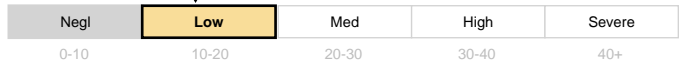


Hamburg Commercial Bank AG

Diversified Banks | Germany |

14.0 Low Risk



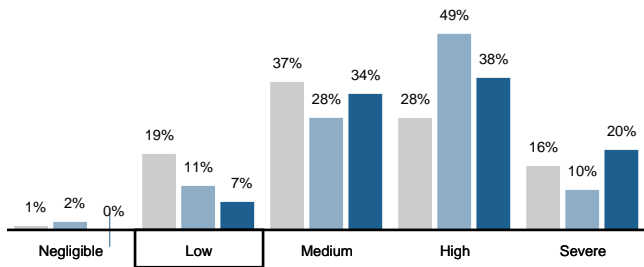
Rating Overview

The company is at low risk of experiencing material financial impacts from ESG factors, due to its medium exposure and strong management of material ESG issues. The company is not publicly held, which reduces its corporate governance risk compared to its peers. Furthermore, the company has not experienced significant controversies.

Momentum Score

Not available due to a lack of comparable historical information

ESG Risk Rating Distribution



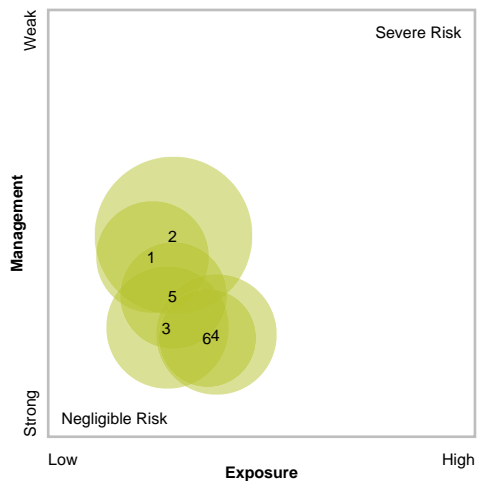
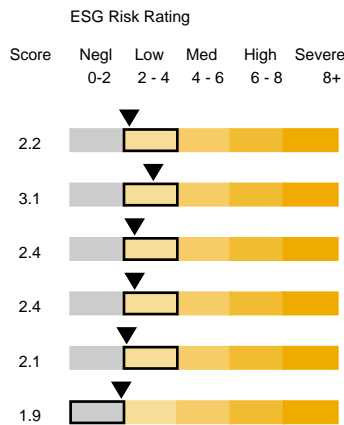
Relative Performance

	Rank (1 st = lowest risk)	Percentile (1 st = lowest risk)
Global Universe	602 out of 12706	6th
Banks (Industry Group)	38 out of 968	5th
Diversified Banks (Subindustry)	4 out of 385	2nd

Attribution Analysis

Top Material Issues

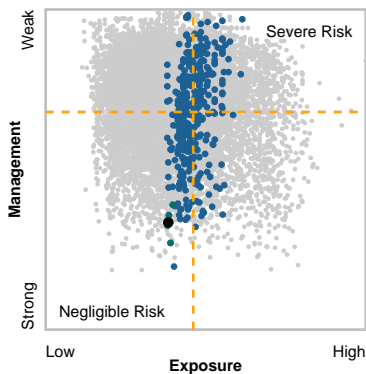
- Corporate Governance
- Human Capital
- Data Privacy and Security
- Business Ethics
- ESG Integration - Financials
- Product Governance



△ = Significant event

○ Circle size = Contribution to ESG Risk Rating

Risk Analysis



Peers (Market cap \$0.0 - \$0.0bn)

Peer	ESG Risk Rating	Exposure	Management
1. Berlin Hyp AG	11.9 Low	39.0 Medium	72.9 Strong
2. Grupo Cooperativo Cajamar	13.7 Low	38.1 Medium	67.5 Strong
3. Hamburg Commercial Bank AG	14.0 Low	38.3 Medium	66.5 Strong
4. La Banque Postale SA	15.0 Low	38.5 Medium	64.3 Strong
5. HSBC France S.A.	16.7 Low	39.7 Medium	61.0 Strong

- Global Universe
- Diversified Banks (Subindustry)
- Hamburg Commercial Bank AG
- Peers
- + SubIndustryAvg.

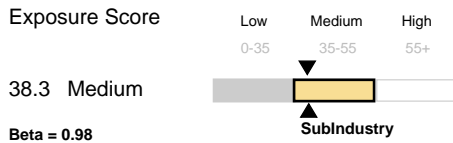
Hamburg Commercial Bank AG

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14.0 Low Risk



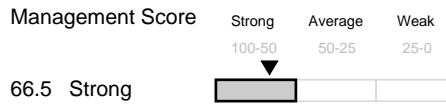
Exposure Score



With its diversified offering to domestic and international corporate clients, Hamburg Commercial Bank AG (HCOB) is highly exposed to ethical issues such as money laundering and sanctions violation. HCOB operates primarily in Germany, its domestic market, where regulation in this area is strong. Ethical infractions could lead to investigations and fines. Moreover, HCOB operates in a sector where ability to meet high client expectations with bespoke financing solutions tailored to their specific needs is essential in order to retain existing customers and attract new ones. In addition, HCOB's financing operations focus on the real estate, shipping and infrastructure sectors, which face physical, financial, regulatory and reputational risks from climate change issues. Failure to integrate related considerations into lending decision making could undermine HCOB's de-risking strategy.

The company's overall exposure is medium and is similar to subindustry average. Business Ethics, Product Governance and ESG Integration -Financials are notable material ESG issues.

Management Score



HCOB's overall ESG-related disclosure is not in accordance with GRI reporting standards, lagging behind best practice. The company's ESG-related issues are overseen by the board or the executive team, suggesting that these are integrated in core business strategy.

The company's overall management of material ESG issues is strong.

Attribution Details



Contribution to

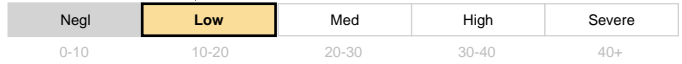
Issue Name	ESG Risk Rating	Subindustry Exposure	Company Exposure	Manageable Risk Factor	Management Score	Management Weight	ESG Risk Rating	Risk Category
Corporate Governance	15.7%	5.0	5.0	100%	56.0	13.7 %	2.2	
Human Capital	22.0%	6.0	6.0	95%	51.0	15.6 %	3.1	
Data Privacy and Security	17.0%	6.0	5.7	80%	72.5	12.5 %	2.4	
Business Ethics	16.8%	8.0	8.0	95%	74.2	20.8 %	2.4	
ESG Integration -Financials	15.0%	6.0	6.0	100%	65.0	16.5 %	2.1	
Product Governance	13.5%	8.0	7.6	100%	75.0	20.8 %	1.9	
Overall	100.0%	39.0	38.3	95.2 %	66.5	100.0%	14.0	Low

△ =Significant event

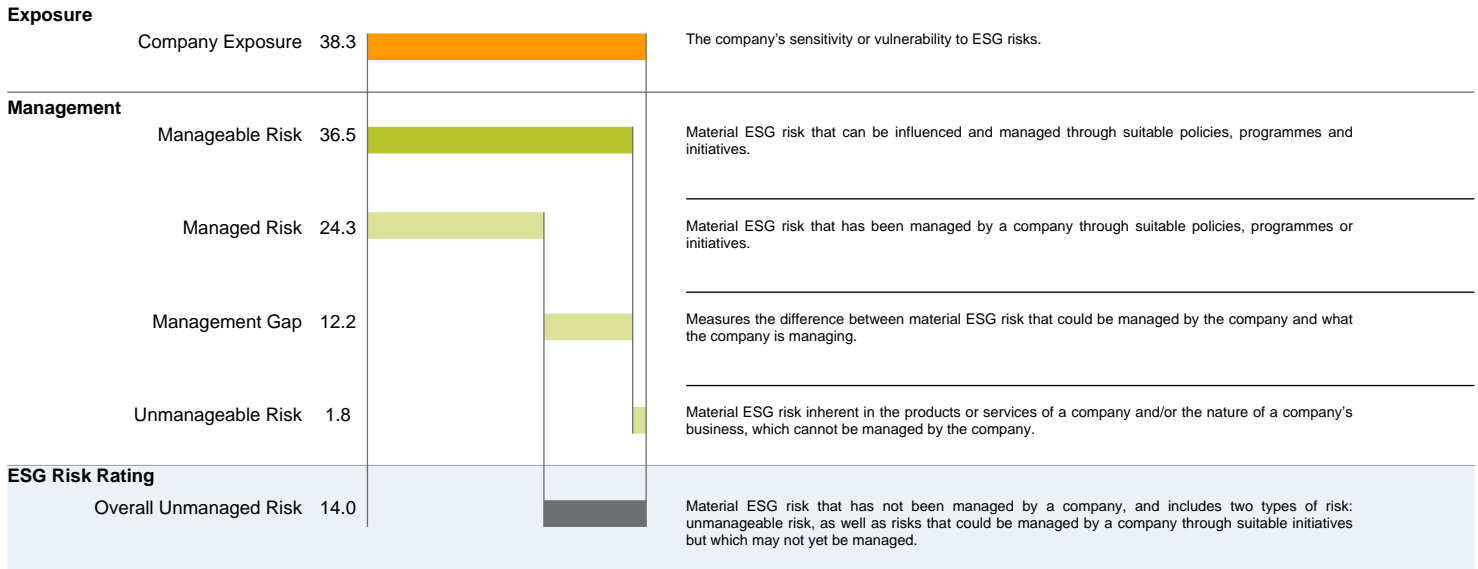
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14.0 Low Risk



Risk Details



Momentum Details

Not available due to a lack of comparable historical information

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GLOSSARY OF TERMS

Beta (Beta, β)






A factor that assesses the degree to which a company's exposure deviates from its **subindustry's** exposure on a **material ESG issue**. It is used to derive a company-specific issue exposure score for a material ESG issue. It ranges from 0 to 10, with 0 indicating no exposure, 1 indicating the subindustry average, and 10 indicating exposure that is ten times the subindustry average.

Corporate Governance Pillar

A pillar provides a signal about a company's management of a specific Corporate Governance issue.

ESG Risk Category

Companies' **ESG Risk Rating scores** are assigned to five ESG risk categories in the **ESG Risk Rating**:

-  **Negligible risk:** enterprise value is considered to have a negligible risk of material financial impacts driven by ESG factors
-  **Low risk:** enterprise value is considered to have a low risk of material financial impacts driven by ESG factors
-  **Medium risk:** enterprise value is considered to have a medium risk of material financial impacts driven by ESG factors
-  **High risk:** enterprise value is considered to have a high risk of material financial impacts driven by ESG factors
-  **Severe risk:** enterprise value is considered to have a severe risk of material financial impacts driven by ESG factors

Note that because ESG risks materialize at an unknown time in the future and depend on a variety of unpredictable conditions, no predictions on financial or share price impacts, or on the time horizon of such impacts, are intended or implied by these risk categories.

ESG Risk Rating Score (Unmanaged Risk Score)

The company's final score in the **ESG Risk Rating**; it applies the concept of **risk decomposition** to derive the level of **unmanaged risk** for a company.

Event Category

Sustainalytics categorizes events that have resulted in negative ESG impacts into five event categories: Category 1 (low impact); Category 2 (moderate impact); Category 3 (significant impact); Category 4 (high impact); and Category 5 (severe impact).

Event Indicator

An indicator that provides a signal about a potential failure of management through involvement in controversies.

Excess Exposure

The difference between the company's **exposure** and its **subindustry** exposure.

Exposure

A company or **subindustry's** sensitivity or vulnerability to ESG risks.

Idiosyncratic Issue

An issue that was not deemed material at the **subindustry** level during the **consultation process** but becomes a **material ESG issue** for a company based on the occurrence of a Category 4 or 5 event.

Manageable Risk

Material ESG risk that can be influenced and managed through suitable policies, programmes and initiatives.

Managed Risk

Material ESG Risk that has been managed by a company through suitable policies, programmes and initiatives.

Management

A company's handling of ESG risks.

Management Gap

Refers to the difference between what a company has managed and what a company could possibly manage. It indicates how far the company's performance is from best practice.

Management Indicator

An indicator that provides a signal about a company's management of an ESG issue through policies, programmes or quantitative performance.

Material ESG Issue

A core building block of the **ESG Risk Rating**. An ESG issue is considered to be material within the rating if it is likely to have a significant effect on the enterprise value of a typical company within a given **subindustry**.

Subindustry

Subindustries are defined as part of Sustainalytics' own classification system.

Unmanageable Risk

Material ESG Risk inherent from the intrinsic nature of the products or services of a company and/or the nature of a company's business, which cannot be managed by the company if the company continues to offer the same type of products or services and remains in the same line of business.

Unmanaged Risk

Material ESG risk that has not been managed by a company, and includes two types of risk: **unmanageable risk**, as well as risks that could be managed by a company through suitable initiatives, but which may not yet be managed (**management gap**).

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