Hamburg Commercial Bank

Investor Presentation

Mortgage Pfandbrief

January 2022

Mortgage Pfandbrief Benchmark – Proposed Transaction and Issuance Rationale

Offering Summary

- Mortgage Pfandbrief issued by Hamburg Commercial Bank AG
- EUR Benchmark RegS [5 year]
- Issued out of HCOB Bank's EUR 15bn debt issuance program (DIP)
- Expected issue rating [Aa1] by Moody's
- Expected ECB and CBPP3 eligibility; UCITS, CRR art.129 and LCR Level 1A compliant

Transaction Rationale

- Broadening of existing bond investor base
- Refinancing of one of HCOB's key business lines
- Diversification of funding sources
- Cost efficient funding secured by mortgage assets

HCOB Highlights

- Privatization achieved – best capitalized bank in Germany with a CET1 ratio of 29.6%[1], leverage ratio of 13.2%[1] - no significant adverse impacts anticipated from "Basel IV" implementation
- Specialized German lender with clear path to sustainable profitability, backed by selective new business, b/s optimization and significant lower funding costs
- Clear de-risking measures introduced supporting the paths towards a smaller more efficient b/s
- Strong cost reduction discipline led to CIR of 45%[1] with an objective of 40-42% in 2022
- Strengthened franchise – backed by robust capital, improving profitability, and solid liquidity – reflected in upward rating trajectory
- Regular issuer in the capital market in coming years, Senior unsecured and Pfandbrief benchmark issues planned for 2022 ff

1) Figures as at H1 2021

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Agenda

1. HCOB AT A GLANCE

A private commercial bank and specialist financier

Hamburg Commercial Bank

Management Board and Shareholder Structure – Experienced international management team & strong ownership

Stefan Ermisch
CEO

- Born in 1966 in Bonn, Germany
- Chief Executive Officer (CEO) since June 2016
- More than eighteen years of leading management board positions as CEO, CFO and COO at private commercial banks and in the public sector, in Germany, Austria and Italy

Ulrik Lackschewitz
CRO and Deputy CEO

- Born in 1968 in Bro, Sweden
- Chief Risk Officer (CRO) since October 2015 and deputy CEO since December 2018
- Before that, Ulrik Lackschewitz was Group Head of Financial and Risk Control at NordLB (2011) and reported directly to the Management Board

Ian Banwell
CFO

- Born 1963 in the US
- Chief Financial Officer (CFO) since September 2020, before (since April 2019) Chief Operating (COO)
- Earlier, Ian Banwell was Senior Managing Director at Cerberus and is currently Chief Executive Officer (CEO) and owner of Round Table Investment Management Company, LP.

Christopher Brody
CIO

- Born 1968 in the US
- Chief Investment Officer (CIO) since July 2019
- From 2012 to June 2019 Christopher Brody was President and Chief Investment Officer of a US family office and from 2008 to 2011, he held the position of Chief Investment Officer at the Austrian bank BAWAG P.S.K.

Ownership Structure

Several funds initiated by **Cerberus Capital Management, L.P.**			One fund advised by **J.C. Flowers & Co. LLC**	One fund initiated by **GoldenTree Asset Management LP**	**Centaurus Capital LP**	**BAWAG P.S.K.**	**HCOB** *Current and former Management Board Members (who are or were in office from November 2018)*
Promontoria Holding 221 B.V. 9.87%	Promontoria Holding 231 B.V. 13.87%	Promontoria Holding 233 B.V. 18.71%	JCV IV Neptun **Holdings S.à r.l.**	Golden Tree Asset **Management Lux S.à r.l.**	Chi Centauri LLC		
42.45%			**34.96%**	**12.49%**	**7.49%**	**2.50%**	**0.11%**

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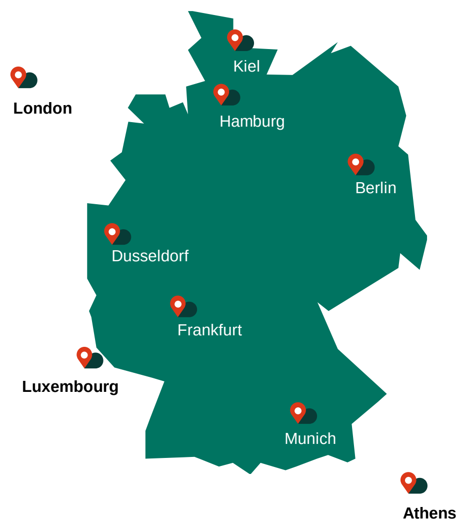
HCOB - Providing specialized financial solutions in selected segments to our clients

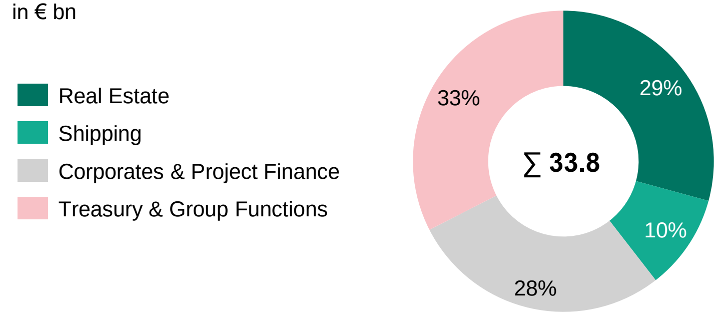
What we offer

- HCOB is a private commercial bank that works with and supports its clients at eye level while offering efficient solutions to complex challenges
- We are characterized by our experience and sector knowledge in our clients' businesses, which is supported by our focused capital markets products and services
- Business areas: Commercial project finance in the real estate, renewable energies and infrastructure segments; Shipping; Tailored finance for medium-sized businesses; Structured Finance, including syndications; Payment services and transaction banking products as well as expert advice in corporate finance

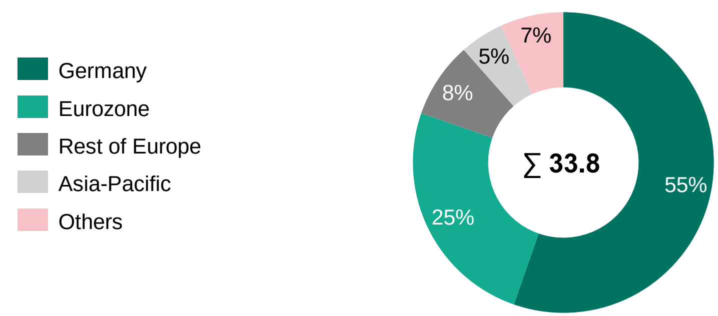


HCOB is engaged in & across various segments & countries

EAD by Segment
in € bn



EAD by Region
in € bn



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Business segments well positioned for growth – Deep market expertise & good client relationships basis for value creation

As of June 30th, 2021[1]

Lending Functions			Investment Functions
Real Estate	**Shipping**	**Corporates & Project Finance**	**TSY & Group Functions**
• Well-established, risk-conscious business, primarily in Germany • Expanding new business with appropriate risk/return requirements • Structuring competence for tailor-made financing • Selective expansion of international business in neighbouring European countries	• Focus on diversification of portfolio through domestic and international counterparties with good credit ratings • Strategic partner based on long-term market expertise • New business under strict margin and risk conditions (focus on secondary market, no spot market financing) • New risk culture and new underwriting standards in place since 2018	• Renewable Energy & Infrastructure focus European and selectively non-European markets • Corporate Finance for German MidCaps combined with high competence in Working Capital/Factoring and Cash & Trade • Corporates International diversifies selectively in European and North American market on base of sound risk/return profiles	• Treasury and active liability management focused on providing stable liquidity and funding structure at competitive costs • Payment services for all client segments, leveraging new technology platform • Liquidity buffer forms major part of asset base, supplemented by strategic investment portfolio • Group functions include all other central functions such as risk control, legal etc.
High-performance suite of payment transaction services for all customer segments			
Segment assets: € 9.1bn **RWA: € 3.0bn** **Net Income: € 37mn**	**Segment assets: € 3.2bn** **RWA: € 2.1bn** **Net Income: € 30mn**	**Segment assets: € 7.9bn** **RWA: € 5.2bn** **Net Income: € 24mn**	**Segment assets: € 11.4bn** **RWA: € 4.5bn** **Net Income: € 37mn**

1) Segments excl. reconciliation

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HCOB Transformation nearing completion…building track record of execution and consistently delivering on our commitments

Q4 2018 – Privatization

Nearly Complete – Transformation

2021+ – BdB Entry & start "Business as Usual"

Game plan Privatization:

- Create a capital efficient and profitable German bank with strong client franchise
- Data driven and cloud enabled operating company (IT Transformation in process)
- **Rapid and extremely successful transformation delivered ahead of plan**

Cost Savings & Operational Efficiency

- ✓ Employee Restructuring (reduced from 1700+ FTEs to ~800 target end of 2022)
- ✓ HQ Facility Rationalization (14 to 2 buildings)
- ✓ Closed Asian operations (Singapore & Hong Kong)
- ✓ Self-Help (Sharp reduction in mgmt. consultants)
- • IT Transformation (€40mn+ run rate savings)

De-Risking & Capital Efficiency

- ✓ Balance sheet reduction (€ 55.1bn to € 31.6bn)
- ✓ RWA reduction (€ 22.1bn to € 14.8bn)
- ✓ CET1 build (18.5% to 29.6%)
- ✓ 19.8% after tax ROE for 1H21 at 13% CET1
- ✓ Capital structure optimization
- • Implementation of Future Model Landscape started

NIM Expansion & Liability Optimization

- ✓ Pricing disciple, including SVA hurdles
- ✓ Exited low returning, non-core lines of business
- ✓ Revised asset allocation, incl. strong reduction of NIB[1] assets
- ✓ Cost of funds reduced by ~70 bps to 31bps for 1H21
- ✓ NIM b/s: 61bps increase since 2019 to 136bps (1H21)

Invest in Technology & People

- ✓ Strengthened & redesigned management board & MD's
- ✓ Delivery of new International Payments platform
- • € 120mn+ IT investment including transition to cloud enabled operating model
- • Targeted new hires in commercial & technology leadership roles

Transformation delivering SVA positive business model

1) NIB – Non-Interest Bearing

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2. READY FOR THE FUTURE

Transformation in completion, BdB entrance confirmed

Comprehensive transformation following privatization delivering one of the best performing banks in Germany[1]

(Figures as of June 30, 2021 – Half Year Results)

Financials

€ 194 million	***19.8%[2]***	***136bp***	***45%***
Net Income	*Return on Equity (After-Tax)*	*Net-interest margin*	*Cost-income ratio*

Capital Management

29.6%	***€ 4.6 billion***	***13.2%***
CET1 Ratio	*Tangible Equity*	*Leverage ratio*

Leading German bank in terms of Profitability, Operational Efficiency & Capital Strength

1) HCOB ranks as top overall performing bank of Germany's top 10 banks (2021 Ranking). Source: The Banker Database, a service from the Financial Times I 2) ROE after taxes based on a 13%-ratio of invested CET 1 capital; 8.7% ROE after taxes based on reported average IFRS capital as of 30/06/2021

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Pillars of our transformation yield significant change in performance – 3 year transformation ahead of schedule

(Figures in €)		2019	2020	1H21	1H21 vs. 2019	Comments
Increase Profitability & Returns	**Net Interest Margin**[1] (bps)	75	117	136	+61 bps	• Strict pricing discipline, improved asset allocation and b/s efficiency, and reduced funding costs (both smaller b/s & reduced cost of funds) • 1H21 performance with limited one-time effects
	Net Income (mn)	12	102	194	> 100%	
	Return on Equity[2] (%)	0.4	4.3	19.8	+19.4 pts	
Reduce Expenses	**Headcount**[3] (FTEs)	1,482	1,122	947	-36%	• Comprehensive restructuring, lead by organizational & process efficiencies • Continuing to invest in IT Transformation to deliver 40mn+ cost savings & scalable operating platform
	Cost-Income Ratio (%)	69	42	45	-24 pts	
De-risk & Build Capital	**Total Assets**[4] (bn)	47.7	33.8	31.6	-34%	• De-risking started in 2019, including selective new business & prolongations • Proactive NPE action plans keep NPE ratio flat despite Covid-19 impact and smaller b/s • Excellent capital position & substantial buffer to SREP requirements
	Tangible Equity (bn)	4.4	4.3	4.6	+5%	
	RWA (bn)	21.0	15.5	14.8	-30%	
	NPE Ratio[5] (%)	1.8	1.8	1.9	+0.1 pts	
	CET1 Ratio (%)	18.5	27.0	29.6	+11.1 pts	
	Leverage Ratio (%)	8.2	12.2	13.2	+5.0 pts	

1) Net Interest Margin equals core Net Interest Income divided by average balance sheet | 2) ROE after taxes based on a 13%-ratio of invested CET 1 capital; 8.7% ROE after taxes based on reported average IFRS capital as of 30/06/2021 (2.3% as of 31/12/2020) |
3) Headcount: 1,716 FTEs as of YE18. 45% decrease from YE18 to 1H21 | 4) Total Assets: € 55.1bn at YE18. 43% decrease from YE18 to 1H21 I
5) 2019 figures including events after reporting date

Guidance 2021/22 – HCOB focusing on recurring profitability & projecting net income well above €300mn for 2021

	(Figures in €)	2020	2021e	2022e
Increase Profitability & Returns	**Total Income** (mn)	656	~600	>600
	Net Income (mn)	102	>300	>250
	Return on Equity[1] (%)	4.3	>12.0	>12.0
Reduce Expenses	**Headcount** (FTEs)	1,122	~900	~800
	Cost-Income Ratio (%)	42	~50	40-42
De-risk & Build Capital	**Total Assets** (bn)	33.8	~30	~30
	Tangible Equity (bn)	4.3	>4.6	>4.9
	RWA (bn)	15.5	~15	~18
	NPE Ratio (%)	1.8	<2.0	<2.0
	CET1 Ratio (%)	27.0	~30	~25

Increase Profitability & Returns

- Core income supported by NIM b/s expansion to >150bp (YE) & improving asset mix with increased share of productive assets on smaller b/s
- Benefits of cost restructuring realized in run rate
- Revised guidance for net income 2021 from >€ 250mn to >€ 300mn[2]

Reduce Expenses

- Strict cost management continues driven by employee restructuring & reduced facility footprint while investing in IT
- Moving towards target CIR driven by recurring income, not one-offs

De-risk & Build Capital

- Strict return thresholds…build/grow SVA positive asset classes…exit lower performing segments
- RWA increase due to change in rating model landscape, main impact to be reflected in 2022
- Stable asset quality & resilient capital levels
- Strong capital & recurring earnings reduce the economic rational for issuing an AT1 bond medium term

1) ROE after taxes based on a 13%-ratio of invested CET 1 capital | 2) Net Income revised at mid year from >200mn to >250mn, now to >300mn

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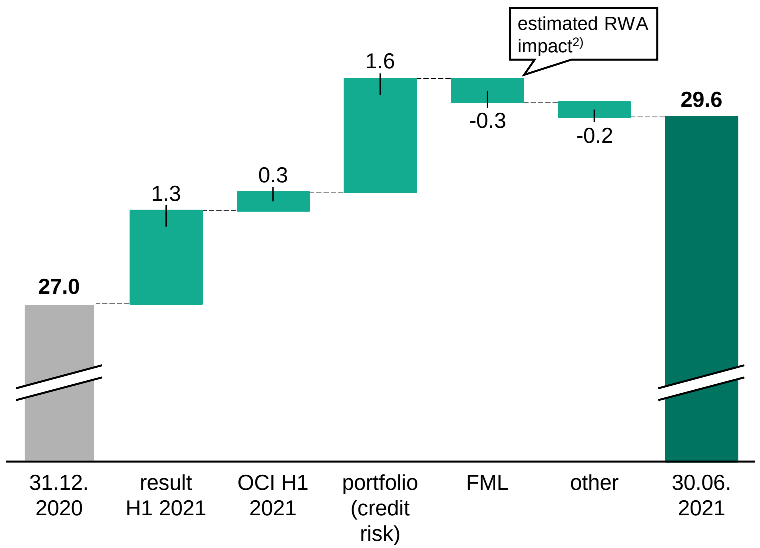
Capital position further strengthened by retained earnings due to increasing profitability, rigorous de-risking supportive

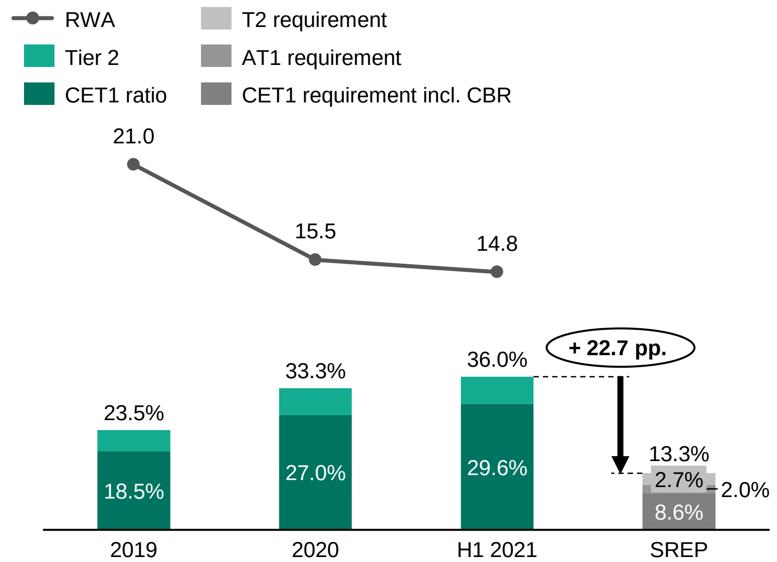
Drivers of CET1 Ratio development[3]

in %



Development of RWA / capital ratios

in € bn



- Further increased CET1 ratio of 29.6% underlines strong capital position with capital surplus well above regulatory requirements
- CET1 capital increased by positive P&L result of H1 2021 and an increased other comprehensive income (OCI)
- Leverage ratio further strengthened to very strong 13.2% (12.2%)
- RWA significantly reduced by de-risking started in 2019 and careful new business selection

1) Minor fluctuations due to change of counter-cyclical buffer possible; as of ECB letter 2020 additionally Pillar 2 Guidance (P2G) of 1.0% generally applies I 2) Estimated impact of approx. € 175mn RWA add-on by FML I 3) Rounding differences possible

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Upgrade by Moody's in mid 2021 to Baa1 reflects excellent capital position, de-risked portfolio and strong profitability trajectory

Key Credit Strengths

- Robust and resilient capitalization, well above regulatory requirements and peers
- Substantially de-risked and simplified asset portfolio underpinned by legacy disposals and conservative new business with prudent risk appetite and improving diversification, amid macroeconomic uncertainty
- Strong coverage of credit risks
- Progress towards diversifying the funding base, extending the maturity profile & maintaining substantial liquidity buffer
- Demonstrated expertise of owners drives best practices

Upside Drivers

- Demonstrating underlying franchise strength, with further improvement in risk-adjusted profitability
- Continued diversification by reducing concentration risks from cyclical assets
- Further maturity extension and diversified funding, early repayment of TLTRO and increase of organic funding
- Admission to BdB's (Association of German Banks) Deposit Guarantee Fund (ESF)

Ratings Overview[1]	Moody's	S&P
Issuer Ratings		
Deposit Rating	Baa1	–
Issuer Credit Rating (Long-Term)	Baa1 / positive	BBB / developing
Short-term Debt	P-2	A-2
Stand-alone Rating	ba1	bbb-
Instrument Ratings (Unsecured Issuances)		
"Preferred" Senior Unsecured Debt	Baa1	–
"Non-Preferred" Senior Unsecured Debt	Baa2	–
Subordinated Debt (Tier 2)	Ba2	–
Instrument Ratings (Secured Issuances)		
Mortgage Covered Bonds	**Aa1**	–
Ship Covered Bonds	A2	–

1) Latest publications by rating agencies available on Hamburg Commercial Bank's website: https://www.hcob-bank.de/en/investoren/rating/rating/

Strong financials well above German peers – HCOB with excellent metrics for capital and profitability

In %

Key Metrics	Ratios (in %)	HCOB		GER	Peer 1	Peer 2	Peer 3	Peer 4	Peer 5	Peer 6	EU
		H1 2021	Target 2022								
Capital	CET1 ratio	29.6	~25	15.5	13.2	13.4	19.2	15.4	14.8	15.6	15.5
	Leverage ratio	13.2	>12	5.5	4.8	4.6	5.7	5.9	7.5	4.4	5.7
Asset Quality	NPE / NPL ratio	1.9[1]	<2[1]	1.1	1.4	0.8	6.0	0.9	1.8	0.5	2.3
Liquidity	LCR	170	~140	160	143	-	>100	>150	205	-	172
Profitability	CIR	45	40-42	73	78	82	45	39	60	55	64
	ROE[2]	19.8	>12	4.1	6.5	-3.8	1.9	6.0	8.8	9.5	7.4
	NIM	1.4	>1.5	0.9	1.2	0.9	1.2	0.8	1.3	0.7	1.2
Long-Term Rating	Moody's / S&P	Baa1 / BBB	A3 / BBB+		A2 / A-	A1 / BBB+	A3/ -	- / BBB+	Baa1 / -	Aa3 / -	

Profitability	✓ Key profitability metrics (CIR, ROE, NIM) well above German peers, due to selective new business, NIM expansion, B/S optimization & decreasing funding costs – expanding successfully started track record will be major rating driver
Capital	✓ Excellent capitalization, well above average for higher-rated peers, excess capital will be managed over time
Asset Quality	✓ De-risked, sound, well-performing portfolio with manageable exposure in key Covid-19 impacted sectors & strong loss coverage
Liquidity	✓ Substantial liquidity buffer provide robust cushion for adverse scenarios, funding structure increasingly diversified

Source: Company reports on H1 2021 and EBA Risk Dashboard, 2021-Q2 for GER and EU comparisons | 1) NPE for HCOB | 2) ROE after taxes based on a 13%-ratio of invested CET 1 capital as reported for HCOB (8.7% ROE after taxes based on reported average IFRS capital as of H1 2021)

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Sustainability – Key achievements and next steps in embedding ESG into company's strategic framework

HCOB integrates sustainability considerations and objectives into its business strategy and actively manages social and environmental risks associated with business engagements. **We regard ourselves responsible to limit potential negative impact, to be a driver for positive change, and to be a reliable partner to advise and finance our clients ESG transition activities.** Thereby, we mitigate risks, contribute to positive change and seek for continuous improvement in environmental and social practices. In addition, we strive to be a 'Net Zero Bank' by 2050 the latest.

2020

- ✓ **Principles for Responsible Banking** and **UNEP FI membership** signed
- ✓ ESG applied to **credit standards** and **Blacklist** established
- ✓ **ESG Scoring** of new business and simulation of total loan book
- ✓ First **sustainability rating assessments** with significant improvements for Sustainalytics and IMUG

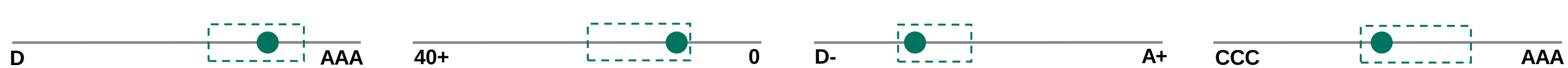
H1 2021

- ✓ **Comprehensive ESG Roadmap** finalized
- ✓ **CSR Report 2020** published on 1st April
- ✓ **Sustainability Governance** – Sustainability Committee & Office established on 1st April
- ✓ **Blacklist** enhancement and operationalization completed
- ✓ **Investment Policy** with respective ESG considerations approved
- ✓ **Signed PCAF** as carbon accounting standard

H2 2021

- ✓ Updated **ESG Factbook** published
- **ESG related strategy approach and target setting/ambition levels** for Group HCOB and by business unit aligned with supporting our client's energy transition priorities
- **ESG Scoring** on single loan basis of entire loan portfolio
- **Green Bond issuance** capability
- **2nd Sustainability Rating Assessment** with focus on ISS and MSCI

imug		Sustainalytics		ISS ESG		MSCI	
2019	**2020**	2019	**2020**	2019	**2020**	2019	**2020**



Legend: ● HCOB ⬚ Average range of peers rating results

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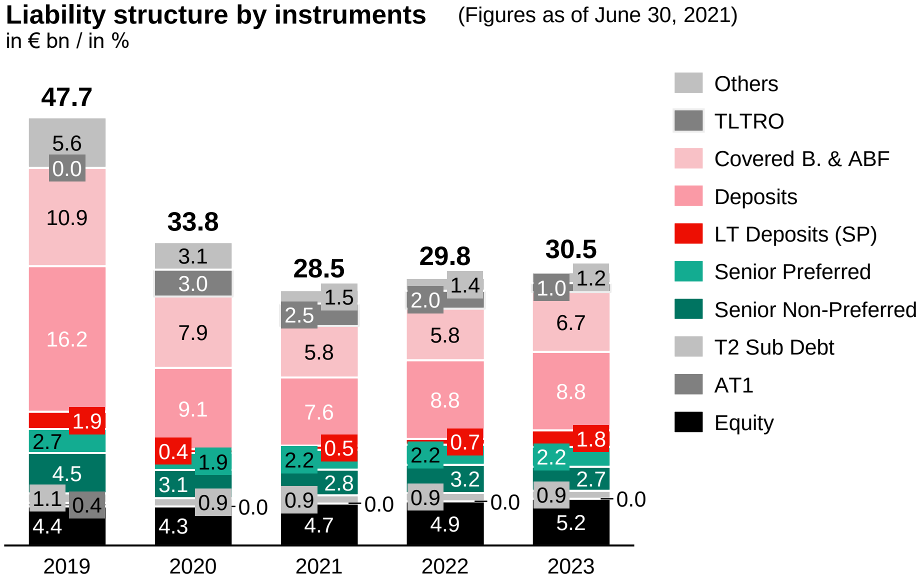
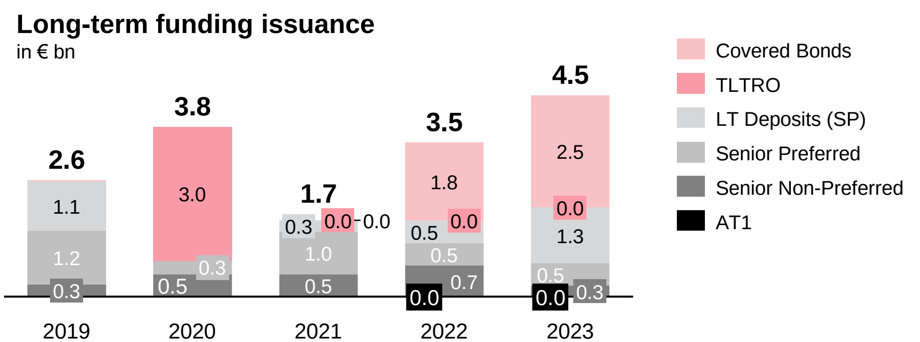
3. FUNDING & PFANDBRIEF MORTGAGE BENCHMARK
Transaction

Prudent liability & funding strategy and excellent capital position



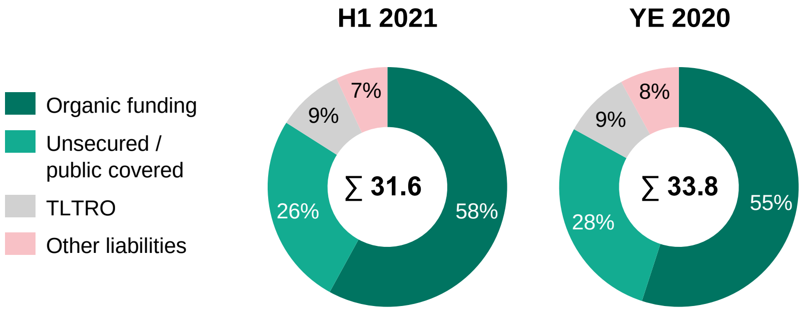


- **Reduction of b/s** key to reposition liability structure towards longer maturities, broader instrument range and improved deposit structure
- Liability stack with extremely **strong capital cushion** (equity, AT1) for senior investors
- Funding strategy supports strengthening **key parameters (LGF, MREL)** by issuance of SNP at very compelling cost
- **Extension of credit curve,** which started with issuance of 5 year SP issuance in March 2021 is progressing well
- Deposit funding has been reduced vs. **long-term funding instruments**,
- **Deposit franchise** is being strengthened by initiatives, targeting stickier franchise deposits and USD deposits, in particular
- **TLTRO** being used to further optimize in particular CoF, but reduction is likely faster than envisaged in MTP (partial TLTRO reduction settled in September and December) and substituted by other long-term funding
- Given the bank's business model, issuance of **covered bonds** remains a reliable pillar of optimized refinancing in terms of tenor and cost going forward; asset encumbrance levels (AE) are being monitored

Liability strategy linked to core business – 58% of funding sources are organic funding from clients & deliver franchise value

€ bn	H1 2021	YE 2020	∆
Capital	4.5	4.4	+0.1
Development Banks	3.0	3.8	-0.8
Mortgage covered bonds	2.9	2.9	-
Shipping covered bonds	0.1	0.1	-
Franchise deposits	7.6	7.3	+0.3
Organic funding	**18.1**	**18.4**	**-0.3**
Other deposits[1]	1.3	1.9	-0.6
Public covered bonds[2]	1.0	1.2	-0.2
Unsecured Funding (SP/SNP)	5.2	5.4	-0.2
Tier 2	0.9	0.9	-
Unsecured / public covered	**8.4**	**9.5**	**-1.1**
TLTRO	3.0	3.0	-
Other liabilities[3]	2.1	2.9	-0.8
HCOB Group	**31.6**	**33.8**	**-2.2**

Funding Composition HCOB
in € bn



Maturity profile senior non-preferred / preferred / Tier 2

in € bn	H2-2021	2022	2023	2024
Senior non-preferred	0.3	0.4	0.7	0.2
Senior preferred	0.3	0.6	0.3	0.5
Tier 2	0.0	0.0	0.0	0.0
Total	**0.6**	**1.0**	**1.0**	**0.8**

- Funding strategy of HCOB focusses on increasing the organic funding as it leverages on banks core business and leads to increased franchise value
- Other liabilities have been actively reduced by over 25%
- As a result of this strategy, organic funding significantly increased from 55% to 58% during H1 2021
- Share of organic funding will increase before BdB entrance. Going forward, share of organically sourced liabilities will be expanded further (e.g., by lower TLTRO, further leveraging of covered bond franchise)

Rounding differences possible 1) Non-core deposits, mainly to non BdB eligible clients I 2) Public financing is not part of HCOB's core business I 3) Derivatives, received cash collaterals, provisions

Real Estate – Key facts on one of the core business segments

Market Strategy	• HCOB has positioned itself as a highly recognized German real estate sector specialist, active across regions with the ability to enable premium prices in comparison with peers in a competitive environment
HCOB's Portfolio	• Majority of properties are located in Germany (91%), with 69% of clients based in Germany & 25% of clients from other European countries • Sectors: (1) Office value-add, (2) Construction and (3) Retail • Financing existing properties (~75% of portfolio), often with value add component and development loans (~25% of portfolio), core deals are not focused
HCOB's Clients	• Majority of clients is based in Germany (71%), followed by clients from other European countries (25%) & non-European clients (4%) • Nearly all relationships based on customer franchise with revolving business approach
Outlook	• Well-connected German team, establishing an international team • Increase international footprint in focus markets BeNeLux, UK and USA. Targeting ~20% international portfolio by YE2024

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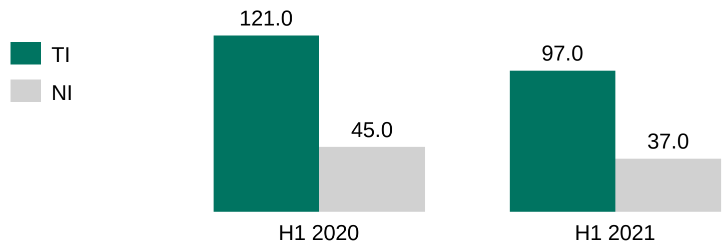
Real Estate – Operating business characterized by risk-conscious & earnings-optimizing development of the portfolio

TI, NI & ROE[1]: Sound operating performance

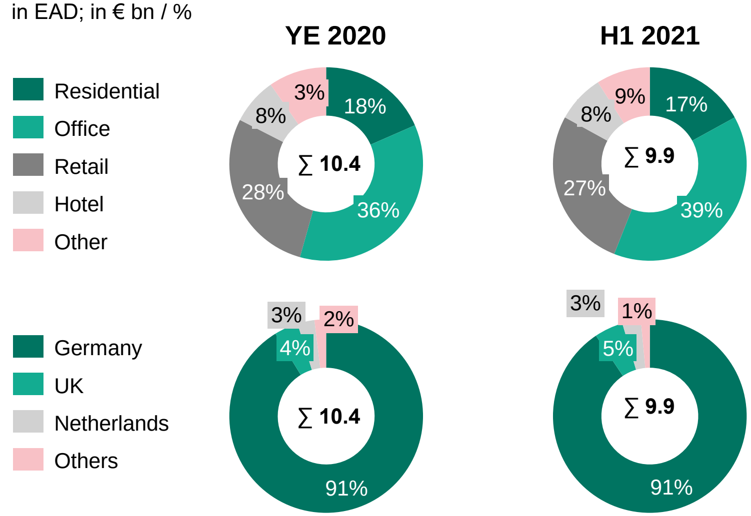
in € mn / %



ROE (%)	13.6	17.2

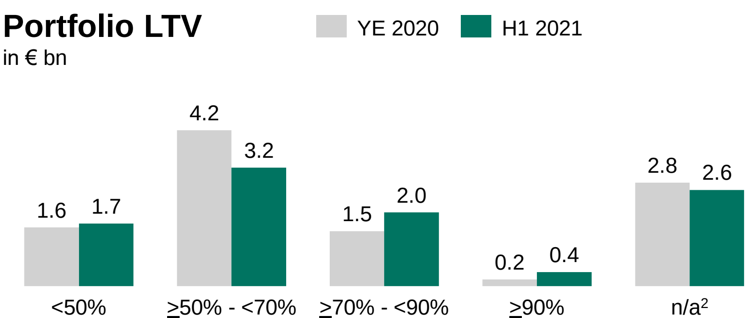
Portfolio by segment and region

in EAD; in € bn / %



Portfolio LTV

in € bn



- Increased ROE[1] reflects more selective approach for new business with higher margins and lower funding costs
- Gross New Business is recovering following crisis-driven lower credit demand last year
- Asset quality overall at sound levels, some weakening for hotels and retail exposures
- Moderately higher average LTVs, increasing from 61% to 62%, remaining at sound levels

Rounding differences possible | 1) Total Income, Net Income, ROE after taxes based on a 13%-ratio of invested CET 1 capital as reported I 2) Property-developments monitored separately

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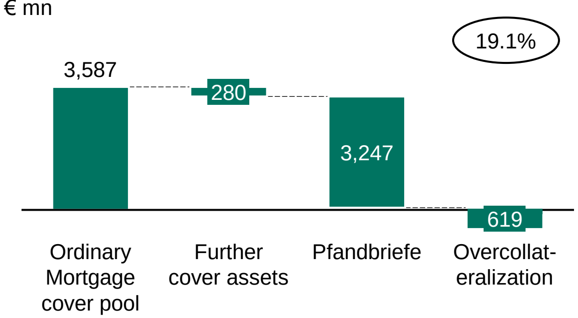
Mortgage Pfandbrief Cover Pool – Aa1 Rating by Moody‘s

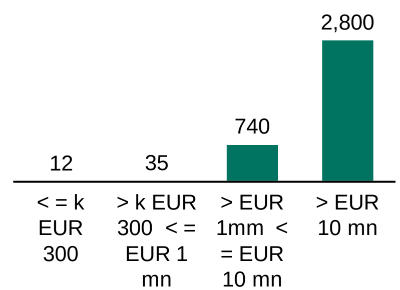
Cover pool – nominal value

in € mn



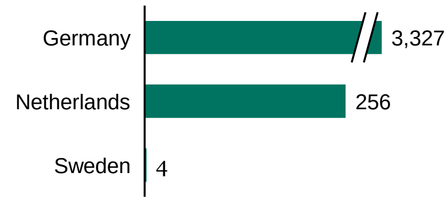
Breakdown by average loan size

in € mn



Ordinary cover pool by region

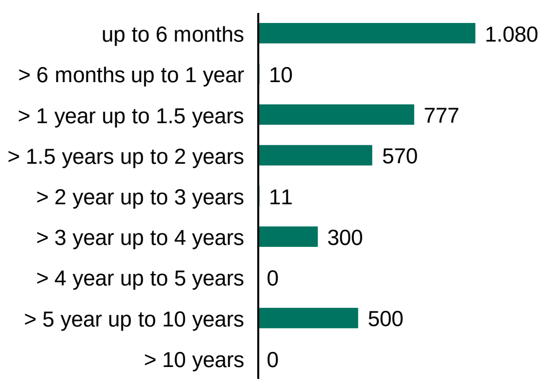
in € mn



Maturity structure

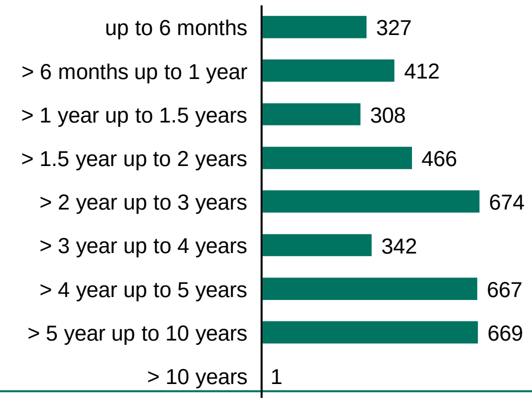
Pfandbriefe outstanding

in € mn; total: € 3,247.3mn



Cover pool volume

in € mn; total: € 3,866.2mn



As of 31 December 2021; source: www.hcob-bank.de /en/ investoren /funding according to §28 PfandBG; deviations may occur due to rounding

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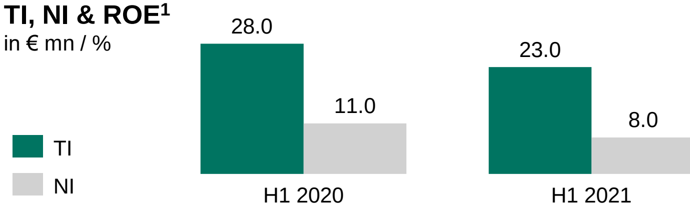
4. APPENDIX

Project Finance – Domestic and international project focus contributes strongly to income and portfolio risk diversification

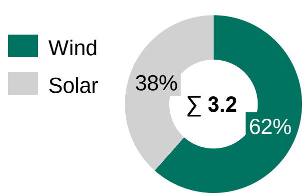
Renewable Energy

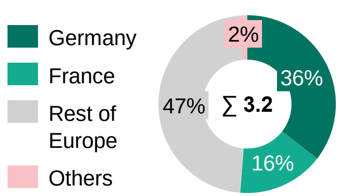
TI, NI & ROE[1]
in € mn / %



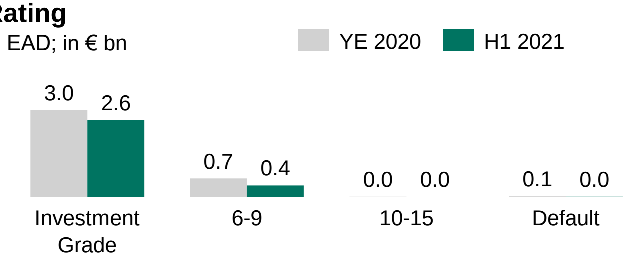
ROE (%)	H1 2020	H1 2021
ROE (%)	10.1	9.9

EAD by Asset Class and Region
in € bn



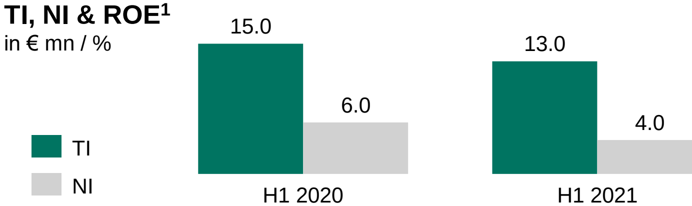


Rating
in EAD; in € bn



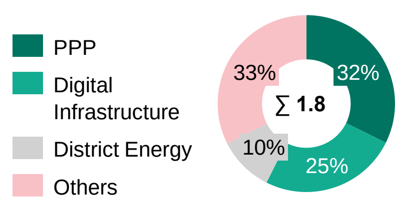
Infrastructure

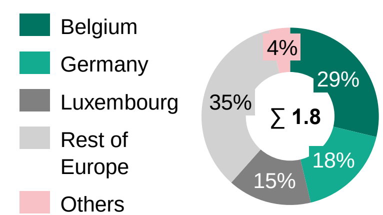
TI, NI & ROE[1]
in € mn / %



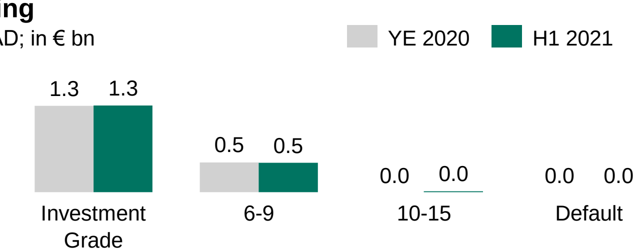
ROE (%)	H1 2020	H1 2021
ROE (%)	7.8	6.5

EAD by Asset Class and Region
in € bn





Rating
in EAD; in € bn



Rounding differences possible | 1) Total Income, Net Income after taxes, ROE after taxes based on a 13%-ratio of invested CET 1 capital as reported

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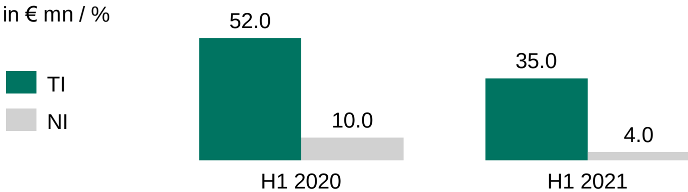
Corporates – Ongoing de-risking with simultaneous development of Corporates International as strong new segment

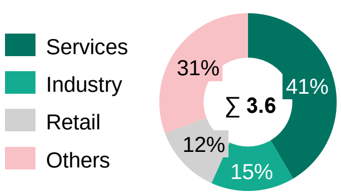
Corporates

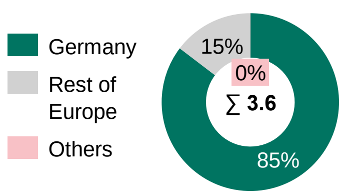
TI, NI & ROE[2]
in € mn / %



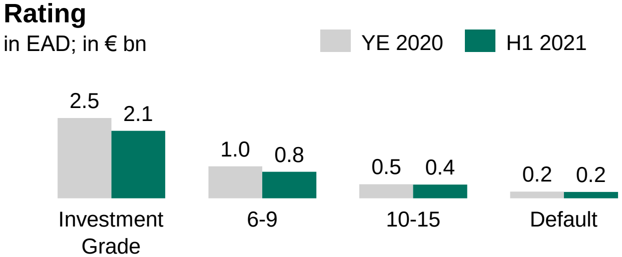
ROE (%)	H1 2020	H1 2021
ROE (%)	3.8	2.2

EAD by Asset Class and Region
in € bn



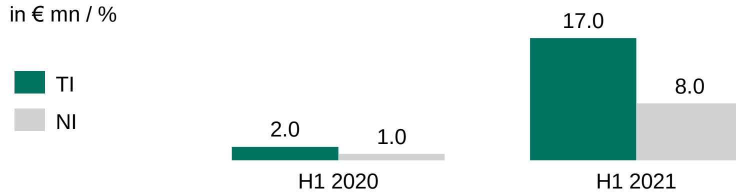


Rating
in EAD; in € bn



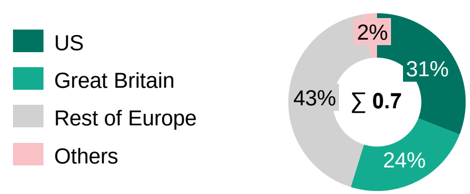
Corporates International[1]

TI, NI & ROE[2]
in € mn / %

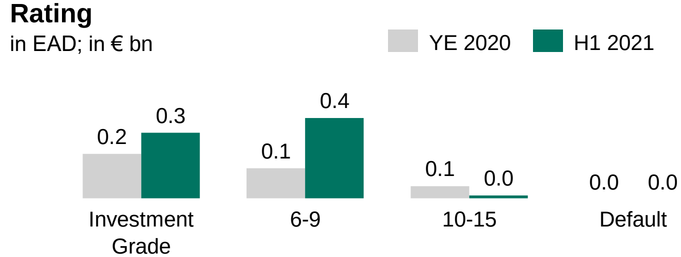


ROE (%)	H1 2020	H1 2021
ROE (%)	22.6	22.2

EAD by Region
in € bn



Rating
in EAD; in € bn

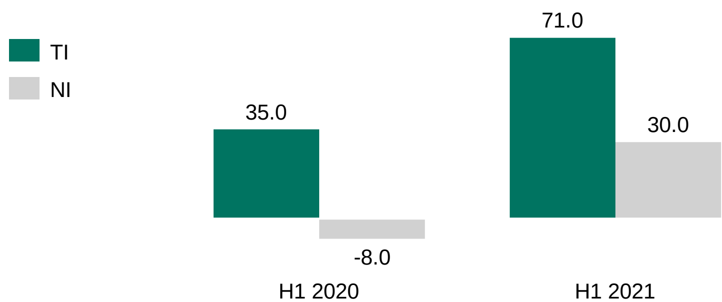


Rounding differences possible | 1) Former "Diversified Lending" | 2) Total Income, Net Income, ROE after taxes based on a 13%-ratio of invested CET 1 capital as reported

Shipping – Strong improvement of results due to significant increase in total income and lower risk costs

TI, NI & ROE[1]: Sound operating performance

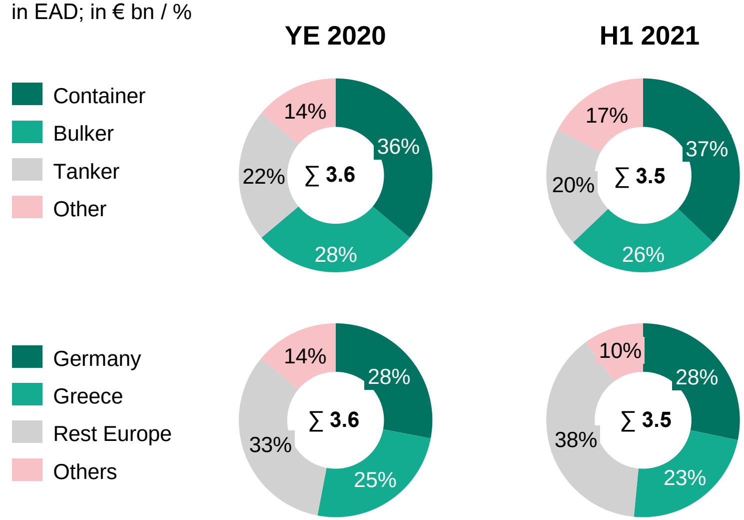
in € mn / %



	H1 2020	H1 2021
ROE (%)	-3.7	20.8

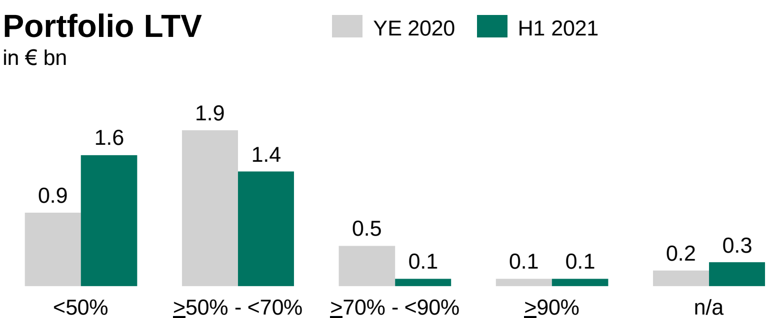
Portfolio by segment and region

in EAD; in € bn / %



Portfolio LTV

in € bn



- Encouraging earnings development was driven by the significant increase in total income, which also benefited e.g., from positive valuation effects on customer derivatives and loans, coupled with strong operating performance
- Lower risk costs also contributed to earnings improvement
- Encouraging overall development on the shipping markets despite Covid-19 crisis, favored increase in New Business
- Average LTV improved from 61% to 50% as secondhand values for Container and Bulker increased

Rounding differences possible | 1) Total Income, Net Income, ROE after taxes based on a 13%-ratio of invested CET 1 capital as reported

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Hamburg Commercial Bank

List of acronyms

Acronyms	Long term
AC	At cost
Avg. or ∅	Average
BAU	Business as usual
BdB	Bundesverband deutscher Banken (Association of German Banks)
b/s	Balance sheet
BPS	Base points
BU	Business Unit
CAPEX	Capital expenditures
CoF	Cost of funds
CET1	Common Equity Tier 1
CIR	Cost-Income-Ratio
CRE	Commercial Real Estate
CRM	Credit Risk Management
CRR	Capital Requirements Regulation
CSR	Corporate Social Responsibility
CTB	Change-the-bank
Δ	Delta
EAD	Exposure at Default
ESG	Environmental, Social, Governance
FC	Forecast
FTE	Full time employees
FVPL	Fair value through profit or loss
FY	Full year
GHG	Greenhouse gas
H1	First half year
IFRS	International Financial Reporting Standards
KPI	Key performing indicator
LaR	Loans and Receivables
LCR	Liquidity Coverage Ratio
(S)LLP	(Single) Loan Loss Provision
LTV	Loan to value
M&A	Mergers & Acquisition
MB	Management Board

Acronyms	Long term
NI	Net Income
NIB	Non-interest bearing
NIM	Net Interest Margin
NPC	Non personnel cost
NPE	Non Performing Exposure
NPL	Non-performing loan
NSFR	Net Stable Funding Ratio
OCI	Other comprehensive income
OPEX	Operating expenses / Administrative expenses
PCAF	Partnership for Carbon Accounting Financials
Pbt	Profit before taxes
PC	Personnel cost
P&L	Profit & Loss
PP	Percent point
PY	Previous year
Q1	First quarter
OTD	Originate-to-distribute
ROE	Return on Equity
RTB	Run-the-bank
RWA	Risk-weighted assets
Saki	Regulatory reporting local gaap
SB	Supervisory board
SREP	Supervisory Review and Evaluation Process
SVA	Shareholder value added
TI	Total Income
TLTRO	Targeted longer-term refinancing operations
TSY	Treasury
UNEP FI	United Nations Environment Programme Finance Initiative
wrt	With respect to
w/o	Without
YE	Year end
YTD	Year to date
YTG	Year to go

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Within the management reporting framework, the Bank focuses on the most important management indicators for the individual value drivers of the IFRS Group. On the one hand, the focus is on how these key indicators changed compared to the previous year and, on the other, on how they are expected to change in the future. The Group management report for the 2020 financial year contains further information on the management system and defined management parameters of the Hamburg Commercial Bank Group as well as disclosures.