no face-to-face contact, for example where contact is by phone, in writing, or online.

Business success or failure is not the standard by which ethical behaviour is assessed. But without commercial gain, ethical behaviour alone will not keep you in business. Good business sense and good ethical conduct belong together.

Business ethics in companies – creating the conditions for ethical conduct

Be a role model.

- A business person should visibly be guided by core values, even in difficult situations.

Encourage ethical conduct.

- Influence your organisation and make sure it acts in accordance with ethical principles.
- Pass on these ethical values to the younger generation.

Work for sustainability.

- Consider the long-term, and the consequences of your actions for your company and its environment.

Being a role model in the company does not mean taking a school-masterly or do-gooder approach. It is a matter of authenticity, of putting your own ethical convictions into practice in business life.

Entrepreneurs and company managers have a special role in society, taking responsibility for their employees, suppliers and customers. They can and should build organisational structures to put their values into practice. And they can have a particular influence on the company's young talents. That is why the Honourable Society of Merchants is working with the Hamburg School of Business Administration to conduct study programmes focused on the ethical principles of the Society. It also seeks dialogue with school students and with company trainees, for example by holding business ethics competitions for young people.

Society does not tolerate irresponsible behaviour by entrepreneurs or managers. The business community can expect recognition only if individual profits are commensurate with the services provided to the company and to society in general.

Business ethics in commerce and society – understanding and shaping the framework for ethical conduct

Uphold good faith.

- Good faith means acting with honesty and integrity, and respecting the justified interests of others. Not everything that is legally permitted is also ethically right.

Embrace responsibility for business and society.

- Remember that our actions are conditioned by the framework in which business and society function.
- Support freedom, good social conditions and respect for human dignity.

Stand up for ethical values, at home and abroad.

- Exert a positive ethical influence even where practices depart from good ethical standards.

It is not possible or desirable to regulate every detail of business life by laws. So the observance of unwritten rules of ethical conduct within the legal framework is not only ethically right, but also right for the economy.

The social market economy has proven itself to be the order of society that gives the greatest benefit for the greatest number of people. At the same time, it is not undisputed, and it is not precisely defined in all its details. It therefore needs full support on the broadest possible front, not only from the political parties. The business community has a key role to play in giving that support.

There are no simple recipes for dealing with ethical problems in international business. For example, attitudes to environmental standards and acceptable working conditions may vary widely from one country to another. Trust can be built only by respect and by intercultural skills, making it possible to influence people by

persuasion. One of the primary goals of the Honourable Society of Hamburg Merchants is to support the fight against corruption. Combating criminal networks, on the other hand, is a task for states and communities of states.



How to join

If you would like to become a member of the Honourable Society of Hamburg Merchants, you will find the application forms and a copy of the Statutes at our website www.veek-hamburg.de. Membership is open to owners and senior executives of Hamburg companies, and to members of certain bodies of the Hamburg Chamber of Commerce. Any application must be supported by two references from members of the Society. The binding conditions are set out in our Statutes, in particular Articles 8 and 9. The annual membership fee is currently EUR 50.