Hamburg Commercial Bank

Information according Regulation (EU) 2019/2088 Art. 3 (2), Art. 4 (5) lit. b) and Art. 5 (1) on sustainability-related disclosure requirements in the financial services sector (Disclosure Regulation)

Regulation (EU) 2019/2088 of the European Parliament and of the Council on sustainability-related disclosure requirements in the financial services sector (the "Disclosure Regulation") sets out harmonized rules for financial market participants and financial advisors on transparency regarding the integration of sustainability risks and the consideration of adverse sustainability impacts in their processes and when providing information on the sustainability of financial products. Hamburg Commercial Bank, as a credit institution offering investment advice, is a financial advisor according of Art. 2 No. 11 c) of the Disclosure Regulation.

This document fulfills the obligations pursuant to Art. 3 (2), Art. 4 (5) lit. b) and Art. 5 (1) of the Disclosure Regulation in respect of the investment advice provided by Hamburg Commercial Bank.

I. Strategy for the integration of sustainability risks in our investment advisory activities (Art. 3 (2) of the Disclosure Regulation)

Sustainability in the Bank's investment advice

Hamburg Commercial Bank offers comprehensive and good advice. This includes offering and recommending suitable financial instruments. For customers with a preference for a sustainable investment, the consideration of sustainability risks takes place as part of the investment advice – if the customers so wish.

A sustainability risk is defined by Art. 2 No. 22 of the Disclosure Regulation means an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of clients´ investment.

Hamburg Commercial Bank currently offers its investment advice on the conclusion of interest rate or currency (hedging) derivatives. We would like to point out that such derivatives, which also take sustainability preferences into account, are not currently offered on the market and that it is therefore not possible to take sustainability preferences into account in the context of investment advice relating to these products. Up-to-date product knowledge is imparted through a qualified training and continuing education program.

II. Integration of sustainability risks in our remuneration policy (Art. 5 (1) of the Disclosure Regulation)

As part of our remuneration policy, we ensure that the performance of our employees is not remunerated or evaluated in a way that conflicts with our duty to act in the best interests of clients. In particular, remuneration does not create incentives to recommend a financial instrument that is less suitable to clients´ needs. Our remuneration structure is based on collective bargaining agreements, company agreements and individual regulations and does not encourage excessive risk-taking with regard to the sale of financial instruments with high sustainability risks. Sustainability is one of our overall bank objectives, which is reflected in our remuneration strategy and thus is an integral part of the remuneration of every employee of the bank.

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III. Consideration of the main adverse effects on sustainability factors in investment advice (Art. 4 (5) lit. b) of the Disclosure Regulation)

In principle we consider the most significant adverse impacts on the sustainability factors of environmental, social, and labor concerns, respect for human rights, and anti-corruption and anti-bribery in investment advice given the size, nature, and scope of our operations and the types of financial products that are the subject of our advice. In case of investment advice on the conclusion of interest rate or currency (hedging) derivatives currently this consideration is not possible.

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