

## Declaration of Conformity

The Management Board and the Supervisory Board of HSH Nordbank declare that since publishing its last declaration of conformity on 6 February 2013, HSH Nordbank has conformed to the recommendations of the German Corporate Governance Code in the versions dated 15 May 2012 and 13 May 2013 in every respect save for the exceptions stated below. As of the date on which the next declaration of conformity is published, HSH Nordbank will be conforming to all the recommendations of the Code in the version dated 13 May 2013 save for the exceptions stated below.

Section 4.3.2 provides that remuneration of the Management Board shall comprise fixed and variable components. *According to the provisions of the EU state aid decision and the Bank's obligation under the guarantee made available by the states of Hamburg and Schleswig-Holstein, the current Management Board remuneration system does not provide for any variable compensation for members of the Management Board.*

Section 4.2.3 (3) requires that in the case of benefit commitments the Supervisory Board shall stipulate the target level for benefits and take the extrapolated annual and long-term expenditure for the company into account. *For members of the HSH Nordbank Management Board a contribution plan applies that is not aimed at a specific level of benefits.*

Section 5.3.3 requires the Supervisory Board to form a Nominating Committee that is composed exclusively of shareholder representatives and proposes suitable candidates to the Supervisory Board for its voting proposals to shareholders at the annual general meeting. *In the past, at HSH Nordbank the voting proposals to the annual general meeting of the shareholder representatives on the Supervisory Board were agreed in advance with the shareholder representatives. At the meeting on 28 November 2013 a Nominating Committee was formed, with the result that this deviation will no longer occur in future.*

Section 5.4.6 (2) requires that if variable compensation is offered to Supervisory Board members it be geared to sustainable corporate governance. *The current compensation rules for the Supervisory Board of HSH Nordbank provide for performance-related remuneration for Board members that has a fixed ceiling and is paid only if the Bank pays a dividend for the financial year in question. Due to the dividend ban imposed by the EU Commission within the framework of the state aid decision this arrangement does not currently apply.*

Section 5.4.6 (3) provides that the remuneration paid to members of the Supervisory Board be reported separately for each individual and broken down by component in either the Notes or the Management Report. *The remuneration paid to the individual members of the Supervisory Board is not disclosed by HSH Nordbank. The shareholders receive sufficient information on the remuneration paid to the members of the Supervisory Board by virtue of the fact that this remuneration is determined by the shareholders themselves at the annual general meeting. HSH Nordbank considers this form of disclosure of the remuneration paid to the Supervisory Board to be sufficient for assessing its appropriateness.*

According to Section 7.1.2 Sentence 4, the consolidated financial statements are to be published within 90 days of the end of the fiscal year and the interim reports within 45 days of the end of the period to which they refer.

*HSH Nordbank did not make its consolidated financial statements for fiscal 2012 and the interim reports for 2013 publicly available within the prescribed period. The Bank will probably not publish either its 2013 consolidated financial statements or the 2014 interim reports within the recommended periods. The Bank is working on being able to adhere to the stipulated periods in future.*

HSH Nordbank conformed to the Code's recommendations so far as they make sense for a non-listed public limited company.

Hamburg/Kiel, 6 February 2014

On behalf of the Management Board:

Constantin von Oesterreich

On behalf of the Supervisory Board:

Dr. Thomas Mirow