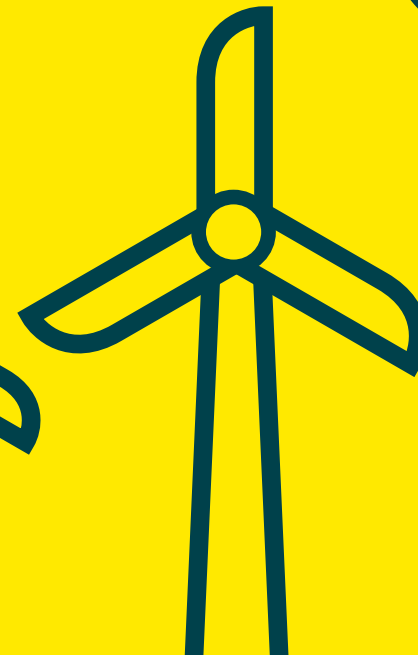
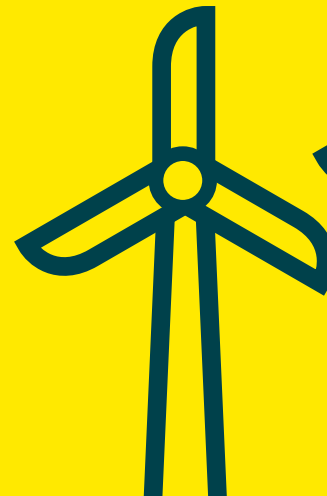
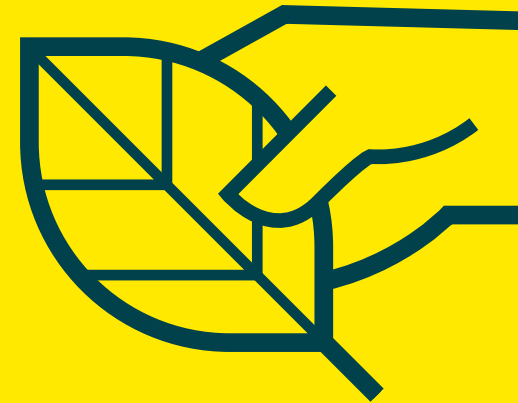
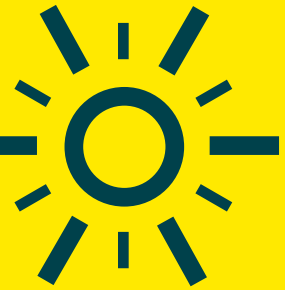




COMMERZBANK

Transformation Net-Zero

GRI report 2021



Contents

Foreword 03

GRI content index

GRI 101 Foundation 06

GRI 102 General Disclosures 06

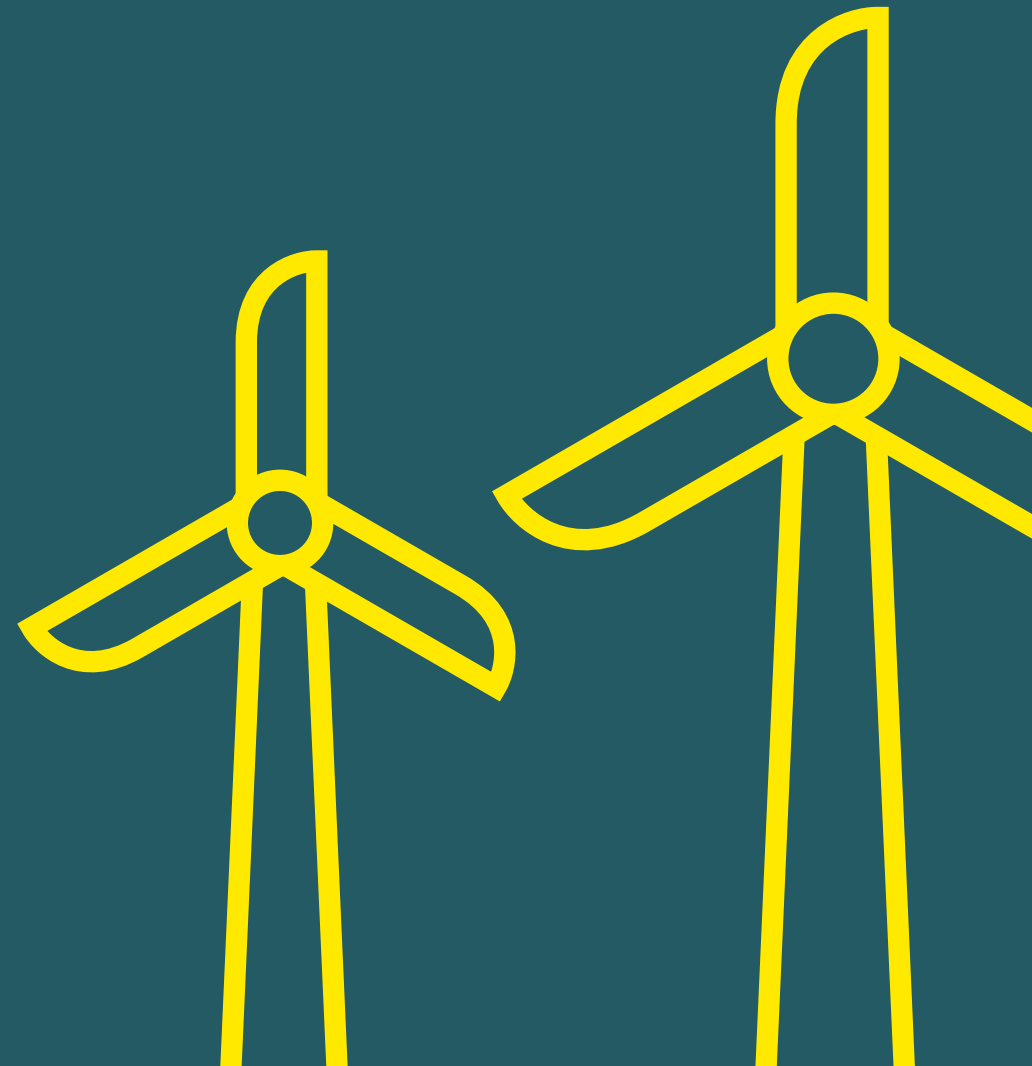
GRI 200: Economy 28

GRI 300: Environment 37

GRI 400: Social 50

Sustainable Finance 72

[Imprint](#)



Foreword

Dear Sir/Madam,

February, the 24th 2022 will go down in history as the day peace in Europe ended. The events in Ukraine sadden, shock and leave no one untouched. The war in Ukraine saddens me and affects everyone around me. While considering what this means for the future, the first days and months were dedicated to organising relief for the civilians affected by the war. Commerzbank donated a total of 200,000 direct financial aid to two organisations. Customers and employees gave another 386,000 euros as part of this campaign. In addition, many colleagues were active in local initiatives that provided aid to refugees. Around the globe people are coming together in solidarity, sadly a lot of grief remains.

The Russian attack on Ukraine painstakingly shows how dependent we are on energy imports and global supply chains. Germany must now succeed in expanding our only significant source of energy, renewables, more quickly. It is adamant that Europe becomes more self-sufficient in important industrial sectors. The pandemic has shown us what we are capable of with regard to the pharmaceutical industry - this also applies for other strategically important areas.

This sustainability report that follows the standards of the Global Reporting Initiative - in short GRI - aims to show what Commerzbank is already doing for sustainable development and what we have planned for the future. As part of our "Strategy 2024", sustainability has been defined as one of the four main pillars of our company's success. As a bank, we want to play our part in achieving the United Nations Sustainable Development Goals (SDG) and commit to the goal of the Paris Climate Agreement.

To achieve this, in April 2021 we committed to becoming a net zero bank, i.e. to reduce the total greenhouse gas emissions associated with our operations to net zero. In one of our net zero goals, we commit to mobilising more than €300 billion for sustainable transformation by 2025. We made good progress towards this in 2021. The measures in our sustainability strategy also include managing our investment and loan portfolios from a sustainability perspective.

>>



Dr. Manfred Knof
Chairman of the
Board Commerzbank AG

GRI 102-14

Statement from senior decision-maker

“ In April 2021, we committed to becoming a net zero bank, i.e. to reduce the total greenhouse gas emissions associated with our operations to net zero. ”

On the one hand, this involves the impact of our business activities and the associated CO₂ emissions. On the other hand, we deal with the risks that climate change in particular has on us as a bank within the framework of scenario analyses. In 2021, we have made significant progress in both areas and report on them in accordance with the requirements of the TCFD (Taskforce on Climate-related Financial Disclosure) and the EU taxonomy in our [non-financial report](#) in the annual report.

The implementation of our sustainability strategy is carried out in the Group in a new strategic initiative, the progress of which we regularly review in the Group Sustainability Board established at the beginning of 2021. The increasing strategic anchoring is also reflected in the fact that the Supervisory Board established an ESG Committee at the beginning of 2022 and deals with the topic of sustainability in depth. For the 2022 financial year, the Supervisory Board has also significantly increased the weighting of sustainability goals for the variable remuneration of us Executive Boards members.

Last but not least, in 2021 the Coronavirus pandemic left its mark on our daily lives. The primary goal was and is to protect employees and customers alike. To his end, we have temporarily closed branches, restricted business trips and introduced shared business operations as early as 2020. In order to reduce contacts, a large part of the staff continued to work from home in 2021. This not only enabled us to significantly reduce our carbon footprint, but also to expand hybrid collaboration, i.e. the mix of working in the office and mobile working, for example working from home.

This is how the world changes and we change with it. That is why we started a new materiality analysis in sustainability management at the end of 2021. The

objective was to analyse the impact of our business activities on the environment and society worldwide and to derive from this is a new weighting of the sustainability issues that are essential for us. We are now taking the results into accounts in the strategy process: climate change continues to be the issue with the highest relevance for Commerzbank, while the protection of biodiversity is becoming a stronger focus. The sustainable use of natural resources and the associated circular solutions are also very important – to name just the three topics with the greatest impact in our environment and on our business success. This GRI report is based on the materiality analysis valid in the reporting year 2021. In the current year, the new findings will determine our work and subsequently our reporting.

This GRI report also serves as a progress report in accordance with the UN Global Compact, which we joined in 2006. Its 10 principles for labour standards, environmental protection, human rights and anti-corruption, as well as the 17 Sustainable Development Goals of the United Nations, form the basis of our sustainability work.

We are aware of our social responsibility for a successful and sustainable transformation. We work for this every day.

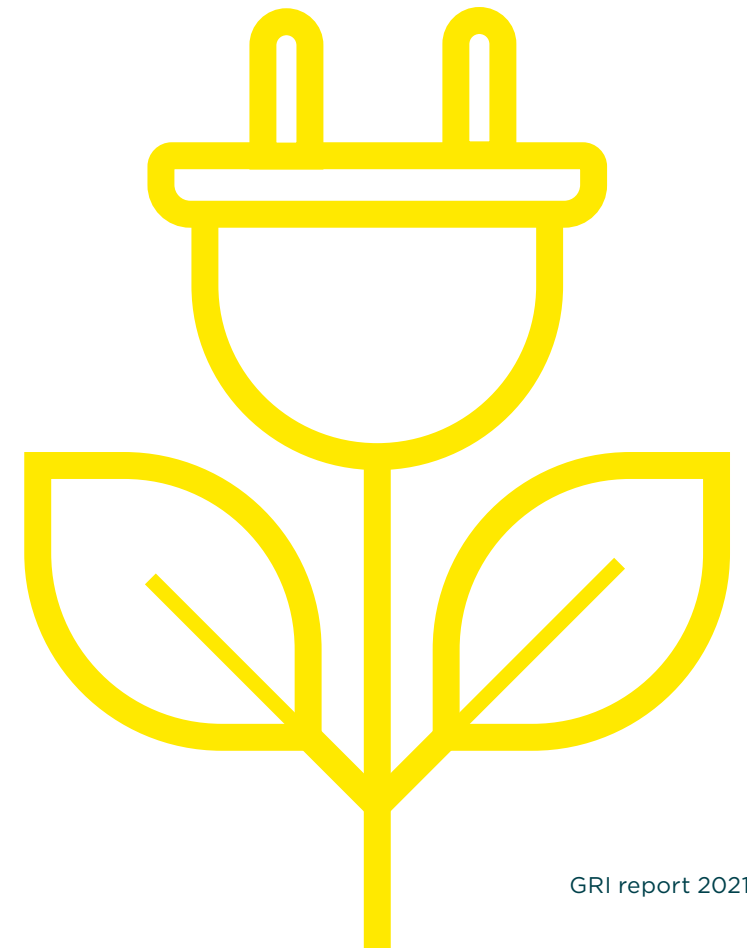
With best wishes,
Yours



Manfred Knof
Chairman of the Board Commerzbank AG

Report according to Global Reporting Initiative

For 2021, Commerzbank is reporting on its sustainability performance according to the Standards published by the Global Reporting Initiative (GRI). This report has been prepared in accordance with the GRI Standards: “Core” option. The disclosures included in the report were selected based on a materiality analysis conducted in 2018. This report also serves as our annual Communication on Progress regarding our implementation of the ten principles of the UN Global Compact (UNGC).



GRI content index

For the Materiality Disclosures Service, GRI Services reviewed that the GRI content index is clearly presented and the references for Disclosures 102-40 to 102-49 align with appropriate sections in the body of the report. The service was performed on the German version of the report. All the GRI Standards listed in the following GRI content index were published in 2016. The exceptions are the updated standard GRI 403: Occupational Health and Safety 2018 and the new standard GRI 207: Taxes 2019.



GRI 101 Foundation

We have taken the content of Standard 101 (Foundation) into account in compiling this GRI report.

GRI 102 General Disclosures

1 Organisational profile

102-1	Name of the organisation	Commerzbank AG
102-2	Activities, brands, products, and services	The Bank's two business segments – Private and Small-Business Customers and Corporate Clients – offer a comprehensive portfolio of financial services precisely tailored to their customers' needs. As a result of the integration of Comdirect, private and small-business customers benefit from the services of one of Germany's most modern online banks combined with telephone services and personal consulting services on site. The subsidiary mBank in Poland is an innovative digital bank and supports around 5.5 million private and corporate customers, mainly in Poland as well as in the Czech Republic and Slovakia.
102-3	Location of headquarters	Commerzbank AG's headquarters are located in Frankfurt am Main, Germany.
102-4	Location of operations	Commerzbank has locations in almost 40 countries across all continents. As of 31 December 2021, outside Germany, the Bank is represented in all of the world's major financial centres through 6 material Group companies, 19 operational foreign branches (2020: 20) and 30 representative offices and financial institutions desks (2020: 30). The focus of the Bank's international activities is on Europe. For details on Commerzbank's global presence, please see the Annual Report 2021 (rear jacket).

1 Organisational profile

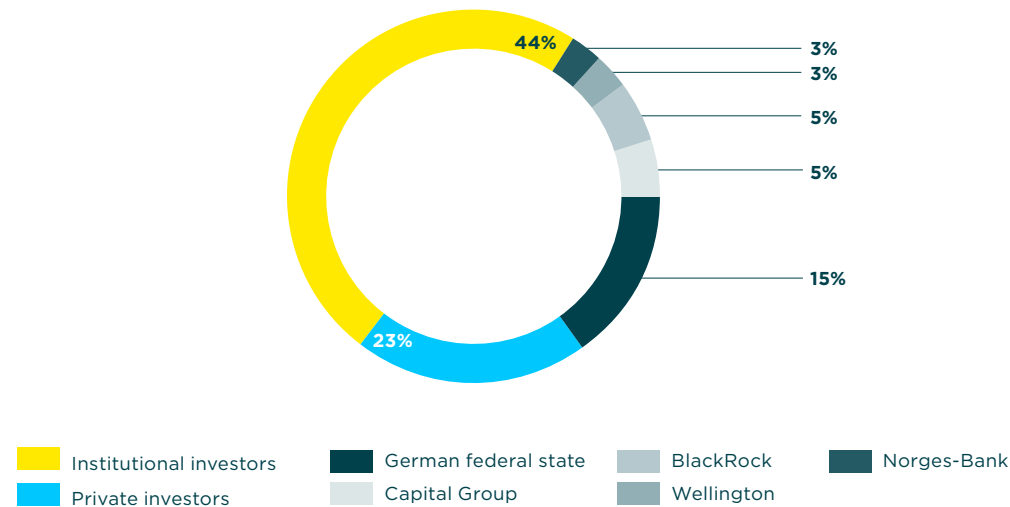
102-5 Ownership and legal form

Commerzbank is a public limited company (AG) under German law. As of 31 December 2021, approximately 38% of all Commerzbank shares were held by the Federal Republic of Germany as well as private shareholders, who are mainly resident in Germany. At the beginning of the year approximately 62% of all Commerzbank shares were in the hands of institutional investors, in particular the Capital Group, BlackRock, Wellington and the Norwegian State through Norges Bank.

At the beginning of the year, Cerberus sold a significant amount of its Commerzbank shares. The participation rate thus fell to just under 3%. Free float stood at roughly 84%.

Shareholder structure

As at 31 Januar 2022



102-6 Markets served

Commerzbank is the leading bank for SMEs, as well as a strong partner for around 28,000 corporate customer associations and around 11 million private and corporate customers in Germany. Die Commerzbank transacts approximately 30% of Germany's foreign trade and is represented internationally in corporate banking in almost 40 countries.

The Bank focuses on German SMEs, large corporations and institutional customers. With regard to international business, Commerzbank supports customers with business ties to Germany and companies from selected up-and-coming industries, such as mobility, sustainability and communication, among others.

1 Organisational profile

102-7 Scale of organisation

In the 2021 financial year, the Commerzbank Group generated gross income of approximately 8.5 billion euros with a headcount of 46,218. The operating profit amounted to 1 183 million euros. Consolidated profit attributable to Commerzbank shareholders stood at 291 million euros. The Group had total assets amounting to 473,0 billion euros as at 31 December 2021.

Key performance indicators Commerzbank Group	2019 ¹	2020	2021
Operating profit (€m)	1 235	- 233	1 183
Pre-tax profit or loss (€m)	1 124	- 2 626	105
Consolidated profit or loss ² (€m)	585	- 2 918	291
Total assets ³ (€bn)	463.5	506.6	473
Equity as shown in balance sheet ³ (€bn)	30.5	28.6	29.8
Staff ⁴	48 512	47 718	46 218
of which Germany	34 584	33 551	31 939
of which abroad	13 928	14 167	14 279

¹ Figures partly restated.

³ As per 31 December of the year in question.

² Insofar as attributable to Commerzbank shareholders.

⁴ Headcount as per 31 December in the year in question.

102-8 Information on employees and other workers

UNGC: 6

At the end of 2021, 28,045 people were employed at Commerzbank AG in Germany. Another 3,497 Mitarbeiter, employees who work for Commerzbank AG abroad join this figure. Unless otherwise indicated, the figures for and information about employees below refer to Commerzbank AG employees in Germany. Headcount at Commerzbank AG in Germany decreased year on year by 1,556 employees. The majority of employees have permanent employment contracts. Around 31% of our employees currently work part-time. The proportion of external employees at Commerzbank is not significant.

Total workforce at Commerzbank AG (Germany) by gender and type of employment	2019		2020		2021	
	total	in %	total	in %	total	in %
Total number of employees of Commerzbank AG (Germany)	29 415	100	29 601	100	28 045	100
By gender						
Female	15 019	51	15 014	51	14 268	50.9
Male	14 396	49	14 587	49	13 777	49.1
By type of employment						
Employees not on collectively agreed pay scale	16 380	55.7	16 263	54.9	15 746	56.2
Employees on collectively agreed pay scale ¹	12 861	43.7	13 115	44.3	12 178	43.4
Non-salaried employees/other	174	0.6	223	0.8	121	0.4

¹ Including apprentices.

>>

1 Organisational profile

102-8 Information on employees and other workers

UNGC: 6

>>

Employment split (full time/part time) at Commerzbank AG (Germany) by gender and workforce by type of contract and gender		2019		2020		2021	
		total	in %	total	in %	total	in %
Employment split by gender¹							
Full time		19 580	70.5	19 274	69.5	18 252	69.1
of which female		6 994	25.2	6 790	24.5	6 401	24.2
of which male		12 586	45.3	12 484	45.0	11 851	44.9
Part time		8 198	29.5	8 456	30.5	8 149	30.9
of which female		7 383	26.6	7 492	27.0	7 245	27.5
of which male		815	2.9	964	3.5	904	3.4
Workforce by type of contract and gender							
Permanent contracts		27 899	95	26 530	89.6	25 353	90.4
of which female		14 398	49	13 422	45.3	12 745	45.4
of which male		13 501	46	13 108	44.3	12 608	45.0
Fixed-term contracts		1 516	5	3 071	10.4	2 692	9.6
of which female		621	2	1 592	5.4	1 523	5.4
of which male		895	3	1 479	5.0	1 169	4.2

¹Excluding trainees.

Employees at Commerzbank AG (Germany) by place of work and type of contract		2019		2019		2021	
		total	in %	total	in %	total	in %
Employees by place of work							
Frankfurt		11 571	39.3	10 845	36.6	10 101	36.0
Rest of Germany		17 844	60.7	18 756	63.4	17 944	64.0
Workforce by type of contract and place of work							
Permanent contracts		27 899	95	26 530	89.6	25 353	90.4
Frankfurt		11 096	38	9 888	33.4	9 442	33.7
Rest of Germany		16 803	57	16 642	56.2	15 911	56.7
Fixed-term contracts		1 516	5	3 071	10.4	2 692	9.6

102-9 Supply chain

The core product categories for the procurement of suppliers and service providers at Commerzbank are the infrastructure for data processing (including network technology, computing centres and telecommunications), market data, services (particularly advisory services, external HR services and mobility services) and buildings, logistics and insurance (such as construction works, operational management of buildings and banking technology). Please see [GRI 308/103](#) for information about the sustainability criteria.

1 Organisational profile

102-10 Significant changes to the organisation and its supply chain

Important staffing and business policy events are presented in detail in the [Annual Report 2021](#) (page 69 et seq.):

- Personnel changes to the Board of Managing Directors and Supervisory Board took place at different points in 2021.
- Since May 2021, Commerzbank has been cooperating in the equities area with the German-French financial group ODDO-BHF.
- Commerzbank is making good progress towards the cost reductions targeted under the “Strategy 2024” programme. At the end of March 2021, the Bank agreed a voluntary programme with the Central Works Council for the required headcount reduction. Around 1,600 full-time employees left the Bank at the turn of the year under the voluntary programme at Commerzbank Aktiengesellschaft in Germany.
- Commerzbank announced in mid-December 2021 that it will sell its wholly owned subsidiary Commerzbank Zrt. to Erste Bank Hungary Zrt. The sale is part of the “Strategy 2024” programme, under which Commerzbank announced in February that it intends to streamline its international presence. The completion of the sale and thus the start of the operational implementation of the transaction is planned for the second half of 2022.
- In mid-June 2021, Commerzbank Aktiengesellschaft successfully issued the third bond under its issuance programme for Additional Tier 1 capital (AT1).
- As part of the “Sustainability Dialogue” which took place for the first time on 17 September 2021, the Bank Commerzbank

102-11 Precautionary Principle or approach

SDG: 12

We want to exploit all opportunities to avoid risks to our business and, at the same time, tap into opportunities for a future-oriented orientation. The identification of all material risks and drivers of risk, the independent measurement and evaluation of these risks and a risk/return-oriented management approach built on this foundation as part of a future-oriented risk strategy are crucial factors in successful risk management. For details, please see the Group Risk Report in the [Annual Report 2021](#) (p. 101 et seq.).

Climate risks are among the greatest challenges of our time. As a bank, we see our obligation in reviewing the impact of our financing and subsequently managing our portfolios in line with the Paris climate target. The integration of non-financial aspects into the Bank’s risk management processes is hugely important for sustainable finance. In particular, these include risks resulting from climate change. We do not see climate risks as a separate, “new” type of risk, but as a cross-sectional driver (what is known as a horizontal risk) that can materialise in the known types of risk – especially in credit risk. We have examined the possible future impact of physical and transitory risks on the credit portfolio within the framework of scenario analyses. In September 2020, Commerzbank joined the [Science Based Targets Initiative](#) (SBTi). By defining science-based targets to reduce CO₂ in our loan portfolio, we aim to contribute to climate change mitigation.

>>

1 Organisational profile

102-11 Precautionary Principle or approach

SDG: 12

>>

In April 2021, we joined the [Net-Zero Banking Alliance](#) of the United Nations Environment Programme Finance Initiative (UNEP FI) and are one of its first signatories.

The aim of this voluntary commitment is to align the Bank's entire lending and investment portfolio to net zero emissions by 2050 at the latest. At the same time, climate change also creates new risks and opportunities for our credit portfolio. To analyse and report on these in a transparent manner, we joined the [Task Force on Climate-related Financial Disclosures](#) (TCFD) in 2020.

The early identification and appropriate management of further environmental or social risks is incorporated into the Group's overall risk strategy and management via its [reputational risk management](#). As part of this [reputational risk management](#), we review products, transactions and customer relationships where sustainability aspects play a particular role. The focus is on ethically, socially or ecologically sensitive areas – for example, where projects may lead to increased pollutants in the air, water and soil, or where they may be linked to the over-exploitation of natural resources. We also take into account respect for human rights when doing business with our customers.

This can affect, for example, local residents or employees in incidents involving raw material extraction in developing and emerging countries. Reputational risk management sets prerequisites and limits for Commerzbank's business activities by defining excluding criteria, making differentiated assessments and rejecting transactions, products or customer relationships under certain conditions.

For details on climate and reputational risk management, please see [SF 103](#).

102-12 External initiatives

SDG: 17

For decades, Commerzbank has taken its responsibilities as a financial service provider very seriously, as evidenced by its membership in respected associations, including:

- German Association of Environmental Management (B.A.U.M., since 1987)
- German Association for Environmental Management and Sustainability in Financial Institutions (VfU, since 2006)
- Rhine-Main Environmental Forum (since 2009)
- German Sustainable Building Council (DGNB, since 2010)
- UPJ e. V. – German national network of engaged businesses and local non-profit intermediary organizations (since 2013)
- Green Bond Principles (since 2014)

>>

102-12 External initiatives

SDG: 17

>>

We are also members or signatories of the following initiatives:

- UNEP FI (founding member 1992)
- CDP, previously the Carbon Disclosure Project (since 2002)
- UN Global Compact (since 2006)
- Germany's Diversity Charter (signed 2008)
- The German Sustainability Code (statements of compliance since 2013)
- World Bank's Carbon Pricing Leadership Coalition (since 2015)
- Frankfurt Declaration "Accelerating Sustainable Finance" (since 2017)
- Green and Sustainable Finance Cluster Germany (since 2017)
- Climate Neutral Now (signed 2018)
- UN Women's Empowerment Principles (signed 2018)
- Alliance for development and climate (since 2018)
- Initiative "pro Recyclingpapier" (since 2019)
- Principles for Responsible Banking (founding signatory 2019)
- Green Investment Principles for Belt and Road (signed 2019)
- Climate Bond Initiative (since 2020)
- The collective commitment of the German financial sector to achieve the targets of the Paris Agreement on Climate Change (signed 2020)
- Principles for Responsible Investment (signed 2020)
- Task-Force on Climate-related Financial Disclosures (signed 2020)
- Science Based Targets initiative (signed 2020)
- Net Zero Banking Alliance (signed 2021)

In addition, we are actively involved in various working groups focused on further developing sustainability standards:

- Sustainability management working group of the Association of German Banks (since 2013; founding member)
- Project Committee "Sustainable Finance" of the Association of German Banks (since 2020)
- Sustainable Trade working group of the International Chamber of Commerce (since 2016)
- Sustainable Finance working group at the Institute of International Finance (since 2016)
- Human Right Peer Learning Group hosted by Global Compact Network Germany (since 2017)

1 Organisational profile

102-13 Membership of associations

Commerzbank is a member of a range of associations and interest groups, both at a national and an international level, including the following organisations:

- BdB – Bundesverband deutscher Banken (Association of German Banks)
- EBF – European Banking Federation
- VdP – The German Pfandbrief Banks
- Wirtschaftsrat der CDU (Economic council of the CDU)
- Wirtschaftsforum der SPD (Economic forum of the SPD)
- AICGS – American Institute for Contemporary German Studies
- IIF – Institute of International Finance
- Gesellschaft zum Studium strukturpolitischer Fragen (“Association for the study of structural policy issues”)
- AFME – Association for Financial Markets in Europe
- SUERF – The European Money & Finance Forum
- EPFSF – European Parliamentary Financial Services Forum
- Centre for European Policy Studies (CEPS)

2 Strategy

102-14 Statement from senior decision-maker

UNGC: 1-10 / SDG: 7, 9, 13

[Please see pp. 3](#)

102-15 Key impacts, risks and opportunities

SDG: 12

Companies can have economic success only if their daily actions are accepted by society. Commerzbank also emphasises this in its strategic objectives. We want to live up to this responsibility. We have long defined binding rules for handling environmental and social risks. That is why we have adopted a clear stance on controversial issues such as arms, fossil energies and mining (please see SF 103). Transparency and fairness towards our customers are one of the key pillars of sustainable business development. We treat our employees as partners – even and especially at times of great upheaval and economic challenges. The far-reaching restructuring associated with our new strategy will lead to a further loss of jobs. To this end, Commerzbank reached an agreement with the employee representatives early on in the reporting year on a framework social plan with the aim of achieving a fair and, as far as possible, socially acceptable reduction in jobs (please see GRI 403/103).

The coronavirus pandemic continued to mark 2021. Health protection is a top priority for Commerzbank during the coronavirus pandemic. A crisis team was set up for this purpose at the very beginning of the pandemic, which reacts to the respective developments, decides on new measures and coordinates them. Primary goal is to protect our employees and customers. This includes, among other things, the temporary closure of many branches, the restriction of business trips and a split business operation.

>>

2 Strategy

102-15 Key impacts, risks and opportunities

SDG: 12

>>

A large part of the workforce is working from home on a mobile basis in order to avoid contact with others. At the same time, we have made it possible to continue to stand by our customers' side during this stressful period.

With the Strategy 2024 published in mid-February 2021, we have anchored sustainability as one of four pillars in our business model. The other three pillars are customer oriented, digitalisation and profitability. We are convinced that sustainability must be approached holistically. In this conjunction, we view sustainability across all ESG dimensions, i.e., environmental, social and good corporate governance. We focus on mitigating climate change and its consequences, as this is where the most urgent need for action exists due to the irreversibility of climate change once it has occurred. As a bank, we are committed to the Paris Agreement's goal of limiting global warming to well below two degrees Celsius and are aiming for the 1.5-degree target.

Sustainability affects all areas of the Bank. Hence, we will continue to integrate the topic into our customer offers, risk management and banking operations. On the one hand, we empower our customers and help them to achieve sustainable transformation. This entails our support for our customers in their endeavours to become more climate-friendly. To this effect, we will further expand our range of environmentally friendly products, thereby also securing our appeal and competitiveness. On the other hand, we are driving forward the Bank's transformation. To this end, we want to set a good example as a company and consistently continue to cut back on our ecological footprint.

In a further step, Commerzbank therefore joined UNEP FI's [Net-Zero Banking Alliance](#) in April 2021. The goal is to reduce the carbon footprint of the Bank's entire lending and investment portfolio to net zero by 2050 at the latest. To reliably measure our reduction progress, we rely on the Science-based Target Initiative's (SBTi) CO₂ reduction targets, according to which we aim to manage our portfolios in line with the Paris Climate Agreement from 2025 at the latest. For our own banking operations, the Bank already aims to reduce CO₂ emissions to zero by 2040. By 2025, greenhouse gas emissions in the bank are already to be reduced by 30% (compared to 2018). We expect our suppliers to be at least carbon neutral by 2040. We have also set ourselves the goal of increasing the volume of sustainable financial products to 300 billion euros by 2025. Of which 100 billion euros in the private and corporate client segment and 200 billion euros in the corporate client segment. By the end of 2021, the bank has mobilized 194.2 billion euros for sustainable products.

3 Ethics and Integrity

102-16 Values, principles, standards and norms of behaviour

UNGC: 10 / SDG: 16, 12

For us, sustainable corporate governance means striving to keep the promise of being "The bank at your side". We are committed to being a reliable partner to our stakeholders and act in line with ethical values, such as integrity and fairness.

We undertake to comply with legislation, directives and market standards as well as various internal policies. In addition, we have been committed to the globally recognized principles of the [UN Global Compact](#) since 2006.

>>

3 Ethics and Integrity

102-16 Werte, Grundsätze, Standards und Verhaltensnormen

UNGC: 10 / SDG: 16, 12

>>

Integrity is part of Commerzbank's self-perception and the basis of its business model. All employees act in an attentive, trustworthy and reliable manner. As such, we create prospects for discerning people and companies. The globally binding [Code of Conduct](#), which was updated in the first quarter of 2022, summarises Commerzbank's understanding of impeccable ethical and moral behaviour and sets clear standards. It goes beyond legal and regulatory requirements, serves as a guide in daily operations and is the key to sustainable success.

Important guidelines for responsible conduct are also laid out in the:

- Corporate culture, with the 3 ComWerte (corporate values) of integrity, performance and responsibility;
- [Corporate Responsibility Guidelines](#), which refer to six areas of compliance and transparency, integration in core business, raising employee awareness, stakeholder dialogue, commitment to the United Nations Global Compact and continuous improvement;
- [Commerzbank policy framework](#) for handling environmental and social risks in its core business;
- [Commerzbank environmental policies](#); and
- [Procurement guidelines](#), which include ethical guidelines and the sustainable procurement standard.

An overview of these guidelines can be found on Commerzbank's [sustainability portal](#).

4 Governance

102-18 Governance structure

SDG: 12

The Board of Managing Directors of Commerzbank is responsible for independently managing the Bank in the Bank's best interest. In doing so, it must take into account the interests of shareholders, customers, employees and other stakeholders, with the objective of sustainable value creation. It develops the company's strategy, discusses it with the Supervisory Board and ensures its implementation.

The Supervisory Board advises and supervises the Board of Managing Directors in its management of the Bank. It appoints and dismisses members of the Board of Managing Directors and, together with the Board of Managing Directors, ensures that there is long-term succession planning. Further information can be found in the Report of the Supervisory Board (pp. 6-18) and the Declaration of Corporate Governance (pp. 27-33) in the [Annual Report 2021](#).

102-19 Delegating authority

The Group Sustainability Management coordinates and develops sustainability activities as a focal point. Its objectives are, among other things, to establish comprehensive governance alongside a holistic and long-term sustainability strategy and thus to further promote internal networking on the subject. The department reports to the Chairman of the Board of Managing Directors. In doing so, Commerzbank is underlining the strategic importance of the respective topic and takes into account the requirements of relevant stakeholder groups such as customers and investors.

The "Sustainability Group", for example, was set up to strengthen internal networking. The format provides information on sustainability and related activities at the bank. This supports cross-divisional exchange while strengthening the topic of sustainability throughout the Bank.

>>

102-19 Delegating authority

>>

In addition to Group Sustainability Management, other divisions of the Bank are also actively engaged in the topic of sustainability. In May 2021, with “Sustainability 360°” a strategic initiative was launched which is the result of a major sustainability project launched in 2019. The customer segments, Risk Management and a number of other Group divisions are involved in the Group-wide initiative, as is Commerz Real. It thus forms an overarching framework for all sustainability work in the relevant departments and projects and ensures a close linking of overall issues, a coordinated approach and stringent tracking. A steering committee consisting of members of the top management of the relevant divisions monitors progress every two months. The status of the programme is regularly reported to the Board of Managing Directors.

The Risk Control unit has general oversight of climate and environmental risks. The risk function bears overall responsibility for the systematic integration of climate and environmental risks into the existing risk framework, governance and processes. For example, preparation for the ECB’s SSM climate stress test is carried out as part of a dedicated preparation project coordinated by Group Risk Management and in close cooperation with the “Sustainability 360°” strategic initiative.

Sustainability at Commerzbank AG



4 Governance

<p>102-20 Executive-level responsibility for economic, environmental, and social topics</p>	<p>To drive forward the sustainable alignment of the business model in all areas, Commerzbank set up its own decision-making body dealing with the topic of sustainability in February 2021. With the Group Sustainability Board, we are firmly anchoring the interdisciplinary topic of sustainability in the Bank’s organisation. The Board is responsible for defining the Bank’s strategic sustainability goals and also monitors the measures taken to implement and manage them.</p> <p>Further, the departments and segments regularly report the progress of sustainability projects and implementation of sustainability regulation. The Chairman of the Group Sustainability Board is the Bank’s CEO - Manfred Knof. In addition to him, the Board includes other members of the Board of Managing Directors, the executives of the segments and divisions concerned with sustainability, and the divisional management of Group Sustainability Management</p>
<p>102-22 Composition of the highest governance body and its committees</p>	<p>All ten shareholder representatives on the Supervisory Board, including the Chairman of the Supervisory Board, can be classified as “independent” pursuant to the German Corporate Governance Code. With regard to nominations for the election of Supervisory Board members, the Bank attaches particular importance to a diverse composition. To ensure that it is able to perform its duties efficiently, the Supervisory Board has formed seven permanent committees from amongst its members. The current composition of the committees is presented on page 19 of the Annual Report 2021, the members of the Supervisory Board are listed on the pages 20 and 21.</p>
<p>102-25 Conflicts of Interest SDG: 16</p>	<p>Conflicts of interests may arise whenever business interests are at stake. We make every effort to avoid such conflicts. If conflicts of interest nevertheless arise in individual cases, the internal guidelines for dealing with conflicts of interest, which adhere to the legal requirements and the European recommendations, apply to the members of the Supervisory Board. Information on conflict of interests is available in the Annual Report 2021 (pp. 15 and 30).</p>
<p>102-26 Role of highest governance body in setting purpose, values, and strategy</p>	<p>A particular focus of the Supervisory Board’s work was the supervision of strategy development, its further development and the monitoring of strategy implementation. Commerzbank’s sustainability strategy was also discussed in detail. In total, the Supervisory Board dealt intensively with the strategic orientation of the Bank in two strategy meetings in 2021, and the shareholder and employee representatives each also chaired meetings together with the Board of Managing Directors. Furthermore, the Supervisory Board dealt intensively with the effects of the coronavirus pandemic and assisted the Board of Managing Directors in an advisory capacity. The subject of all ordinary meetings was the current business situation of the Bank, which was discussed in detail with the Board of Managing Directors. The economic and financial development of the Bank and its business areas, the risk situation, the strategy and its implementation status or the aforementioned strategic transformation, planning, compliance and tax issues, regulatory audits, the risk management system and the internal control system were dealt with in depth. In addition to the two strategy meetings, a total of 12 Supervisory Board meetings were held in 2021. Details on the individual meetings can be found in the Annual Report 2021 (pp. 6-10).</p>
<p>102-27 Collective knowledge of highest governing body</p>	<p>Regular training and development measures were held for the Supervisory Board in the reporting year. In 2021 the following workshops were held, amongst others: “Balance sheet modelling from an interest and liquidity perspective”, “Cyber risk” and “Compliance/Anti-Money Laundering Act”. The Financial Market Integrity Strengthening Act and its implementation in the Bank were also presented to the full Supervisory Board. In addition, members of the Supervisory Board attended internal and external training courses on topics such as sustainability and corporate governance. Information on the training and development measures of the Supervisory Board is provided in the Annual Report 2021 (page 15).</p>

102-35 Remuneration policies

SDG: 5

We offer our employees an attractive remuneration package made up of basic salaries in line with market conditions, plus variable performance-related payments and numerous special supplements. The salaries of employees covered by collective bargaining agreements are governed by the collective bargaining agreements for the private banking sector. More senior positions are not subject to collective bargaining agreements. In this regard, we have classified all positions at the Bank into career paths and levels and defined compensation brackets for them in line with market condition.

As a result of the increased significance arising from expanded regulatory requirements, the remuneration systems and aggregated remuneration data for employees below the level of the Board of Managing Directors are disclosed in a separate report ([remuneration report](#) pursuant to Art. 16 of the Remuneration Ordinance for Institutions (Institutsvergütungsverordnung)). This is published annually on the [Commerzbank website](#). The Transparency in Wage Structures Act (Entgelttransparenzgesetz) has been applicable in Germany since 2017. Commerzbank's measures to promote equality between women and men in qualified positions, as well as its measures in favour of equal pay for women and men for equal work, are presented in the [Report on Gender Equality and Equal Pay](#) that was published in 2018 (Bericht zur Gleichstellung und Entgeltgleichheit). By offering attractive additional benefits, we want to create a good working environment, acknowledge performance and position ourselves as an attractive employer. As such, Commerzbank AG has been supplementing the statutory pension with a company pension scheme for years. Employees can also take advantage of other offers under the company pension scheme at special conditions. Commerzbank also offers its employees the opportunity to lease cars, high-quality bicycles or IT equipment for private use through the Bank. Sustainably powered means of transportation are supported financially with leasing options. Employees in Germany have been receiving a mobility allowance for the use of public transport for commuting.

The remuneration system for the Board of Managing Directors supports the sustainable development within the framework of Commerzbank's Group strategies and its strategic goals. It is aligned to the requirements of the strategic agenda as well as to the overall risk strategy, and is in line with the Bank's risk, capital and liquidity structure. In order to strengthen successful and stable corporate governance in the long term, the variable remuneration is based on a multi-year assessment basis. In addition, half of it will be granted on a share-based basis and is thus geared to Commerzbank's share price. A share amounting to 60% of the variable remuneration is structured as a long-term component (LTI) in order to encourage the Board of Managing Directors to act sustainably, thereby achieving a long-term increase in value. The malus and clawback rules incentivise the Board of Managing Directors to act sustainably. The targets set annually by the Supervisory Board for the variable remuneration of the Board of Managing Directors promote the long-term performance of Commerzbank. They also include targets related to environment, social affairs and governance (ESG goals), such as specific objectives with regard to the sustainability strategy, customer and employee satisfaction, goals concerning the demographic change, specific goals related to risk and reputation management as well as compliance goals. The Supervisory Board has further increased the share of ESG targets for the 2022 financial year, in particular environmental targets aligned with the Bank's strategy. Sustainability is a central strategic goal of Commerzbank. Accordingly, environment-related targets are strengthened in the remuneration and their share in the targets is successively increased. From the 2023 financial year, ESG targets will form an explicit part of variable remuneration. The Group target will be expanded to include an explicit ESG sub-target. Further ESG targets can be set at the departmental and individual level as before.

Detailed information on the remuneration of the Board of Managing Directors and Supervisory Board is provided in the Remuneration Report in the [Annual Report 2021](#).

5 Stakeholder engagement

102-40 List of stakeholder groups

Corporate social responsibility involves seeking regular dialogue with internal and external stakeholders. In this active and transparent dialogue, we endeavour to meet the expectations and needs of our stakeholders, to incorporate them into our corporate strategy and to present our own points of view.

We maintain a dialogue with the following stakeholder groups in particular:

- Shareholders/investors
- Academia and research institutions
- Customers
- Suppliers
- Media
- Employees
- Competitors/financial sector
- Non-governmental organisations
- Politicians
- Civil society

102-41 Collective bargaining agreements

UNGC: 3 / SDG: 8

In Germany, the right to organise is guaranteed by fundamental law. The trade unions regularly inform employees of their rights and exercise their freedom of association. As a member of the Employer's Association of the Private Banking Industry (Arbeitgeberverband des privaten Bankgewerbes e.V. – AGV), the Commerzbank AG is bound by their collective agreements and other social partner agreements. The AGV represents the socio-political interests of banks and building societies under private law throughout Germany. In this respect, the Commerzbank is subject to a wage agreement that regulates the salaries of employees covered by collective bargaining agreements via the collective agreement for the private banking industry (Manteltarifvertrag für das private Bankgewerbe). Even the salaries of the lowest classified employees are significantly above the statutory minimum wage. We are thus committed to fair and living wages for all employees. The percentage of employees covered by collective agreements is 43.4% (please see table Total Domestic Workforce by Gender and Employment Type, [GRI 102-8](#)).

102-42 Identifying and selecting stakeholders

Commerzbank maintains relationships with all organisations and groups that come to the Bank with requests, wishes or suggestions. Our main focus is on dialogue with stakeholders that have a strong influence on or are strongly affected by the economic, environmental or social performance of Commerzbank.

102-43 Approach to stakeholder engagement

The dialogue on the key social, economic and fiscal issues is of utmost importance to us. The following forums, and the projects and initiatives resulting therefrom constitute a selection of strategic communications activities with our stakeholders.

102-44 Key topics and concerns raised

SDG: 12

Customers

The Group's units actively engage with customers so as to systematically consider their interests. Using various formats, experts engage with customers to ensure that their ideas and suggestions are taken into account when developing products and services.

>>

5 Stakeholder engagement

102-43 Approach to stakeholder engagement

102-44 Key topics and concerns raised

SDG: 12

>>

Commerzbank's "UX Research" supports this process with insights into user requirements and needs. UX stands for "user experience", thereby referring to the user's experience prior to, during and after using a product. In UX research studies, customers, non-customers and employees are involved at an early stage throughout the development process and in live operations to ensure Commerzbank's customer centricity. In addition, we have set up a UX branch. This is a regular branch in which we try out new things during ongoing operations – whether it be technical innovations or design elements that make life more pleasant for customers and employees. In order to learn from our customers, we ask them for their opinion in online surveys. Comdirect relies on the "comdirect community" Internet platform for customer involvement, where customers and people interested in financial markets can exchange information with the Bank about products and other financial topics.

In our private customer segment, too, the present and future aim is to focus activities, products and processes on customers and to meet their needs with a high standard of quality. To this end, customer feedback is continuously recorded via various contact channels. For years, the Net Promoter Score (NPS), an internationally recognised standard for evaluating customer satisfaction, has served as continuous measure of quality in the private customer segment. The majority of Commerzbank customers (57 percent) are promoters of their bank branch in terms of the NPS.

Commerzbank additionally garners important insights through its "Customer Barometer" strategic customer loyalty study. To this end, around 3,500 customers in the Private Customers and Private Banking Customers, the Wealth Management and Corporate Customer segment are surveyed over a full-year period. Indicators of overall satisfaction, recommendation and competitive advantage are established (and subsequently consolidated into the KUBIX customer loyalty index). The resulting key figures are supplemented by the evaluation of individual aspects of the Bank's offering (e.g. product and service components) in order to improve these and the associated customer perception of quality.

The focus of the 2021 small-business customer study was the future of bricks-and-mortar retail. Retailers throughout Germany with annual sales of less than €15m were surveyed in around 3,200 interviews. The results show that three out of five retailers were struggling with lost sales in connection with the coronavirus pandemic and one in six saw their livelihoods under threat. In addition, more than 40% of retailers had to draw on their equity reserves to compensate for lost sales. To overcome the crisis, many retailers are using new marketing and sales channels and are relying on solutions such as Click&Meet and Click&Collect. Despite all the challenges, retailers were also able to gain some positive things from the coronavirus crisis. Around half of those surveyed stated, for example, that they had more time for their families. By contrast, retailers are less positive about the development of city centres in the next five years: Two thirds fear a depopulation of the city centres due to the closure of smaller shops. To make the city centres more customer-friendly in the future, they would like to see more parking spaces, cycle paths and green spaces. Despite the coronavirus crisis, however, three quarters are optimistic about the future.

As part of another study on the Coronavirus pandemic, entrepreneurial clients from the bank's own client panel were surveyed in April 2021. 30% were convinced at that time, that the worst part of the pandemic was over and things were looking up again. To ensure continuity of their business, entrepreneur clients continue to expand their offerings online and remotely, restructure their businesses and take liquidity management measures.

>>

5 Stakeholder engagement

102-43 Approach to stakeholder engagement

102-44 Key topics and concerns raised

SDG: 12

>>

Only one third of corporate customers responded that financing deals took sustainability into account. 64% of the entrepreneurs surveyed said they would choose sustainable financing if it was not more expensive than conventional financing.

SME issues are the focus of Commerzbank's "[Corporate Perspectives](#)" initiative. Once a year, it surveys owners and first-level managers from companies of different sizes and from different sectors. In 2020, the focus was on sustainability. The study "Business in transition: the opportunities of the Green Deal" examined the sustainability strategies of 2,700 SMEs between November 2019 and March 2020. Due to the Corona crisis, it was not published until April 2021. Three interactive events took place in June 2021. We initially relied on digital formats in which participants could discuss the study results with experts from business, associations, politics and academia. The goal was to develop ideas on how the topic of sustainability can be a successful component of corporate strategy. When the pandemic situation permitted, we started small face-to-face dialogue events in September 2021, where well-known speakers from business and academia go into greater detail on the subjects of the study, and businesspeople were able to exchange ideas personally and make new contacts.

In Commerzbank's corporate customer segment, topic-specific customer surveys are regularly used to further develop the range of offers. In this way, we gain insights into customer needs and requirements, which are then incorporated into the design of products and processes. The aim here is to align product optimization and innovations, for example in the context of digitalization, with customer benefits, and to develop new service offerings in relation to sustainability for instance. Further surveys provide information on how satisfied corporate customers are with the support they receive in this segment and what their wishes and expectations are in terms of cooperation with the Bank.

Shareholders/investors

Sustainability rating agencies combine the expectations of investors with regards to the Bank's consideration of sustainability aspects. With interest in these matters growing among our investors, the importance of the sustainability ratings is increasing too. Commerzbank cultivates an active dialogue with selected agencies. The main focus is increasingly on the strategic integration of sustainability aspects into the Bank's core business alongside increasing progress of the sustainability strategy. In addition, transparent and clear communication helps the analysts in assessing our performance in terms of sustainability. The ESG rating results can be found [here](#).

During the reporting year, the Bank also received around 20 inquiries from analysts and investors with regard to ESG-relevant topics. In addition to general questions about sustainability work, questions were increasingly asked about topics such as the sustainable product portfolio, biodiversity and diversity. These topics are also addressed in the [ESG presentation](#).

As part of its operational investor relations work, i.e. ongoing communication with investors and financial analysts, the Bank held 6 roadshows (including 1 corporate governance roadshow) with European and North American investors in 2021 - 1 of them physically in London - and attended 7 virtual international investor conferences.

>>

5 Stakeholder engagement

102-43 Approach to stakeholder engagement

102-44 Key topics and concerns raised

SDG: 12

>>

In total, the Board of Managing Directors, managers and Investor Relations held more than 300 meetings with more than 210 investors and analysts in 2021. The Chairman of the Supervisory Board of Commerzbank also regularly engages in dialogue with national and international key shareholders and investors on topics such as corporate governance, the qualifications and composition of the Board of Managing Directors and the Supervisory Board, the remuneration systems of the Board of Managing Directors and the Supervisory Board, the role of the Supervisory Board in the strategy development and implementation process, the selection of auditors, digitalisation and sustainability.

Further details on communication with shareholders can be found in the [Annual Report 2021](#) (p. 32).

Banking supervision and regulators

Commerzbank is in constant dialogue with national and international regulatory authorities and banking supervisors on a number of initiatives relating to sustainability aspects, such as the ECB's thematic review on climate-related and environmental risks. The risk-control unit performs a central coordination function and ensures stringent two-way communication by means of a dedicated unit.

Employees

The committees representing the interests of our employees are the central works council, the central youth and trainee representative council (GJAV), the central representative council of severely disabled persons (GSBV), over 20 local works councils, youth and trainee representative councils (JAV), representative councils of severely disabled persons (SBV) and the company spokesperson committee on behalf of the executives. The interest groups cover all Commerzbank employees with the exception of the Board of Managing Directors, which is not represented.

Employee satisfaction during periods of corporate restructuring is an important yardstick for assessing whether key objectives of our strategy resonate with employees. For this purpose Commerzbank has been conducting short surveys ("Pulse Checks") and focus group interviews since 2020. The results are intended to deliver a picture of employee sentiment toward the transformation.

In addition to surveys, we also use our award-winning "Wikidee" [idea management](#) system to involve our employees in the company's activities. All employees can submit suggestions and discuss them jointly using this online platform. In the reporting year, 745 ideas were submitted. Among the most successful ideas in 2021 were 2 measures that could contribute to customer orientation or sustainability. One of these was a new product for our corporate customers. As part of a new online training offer on the topic of "cyber security", Commerzbank supports its customers in recognising and counteracting cyber threats ranging from technical attacks to social engineering. In doing so, the Bank scores points with its wealth of experience in preventing and resolving cases of fraud. Secondly, an idea was submitted, according to which corporate clients can, at their request, dispense with paper statements for foreign payment transactions. The electronic account statement is now legally permissible as an alternative to paper statements. With the help of this idea, paper consumption could be reduced considerably and cost savings achieved. Both ideas contribute to the corporate goals of "customer orientation" and "sustainability" and prove that the employees are committed to the Bank beyond the normal level.

>>

5 Stakeholder engagement

102-43 Approach to stakeholder engagement

102-44 Key topics and concerns raised

SDG: 12

>>

Politics

We have established several event formats for the dialogue with political representatives, most of which could take place only in digital form in the reporting year due to the coronavirus pandemic. These include the “Political Breakfast” in Berlin, at which guest speakers debate social and economic policy issues with representatives from politics, science and business during the weeks in which parliament is in session. Members of parliament and speakers come together at “Mittags:werkstatt” events in Berlin and “lunch:lab” events in Brussels to share specialist knowledge and discuss current affairs. These and further activities can be followed on social media at #cobapolitics. In its Group-wide [policy on political communication](#), Commerzbank lays down principles and guidelines for appropriate contact management and representation of interests in the political arena. These are based on the principles of transparency and fairness as an indispensable prerequisite for serious political communication.

The 2°C Global Temperature Target agreed upon at the United Nations Climate Change Conference in Paris in December 2015 poses major challenges to the global community. Under the keyword “Sustainable Finance”, science, business and politics are jointly developing the banking business of the future through numerous projects at national and international level. Commerzbank is involved in various initiatives, including the Sustainable Trade Working Group of the International Chamber of Commerce and the Green Finance Working Group at the Institute of International Finance since 2016.

We are following with interest the European Commission’s action plan on financing sustainable growth and the legislative and non-legislative measures that this plan provides for, as well as its continuation in the context of the “Green Deal”. We consider the proposed initiatives to be of importance and support them favourably, but also constructively and critically, including through our involvement in associations and collaboration with non-governmental organisations. At the same time, we followed with great interest the work of the Sustainable Finance Advisory Council of the German Federal Government during the reporting year and in our non-financial report, we follow the requirements of the [Task Force on Climate related Financial Disclosures](#) for the first time. We have also included for the first time information that will be required by the EU Taxonomy Regulation from the 2021 reporting year.

Civil society

“SHE VIP” is a networking format created by and for successful women from business, politics, society, media or culture who address matters of socio-political interest. In “Commerzbank in Dialogue”, the Chairman of the Board of Managing Directors of Commerzbank debates issues with high-profile personalities from politics or business. No events of these formats took place in 2021 due to the coronavirus pandemic.

>>

5 Stakeholder engagement

102-43 Approach to stakeholder engagement

>>

102-44 Key topics and concerns raised

SDG: 12

Non-governmental organisations

The exchange of ideas and information with non-governmental organisations (NGOs) is important to us for discussing the potential impact of our business activities on people and the environment. In addition, Commerzbank evaluates related studies on a regular basis. The results are incorporated in our corporate policy decisions. In the reporting year, against the backdrop of the development of a new fuel directive, climate protection and CO₂ emissions from business activities related to coal, oil and gas as well as the topic of armaments continued to be the focus of this exchange.

Information on the inclusion of stakeholders in the materiality analysis is available under GRI 102-46.

6 Reporting practice

102-45 Entities included in the consolidated financial statements

This GRI report refers to Commerzbank AG (Germany and abroad). Exceptions are marked as such. The financial performance indicators are compiled at Group level and taken from Commerzbank's [Annual Report 2021](#). For a list of all entities included in the scope of consolidation, please see pp. 281-284 and 296-298 in that report.

102-46 Defining report content and topic boundaries

In autumn 2018, Commerzbank identified those issues that are material to the company both today and for the future as part of a multi-step materiality analysis. Seventeen sustainability issues were evaluated in terms of their relevance to stakeholders and business success as well as the scope of the impact of business activities on the environment and society.

Building on the materiality analysis last carried out in 2015, we analysed studies, standards and ratings and identified potentially relevant issues. A panel of eleven representatives of external stakeholder groups conducted qualitative interviews to set out their expectations of Commerzbank in this regard and prioritise the topics in order of relevance (for selected feedback, please see p. 14 of the [Corporate Responsibility Magazine 2019](#)). We were also able to determine the scale of the impact of our business through an online survey carried out among employees and managers. The materiality matrix created from the results was discussed and adopted in a workshop by specialists from units connected to sustainability. In the final step, we assigned the respective GRI Standards to the relevant issues and assessed whether the largest potential for making an impact was internal or external.

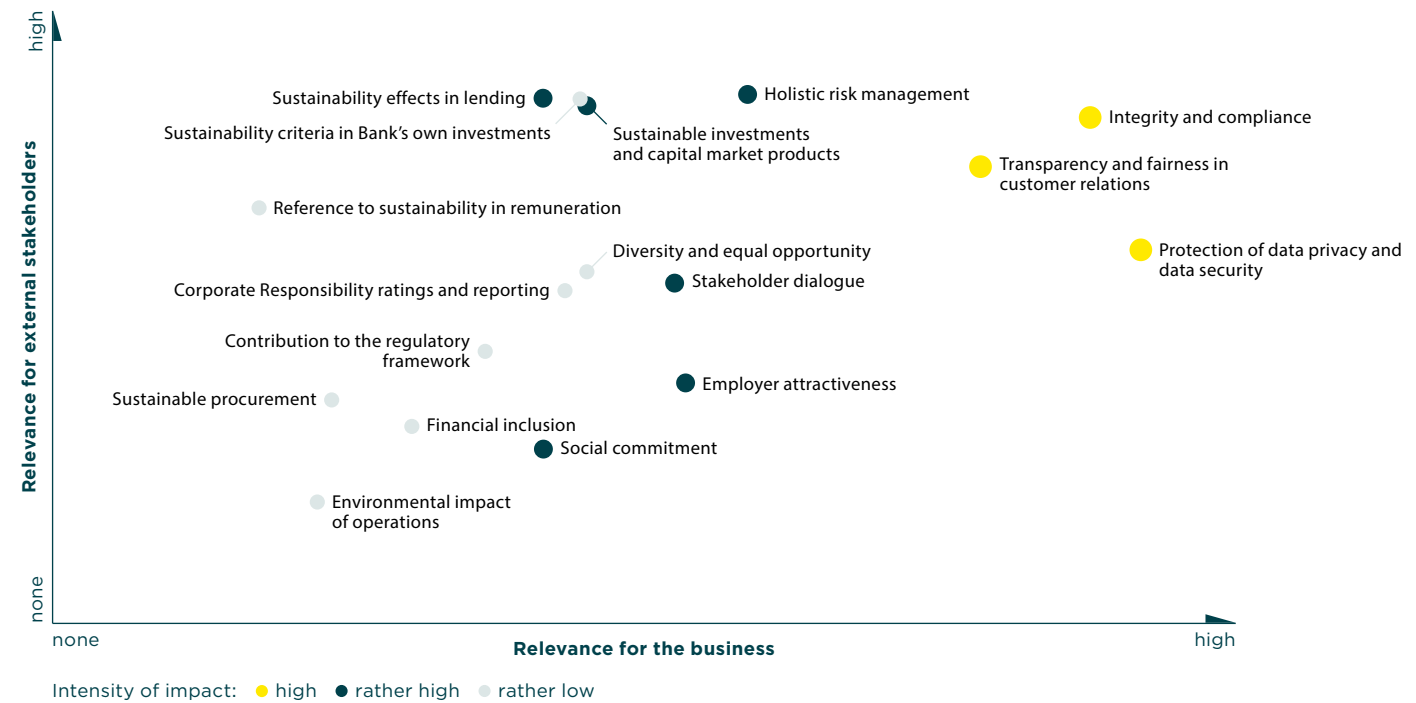
At the end of 2021, Commerzbank launched a new materiality analysis in sustainability management. This will be completed in the first half of 2022. The findings feed into the strategy process and will also shape reporting in the future. Among other things, biodiversity has emerged as a new topic that has already been taken into account for this report.

>>

6 Reporting practice

102-46 Defining report content and topic boundaries

Commerzbank's materiality matrix (GRI 102-46)



102-47 List of material topics

All material topics and the classification of their importance inside or outside the company are presented in tabular form in the following PDF.

Material topics and classification of GRI Standards (GRI 102-47)

Material topics 2019	Corresponding GRI Standards	Internal	External
Employer attractiveness	401 Employment	X	
	403 Occupational health and safety	X	
	404 Training and education	X	
	407 Freedom of association and collective bargaining	X	
Contribution to the regulatory framework	415 Public policy		X
Environmental impact of operations	302 Energy	X	
	305 Emissions	X	X

>>

6 Reporting practice

102-47 List of material topics

Material topics 2019	Corresponding GRI Standards	Internal	External
>>			
Corporate Responsibility ratings and reporting	102 General disclosures (102-44)	X	X
Protection of data privacy and data security	418 Customer privacy		X
Diversity and equal opportunity	405 Diversity and equal opportunity	X	
	406 Non-discrimination	X	
Financial inclusion	203 Indirect economic impacts		X
Holistic risk management	Sustainable Finance		X
Social commitment	203 Indirect economic impacts		X
Integrity and compliance	207 Taxes	X	
	307 Environmental compliance	X	
	419 Socio-economic compliance	X	
	205 Anti-corruption	X	
	406 Non-discrimination	X	
Sustainable procurement	308 Supplier environmental assessment		X
	414 Supplier social assessment		X
	406 Non-discrimination		X
	407 Freedom of association and collective bargaining		X
Sustainable investments and capital market products	Sustainable Finance		X
	Sustainable Finance SF1		X
	Sustainable Finance SF2		X
	Sustainable Finance SF3		X
	Sustainable Finance SF4		X
Sustainability effects in lending	Sustainable Finance		X
	Sustainable Finance SF1		X
	Sustainable Finance SF2		X
	304 Biodiversity		X
Sustainability criteria in Bank's own investments	Sustainable Finance SF3		X
Reference to sustainability in remuneration	102 General disclosures (102-35)	X	
Stakeholder dialogue	102 General disclosures (102-42, 102-43, 102-44)	X	X
Transparency and fairness in customer relations	417 Marketing and labeling		X

6 Reporting practice

102-48 Restatements of information	Whenever possible, the information has not been presented using a new set-up, in order to facilitate a comparison with the previous year. We indicate any restatements of figures we reported in the past in footnotes.
102-49 Changes in reporting	Reporting is based on the materiality analysis from 2018, which means that there are no fundamental changes compared to the 2019 and 2020 report. As mentioned, biodiversity has been newly added to reporting (please see GRI 304).
102-50 Reporting period	All figures in this GRI report relate to the period from 1 January to 31 December 2021. Information outside this reporting period is marked with the respective date. This is particularly the case in this report with reference to the changes in the organisational structure and the materiality assessment that was finalized during the reporting year 2022. The editorial deadline was 15 June 2022.
102-51 Date of most recent report	The last GRI report was published in June 2021 with information relating to the reporting period 2020.
102-52 Reporting cycle	Since reporting year 2014, Commerzbank has released an annual update of this GRI report. All previous publications, reports and magazines are available on the sustainability website .
102-53 Contact point for questions regarding the report	Commerzbank AG Sophia Weichelt Group Sustainability Management sustainability@commerzbank.com
102-54 Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards: “Core” option.
102-55 GRI content index	The present GRI report also constitutes the GRI content index and was prepared according to the GRI Standards (2016) published by the Global Reporting Initiative (GRI). The exceptions are the updated standard GRI 403: Occupational Health and Safety from 2018 and the new standard GRI 207: Taxes from 2019. Specific disclosures for financial service providers were also taken into account in the section entitled “Sustainable Finance”.
102-56 External assurance	<p>The consumption data, the data collection mode and the calculation of CO₂ emissions for Commerzbank AG (Germany) have been externally verified by DNV GL Business Assurance Zertifizierung und Umweltgutachter GmbH since 2009 as part of our environmental management system in accordance with ISO 14001 50001. For the reporting year 2021, the externally verified environmental data of the Commerzbank AG Abroad will be published for the first time.</p> <p>An external verification of the full GRI report has not been performed.</p>

1. Economy

GRI 203 Indirect Economic Impacts

GRI 103 Management approach
(including 103-1, 103-2, 103-3)
SDG: 9, 10

As an active part of society, we want to positively shape our environment. The Bank primarily lives up to this responsibility through the positive impact of its financial services on the economy and through its role as an employer and taxpayer. We also consider the range of high-quality financial services that we offer to be an important contribution by our Bank to society's infrastructure.

At the same time, we are committed to education in financial matters. Since January 2020, for example, the [Commerzbank Ratgeber](#) (Commerzbank Guide) has been offering help on financial topics and more. With around 150 articles now, the guide has sparked the interest of roughly 778,000 readers in the timeframe from January 2020 to December 2021. In addition, on a separate overview page entitled "[Banking.Sustainable.](#)", we also provide information on how we design our product range responsibly and which sustainability strategy we pursue as a company.

Our future nationwide branch network stands for solution-oriented advisory services at around 450 locations. At the end of 2021, there were 550 locations. Even as a digital advisory bank, we will remain present in the area and ensure a market coverage of approx. 65% through an intelligent selection of our locations according to traffic, earnings potential and other important criteria. At the same time, the interaction with the digital offer and our advisory centres is becoming increasingly important.

With the consequent expansion of our digital services, we are simplifying access to the Bank under the slogan "The bank at your side". Thus, we have introduced additional self-service services for our clients, such as the online loan payout order and the settlement of attachments, which corporate clients can now easily commission themselves digitally.

To make our offers available to all interested parties, we place great emphasis on designing our branches and online offers to be easily accessible. Around two thirds of our 550 branches are accessible at ground-floor level. Whenever we remodel a branch or install ATMs, we make sure that access is available to as many user groups as possible. All Commerzbank automated teller machines have been fitted with a "read out" function for visually impaired clients who wish to make payments.

The Bank has set itself targets for even greater financial inclusion in its Sustainability Programme, including plans to ensure that at least 70% of our clients are still within ten kilometres of the nearest Commerzbank branch in the future. In addition, the Bank strives to use the most understandable and solution-oriented language possible in customer communications.

The coronavirus pandemic continued to shape our lives in 2021. Access to financial services plays an important role here, especially under difficult external circumstances. Although a large number of branches had to close temporarily, our customer advisors were still available. The use of digital channels has been expanded so that customers can carry out banking transactions regardless of branch openings or their personal state of health. In all regions, on-site service was continuously maintained at larger locations under special hygiene precautions. In addition, the self-service zones remained open at all locations.

203-1 Infrastructure investments and services supported

SDG: 4, 11

For our commitment to society, we maintain many links to the environment we operate in. Numerous projects and initiatives launched in cooperation with partners from business and society, with a focus on education and sports. The Bank places a particular focus on corporate volunteering: It encourages and enables staff to contribute to society by giving them time off or providing facilities, for example. They are excused from work with pay to receive the necessary qualifications for these roles. Our employees' personal involvement benefits social development and improves the quality of life of disadvantaged people. At the same time, it motivates employees and fosters a culture of understanding in the workplace.

In 2021 Commerzbank's employees supported young people on their way to working life as mentors in the education mentor programme. The objective is to prevent school and training breaks off and show perspectives – in nationwide cooperation with organisation of youth promotion. The programme registered almost 40 new participants in the year under review. Since the programme launched in 2013, around 500 Commerzbank employees have helped more than 700 young people as education mentors with their first steps into working life.

The Maltese Social Day could take place 2021 despite the Covid19 pandemic, but to a significantly reduced extent. Commerzbank employees again had the opportunity to participate in the so-called spare cent donation, which rounds pay down to the nearest full euro amount and donates the difference. More than 30,000 Euros were donated for social organisations.

Commerzbank aims to make a contribution towards general financial education, especially at school level, and supports the business@school project, among others. This Boston Consulting Group education initiative seeks to present business issues in a vivid and practical way. It gives sixth-form students the opportunity to engage with business and economics in greater depth over the course of a year.

In the 2021/2022 school year, 49 Commerzbank employees volunteered as school advisors. Senior managers also take part voluntarily as judges for the regional heats and European final.

For more than 3 decades the initiative “Das Grüne Band für vorbildliche Talentförderung im Verein” (the Green Band) exists: together with the German Olympic Sports Confederation (DOSB), Commerzbank annually awards prizes of 5,000 euros each to 50 sport clubs that have been noted for their exemplary promotion of talented players and for their youth work. So far, almost 2,000 sport clubs have benefited from the initiative.

The DFB Junior Coaches collaboration project aims to support mass sport. While the German Football Association trains young people aged 15 and over at schools to become junior coaches, Commerzbank mentors help them prepare for their careers by organising training sessions for applicants and arranging internships for students at Commerzbank branches. Since the project was launched in 2013, some 3,000 junior coaches have been trained at around 200 schools nationwide to become DFB junior coaches.

>>

203-1 Infrastructure investments and services supported

SDG: 4, 11

>>

Since as early as 1990, Commerzbank has been offering, together with the German national parks, the [Commerzbank environmental internship](#). Every year, it provides up to 75 students with practical content in the fields of environmental education and public relations in nature reserves throughout Germany. They inform visitors to the protected areas about the importance of the national natural landscapes for the severely endangered biodiversity and contribute to greater awareness of environmental and climate protection. We organise and finance the environmental internship; the national parks, biosphere reserves or nature parks provide the specialist support. Since its start, more than 1,800 interns have taken part. In 2021 the Commerzbank environmental internship was nominated for the DGS Deutsche Gesellschaft für Qualität's Sustainability Heroes Award in the category "biodiversity" for its contribution to the protections of species.

Commerzbank donated a total of around 307,000 euros to different institutions and organisations in the past financial year. For more information about Commerzbank's commitment to society, please see the [Annual Report 2021](#) (p. 63 et seq.)

Various foundations supported or sponsored by the Group also make an important contribution to the sustainable development of society. The common goal of all foundations is to make a lasting contribution to the further development and future viability of society. The funding priorities are as follows:

- As a corporate foundation, the [Commerzbank Foundation](#) stands for the social responsibility of its founder. Its motto stands for "Participation creates the future". With its independent foundation, Commerzbank is committed to a sustainable commitment as a "good citizen" for the community that goes beyond its actual business activities. Since its establishment in 1970, the Commerzbank Foundation has built up many sustainable partnerships and has thus established itself as a solid sponsor in Germany. In the more than 50 years of its existence, it has supported well over 1,000 projects in the fields of culture, social affairs and science with around 35 million euros. Its partnership network ranges from museums and theatres to non-profit social organisations and scientific institutions, from national beacon projects and exemplary local initiatives. Its support focuses on the transmission of cultural heritage, social participation for disadvantaged people and about incentives for excellent academic work.
- The foundation commitment at Commerzbank is complemented by the activities of the [seven charitable foundations](#) that support different target groups. Four of the foundations provide financial support throughout Germany to employees and retired members of the bank, who are in distress through no fault of their own. Three regional foundations also enable needy and eligible apprentices of Commerzbank to commence their apprenticeship or support, employees in need, pensioners, and families of deceased in their respective districts.

Decisions on which projects to support are taken by the individual foundation's board of trustees in accordance with the objectives of the foundation concerned.

The endowment capital of each and their sponsorship volumes in the year under review are shown in the following tables.

>>

GRI 203 Indirect Economic Impacts

203-1 Infrastructure investments and services supported

SDG: 4, 11

>>

Sponsorship volume of foundations supported by Commerzbank € rounded	2019 ¹	2020	2021
Commerzbank Foundation	928 000	827 000	883 000
Charitable foundations	535 000	430 000	451 550
Total	1 463 000	1 257 000	1 334 550

¹ Includes sponsorship volume of 2 of the 3 regional foundations.

Endowment capital of foundations supported by Commerzbank € million rounded	2019 ¹	2020	2021
Commerzbank Foundation	63.0	63.0	63.0
Charitable foundations	20.6	21.16	21.16
Total	83.6	84.16	84.16

¹ Includes sponsorship volume of 2 of the 3 regional foundations.

In 2021, these foundations received a total of around 645,000 euros in support from Commerzbank for staff, workplaces and other material costs.

GRI 205 Anti-corruption

GRI 103 Management approach (including 103-1, 103-2, 103-3)

UNGC: 10 / SDG: 16

To combat bribery and corruption, we do not only take existing statutory obligations into account, such as the UK Bribery Act or the US Foreign Corrupt Practices Act. We also adhere to the OECD's Guidelines for Multinational Enterprises and comply with the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions. Alongside local laws, regulatory requirements and industry standards, we also take into account recognised international standards such as the recommendations of the Financial Action Task Force on Money Laundering (FATF) and the Wolfsberg Anti-Money Laundering Principles (or Wolfsberg Anti-Bribery and Corruption (ABC) Compliance Programme Guidance.). In addition, Commerzbank has committed itself to the [UN Global Compact](#) with its 10 principles - including Principle Number 10 on working against corruption of any kind.

These external standards are supplemented with internal guidelines. Together they form the framework for Compliance Management for combating corruption. This includes the binding codes of conduct that provide a framework for correct and ethically appropriate conduct in the day-to-day working environment. Through its Global Anti-Bribery and Corruption Policy (ABC Policy), Commerzbank seeks to combat bribery, the acceptance of advantages and other forms of corruption. It applies both within and outside the Group and in dealings with trade organisations, public officials and natural and legal persons who have a relationship with Bank companies. The Global ABC Policy includes further individual measures that are valid throughout the bank, such as reliability checks of potential employees or specific requirements in the range of gifts and invitations.

>>

**GRI 103 Management approach
(including 103-1, 103-2, 103-3)**

UNGC: 10 / SDG: 16

>>

In addition, our business partners are continuously checked for corruption-relevant hits in commercial databases on a risk basis during the initiation of business and also in the course of the business relationship. Newly negotiated contracts between Commerzbank and service providers have included a binding integrity clause for several years.

To meet the ever-growing complexity of national and international laws and regulations, Commerzbank is continuously developing its Compliance-risk steering and aligns it with current developments and challenges. This includes the annual compliance risk analysis and the associated implementation of new measures. Prevention further includes compliance audits as well as special controls regarding the appropriateness and effectiveness of essential compliance processes and the continuous evaluation of the effectiveness of such controls.

Regular internal and external communication, various training formats as well as the [Global Code of Conduct](#) and other concrete procedures and process descriptions round off these measures. Compliance accompanies and advises business units with development of processes and transactions.

It is the highest principle to meet all economic criminal acts with zero tolerance. This means that all potential violations will be investigated and punished within the framework of the legal possibilities. For this reason, we welcome any relevant information. In addition to the tried-and-tested contact channels, such as via the compliance or audit departments, Commerzbank has set up a [whistleblowing platform](#) ("Business Keeper Monitoring System", BKMS). Customers, employees and third parties can use this online system to report any suspicions of financial crime or any violations of statutory, regulatory and internal instructions at Commerzbank, and they may opt to do so anonymously. Anyone who reports in good faith and to the best of his or her knowledge shall, to the extent possible, be protected by applicable law against unfair treatment, dismissal or other detriment as a result of his or her disclosure, even if it becomes apparent in the course of the investigation that the reported suspicion is unfounded.

The coordination of the violations reported herein is carried out by the central office pursuant to § 25h of the German Banking Act (KWG). These are processed by the respective responsible and specialised internal departments, subject to the principles of confidentiality. Due to the diversity of the reported cases and the different parties involved, there are several specialised and thus processing departments. Consequences depend on the case and can include both civil and criminal steps. If internal employees are involved in the crime, these cases are transferred to the consequences management (please see GRI 419/103).

With the aim of avoiding potential conflicts of interest or resolving them appropriately, we have introduced a conflict of interest management system (conflict of interest tool) which is widely used, for example, in the corporate customer business. This gathers data from around the world concerning transactions in the corporate client or capital market segment and reviews them for potential conflicts of interest. We strongly oppose attempts at market manipulation and are committed to preserving the integrity of the markets and our clients' need for protection.

GRI 205 Anti-corruption

205-1 Operations assessed for risks related to corruption

UNGC: 10 / SDG: 16

The basis for steering is the compliance risk strategy, that views the compliance risk analysis as a central instrument of assessing and mitigating potential compliance risks. It is carried out once a year and covers all relevant segments in Germany, subsidiaries in Germany and abroad, as well as foreign locations and branch offices that are classified as compliance-relevant. For the year 2021, 40 (100%) of the 40 domestic and foreign corporate units relevant under the “Fraud and ABC Risk Analysis”, including relevant subsidiaries, were audited for potential fraud and ABC risks and the associated control environment (2020: 41/41).

The annual risk analysis, which covers all compliance issues, includes a dedicated section on corruption, which assesses the relevant risks and evaluates control activities carried out by these entities. The potential corruption risks considered in the risk analysis essentially comprise benefits (gifts and invitations), business partner compliance as well as donation activities, personnel processes and payment processes.

The preventive measures derived from the risk analysis are supported during implementation, regularly reviewed for their effectiveness, and supplemented as necessary.

205-2 Communication and training about anti-corruption policies and procedures

UNGC: 10 / SDG: 16

To provide employees with support in implementing the policies, the Group conducts ABC trainings. The mandatory anti-corruption training is completed by all employees, managers every year. Business and functional units with heightened risk profiles and individuals in positions at Commerzbank, which are exposed to an increased risk of bribery and corruption, also receive targeted, needs-based training.

Staff members have been appointed in all German units and at the foreign locations to act as local contacts for ABC subjects. The Supervisory Board also undergoes annual training by the Chief Compliance Officer on compliance-relevant topics.

Policies, instructions and procedures relating to the fight against bribery and corruption as well as other compliance-relevant topics under the responsibility of Group Compliance are published on the internal Compliance Policy Portal, which is available in two languages worldwide. Local specifics are also coordinated published here in the form of addenda. The relevant users will be informed of changes to the regulations by the system via a notification function. In addition, the Bank’s intranet is used to provide targeted information on sub-items of the ABC policy. For example, in 2021, guidance on gifts and invitations was published, which took into account special features in the context of the pandemic and the associated home office regulations.

205-3 Confirmed incidents of corruption and actions taken

UNGC: 10 / SDG: 16

Commerzbank explicitly does not tolerate corruption or other criminal acts by employees. The Bank has a zero-tolerance approach to criminal offences. Any employee who is proven to have breached this principle will face the full consequences under employment, civil and criminal law.

We are not aware of any cases of corruption in the Commerzbank Group in 2021, just like in 2020 and 2019.

**GRI 103 Management approach
(including 103-1, 103-2, 103-3)**

UNGC: 10 / SDG: 16

The Bank's tax strategy is derived from, among other things, the understanding of the Group as set out in the corporate constitution of Commerzbank. The principle that Commerzbank sees social acceptance of its activities as the basis for economic success is also of particular importance for its tax strategy.

We are convinced that, in this context, compliance with the applicable tax laws plays a particularly important role. Commerzbank conducts its business activities in accordance with this requirement in all jurisdictions and markets in which it operates. This applies not only to its own interests, but also to the interests of customers, employees, and business partners insofar as they affect Commerzbank.

As a legal entity with its registered office and management in Germany, Commerzbank AG is subject to unlimited tax liability in respect of its entire global income. In addition, it is subject to limited tax liability abroad with its respective branches and local income. Commerzbank is also subject to extensive tax obligations in respect of its business relationships with its customers and business partners.

Tax liability also entails tax risks. These risks are compounded by the complex tax environment in which the Commerzbank Group operates worldwide, which often requires interpretation. In addition, tax risks arise from uncertainties regarding the correct tax treatment in a wide range of jurisdictions due to rapid change, caused among other things by international requirements with national implementation as well as technological developments with which the national and international standard setters can only keep pace to varying degrees.

In order to take account of the zero-tolerance approach regarding tax offences, Commerzbank has established numerous internal management and control systems - tax compliance programmes - as well as a tax compliance management department to identify and minimise tax risks.

**207-1 Approach with regard
to taxation**

SDG: 16

In accordance with our [Code of Conduct](#), we reject any form of tax evasion, whether it involves our customers, our company or our business partners, regardless of the infringement. It is therefore our utmost priority to comply with the applicable laws and regulatory provisions to combat tax evasion and other tax offences in the markets and jurisdictions in which we operate. These principles as well as tax legitimacy aspects are taken into account in all business actions and decisions. As a result, we have implemented a tax compliance programme to combat aiding and abetting tax evasion based on the UK COO (Corporate Criminal Offence of Failure to Prevent Facilitation of Tax Evasion).

In addition, our conduct is geared towards avoiding offences against tax law with the Tax Compliance Management System (TCMS).

>>

207-1 Steuerkonzept

SDG: 16

>>

Furthermore, we do not support customers in avoiding taxes if this is contrary to the intention of the respective law. We also pay attention to tax compliance when designing new products.

We also comply with tax transparency regulations and initiatives, e.g. Foreign Account Tax Compliance Act (FATCA), the OECD Common Reporting Standard (CRS), US Qualified Intermediary (QI), and country-by-country reporting (CbCR) (please see GRI 207-4).

The TCMS ensures that internal and external regulations are adhered to and that undesirable tax practices are identified and eliminated at an early stage. The aim is to fulfil our tax obligations fully, correctly and in a timely manner, thus avoiding compliance-related tax risks. Through its function as Global Functional Lead (GFL), Group Tax ensures that a uniform understanding of the tax strategy prevails at all Commerzbank locations and that the tax strategy is implemented accordingly. The respective competencies and responsibilities are clearly defined (e.g. in job descriptions), and the main processes are documented in the Bank's rules and regulations.

These principles and approaches are mandatorily enshrined in Commerzbank's internally published tax strategy, which applies to the entire Group. It is regularly reviewed by the Head of Tax and concretised in various individual guidelines. In addition, the [UK Tax Strategy](#) under the UK Finance Act 2016 applies to the UK. The Group-wide tax strategy defines a global framework for the entire Commerzbank Group, while the UK Tax Strategy focuses on the UK in order to comply with the aforementioned UK law. Commerzbank's business model is not aimed at operating actively in tax havens. At the time of reporting, no branch office is located in a location that is on the "Common EU List of Third Countries for Tax Purposes" (final update of the EU list: 24 February 2022)

207-2 Steering, control, and risk management with regard to taxation

SDG: 16

The responsibility for meeting tax obligations at Commerzbank AG rests first and foremost with the full Board of Managing Directors. The Board of Managing Directors' assignment of responsibilities provides for this responsibility to be assigned to the CFO, who, in turn, delegates it to the Head of Tax. The Head of Tax is responsible for Group Tax and, via the GFL, for tax issues within the Group (please see GRI 207-1).

Tax risks are identified, managed, and monitored in accordance with Commerzbank's Tax Policy on Risk Management (TRM). TRM serves as an early-warning system for tax risks and is intended to identify and evaluate them in accordance with the principles of IAS (International Accounting Standard) twelve. In addition, TRM allows for the precise understanding of the tax risks existing within the Group in order to derive the necessary mitigating measures. Tax risks which also meet the criteria of operational and non-financial risks are additionally included as such in operational risk reporting and in the management process for non-financial risks.

>>

207-2 Tax Governance, Kontrolle und Risikomanagement

SDG: 16

>>

Commerzbank's Tax Compliance Management (TCM) takes into account the seven pillars of the IDW Assurance Standard 980 and the corresponding "IDW Practical Note 1/2016" ("IDW Praxishinweis 1/2016") regarding TCM design. This includes the implementation of web-based and other tax compliance training as well as an annual analysis of the tax compliance risk, from which the necessary measures are derived.

Compliance with tax legislation and the corresponding control framework is monitored at several levels. On the one hand, risk-oriented TCM measures are selected for each year and implemented during the year. The results are presented to the Board of Managing Directors and the Audit Committee. On the other hand, all existing controls are subject to the annual cycle for reviewing the internal control system in order to assess their appropriateness and effectiveness. In addition, recurring tax compliance audits are conducted by the Group's internal Audit Department.

Incidents or suspected cases of tax fraud can be reported to the Bank internally or by third parties using the established communication channels of the compliance function. These include the whistle-blowing system (please see GRI 205/103) or Suspicious Activity Reporting (SAR).

Tax reporting in the annual report is audited by the auditor as part of the audit of the annual financial statements.

207-3 Stakeholder engagement and management of concerns related to tax

SDG: 16

The concerns of stakeholders are addressed as part of regular communication, e.g. in meetings and in reporting. Significant tax issues and projects are also presented to the Board of Managing Directors for information or approval. In order to take the perspectives of the various stakeholders into account in the decision-making process, external expert opinions are also obtained as appropriate.

To ensure partnership-oriented cooperation with the tax authorities, Group Tax maintains an intensive, transparent and constructive exchange with the responsible local tax authorities. Contacts are also maintained with the finance ministries.

Group Tax also actively participates in the tax committees of various institutions, e.g. the Association of German Banks (BdB) and the Chamber of Industry and Commerce, in order to identify tax law trends in good time and to be able to react to them. Regular or at least incident-related cooperation is also maintained with the banking supervisory authorities.

The public prosecutor's offices in Frankfurt and Cologne are investigating certain equity transactions conducted around the dividend record date (so-called cum-ex transactions) by Commerzbank and the former Dresdner Bank in the past. Commerzbank is cooperating fully with the investigating authorities within the scope of these investigations. Further information can be found on pages 136 and 264 of the [Annual Report 2021](#).

GRI 207 Tax

207-4 Country-by-Country-Reporting

SDG: 16

Commerzbank reports in detail on its tax position as part of its IFRS annual reporting. One part of this is country-specific reporting. This includes all countries in which Commerzbank is represented with tax-relevant units and is described in the [Annual Report 2021](#) on p. 276. Detailed information on the names of the companies domiciled in the countries and their business purpose can be found in the Notes “(72) Holdings in affiliated and other companies” in the [Annual Report 2021](#) p. 281 et seq.

Country-specific reporting	Turnover	Pre-tax profit or loss	Taxes on income ¹	employees
31.12.2021	€m	€m	€m	number
Germany	7 854	1 161	- 377	28 191
China including Hong Kong and Shanghai	82	19	10	226
France	38	5	- 3	84
United Kingdom	427	135	- 37	754
Luxembourg	172	103	1	168
Netherlands	15	5	2	34
Poland	750	- 106	130	7 930
Russia	33	15	3	136
Singapore	64	- 4	- 1	379
USA	173	66	3	316
Others	183	5	19	1 201

¹ The difference between the tax ratios and nominal tax rates in the different countries largely derives from effects relating to the retrospective recognition or impairment of deferred taxes and from taxes for prior years (e.g. recognition and release of tax provisions).

2. Environment

GRI 302 Energy

GRI 103 Management approach (including 103-1, 103-2, 103-3)

UNGC: 7-9 / SDG: 7, 12, 13

Operational environmental protection and the systematic reduction of resource consumption at Commerzbank are key components of our sustainability concept. In order to reduce the Bank’s environmental footprint in 2021, we continued working on the various measures for implementing our climate strategy (please see GRI 305/103) and on continuously refining our certified environmental and energy management systems. This concerns the areas of energy, emissions, resource consumption and environmental compliance.

As Commerzbank regards environmental protection as a managerial responsibility, all managers – top-down, beginning with the Board of Managing Directors – are accountable for the implementation of the environmental targets we have agreed. The COO is responsible for environmental matters within the Board of Managing Directors.

>>

**GRI 103 Management approach
(including 103-1, 103-2, 103-3)**

UNGC: 7-9 / SDG: 7, 12, 13

>>

Environmental and energy management falls within the remit of the Group's Organisation & Security unit, which reports directly to the Board of Managing Directors. Operational environmental protection is also closely connected to many other departments to ensure that Commerzbank's environmental guidelines are applicable to all areas of the Bank and to influence the Bank's business activities. Environmental- and energy-related measures are decided through line functions leading through to the full Board of Managing Directors. The environmental and energy management system and its regular reports give the full Board of Managing Directors a broadened basis for their decision-making. Through its environmental guidelines, Commerzbank has defined and published clear rules for conducting business in an environmentally responsible way.

Commerzbank and its 13 subsidiaries have an integrated environmental and energy management system. The system has been certified by DNV Business Assurance Zertifizierung GmbH in accordance with the ISO 14001 and ISO 50001 standards. In 2021, the system covered 92% (Previous year: 95%) of Commerzbank's electricity and heating energy consumption domestically and abroad. The reduced level of coverage results from a greater decline in electricity consumption in Germany compared to abroad. Local environmental and energy data is collected annually for all Commerzbank AG locations in Germany and abroad, and thus also beyond the boundaries of the environmental and energy management system. With the help of Energy Performance Indicators (EnPIs), these are used for planning, evaluating and controlling environmental measures.

With many years of experience in the verification of environmental data for Commerzbank AG Germany, the environmental data for our foreign sites were also verified externally for the first time for the 2021 reporting year. The verification of Commerzbank AG as a whole, which was originally planned for the reporting year 2023, was thus achieved ahead of schedule. Different sources were used to determine the environmental data abroad. Due to local specifics, these do not yet reach the quality level of the environmental data in Germany. For incomplete or qualitatively inferior data, extrapolations or estimates were made using suitable benchmarks. This mainly concerned the water consumption recorded for internal reporting and the amount of commercial municipal waste. As in previous years, commuter traffic figures were not determined for foreign countries, as the necessary basic statistical data are not available.

Commerzbank's approximately 1,100 buildings (as per end 2021) in Germany have been supplied completely with green electricity since 2013. Our energy suppliers duly enter the guarantees of origin for our green electricity in the register of guarantees of origin, which excludes the possibility that a guarantee could be sold to the consumer more than once. These comprise European Energy Certificate System (EECS) guarantees of origin from hydroelectric plants that are not older than seven years and wind power plants (maximum share 20% per year).

Two new energy targets were set in 2020. It is planned to reduce total energy consumption by an average of 2% per year by 2025 compared to 2018. By the end of 2021, 20.4% had already been saved compared to 2018. In addition, electricity consumption per full-time employee is to be kept constant until 2025 compared to the base year 2018 – despite increasing digitalisation. This goal has also been achieved to date. Specific electricity consumption was even reduced by 12.2% compared to 2018. In particular, the conversion of fans to electronic commuted (EC) technology with higher efficiency and reduced noise emissions, as well as the optimisation of the operating times of the recirculating air cooling units in the service centre, have led to further electricity savings. The continued use of LEDs for lighting also made a contribution.

>>

GRI 302 Energy

GRI 103 Management approach (including 103-1, 103-2, 103-3)

UNGC: 7-9 / SDG: 7, 12, 13

>>

Commerzbank participates together with other Frankfurt-based companies in the “Energieeffizienz-Netzwerke” (Energy Efficiency Networks Initiative), organised jointly by the Federal Government and business associations and organisations. Besides implementing energy-saving measures, this project is also focused on an intensive dialogue between the companies involved with the assistance of independent energy adviser.

302-1 Energy consumption within the organisation

UNGC: 7, 8 / SDG: 7, 12, 13

At Commerzbank AG Germany, approximately 45% of heat energy is obtained from natural gas and around 53% is obtained via district heating.

For the carbon footprint, the environmental data for the German and the foreign branches are recorded separately. Outside Germany, more than 64% of heat energy is generated with natural gas. The Amsterdam location is heated by a heat pump, which is supplied with green electricity. Oil heating appliances are gradually being replaced by more environmentally friendly systems and now account for only a very low percentage of our total heat generation: Heating oil as a source of heat energy stands at 2% in Germany. No oil heating systems are operated at the international locations.

Direct energy consumption at Commerzbank AG MWh	2019	2020	2021
	AG total	AG total	AG total
Natural gas	107 120	97 755	61 670
Heating oil	2 174	2 299	2 767
Diesel for back-up power	355	246	311
Fuel ¹	51 993	29 314	11.111
Total	161 642	129 615	75 859

¹ Commuter traffic excluded; fuel consumption outside Germany was determined on the basis of mileage (km) and presumed average fuel consumption.

Energy consumption (electricity and district heating) by Commerzbank AG MWh	2019	2020	2021
	AG total	AG total	AG total
Energy consumption (electricity)	180 458	169 529	151 534
Energy consumption (district heating)	57 533	49 972	74 271
Total	237 991	219 501	225 805

GRI 302 Energy

302-4 Reduction of energy consumption

UNGC: 8, 9 / SDG: 12, 13

The year 2021 was characterised by the restrictions due to the Corona pandemic. As a result, Commerzbank's energy consumption was reduced by around 41% compared to the previous year. A significant contribution to this was made by included fuels, which fell by 43% due to pandemic-related restrictions on business travel. Good experiences with web-based online communication and the associated time savings have supported the decrease in business trips. In addition, the lease of an energy-inefficient office building was terminated in 2020, whose share of natural gas consumption contributed significantly to the savings.

Indirect energy consumption decreased by 2.9%, as heating energy consumption at the foreign locations increased significantly by around 17%. This is mainly due to the increase in employees in Lodz (Poland) and the location in Sofia (Bulgaria), which is currently being built up. Electricity consumption abroad also increased, but only by a moderate 2.5%. In contrast, electricity consumption at Commerzbank AG fell by 10.6%. An increasing proportion of home offices worldwide of around 47% (estimated value in the previous year: 40%) as well as measures controlled via the energy management system, such as optimisation of air conditioning, lighting, operating times and the IT infrastructure, contributed to this. A weather-based system control supported the electricity savings of a good 9% achieved in an office complex. At 2,482 MWh, electricity consumption in the home office accounts for 1.6% of total electricity consumption.

Global business travel collapsed by 53% due to the global travel restrictions once again. Air travel in particular came to a virtual standstill with a drop of almost 53%. Rail business travel was down by a good 41% and car business travel fell by 55%. This pandemic-related development was supported by an expansion of digital communication services, e.g. video conferencing.

GRI 304 Biodiversity

GRI 103 Management approach (including 103-1, 103-2, 103-3)

SDG: 13, 14, 15

Biodiversity is increasingly becoming the focus of debates on sustainable development. This is also reflected in connection with our new materiality analysis, which we launched in the 2021 reporting year. The results of the materiality analysis will also be incorporated into our strategy process in the future.

Through our positions and guidelines on environmental and social risks, we contribute to the protection of biodiversity and species diversity. We have defined clear exclusion criteria (please see "Management approach Sustainable Finance"). In addition, we take into account the extent to which the companies involved interfere with biodiversity, especially in the agriculture, forestry and mining sectors. This includes, for example, the protection of nature reserves or otherwise protected areas as well as the implementation of renaturation measures.

With the Commerzbank environmental internship, together with German national parks, we have long been making a contribution to the protection of nature and thus to safeguarding important habitats (please see [GRI 203-1](#)). In the future, we will expand our strategic focus more strongly in order to commit to the sustainable use and protection of global biodiversity.

GRI 304 Biodiversity

304-2 Significant impact of activities, products and services on biodiversity

SDG: 13, 14, 15

See [GRI 304](#) / Management approach.

GRI 305 Emissions

GRI 103 Management approach (including 103-1, 103-2, 103-3)

UNGC: 7-9 / SDG: 12, 13

The overarching approach to environmental and energy management regarding the Bank's operations under 302 also applies to 305.

The remaining emissions that are difficult to avoid (including staff commuting to and from work) have been offset for the Commerzbank AG Inland since 2015. Commerzbank AG's operations in Germany are therefore climate neutral. Additional details on climate neutrality and criteria for selecting projects as well as cancellation confirmations for certificate purchases in 2021 are available on the sustainability website.

A systematic analysis of the sources of emissions as well as knowledge of our own carbon footprint is essential when determining the emissions reduction potential and for the introduction of effective measures. Commerzbank is therefore moving away from eco-controlling in favour of CO₂ accounting, which involves implementing CO₂ substitution measures, such as the gradual switch to green electricity and projects to reduce CO₂.

Our business travel guidelines for Germany and international travel generally oblige us to comply with ecological principles. In Germany, for example, rail is the preferred means of travel. Domestic air travel should be avoided whenever possible. Internationally, the use of alternatives (e.g. tele/video conferencing) and the combination of several travel appointments is particularly emphasised. Audio and video conferencing systems support direct conversation and document exchange even without travelling. These media can also be used on the move, e.g. in the home office. With the digital workplace transformation, line capacities for home office use were massively expanded and software rollouts were given higher priority.

With the current version of the Bank Vehicle Guidelines from January 2022, a revised version with far-reaching adjustments has been adopted. A new external service provider is responsible for fleet management. The previously applicable upper limit of CO₂ emissions of 160 g/km has been replaced by a limited range of vehicles and thus reduced. The four pre-configured and exclusively selectable vehicle models are one electric vehicle, one vehicle from the compact class and one sedan and one estate model each from the mid-size class. The order of an electric vehicle is attractively financially supported by the bank through a monthly contribution. The range of vehicles has a maximum CO₂ emission of 130 g/km pursuant to the Worldwide Harmonised Light Vehicle Test Procedure (WLTP) laboratory test and is thus around 20% below the previous upper limit. For foreign countries, the International Car Policy applies. With the new version (version 1.3) of the International Car Policy (ICP) from January 2022, reference is now made to 11 country-specific annexes that regulate local particularities. The bonus-penalty system successfully used in the past at home was transferred to the foreign locations at the beginning of 2020.

>>

GRI 305 Emissions

GRI 103 Management approach (including 103-1, 103-2, 103-3)

UNGC: 7-9 / SDG: 12, 13

>>

Vehicles with high CO₂ emissions are charged a surcharge, while environmentally friendly vehicles, especially e-vehicles, are financially supported. At the Frankfurt head office (incl. Eschborn), a total of 21 charging points are available in 6 buildings for Commerzbank employees' private electric vehicles.

The corporate car sharing concept replaced Commerzbank's pool car management in 2020 and is characterised by fuel-efficient models available throughout Germany. The vehicles comply with the latest emissions standards (EURO 6d temp) and ensure use even in the event of possible driving bans in inner cities. The average CO₂ emissions are to be reduced to below 100 g/km - also by offering electric vehicles (please see GRI 305-5). With the corporate car sharing concept, the vehicle fleet is also kept up to date with the latest safety technology. Due to the heterogeneous requirements internationally, the corporate car sharing model only exists domestically.

Furthermore, we provide our employees in Germany with special bicycle offers for a climate-friendly alternative to driving or public transport. On the one hand, Commerzbank employees can purchase high-quality bicycles, pedelecs or other e-bikes for private and business use via Bikelease. On the other hand, since 2020, Call a Bike bikes and since April 2022 also the bikes from Nextbike have been available to all Commerzbank employees throughout Germany for business travel. Employees' rail travel and the use of the BahnCard have steadily declined in recent years due to digital alternatives (audio and video conferencing systems). Due to the pandemic, the number of rail tickets fell particularly sharply by more than 60% (BahnCard100: -38.5%). Nevertheless, the domestic business trips by rail with 100% green electricity continue to make an additional contribution to environmental and climate protection. In addition, DB also compensates for the indirect emissions caused in the upstream and downstream process. To promote the use of public transport, employees of AG Inland have been receiving a monthly subsidy for their monthly or annual ticket since April 2020.

With the climate target adopted in 2020, CO₂ emissions are to be reduced by an additional 30% by 2025 (base year 2018). With the Net Zero commitment made in May 2021, it was agreed to reduce the CO₂ emissions caused in the Bank's own operations to zero net by 2040. This is also intended to ensure compliance with the 1.5-degree target under the Paris Climate Agreement. The current climate target includes international Commerzbank locations in around 20 countries for the first time. In 2021, a 40.8% reduction in global CO₂ emissions was achieved compared to the base year 2018. From the reporting year 2022 onwards, we expect CO₂ emissions to rise significantly again - following the easing of pandemic restrictions.

Unavoidable emissions will continue to be offset by the purchase of CO₂ certificates so that the bank's operations remain climate neutral. This will also apply to the foreign branches from 2021, so that the banking operations of the entire Commerzbank AG will now be climate-neutral.

305-1 Direct (Scope 1) GHG emissions

UNGC: 7, 8 / SDG: 12, 13

Commerzbank measures its greenhouse gas emissions in accordance with the standard developed by the German Association for Environmental Management and Sustainability in Financial Institutions (VfU). This standard is based on international environmental and climate reporting standards such as the Greenhouse Gas (GHG) Protocol, CDP and the Global Reporting Initiative (GRI).

>>

305-1 Direct (Scope 1) GHG emissions

UNGC: 7, 8 / SDG: 12, 13

>>

The emissions are calculated as CO₂ equivalents, which means that apart from CO₂, other greenhouse gases, such as methane (CH₄) and nitrogen oxide (N₂O), are also accounted for in the calculation, and their detrimental effect on the climate is converted into the CO₂ reference value.

In our reporting on CO₂ emissions, we distinguish between Scope 1 (all direct GHG emissions), Scope 2 (indirect GHG emissions from consumption of purchased energy) and Scope 3 (all other indirect emissions from services rendered by third parties, as well as upstream and downstream processes) in accordance with the Greenhouse Gas (GHG) Protocol. Scope 2 can be calculated based on either the energy mix actually purchased (“market-based”) or the statistical country mix (“location-based”). We use market-based scope 2 emissions to calculate our total emissions. The consumption data, the data collection mode and the calculated CO₂ emissions have been verified since 2009 by the external company DNV Business Assurance Zertifizierung und Umweltgutachter GmbH. As of the reporting year 2021, this also applies to the AG abroad (foreign branches and representative offices).

In 2021, the CO₂ emissions of Commerzbank AG Germany decreased further by 12,298 tons or 16.3% compared to the previous year due to the pandemic. For Germany and abroad, the decrease was 15.3%. The travel activities of our employees traditionally have a major impact on Commerzbank’s carbon footprint. With a global share of only 9.8% (2020: 17%) a decline due to business travel restrictions is even more pronounced than in the previous year. As rail and air travel came to a virtual standstill, almost 77% of all business trips made by the Commerzbank AG inland and 74% by the AG as a whole were made by car.

VfU 2022²

Direct and indirect greenhouse gas emissions ¹ (GHG emissions) of Commerzbank AG) t CO ₂ equivalents		2019	2020	2021 ²
Scope 1: direkt THG emissions				
Energy supply				
	AG Germany	21 216	19 365	12 367
	AG abroad	739	738	744
Natural gas	AG Germany	20 523	18 678	11 529
	AG abroad	714	702	707
Heating oil	AG Germany	618	653	786
	AG abroad	0	0	0
Diesel for back-up power	AG Germany	76	34	52
	AG abroad	25	36	37
Business travel (company car)				
	AG Germany	14 122	7 848	2 962
	AG abroad	128	101	42
Bank vehicles ⁴	AG Germany	13 496	7 635	2 823
	AG abroad	79	79	34
Pool vehicles	AG Germany	626	213	139
	AG abroad	48	22	8
>>				

**305-1 Direct (Scope 1)
GHG emissions**

UNGC: 7, 8 / SDG: 12, 13

Direct and indirect greenhouse gas emissions ¹ (GHG emissions) of Commerzbank AG) t CO ₂ equivalents		2019	2020	2021 ²
>>				
Coolant and extinguishing agent losses				
	AG Germany	767	112	44
	AG abroad	29	149	422
Coolant	AG Germany	767	112	44
	AG abroad	29	149	143
Fire extinguishing agent	AG Germany	0	0	0
	AG abroad	0	0	279
Total Scope 1	AG Germany	36 106	27 326	15 373
	AG abroad	895	988	1 208
	AG total	37 001	28 314	16 581
Scope 2: indirect THG emissions (market-based)				
Energieversorgung				
	AG Germany	7 205	7 142	13 619
	AG abroad	7 888	5 121	4 624
Energy supply	AG Germany	0	6	0
	AG abroad	7 519	4 903	4 101
Electricity ⁵	AG Germany	7 205	7 136	13 576
	AG abroad	369	218	505
Traffic ⁶	AG Germany			43
	AG abroad			18
Total Scope 2 (market-based)	AG Germany	7 205	7 142	13.619
	AG abroad	7 888	5 120	4 624
	AG total	15 093	12 262	18 243
Scope 2: indirect THG emissions (location-based)				
Energieversorgung				
	AG Germany	91 129	71 644	68 594
	AG abroad	7 153	6 259	6 647
Energy supply	AG Germany	83 924	64 502	54 976
	AG abroad	6 784	6 041	6 124
District heating ⁵	AG Germany	7 205	7 142	13 576
	AG abroad	369	218	505
>>				

**305-1 Direct (Scope 1)
GHG emissions**

UNGC: 7, 8 / SDG: 12, 13

Direct and indirect greenhouse gas emissions ¹ (GHG emissions) of Commerzbank AG) t CO ₂ equivalents		2019	2020	2021 ²
>>				
Traffic ⁶	AG Germany			43
	AG abroad			18
Total Scope 2 (location-based)	AG Germany	91 129	71 644	68 594
	AG abroad	7 153	6 259	6 647
	AG total	98 282	77 903	75 241
Scope 3: other indirect THG emissions				
Paper consumption	AG Germany	4 493	3 601	2 606
	AG abroad	110	45	26
Energy supply	AG Germany	10 408	8 727	8 422
	AG abroad	1 802	1 381	1 595
Natural gas (in upstream and downstream emissions)	AG Germany	5 620	5 115	3 425
	AG abroad	196	192	210
Heating oil (in upstream and downstream emissions)	AG Germany	122	129	117
	AG abroad	0	0	0
Diesel back-up power (in upstream and downstream emissions)	AG Germany	15	7	8
	AG abroad	5	7	6
District heating (in upstream and downstream emissions) ⁵	AG Germany	3 574	1 823	3 570
	AG abroad	71	74	109
Electricity from renewable energies (pre-products and conversion losses)	AG Germany	1 077	1 004	471
	AG abroad	1 531	901	1 067
Energy mix (home offices)	AG Germany	0	649	832
	AG abroad	0	207	203
Business travel with indirect impact ⁷	AG Germany	13 075	5 639	3 665
	AG abroad	3 997	706	223
Air travel	AG Germany	3 516	380	228
	AG abroad	3 791	571	141
Rail travel	AG Germany	327	70	70
	AG abroad	29	9	7
Greenhouse gas emissions of up- and downstream emissions from direct road traffic	AG Germany	6 822	3 794	2 115
	AG abroad	97	76	28
Business trips with indirect impact	AG Germany	2 409	1 395	1 252
	AG abroad	81	50	47
>>				

**305-1 Direct (Scope 1)
GHG emissions**

UNGC: 7, 8 / SDG: 12, 13

Direct and indirect greenhouse gas emissions ¹ (GHG emissions) of Commerzbank AG) t CO ₂ equivalents		2019	2020	2021 ²
>>				
Logistic journeys	AG Germany	3 866	3 781	3 535
Commuting travel⁸	AG Germany	33 411	19 216	15 893
Water	AG Germany	336	141	115
	AG abroad	35	23	42
Waste disposal	AG Germany	74	83	130
	AG abroad	185	128	111
Total Scope 3	AG Germany	65 664	41 188	34 366
	AG abroad	6 130	2 284	1 997
	AG total	71 793	43 472	36 363
Total overall	AG Germany	108 975	75 656	63 358
	AG abroad	14 913	8 392	7 829
	AG total	123 888	84 048	71 187

¹ Commerzbank AG Germany's consumption data incl. collection mode and the calculated CO₂-equivalent-emissions (CO₂eq) have been externally verified by DNV Business Assurance Zertifizierungs GmbH since 2009. In 2021, all foreign locations were included in the verification for the first time. The verification process is based on ISO 14064-3.

² For the year under review from 1 January to 31 December 2021, the current and extended VfU standard (Version 1.0 of the 2022 update) from March 2022 was applied to calculate CO₂eq -emissions. It is aligned with international environmental and climate reporting standards such as GRI and GHG Protocol.

³ The decrease in consumption levels is partly due to the restrictions imposed during the Corona pandemic. In particular, the mobility restrictions, the high share of home office activity, and the partial closures of AG Inland branches during the lockdown periods all contributed to this decline.

⁴ As a result of business travel restrictions, business trips remained at a low level. In addition, the number of bank vehicles in AG Germany decreased by almost 15%. Based on statistical data, the share of business trips for bank vehicles in AG Germany totalled 25% (previous year: 42%). Moreover, the proportion of domestic bank vehicles powered by electricity has increased more than twentyfold.

⁵ The increase in district heating is linked to a decrease in natural gas. This is explained by the improved allocation of heating energy sources in the rental properties used by the Commerzbank AG Germany and the implementation of the Strategy 2024. The determination of the CO₂eq emissions for district heating in AG Germany was based on a weighted emission factor. Abroad, the standard calculation method of the German Association for Environmental Management and Sustainability in Financial Institutions (VfU) is used.

⁶ Electric vehicles have newly been added to the VfU-Tool within the "Transport" report. In the past year, this item was reported under "Electricity".

⁷ Due to business travel restrictions (COVID pandemic), air travel in particular continued to decline.

⁸ Commuting is only surveyed for AG Inland due to the available basic data. The calculation was based on the latest data from the Federal Statistical Office (Microcensus 2020, as of 31 January 2022) and the average number of full-time employees in 2021. In addition, the actual commuting distances of employees and the proportion of public transport users (with monthly/annual pass) were evaluated. For the first time, the commuting distances of the employees and the proportion of public transport users (with monthly/annual pass) were evaluated objectively. Additionally, an average home office ratio was once again taken into account.

GRI 305 Emissions

305-1 Direct (Scope 1) GHG emissions

UNGC: 7, 8 / SDG: 12, 13

Carbon footprint at Commerzbank AG by scope t of CO ₂ equivalent			
	2019	2020	2021
	AG total	AG total	AG total
Scope 1	37 001	28 313	16 581
Scope 2 (Market-based)	15 094	12 263	18 243
Scope 2 (Location-based)	98 282	77 903	75 241
Scope 3	71 793	43 472	36 363

Business travel at Commerzbank AG km			
	2019	2020	2021
	AG total	AG total	AG total
Cars	79 875 356	46 342 276	21 025 926
Bank vehicles (AT Leasing)	68 892 455	40 541 618	16 045 932
Pool vehicles	3 488 935	1 265 025	1 031 027
Km accounted for as private, hire car and taxi journeys ¹	7 493 966	4 535 633	3 948 967
Air travel	46 404 243	6 157 209	2 906 824
Rail travel Group	24 249 366	7 605 165	4 473 989

¹ Data on business travel with indirect impacts for Commerzbank abroad are not separately available for private cars on one hand or hired cars and taxi rides on the other hand.

305-2 Energy indirect (Scope 2) GHG emissions

See GRI 305-1.

305-3 Other indirect (Scope 3) GHG emissions

See GRI 305-1.

305-4 GHG emissions intensity

UNGC: 8 / SDG: 13

The decrease in CO₂ emissions per full-time employee (VZK) to 2.42 tons in 2021 (2020: 2.85 tons) is mainly due to further remaining restrictions during the Corona pandemic. Business travel in particular was affected by this. Commuting also decreased by a further 26% compared to 2020 – due to the high level of employees working from home.

Greenhouse gas (GHG) emissions intensity CO ₂ emissions per capita ¹ (Scopes 1, 2 and 3), incl. staff commutes			
	2019	2020 ³	2021
	AG total	AG total	AG total
Tonnes	4.09	2.85	2.42

¹ Full-time personnel.

² Domestic shuttle service

³ Including representative offices

GRI 305 Emissions

305-5 Reduction of GHG emissions

UNGC: 8, 9 / SDG: 13

We are working on further measures that can help us save CO₂ emissions. For example, the current 92.5% share of electricity sourced from renewable sources worldwide is aimed to be increased. Since 2020, we have also taken into account electricity consumption while working from home. Moreover, since the start of 2015, Commerzbank AG in Germany has been climate neutral, thanks to its programme aimed at offsetting all unavoidable CO₂ emissions from business operations, including staff commuting to and from work (please see GRI 305/103).

The amount of GHG emissions (Scope 1, 2 and 3 for Commerzbank AG as a whole) in 2021 was 71,187 tons. This represents a significant decrease of 12,861 tons or 15.3%. At Commerzbank AG Germany, GHG emissions also fell significantly by 12,298 tons of CO₂ or 16.3%. For detailed information, also see performance indicator GRI 305-1.

In 2021, CO₂ emissions from company car leasing (bank cars) decreased by 63%. The COVID-19 pandemic contributed significantly to this. The average actual consumption of bank cars also decreased further (petrol: -23.5%, diesel: -1.7%). In the case of pool vehicles, no gasoline-powered vehicles have been operated since 2020. Only diesel and electric vehicles are used in the corporate car sharing concept. Even with the transition of the pool vehicle fleet, we make sure to have vehicles with the latest emissions technology in use.

The Covid-19 pandemic has given an additional boost to the ongoing digitization of Commerzbank. Business travel restrictions and the requirement to work from home have led to the digital communication offering being significantly expanded and technically improved. This has not only reduced business travel, but also supported a reduced paper consumption of 8.8% or 295 tons compared to the previous year. Business travel distances decreased by 52.7% or 31.7 million km compared to 2020. As a result, emissions from business travel were reduced by 51.4% or 7,353 tons of CO₂ worldwide.

It is expected that, once the Corona pandemic has been overcome, business travel and commuting will increase again, yet will not reach pre-crisis levels. Mobile working and the technically expanded and improved communication offer will continue to contribute to environmental protection and reduced CO₂ intensity of banking operations in the future.

GRI 307 Environmental Compliance

GRI 103 Management approach (including 103-1, 103-2, 103-3)

UNGC: 7, 8

The overarching approach to environmental and energy management regarding the Bank's operations under 302 also applies to 307. Furthermore, compliance with statutory provisions and regulatory requirements is a matter of course for Commerzbank. For more details on the handling of environmental risks, please see [GRI 102-11](#).

307-1 Non-compliance with environmental laws and regulations

UNGC: 8

No material fines for non-compliance with environmental regulations were imposed in the reporting period.

**GRI 103 Management approach
(including 103-1, 103-2, 103-3)**

UNGC: 7, 8 / SDG: 12

The corporate responsibility of Commerzbank does not stop at internal processes and activities but extends across the supply chain. Environmental, social and governance (ESG) criteria therefore play an important role when deciding on external suppliers and service providers. In addition, Commerzbank has set itself the goal of having a 100% climate-neutral supplier portfolio by 2040. At Commerzbank, procurement is handled by Corporate Procurement. This central office falls within the remit of the Group's Organisation & Security unit, which reports directly to the Board of Managing Directors. The purchasing and supplier selection processes are audited internally and externally as part of the certified environmental management system. In addition, employees from Corporate Procurement attend meetings of the energy management team, which are held several times a year.

We ensure standardised sustainability standards through various policies and processes.

This commitment extends to our suppliers and service providers:

- Commerzbank's Code of Conduct includes the binding provision that the Bank expects its business partners to respect human and personal rights as well.
- Suppliers' compliance with social standards is an integral part of Commerzbank's sustainable procurement standard. All suppliers and service providers who do business with Commerzbank guarantee that they will observe the social requirements specified by this set of rules and agree to impose compliance with the corresponding requirements on their own suppliers and service providers. Violations of the sustainable procurement standard by suppliers or service providers may result in the termination of the business relationship.
- Commerzbank's suppliers and service providers undertake to behave with integrity in their business dealings and to demand and promote compliance with environmental standards by signing the mandatory contract clause "Integrity, environment and social responsibility". Compliance with social standards is the focus of annual meetings with Commerzbank's main suppliers.
- ESG criteria must be evaluated a part of the tender process.
- Reputational Risk Management also performs ad hoc analyses during the process of selecting suppliers.

308-1 New suppliers that were screened using environmental criteria

UNGC: 8 / SDG: 12

Enquiries about sustainability-relevant aspects, such as existing ISO certifications and climate protection targets, are an integral part of Commerzbank's supplier chain.

3. Social

GRI 401 Employment

GRI 103 Management approach (including 103-1, 103-2, 103-3)

UNGC: 6 / SDG: 8

Commerzbank aims to offer its staff a working environment characterised by a spirit of partnership. Our human resources policy provides a framework which promotes the development of each individual employee as well as collegial cooperation within the Group – even in a challenging economic setting. The far-reaching restructuring associated with our new strategy will lead to a further loss of jobs. To this end, early on in the year under review, Commerzbank Aktiengesellschaft agreed with the employee representatives on a framework social plan with the aim of achieving fair and socially acceptable job reductions.

Commerzbank has to be positioned for the future. By focusing on digitalization and implementing the strategic agenda, Commerzbank will increasingly need different skills and job profiles in certain areas in the future. We are therefore positioning ourselves accordingly for this target group in order to thus attract suitable experts. At the same time, it is important to counteract demographic change. Initiatives to attract young talent are anchored in the strategic HR agenda. These include, for example, trainee programs that focus on digitisation or more generalist development. However, the comprehensive range of training opportunities, innovative qualification measures, and the possibility of various development paths are also intended to make the Bank attractive for young talent.

2021, the bank continued its recruitment drive for junior IT staff. A total of just under 90 junior staff were recruited for initial training and as trainees. They are to further drive digitalisation. Due to the coronavirus pandemic, we had to break new ground this year. The changed circumstances required a high degree of flexibility, willingness to innovate and speed. Since the face-to-face selection procedures for trainees for recruitment were no longer possible in some cases, we used the remote audits we had developed. We also resorted to remote audits or special interview procedures in some cases for our apprentices. Ultimately, we were able to complete the recruitment process successfully and received positive feedback from our new graduates.

In 2021, HR work at Commerzbank was the responsibility of Sabine Schmittroth on the Board of Managing Directors and implemented operationally in the Group Human Resources division. The guiding principles of HR work include the Group strategy and the HR strategy.

As in the previous year, surveys also constituted an important element of the feedback culture in the Bank in 2021. More than 40 empirical studies were conducted throughout the bank. These include sample-based surveys, project-related evaluations, and culture and strategy surveys at divisional and departmental level. Internal market research activities focused on the second wave of the transformation study as part of the “4 People” project. This is a full AG-wide survey (national and international) with the aim of regularly providing the Executive Board and senior management with valid indications of employee motivation and approval of the strategy.

401-1 New employee hires and employee turnover

UNGC: 6 / SDG: 8

The rate of employee turnover in the year under review was 4.9%. This amounts to a year-on-year increase of 0.3%.

>>

**401-1 New employee hires
and employee turnover**

UNGC: 6 / SDG: 8

>>

The average length of service of employees with Commerzbank AG Germany is around 21 years; 20% have worked for the Bank for up to nine years, 18% for between ten and 19 years, and 62% for 20 years or more.

New hires at Commerzbank AG (Germany) by age, gender and region (in full time equivalents)	2019		2020 ¹		2021	
	total	in %	total	in %	total	in %
Total number of new employees hired	560	2.11	1 640	6.15	133	0.55
By age						
Employees younger than 30 years old	183	0.69	261	0.98	39	0.16
Employees between 30 and 50 years old	326	1.23	948	3.55	80	0.33
Employees morethan 50 years old	51	0.19	431	1.62	14	0.06
By gender						
Female employees	245	0.92	695	2.61	65	0.27
Male employees	315	1.19	945	3.54	68	0.28
By region						
Frankfurt	340	1.28	281	1.05	62	0.26
Rest of Germany	220	0.83	1 359	5.10	71	0.29

¹ Includes integration of Comdirect..

Employee turnover at Commerzbank AG (Germany) by age, gender, region and reason for leaving (in full time equivalents)	2019		2020 ¹		2021	
	total	in %	total	in %	total	in %
Total number of employees leaving	1 366	2.11	1 219	4.6	1 186	4.90
By age						
Employees younger than 30 years old	176	0.7	131	0.5	198	0.82
Employees between 30 and 50 years old	588	2.2	465	1.7	472	1.95
Employees morethan 50 years old	602	2.3	623	2.3	516	2.13
By gender						
Female employees	517	2.0	470	1.8	504	2.08
Male employees	849	3.2	749	2.8	682	2.82
By region						
Frankfurt	618	2.4	467	1.8	426	1.76
Rest of Germany	748	2.8	752	2.8	760	3.14

>>

GRI 401 Employment

401-1 New employee hires and employee turnover

UNGC: 6 / SDG: 8

Employee turnover at Commerzbank AG (Germany) by age, gender, region and reason for leaving (in full time equivalents)	2019		2020 ¹		2021	
	total	in %	total	in %	total	in %
>>						
By reason for leaving (selection)						
Contract terminated by employee	515	1.9	458	1.7	481	1.99
Contract terminated by employer	11	0.04	18	0.07	6	0.03
Amicable agreement	692	2.6	623	2.4	606	2.51
Death	9	0.03	11	0.04	10	0.04

GRI 403 Occupational health and safety

GRI 103 Management approach (inklusive 103-1, 103-2, 103-3)

UNGC: 1, 6 / SDG: 3

Health management is another key aspect of Commerzbank's HR activities: The Bank seeks to promote the mental and physical health as well as the social well-being of its employees. Responsibility for this lies with "Health Management" in Group Human Resources and "Safety Management" in Group Organisation & Security.

The specialists for occupational safety from the Safety Management department analyse working conditions on a continuous and holistic basis using the legally required risk assessment tools. To this end, for example, significant changes to work content are considered as a preventive measure when new software is introduced. We also consult employees and managers on a regular basis on various aspects such as work organisation or leadership and team topics. Based on this analysis, targeted measures are developed and their effectiveness then tested (please see 403-2).

In addition, Safety Management regularly inspects the Bank's business premises every three to five years in order to assess the workplaces in a targeted manner with regard to any need for adaptation, but also to provide preventive advice to managers and employees with regard to ergonomics and health at the workplace.

In addition, we want to empower employees and managers to take responsibility for building up the resources with which they can adapt to changed requirements in the working world. This purpose is served by a wide range of preventive measures such as professional counselling or training - for example in dealing with stress - and physical activity. To this end, Commerzbank also cooperates with external partners. The IAS Group is responsible for the occupational health care of our employees nationwide. It also advises the Bank's corporate health management in order to improve and expand the range of products and services in a needs-oriented and targeted manner. Insa Gesundheitsmanagement GmbH provides content on the topics of exercise and nutrition in the form of digital or face-to-face seminars.

Several works agreements on the topics of "Fairness at the Workplace", "Preventing Addiction", "Company Integration Management" and "Computer Workstations" also regulate health-oriented working at the Bank.

>>

GRI 403 Occupational health and safety

GRI 103 Management approach (inklusive 103-1, 103-2, 103-3)

UNGC: 1, 6 / SDG: 3

>>

In 2021, Commerzbank was not the only bank to face the major challenge of reconciling employee health protection with operational requirements in the face of a worldwide pandemic. To this end, the far-reaching hygiene and distance concept was implemented, which is continuously adapted to the current situation, and the options for mobile working were expanded.

403-1 Management system for occupational health and safety

SDG: 3

Health has been a strategic topic pursued by Commerzbank AG since 2006 and implemented an Occupational Health and Safety Management System (Arbeitsschutz-Management-System, AMS) as early as in 2005; this system is continuously reviewed and adapted. It describes the guiding principles and objectives as well as the organisational principles that Commerzbank has set itself as a maxim for action in matters of occupational safety.

Since the basic occupational health and safety measures involve statutory requirements, they apply to all employees and workplaces in Germany and abroad. Voluntary additional benefits such as the Employee Assistance Programme (EAP) are also available to all colleagues via telephone and e-mail. While face-to-face seminars are attended mainly by employees at the larger locations for organisational reasons, digital seminar offerings allow all employees to participate without any additional effort or travel.

403-2 Identification of hazards, risk assessment and investigation of incidents

SDG: 3

Since 2013, we have been continuously expanding our occupational health, safety and prevention efforts through a so-called circular model for the assessment of risks. The findings form the basis for developing and implementing relevant measures together with those responsible for occupational health and safety, employees and managers. These measures range from structural and organisational changes to preventative measures such as professional advisory services to qualification measures, such as dealing with increased workloads, and campaigns to promote exercise. An advisory team of specialists further supports the responsible managers in the overall process of risk assessment with regard to mental stress and project-related risk assessments.

Evidence-based risk assessments are based on reports of suspected health hazards in the workplace. All employees of Commerzbank AG Germany, managers, occupational safety specialists, HR management advisors, representatives of severely disabled employees and members of the Works Council have the opportunity to initiate such an assessment. A notification form and a guide with further information are available for reporting a suspected hazard. The process is triggered when the person submitting the completed form forwards it to the responsible manager. The manager then informs the responsible member of the Works Council and, if applicable, the representative body for severely disabled employees, and consults them regarding the further procedure. If employees fear retaliation, they can instead contact to a member of the Works Council directly, who will then initiate the reporting of the suspected hazard while maintaining the anonymity of the employee. Safety Management has digitalised the accident report, which leads to better documentation of accident investigations and allows for easier anonymous evaluation in order to identify accident black spots and, if necessary, to derive preventive measures.

403-3 Occupational health services

SDG: 3

Commerzbank offers its employees the opportunity to consult company doctors on health-related issues. They are subject to medical confidentiality and provide support – if necessary also on a long-term basis – in the following areas:

>>

403-3 Occupational health services

SDG: 3

>>

- Physical, mental and social illnesses, which may have work-related reasons or affect the employee's work performance
- Health-oriented design of the workplace
- Occupational health examinations, for example eyesight and vision tests for screen work
- Reintegration after an illness
- Integration at work of colleagues with disabilities
- Advice on healthy nutrition
- Preventive health protection during business trips abroad
- Addictions - preventive and acute

The occupational health care of employees is supplemented at the major locations with medical service stations. These are mainly intended to provide first aid in the event of injury or illness. Additionally, there are trained first-aiders at all locations. The Bank offers senior executives of Commerzbank AG Germany the opportunity to arrange for a health check-up every two years, with a large part of the costs borne by the Bank.

Family problems, stress, conflicts, psychological strain and the like also occupy and exert a strain on many people in today's living and working environments. Commerzbank therefore offers the Employee Assistance Program (EAP) to all employees, managers and their relatives living in the same household. In general, the service is available to employees of the AG Inland in Germany, but can also be used by employees from abroad, if required also in English. The external consulting team, consisting of experienced experts from fields such as medicine, psychology and social pedagogics, offers competent support in difficult professional and personal situations. The consultants are, of course, subject to the legal obligation of confidentiality, and neither superiors nor personnel managers will be informed about an employee's utilisation of the EAP. If necessary and at the employee's own request, the consultants will refer them to specialists such as specialist clinics, family services, specialist advice centres, doctors, psychotherapists, or coaches. Managers, too, can use the EAP to approach the counselling service with regard to questions arising from their role. For example, for health-oriented employee management or for the preparation of difficult employee appraisals. Employees have also contacted the EAP on questions about Corona, but due to the extensive information offered by the bank on the subject, there was not a high level of demand.

In addition, Commerzbank has introduced a "tier model for psychological support after bank robberies" in order to provide the best possible support to those involved in such a stressful situation. This includes defined contact persons in Human Resources as well as a comprehensive psychological follow-up offer, also within the framework of the EAP.

After frequent absences due to illness or a longer bout of illness, the step back into the daily work routine can sometimes be difficult. Our company integration management (BEM) supports employees in these situations. It comes into force as a legally required procedure if employees have been absent from work due to illness for a total of six weeks or more within a period of twelve months. It is irrelevant whether the employee was absent due to a single long-term illness or several different illnesses.

>>

GRI 403 Occupational health and safety

403-3 Occupational health services

SDG: 3

>>

Participation in the BEM is voluntary. Measures to support the employee within the framework of the BEM include, for example, the procurement of an ergonomic chair or a height-adjustable desk, reduction of working hours or change of working hours and agreement of fixed or flexible home office days. The BEM can also give advice on external seminars about back fitness or stress, whose participation is financially subsidised by the bank.

403-4 Employee participation, consultation and communication on occupational health and safety

SDG: 3

Various committees within the Bank discuss and take decisions on occupational health and safety issues. The Central Health and Safety Committee represents all Commerzbank employees in Germany. Its responsibilities are specified by the German Health & Safety at Work Act (Arbeitssicherheitsgesetz) and include, among other things, the provision of advice on preventive measures for accident and health hazards and the development of an occupational safety management system. The composition of the Committee is also prescribed by law. Minutes of the meetings, which are held four times a year, are available to all employees.

In 2010, an Employee Council on Health comprising 45 employees, who represent a cross-section of the Bank, was established. In the meetings, which take place at least twice a year, a wide range of topics relating to the physical, psychological and social well-being of the employees is collated and discussed. The most important matters are discussed with the Board Member responsible for human resources and the Chairman of the Central Works Council, who thus gain a direct insight into the health situation of the employees. Every four years, the members of the Council are appointed through a Bank-wide call for nominations and a subsequent selection procedure.

The Committee for Diversity, Health and Social Affairs, which is part of the General Works Council, also deals with all aspects relating to the reconciliation of family and career, social services and health. It convenes every two months. In addition, the representative for severely disabled employees attends the meetings of the Works Council and its committees, as well as all meetings of the Health and Safety Committee, ensures adherence to the rules of inclusion and puts forward appropriate proposals regarding the introduction of new products.

Employees can access all information on health and safety at work on the Commerzbank intranet. Here, Bank's manifold offers are presented and information sheets on various topics, e.g. ergonomic working or eye training, are made available.

403-5 Employee training on occupational health and safety

SDG: 3

In order to ensure occupational safety, all internal and external employees are required to complete an online safety training seminar once a year. This is supplemented by location-specific instructions on the part of the managers. Internal company-appointed officers such as safety officers, first-aiders, floor officers and fire protection assistants are trained in accordance with the legal requirements and regular further training is ensured. In addition, branch employees receive bi-annual training on accident prevention regulations and the special requirements of banking operations (cash processing).

In addition, numerous qualifications offers of the Bank provide information and advice on the topics of occupational safety and health. In the light of the transformation towards a digital technology company in particular, Commerzbank wishes to support its employees and help them meet the challenges posed by digitalisation. The offers include amongst others:

>>

GRI 403 Occupational health and safety

403-5 Employee training on occupational health and safety

SDG: 3

>>

- Audio events and presentations on general health topics such as sports, sleep and nutrition, as well as on challenges faced by employees in their daily work, e.g. stress, time management and digital media.
- Compact health check-ups, e.g. on back or heart health, which give participants initial feedback on their health status and recommendations for improving it.
- Allowances for external stress management seminars that teach strategies and methods to better deal with stressful situations or to identify the causes more easily. The aim is to prevent stressful situations from arising in the first place.

403-6 Promotion of employee health

SDG: 3

Commerzbank supports various health promotion programmes. More than 40 sports are available to employees in the 150 company sports groups throughout Germany. In addition to health promotion, the feeling of togetherness within the company is fostered at the same time. In 2021, around 11,000 employees took advantage of these offers (with partial restrictions due to the coronavirus pandemic). National tournaments and German championships take place regularly. A global exercise initiative reached all employees, including those working from home on a mobile basis, and was especially helpful during social distancing. A podcast with the head company doctor provides regular information on medical topics relating to the coronavirus. In the summer months, our company doctors provided a large number of employees at locations across Germany with a free coronavirus vaccination. Commerzbank is thus making an active contribution to combating the coronavirus pandemic.

Dealing with stress reactions and excessive demands has long ceased to be a taboo subject at Commerzbank. The Bank and the Central Works Council address the issue openly and proactively. With a comprehensive and preventive approach, the Bank aims to provide information on support formats to those affected as early as possible. The employee network "HORIZONT", founded in 2011, aims to help raise awareness among Commerzbank employees for the burnout syndrome (psychological and physical exhaustion) and to break down prejudices and inhibitions. It offers a platform for the exchange of thoughts and ideas, as well as qualified contacts for affected employees. Upon request, these contacts establish contact with various contact points and internal and external experts.

Commerzbank also actively addresses the issue of addiction. We support employees in giving up smoking, for example. In a personal conversation, experts from the IAS Group advise those affected and help them to find the right "way to giving up smoking" from the wealth of courses and aids available. If a course is attended regularly, the Bank will reimburse part of the costs. In addition, the Addiction Helper Network has been established, which every person affected, may use to make initial contact with one of the addiction caregivers quickly, easily and confidentially. These caregivers - all of them employees of Commerzbank - know what they are talking about, because they themselves are addicts, but have been living drug-free for several years and would like to use this experience to help others to take the first step away from addiction.

As an employer, Commerzbank wants to offer its employees attractive and nutritionally balanced catering wherever possible. As such, there are canteens at the Headquarters and other major locations which offer a wide range of vegan, vegetarian and meat-based products on a daily basis. All information on nutritional data and additives can be viewed by employees at the entrance to the canteen.

GRI 403 Occupational health and safety

403-7 Preventing and minimising effects directly related to business relationships on employee health and safety

SDG: 3

This item is not applicable to Commerzbank as a financial services provider.

403-8 Employees covered by a management system for occupational health and safety

SDG: 3

The Occupational Health and Safety Management System (Arbeitsschutz-Management-System, AMS), which is regularly reviewed internally, covers 100% of the employees of Commerzbank AG Germany.

403-9 Work-related injuries

SDG: 3

In 2021, there were a total of 538 reportable work-related and commuting accidents. This corresponds to a rate of 16.4 per 1,000 people. There were no serious accidents (i.e. recovery time of more than 6 months) or deaths. This resulted in a further significant reduction below the already very low level in 2020 (-26.4%) and below the ratios of the relevant statutory accident insurance. This is largely due to the expansion of home office activities in the context of the Corona pandemic. No fatal accidents occurred during the reporting year. An increase in psychological stress due to the long home office periods was not observed.

Number of workplace accidents at Commerzbank AG (Germany)¹ by region and gender

	2019			2020 ¹			2021		
	Frankfurt	Rest of Germany	total	Frankfurt	Rest of Germany	total	Frankfurt	Rest of Germany	total
Workplace and commuting accidents ² female employees	52	113	165	28	100	128	9	76	85
Workplace and commuting accidents ² male employees	43	40	83	20	32	52	13	29	42
Workplace and commuting accidents¹ total	95	153	248	48	132	180	22	105	127
of which purely workplace accidents	22	53	75	10	33	43	5	34	39

¹ Including all subsidiaries in Germany.

² More than three days' absence.

403-10 Work-related illnesses

The annual average sickness rate for Commerzbank AG Germany was 4.0% for 2021 (2020: 4.1%), not including those on permanent sick leave.

GRI 404 Training and Education

GRI 103 Management approach (including 103-1, 103-2, 103-3)

UNGC: 6 / SDG: 5, 8, 10

To retain employees with Commerzbank on a long-term basis and to effectively use their qualifications to the benefit of our company, we aim to identify and develop our employees' skills at an early stage.

>>

GRI 404 Training and Education

GRI 103 Managementansatz (inklusive 103-1, 103-2, 103-3)

UNGC: 6 / SDG: 5, 8, 10

>>

Commerzbank's talent management consequently pursues a holistic approach. It starts with the hiring and development of apprentices and extends to the support for graduates in attaining their initial target positions and personnel development for specialist staff, managers and project managers.

Commerzbank uses various human resources management tools that can either be used by employees at any time on a voluntary basis, such as performance appraisals to determine their current position, or as recurring processes that support the individual development of each employee, such as the development dialogue. The goal of the human resources management tools is to support the continuous development and expansion of competencies and skills among employees, and to align the actions of employees with the strategic goals of the Bank.

404-1 Average hours of training per year per employee

UNGC: 6 / SDG: 5, 8

In 2021, we invested a total of 490,533 hours, including self-study media and face-to-face events, in the training and further education of employees of Commerzbank AG in Germany. A total of 34,252 employees took part in training courses offered on the central learning platform. Employees who left the Bank during the year and external employees were also counted. The average number of hours per employee and year during the reporting year was 14.32 hours. We do not report hours broken down by employee category. This data is not available, as it is not substantially relevant to further training at Commerzbank, and hence also not to management. Further training is offered at Commerzbank on a needs-oriented basis.

Average number of hours spent on training and development per employee and by gender	2019	2020 ^{2, 3}	2021 ¹
No. of hours per year female employees	16.36	18.04	13.98
No. of hours per year male employees	15.93	18.36	14.43
No. of hours per year total	16.15	18.18	14.32

¹ Reason for the decrease of the average number of hours spent is inter alia the fact that non-presence trainings require less time. In addition, so-called "Wissens-Checks" were introduced for mandatory trainings, which also reduced the amount of required learning.

² Includes only qualifications conducted on the central learning platform.

³ Excluding Comdirect.

In addition to the central learning platform for Commerzbank-specific content, several co-operations with external providers were launched or expanded in 2021, which make subject-specific learning content available online.

An external learning portal is also available to the apprentices for their initial training as a bank clerk, on which more than 70,000 videos and tasks have been called up or worked on.

Of the 29,601 people employed by Commerzbank AG Germany in December 2021, 906 were in vocational training (572 were apprentices and 334 were students in dual degree programmes). In addition, 275 active members of the study circle (Commerzbank's working-student programme), 58 students from the Frankfurt School of Finance & Management (FSFM) were employed alongside their studies, as were 191 trainees.

>>

GRI 404 Training and Education

404-1 Average hours of training per year per employee

UNGC: 6 / SDG: 5, 8

>>

In 2021, Commerzbank hired 262 graduates in initial training (129 apprentices and 133 university students in dual-degree programmes). Furthermore, we welcomed 384 student interns, 79 interns from polytechnics, 159 members of the study circle, 33 students at the FSFM and 99 trainees. In 2021, we took on 70.8% of the apprentices and vocational trainees who had completed their training.

Apprenticeships ¹ at Commerzbank AG (Germany)	2019	2020 ^{2,3}	2021
Female apprentices	327	367	358
Male apprentices	465	571	548
Total number of apprentices	792	938	906
Ratio of apprenticeships to other employees (%)	3.1	3.6	3.7
Percentage of apprentices offered permanent positions	76.3	69.7	70.8

¹ Data not available due to a change in the data recording system.

² Includes only qualifications conducted on the central learning platform.

³ Excluding Comdirect.

404-2 Programs for upgrading employee skills and transition assistance programmes

SDG: 8

We pool all offerings under a learning platform and facilitate lifelong occupational learning. Employees are encouraged to more actively shape their further personal and professional development and, together with their managers, to take the reins in making this a reality. International units have their own range of services outside of the learning platform.

Commerzbank offers a host of optional and mandatory training modules (seminars, workshops and e-learning courses) designed to prepare employees for the transformation of the banking sector resulting from digitalisation and to develop their skills on an ongoing basis. The different requirements call for learning and information formats that are appropriate to specific target groups.

Already last year, during the Corona pandemic, Commerzbank had expanded its qualification offerings and was able to fall back on these.

In the apprentices' area, all face-to-face seminars required for the IHK examination were converted to online formats. For professionals, new non-specialist web seminars were developed and offered - topics such as virtual communication, motivation and leadership were in particularly high demand. In addition, more e-learning courses on specialised topics were established, which make it possible for employees to access learning content at any time. Human resources development and individual development concepts were also realigned with online-supported formats, among other things, with regard to the digital strategy.

In addition, we are responding to the increasingly digital world of work in the Group with an adapted work organisation: mobile technical applications, agile work and flexibility in terms of work location and working hours are just some of the examples.

>>

GRI 404 Training and Education

404-2 Programs for upgrading employee skills and transition assistance programmes

SDG: 8

>>

In a working group consisting of employer and employee representatives, a general corporate agreement on “mobile working” was developed and put into effect in April 2020. Mobile working makes it possible to work from time to time without being tied to a specific location. Employees and managers agree in advance on the place of work flexibly, on an ad hoc basis and individually. The agreement thus aims at a flexible arrangement of working time and place, taking into account operational requirements and private interests of the employees, the motivation of the employees through autonomous working, the increase of employer attractiveness and a better reconciliation of private and professional life. By eliminating the need to travel between home and the workplace, mobile working also pays off in terms of environmental protection. Mobile working is also increasingly offered to employees at foreign locations; the respective country-specific regulations can be found in local policies. In the context of the Corona pandemic, the options for working from the home office were expanded beyond the scope of the general works agreement. This means that the Bank offers all employees the opportunity to carry out their activities in the home office and strongly recommends that they exercise this offer.

Employees have three equivalent career paths with clearly structured qualification and development opportunities at their disposal: the professional career track, the management career track and the project career track, including the pertinent qualification modules.

404-3 Percentage of employees receiving regular performance and career development reviews

UNGC: 6 / SDG: 8

The Development Dialogue provides a regular, online-supported personnel development process for all employees and managers in the AG Germany as well as at all international locations, through which the necessary skills and knowledge for current and future requirements are developed in a structured and continuous manner for all employees. The goal is for the manager to regularly discuss the necessary competencies and skills for current and future requirements with each of their employees and to agree on qualification measures if necessary. In addition, the Development Dialogue identifies talents and sets the strategic course for staff deployment and development in the management team.

GRI 103 Management approach (including 103-1, 103-2, 103-3)

UNGC: 1, 6 / SDG: 5, 8

Our diversity management team has been working to create an open, fair and prejudice-free environment across the Group for nearly three decades. The focus is on the topics of gender equality and inclusion of people with disabilities and the promotion of cultural diversity within the Group. We see diversity as a success factor for the Bank's performance. Worldwide, the Group employs people from around 120 nations. Their diverse origins vitalise and enrich interactions. Differences in viewpoint and experience lead to new ideas.

For many years, Diversity & Inclusion has been anchored throughout the Group through a council structure with representatives from all areas of the Bank. The central body for strategic orientation is the "Global Diversity Council", which meets under the chairmanship of the Executive Board member responsible for Human Resources. The participation of all business units and the support of regional councils at various locations abroad make it possible to take country-specific differences and needs into account. Diversity Management has defined seven fields of action: "Work/life balance", "Equal opportunities and gender diversity", "Sexual orientation and identity", "Generational diversity", "Cultural diversity", "Inclusion of employees with disabilities" and "Religion, belief, worldview".

The inclusion of people with disabilities is an essential part of our diversity strategy. In 2018, Commerzbank became the first bank in Germany to publish an Action Plan for Inclusion based on the UN Convention on the Rights of Persons with Disabilities. Under this action plan, we have committed to implementing major goals and measures by 2023 to improve the situation for people with disabilities at Commerzbank. This includes employees as well as customers and suppliers of the Bank. In 2021, we continued to work on the implementation of the measures. Barrier-free access to the workplace and work equipment have just as high a priority as the implementation of accessibility in our digital offerings on the customer side. In this regard, we are also well-positioned in accordance with the German Act on Promoting Barrier-Free Access [Barrierefreiheitsstärkungsgesetz], which came into force in 2021. Here, we benefit in many ways from the inclusion activities that we have already started. In addition, in 2021, the Board of Management decided on a Bank-wide project to implement the statutory requirements.

For more than two decades, we have been steadily expanding our activities around combining family and work life, and we provide our employees with targeted offerings for all stages of life, including with modules that can be used in combination when providing long-term care for relatives. This includes supporting parents in the home office through virtual childcare or exceptional care at Kids&Co facilities during the Covid pandemic. Commerzbank has held the "Audit Beruf & Familie" certification for many years now. As in the previous reporting year, Gruner&Jahr Verlag once again honoured our commitment in 2021 by naming the Bank best employer for women.

A high degree of flexibility in terms of time and mobility is a key factor in implementing the transformation of the working world at the company. To make it easier for our employees to combine family life with a career, Commerzbank offers employees various part-time models and options, such as limited period "trial part-time working" and job sharing. Here, one position is divided between two part-time employees. The percentage of part-time employees has risen constantly in recent years, from 21% at the end of 2011 to 30.5% at the end of 2021.

>>

**GRI 103 Management approach
(including 103-1, 103-2, 103-3)**

UNGC: 1, 6 / SDG: 5, 8

>>

Our sabbatical options offer opportunities to take a longer period of time off work (up to six months). For this reason, we have concluded a works agreement that allows time to be “saved” and used for extended breaks. In 2021, some 102 employees took a sabbatical. Staff also have various opportunities to make the location of their workplace more flexible (Please see GRI 404-2).

Due to the Corona pandemic, which has been in place since 2020, Commerzbank created the conditions for its employees to bridge bottlenecks with expanded options for working from home and temporary paid leaves of absence. In addition, Diversity Management has established special online seminars that deal primarily with the challenges of family life under these special circumstances.

The Bank offers approximately 300 childcare places throughout Germany. By offering longer hours than municipal childcare centres, even during school holidays, we provide a far more attractive level of service for many parents who work at the Bank.

In 2021, however, a large part of the childcare services could not be used in their previous form. With virtual childcare for colleagues who work from home and virtual workshops and exchange formats, we were able to continue to relieve the burden on many parents, and offer the children a varied range of options. Virtual childcare was used a total of 2,823 times in 2021. A nationwide holiday-childcare service as well as childcare in exceptional cases was available to employees free of charge on 20 days per child in 2021. The childcare service offered in exceptional cases was used by 315 children on 1,318 days in Germany in 2021. The holiday programmes were used 1,003 times.

Furthermore, in addition to childcare, we also offer extensive support for employees who care for relatives. This is based on our care-related works agreement, which was concluded for the entire Bank in 2015. With an aging workforce, care for relatives is also gaining in importance. Accordingly, our workshops and advisory services on care are increasingly in demand.

The 7 employee networks supported by Commerzbank’s diversity management make a further important contribution to a lively and diverse corporate culture and thus support our diversity management goals. A total of around 1,500 employees are involved in Arco (LGBT*IQ), the women’s network Courage, Fokus Väter, Cross Culture (interculturalism), Ideal (employees with disabilities), the Christian network Ichthys and the Care network. These networks organise their own events and projects to raise awareness of their existence and what they do, for example shown on the Diversity Day. In addition, they provide colleagues with the opportunity to network and develop across all levels.

For around 20 years, Commerzbank has been committed to an open approach to the topic of sexual orientation and gender identity among customers, employees and business partners. Due to the Corona pandemic, live events had to be cancelled in 2021. Nevertheless, we showed initiative with many campaigns during the “Pride Season”: The Commerzbank Tower and the Bank’s logo in all digital applications appeared in rainbow colours. In all branch locations, rainbow stickers in the entrance area signalled the Bank’s commitment to a prejudice-free society. We also conveyed this message in many ways via social media.

>>

GRI 405 Diversity and Equal Opportunity

GRI 103 Management approach (including 103-1, 103-2, 103-3)

UNGC: 1, 6 / SDG: 5, 8

>>

In addition to the Bank's internal network of fathers, Commerzbank initiated a cross-company network of fathers as early as in 2004 in the form of Väter gGmbH, through which talks, workshops or webinars and a cross-company exchange platform for fathers have been offered regularly since then. In 2021, of all employees taking parental leave at Commerzbank, fathers accounted for 13.1% (2020: 12.8%). The average duration of parental leave (within the 2021 calendar year) was 9 months for women and 2 months for men.

405-1 Diversity of governance bodies and employees

UNGC: 6 / SDG: 5

Diverse teams often perform better and are essential to the success of the company, also with regard to internationalization and demographic change. Although at around 53%, a small majority of Commerzbank's workforce consists of women, they are not yet equally represented at the management levels. For this reason, over the past years the measures designed to promote a good work-life balance have been further improved in order to open up fresh career opportunities for women, in particular. They include the expansion of childcare offerings, innovative part-time working models, including for managers, and the expansion of possibilities to work from home.

In a study by the Boston Consulting Group on gender equality in companies, Commerzbank ranked 5th out of almost 99 listed companies. In addition to the proportion of female managers on boards of directors and supervisory boards, the ratio of the average remuneration of both genders is also included. With a score of 77.5 out of 100 in 2021 (with an index average of 49.6) and the steady improvement compared with previous years, Commerzbank demonstrates that it takes its responsibility for equal opportunities seriously and is successfully implementing measures.

Face-to-face and exchange formats for both entry-level female employees and also for female employees already working at the Bank could only be continued in 2021 in part or in another form due to the pandemic. For example, there were more virtual events and trainings within the framework of the "Diversity Forum" with over 4,500 registrations on a wide range of topics from our diversity dimensions.

Programmes such as "Keep in touch" (10 to 30% part-time for up to 12 months after the birth of a child) or a "return guarantee after parental leave" continued to be offered. In particular, "Keep in touch" has become a successful part-time programme. The offer was used by a total of 198 employees in 2021. The "Management Experience" programme offers employees the opportunity to try out their skills as a manager or project manager in temporarily vacant positions.

In this way Commerzbank has increased the proportion of women in leadership positions to more than 33% Group-wide. Our Executive Board has already set a target of 40% across all management levels by the end of 2030. At the end of 2021, the proportion of women in management positions across the Group was 33.7% (2020: 33.3%). All divisions of the Bank are explicitly tasked with actively approaching suitable female employees during the recruitment process. The aim is to further increase the proportion of female candidates for management positions when filling new positions.

>>

405-1 Diversity of governance bodies and employees

UNGC: 6 / SDG: 5

>>

Further information on the proportion of women on the Supervisory Board and the Board of Managing Directors, and at the first and second management levels can be found on pages 5 and 20 et seq. in the [Annual Report 2021](#) as well as in the diversity concepts and target quotas relating to the Board of Managing Directors and the Supervisory Board (p. 32) in the Corporate Governance Report.

Proportion of female employees ¹ at Commerzbank AG (Germany) by management level ¹ %			
	2019	2020	2021
Proportion of women in overall workforce	51.8	51.7	51.7
Proportion of women at management levels 1-4 in total	29.6	30.4	31.1
Mgmt. Level 4 - team head	40.1	40.5	40.6
Mgmt. Level 3 - head of department	25.9	27.2	27.6
Mgmt. Level 2 - divisional head	16.6	18.5	22.5
Mgmt. Level 1 - divisional board member	17.1	17.5	15.8

¹ Excluding trainees.

Commerzbank AG (Germany) workforce by age and gender						
	2019		2020		2021	
	women	men	women	men	women	men
up to 19	151	200	166	230	128	191
20-24	558	697	609	804	535	712
25-29	801	873	793	967	667	846
30-34	1 056	952	1 043	1 030	912	947
35-39	1 278	949	1 292	1 026	1 204	955
40-44	2 037	1 641	1 981	1 556	1 830	1 363
45-49	2 844	2 381	2 699	2 254	2 400	1 958
50-54	3 350	3 349	3 434	3 292	3 291	3 089
55-59	2 465	2 655	2 523	2 677	2 763	2 915
from 60	479	699	474	751	538	801

In 2021, the bank employed an average of 1,751 severely disabled employees. This corresponds to 5.89% of all jobs at Commerzbank AG Germany (2020: 6.05%). In recent years, Commerzbank Aktiengesellschaft has consistently exceeded the statutory requirement of 5% employees with disabilities. In the meantime, we are also increasingly focusing on the next generation of employees: In 2021, our Recruiting Guideline was revised with the aim of further promoting diversity and inclusion.

GRI 405 Diversity and Equal Opportunity

405-2 Ratio of basic salary and remuneration of women to men

UNGC: 6 / SDG: 5, 8, 10

An overview of the salary structure at Commerzbank is best presented via pay-scale brackets, as individual salary details are protected as confidential information and there are corresponding restrictions on disclosing such information, including for statistical analysis by gender or other diversity criteria. With regard to the gender ratio in the various pay scale groups, the following picture emerges for Germany:

Salary structure at Commerzbank AG (Germany); gender breakdown within the pay-scale categories covered by collective bargaining agreements number of employees	2019		2020		2021	
	women	men	women	men	women	men
> Outside scale	5 911	10 460	5 927	10 336	5 840	9 906
Apprentices	372	465	367	571	358	548
Hourly, monthly and other wages	71	111	104	119	46	75
> Scale 1-3	10	6	30	9	24	4
> Scale 4-6	2 178	632	2 377	707	2 031	593
> Scale 7-9	6 521	2 722	6 349	2 845	5 969	2 651

GRI 406 Non-discrimination

GRI 103 Management approach (including 103-1, 103-2, 103-3)

UNGC: 6 / SDG: 10

A working environment that is free of prejudice, characterised by mutual respect and acceptance is a basic requirement for a climate where everyone is able to thrive. We do not tolerate discrimination at Commerzbank. Any form of discriminatory treatment on the basis of ethnicity, age, disability, gender, origin, physical ability, nationality, political activity, religion or sexual identity constitutes a violation of human dignity and personal rights. With this in mind, Commerzbank and the Central Works Council concluded a works agreement in 2004 prohibiting discrimination, bullying and sexual harassment. To this end, the agreement defined preventative measures, procedures for dealing with complaints, and sanctions to be applied.

In 2021 Commerzbank Aktiengesellschaft and the Central Works Council agreed on an expanded works agreement on “cooperative behaviour in the workplace”. This works agreement is also a clear signal from the Bank against any form of discrimination, including explicitly xenophobic aspects.

Staff have the freedom to use the existing complaints procedures without fearing that they will be singled out for retaliation. The employees affected are also entitled to use the Employee Assistance Programme (EAP).

We view it as our duty to react quickly to each and every instance of discrimination and harassment. With our diversity management, we have been going a significant step further for many years by providing special support to employee groups who have experienced disadvantages in society, especially in the past. Our employee networks for women at the Bank (Courage) and for LGBTQ* staff are among the largest within the company and make an important contribution to a culture of tolerance and integration. The inclusion of people with disabilities is also a firm fixture of our diversity strategy (Please see GRI 405/103).

>>

GRI 406 Non-discrimination

GRI 103 Management approach (including 103-1, 103-2, 103-3)

UNGC: 6 / SDG: 10

>>

Commerzbank is committed to an open approach to the topic of sexual orientation and gender. Diversity Management uses innovative measures, workshops and information events to promote diversity in the company. Our activities are presented and evaluated at least twice a year in the Global Diversity Council under the leadership of Chief Human Resources Officer Sabine Schmittroth. The implementation of legal requirements such as the Gender Equality Act and the Barrier-Free Strengthening Act are also reviewed and measures discussed in this committee.

With our numerous memberships in many organisations for equality and diversity & inclusion, we show that we as a company also perceive a social obligation. We are a founding member of the “Diversity Charter”, are on the advisory board of “Prout@Work”, are listed in the “Genderdax” and are signatories of the UN Women Empowerment Principles. We are also regularly certified by the “Audit Beruf & Familie” and “Total E-Quality”.

We live by our membership in the Diversity Charter with great vigour: Every year, we actively participate in nationwide campaigns such as Diversity Day and Pride Season. In addition, we are happy to be a contact for new Charter members with our “Best D&I Practices”. This has many positive effects. Commerzbank is perceived as an employer with a positive attitude towards the promotion of diversity and inclusion and a convincing commitment to equality. Our customers are also paying more and more attention to the values a company represents. In 2021, Commerzbank joined 26 diversity charters in Europe to participate in European Diversity Month under the motto “United in Diversity”. A particular highlight of Diversity Month was Commerzbank’s signing of the Czech Diversity Charter in Prague. In terms of content, the events and more than 4,500 participations in over 50 formats reflected the entire spectrum of diversity.

406-1 Incidents of discrimination and corrective actions taken

UNGC: 6 / SDG: 10

Employees who are found guilty of misconduct related to discrimination can expect Commerzbank to examine all of its options under labour law. In particularly serious cases where a criminal offence may have been committed, Commerzbank will refer the case to the authorities. There were no such cases in 2021. No such case occurred in 2021. In the reporting year, there were a total of 28 contacts in the EAP relating to the overarching topic area of “bullying, discrimination and sexual harassment.” This corresponds to just over one percent of around 2,400 total EAP contacts in 2021.

GRI 407 Freedom of Association and Collective Bargaining

GRI 103 Management approach (including 103-1, 103-2, 103-3)

UNGC: 2, 3 / SDG: 8

Commerzbank is committed to upholding the core international labour standards of the International Labour Organization (ILO). The vast majority of Commerzbank Group employees work in member states of the European Union. These countries have already enshrined the standards of the ILO in their laws, and Commerzbank implements these national legal requirements as a matter of course, including the freedom of association laid out in Article 9 of the Basic Law for the Federal Republic of Germany (Grundgesetz). As a company domiciled in Germany, Commerzbank is furthermore bound by the Organization for Economic Cooperation and Development’s (OECD) Guidelines for Multinational Enterprises. Commerzbank has also participated in the UN Global Compact (UNGC) since 2006 and therefore undertakes to uphold the freedom of association and the effective recognition of the right to collective bargaining, to eliminate all forms of forced and compulsory labour, to abolish child labour and to eliminate discrimination in respect of employment and occupation, among other things.

GRI 407 Freedom of Association and Collective Bargaining

407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk

UNGC: 3 / SDG: 8

Employee/employer cooperation at Commerzbank is based on mutual respect and trust. Works agreements reached by the employee and employer representatives take account of the Bank's aims as well as the employees' social needs. This will continue to apply in the future. The Bank is not aware of any instances in which Commerzbank's business activities or units did not respect freedom of association or the right to collective bargaining at collective bargaining or works constitution level.

We also expect our suppliers to respect freedom of association and have included this in the [sustainable procurement standard](#).

GRI 414 Supplier Social Assessment

GRI 103 Management approach (including 103-1, 103-2, 103-3)

UNGC: 2 / SDG: 12

See [GRI 308/103](#).

414-1 New suppliers that were screened using social criteria

UNGC: 2 / SDG: 12

See [GRI 308-1](#).

414-2 Negative social impacts in the supply chain and actions taken

UNGC: 2 / SDG: 12

All suppliers and service providers who do business with Commerzbank undertake to comply with the specific social requirements set out in the sustainable procurement standard and, in turn, oblige their own suppliers and service providers to comply with the relevant requirements. The adherence to social standards is a subject matter that is discussed at the annual negotiations with suppliers. In the event of violations of the [sustainable procurement standard](#), suppliers are specifically notified of the need for improvement. In the reporting year, no contracts with suppliers were terminated due to the failure to observe human rights or social standards.

GRI 415 Public Policy

GRI 103 Management approach (including 103-1, 103-2, 103-3)

UNGC: 10 / SDG: 16

In the interest of its customers, and to facilitate long-term planning, Commerzbank also holds ongoing discussions with national and international regulators, supervisory authorities and decision makers in the political arena so it can work towards clarity and consistency in the regulation of products and services.

As the interface between the Bank and political bodies, Commerzbank's Public Affairs department formulates positions on relevant political and regulatory issues. On-site support is provided through the Bank's two liaison offices in Berlin and Brussels and a liaison officer based at the Institute of International Finance (IIF) in Washington. Through its activities, the Bank plays an integral role in the democratic opinion-forming process and aims to encourage appropriate, sound decisions that are geared towards the common good.

>>

GRI 415 Public Policy

GRI 103 Management approach (including 103-1, 103-2, 103-3)

UNGC: 10 / SDG: 16

>>

The focus is on explaining banking and financial market issues with a view to helping politicians and administrators develop and expand their knowledge of the sector as the basis for appropriate decision-making. We are listed in the [EU's Transparency Register](#) and report on local activities, acting persons and annual expenditure on political lobbying.

Commerzbank's donation policy provides a clear framework for donations. According to the policy, donations must not be in conflict in particular with Commerzbank's ethical standards of business and conduct, compliance principles or any specifically defined exclusion criteria. Donations that might cause a conflict of interest are to be avoided. Commerzbank forbids donations to recipients such as associations and cults monitored by the Bundesamt für Verfassungsschutz (BfV) and organisations about which the German Central Institute for Social Issues (DZI) has issued a warning.

415-1 Political contributions

UNGC: 10 / SDG: 16

In accordance with its Group-wide donation policy, Commerzbank does not make donations to political parties, affiliated institutions or politicians.

GRI 417 Marketing and Labelling

GRI 103 Management approach (including 103-1, 103-2, 103-3)

UNGC: 7 / SDG: 12

Fairness towards the customer means for us that we provide comprehensive and readily understandable advice on financial products, their risks and possible alternatives guided by the customer's long-term needs together with transparent and readily understandable documentation of the advisory process. For example, we pursue our claim of providing fair and competent advice with the financial planning tools [CustomerCompass](#), Strategy Dialog and Entrepreneur Dialog. The associated advisory process, where the specific requirements of a retail or corporate customer lead to customised solutions and financial plans, has already received multiple awards.

Moreover, Commerzbank has, in recent years, introduced new products and services that are particularly beneficial to customers. These include accounts with a security guarantee, the "Installment Loan Online," the expansion of the banking app into an installment loan, and provider-independent construction financing. We offer all customers access to the bank with the basic account and also simple services via the Commerzbank Banking App. Relevant documents for customers are mostly available in German and English.

Commerzbank takes extensive precautions to prevent, uncover and respond appropriately to financial crime, with the aim of protecting the assets of our customers and the Bank. In this context, extensive measures were increasingly implemented in 2021 to inform our customers and employees about the most common fraud schemes and to protect them from these.

Data-related measures that help prevent payment fraud and the resultant losses are of great benefit for customers, allowing fraud attempts to be detected at an early stage and losses minimised. Two fraud patterns, so-called CEO fraud and ransomware attacks, continue to be relevant: For CEO fraud, in which corporate customers are fraudulently induced to make payments, Commerzbank provides, among other things, a training offer for customers in Germany and at selected European locations. >>

>>

GRI 417 Marketing and Labelling

GRI 103 Management approach (including 103-1, 103-2, 103-3)

UNGC: 7 / SDG: 12

>>

In the case of ransomware attacks, the IT systems of corporate customers are encrypted and only released after a ransom is paid. Commerzbank also supports its customers in this area with a comprehensive range of advisory and training services. Another current fraud scam is the so-called boiler room fraud. This is a particularly perfidious type of investment fraud in which investors are deprived of their assets using social engineering techniques.

After the investor has registered on a corresponding website for financial or investment products, he usually receives calls from a supposed broker, usually with a foreign telephone number. This broker tries to dispel the investor's concerns by asking him to invest a small amount of money. On a website, to which the investor is given online access, he can then track the supposed performance of his investment. Subsequently, the broker then uses certain techniques to try to build up as much trust as possible in the investor, to undermine confidence in his bank and family members and to induce the investor to make further investments. To this end, the bank has published appropriate warnings and information as well as contact options on its website.

417-1 Requirements for product and service information and labeling

SDG: 12

As part of its efforts to inform its customers about the opportunities and risks of financial products, Commerzbank draws up suitability reports on its advisory meetings and provides customers with all relevant product information, including mandatory publications such as the product information sheet (PIB), key information document (KID) and key investor information document (KIID).

GRI 418 Customer Privacy

GRI 103 Management approach (including 103-1, 103-2, 103-3)

SDG: 12

Commerzbank Group can only be successful in the long term if its customers are satisfied. Our products and services are therefore designed to serve the interests of customers, and the Bank treats customer satisfaction as one of the most important metrics in evaluating its business success. As digitalisation increases, protecting customer data and upholding banking confidentiality obligations are a top priority. For this reason, data security was included in the strategic measures as one of three focal topics for responsible banking. Data protection obligations are implemented through a governance model with defined roles and responsibilities, policies and guidelines, standardized processes, and control mechanisms.

With the increasing digital networking of state, business and society, the topic of cyber security and resilience is becoming more and more important. Commerzbank scrutinises not only its own information, premises and IT systems, but also those of its customers and service providers, including any independent transport routes. Cyber security is a strong driver of customer confidence and thus an important competitive factor. As part of the critical infrastructure, the financial industry is subject to enhanced legal requirements.

We intend to take appropriate account of this development, including future challenges in managing cyber risks. Cyber and information security risks are managed by the Group Risk Management - Cyber Risk & Information Security (GRM-CRIS) unit.

>>

**GRI 103 Management approach
(including 103-1, 103-2, 103-3)**

SDG: 12

>>

This area is under the authority of the Group Chief Information Security Officer (CISO). In addition to already established security functions such as the Information Security Management System, GRM-CRIS focuses on managing cyber risk appropriately and on strengthening Commerzbank's cyber resilience, including its information security incident management capabilities. To cover the human component, Commerzbank Aktiengesellschaft also relies on a high level of safety and risk awareness among its employees. This is constantly promoted as part of a special information security awareness campaign, which has received the Outstanding Security Performance Award. It also addresses the interaction between cyber and information security risks and other types of risk relating to areas such as HR, procurement, business continuity management and physical security. Commerzbank is also a founding member of the German Competence Centre against Cyber Crime (G4C e.V.) association, which cooperates with the Federal Criminal Police Office. The association's aim is to protect, develop and optimise measures to counteract cybercrime in order to protect its members and their customers against damage.

The Group data protection policy forms the basis for the proper handling of personal data and customer-related information. It includes principles applicable Group-wide for the collection, processing, use and international transmission of personal data. It is the responsibility of the business sectors and Group companies to implement these principles.

Commerzbank's data protection officers support the business units in Germany and abroad and monitor compliance with data protection regulations in accordance with the law. To ensure that our employees remain aware and informed about the topics of data protection and data security, there are regular training sessions, mandatory learning programmes on data protection as well as a seminar on data protection practice or the offer of individual information events.

The use of big data and advanced analytics (BDAA) is of central strategic importance for Commerzbank. Efficient and holistic data processing offers great opportunities for all segments and Group divisions: as a basis for decision-making in the management of operational processes, for more detailed and faster analyses, and for improved customer service and cross-selling. To comply with the high data protection standards, the Bank works with pseudonymisation, anonymisation and micro-segmentation.

**418-1 Substantiated complaints
concerning breaches of
customer privacy and losses
of customer data**

SDG: 12

In relation to the large number of around eleven million customers in Germany and around 5.5 million customers in Poland, the Czech Republic and Slovakia, as well as around 28,000 corporate customer associations, multinational groups, financial service providers and institutional customers worldwide, there was also a comparatively low number of data protection complaints in 2021. For example, the data protection officer of Commerzbank AG in Germany received 266 customer complaints in the year under review. In most cases, the complaint was that customer data had been subject to unauthorised use or had been obtained by third parties. However, the majority of complaints were found to be unsubstantiated. Some complaints were submitted directly to the data protection regulatory authorities. No cases of data theft were reported to the data protection officer in 2021.

GRI 103 Management approach (including 103-1, 103-2, 103-3)

SDG: 12

Compliance with the law and applicable guidelines is the foundation of corporate responsibility. With that in mind, Commerzbank's Compliance division has wide-ranging authority and escalation rights, including powers to obtain information and carry out investigations to enforce its requirements throughout the Group.

Our compliance efforts focus on preventing and exposing incidents of money laundering, terrorism funding, market abuse (insider trading and market manipulation), fraud, corruption and other criminal activity within the scope of business operations as well as investor protection. Moreover, we ensure the protection of insider information, other confidential data about our customers and their transactions following the Need-to-Know principle.

Integrity and compliance form an integral part of our corporate culture and require every single person to act responsibly so that their activities are in line with the relevant laws, voluntary commitments such as globally binding [Code of Conduct](#) and internal directives. The cross-segment "Culture of Integrity" network has the task of promoting a culture of integrity through targeted initiatives and measuring its development. By means of targeted communication campaigns, for instance, we report regularly e.g. on practical examples of correct conduct in grey areas, show where potential violations of the law may occur and indicate what the right response should be. The campaign is accompanied by a voluntary online training "Checkpoint Integrity", which provides training in how to act in grey areas.

The Culture of Integrity also comprises a targeted improvement of the system for issuing instructions in order to provide employees with a clear and concise framework for their daily actions. On the one hand, the focus here is on increasing quality and reducing the number of instructions. Beyond that, there is also the sustainable improvement and further development of Comrules, the internal portal for instructions. The regular convening of the Decision Board (cross-segmental decision-making body for dealing with misconduct) and the established evidence office (anonymous collection and storage of misconduct incidents) are also sustainable components of the initiative, as are measures relating to "Know your employee", such as an established reliability check.

To promote conduct characterised by a high degree of integrity and reward employees who act as a role model, Commerzbank AG has established the Culture of Integrity Award. It is given to employees or teams who have distinguished themselves through their integrity and protection of customer and Bank interest. In the 2021 financial year two employees from the Saarbrücken branch received the award, beating 33 other nominees. Through their particularly attentive, committed and honest behaviour, they succeeded in uncovering account opening fraud with forged identity papers. By responding proactively and involving the police, they prevented major monetary and reputational damage to Commerzbank.

The Bank's consequences management ensures that sanctions are applied as uniformly as possible to violations of rules and statutory or regulatory provisions in the Group. Misconduct by employees requiring at least a written warning is documented centrally; where necessary, the relevant compliance departments are consulted for assessment in the event of violations. By establishing a uniform reporting process, a decision board for consistent decisions and a records office as a "central memory", we can strengthen Commerzbank's "culture of integrity". We create transparency and thus comparability regarding the consequences of cases of misconduct.

>>

GRI 419 Socioeconomic compliance

GRI 103 Management approach (including 103-1, 103-2, 103-3)

SDG: 12

>>

The anonymous depiction of this (with personal data removed) in the records office enables the evaluation of misconduct in relation to the measure decided upon and the identification of areas where rules and instructions need to be optimised. For Commerzbank employees, the consequence management framework provides security in terms of a uniform approach to similar cases.

419-1 Non-compliance with laws and regulations in the social and economic sphere

SDG: 16

Commerzbank was not ordered to pay any significant fines in the year under review.
Information on ongoing legal proceedings as per the end of 2021 can be found in the [Annual Report 2021](#) (p. 135 et seq.).

4. Sustainable Finance

Management approach

SF 103 Management approach (including 103-1, 103-2, 103-3)

Financial institutions have a particular role to play when it comes to limiting global warming, an objective which the international community has committed itself to with the 2015 Paris Agreement. One of the three goals agreed was to direct global financial flows towards projects and technologies that reduce greenhouse gas emissions and promote climate-resistant developments. The aim is a gradual decarbonisation of industry with the aid of financial instruments. This can be done, for example, by promoting renewable energies or forgoing certain transactions such as coal financing.

This financial industry contribution to sustainable development, known as “sustainable finance”, offers numerous opportunities for us as a bank: the energy revolution and reduction in CO₂ emissions are creating a need for new technologies and products requiring large investments. Moreover, there is growing interest from investors and customers in sustainable investment opportunities. That is why we are developing products and services that take account of these changes while offering an environmental or social benefit. At the same time, we want to prevent our business activities from having a negative impact on the environment and on society and avoid or mitigate any resultant risk.

Portfolio management

We have begun to examine Commerzbank’s loan portfolio in view of sustainability considerations in order to manage it accordingly in future. Our focus is on the CO₂ emissions associated with our business activities. The CO₂ intensity of the Bank’s loan portfolio is to be steered towards the requirements of the Paris Agreement via sector-specific target values. With the voluntary commitment to the Net-Zero Banking Alliance, we have set ourselves the goal of achieving a carbon footprint reduced to net zero across the Bank’s entire lending and investment portfolio by 2050 at the latest. In order to make this procedure comprehensible and to place it on a scientifically sound basis, Commerzbank has joined the [Science Based Target Initiative](#) (SBTi). It advocates for the reduction of greenhouse gases on the basis of scientifically calculated targets. This enables companies to align their climate policy with the goals of the Paris Agreement and effectively counteract climate change.

>>

**SF 103 Management approach
(including 103-1, 103-2, 103-3)**

>>

Using the SBTi method, we will calculate and reduce the CO₂ emissions associated with our loan portfolio (the so-called “financed emissions”) to ultimately achieve our Net Zero Commitment. In the future, we want to manage all portfolios specified under the SBTi method, with a special focus on the emission-intensive sectors. These include power generation, fossil fuels, automotive manufacturing, as well as the production of cement, iron and steel. We are also planning to include the portfolio of private retail mortgage financing – which is optional under the SBTi – in this management process. In the year under review, we continued the necessary steps to collect data and calculate CO₂ emissions (emission intensities). We formulated corresponding targets to reduce emission intensities for the first portfolios (power generation and automotive manufacturing) and communicated these at the beginning of 2022. As such, the CO₂ intensity associated with the power generation loan portfolio is expected to decrease by more than 75%, and that of the automotive manufacturing portfolio by more than 45%. For 2022, we are committed to completing these targets.

Climate risk management

In 2021, we examined the possible future impact of physical and transitory risks on the loan portfolio once again as part of scenario analyses. To this end, we tested our portfolio in various scientific climate scenarios of the International Energy Agency (IEA, 1.8°C scenario for transition risks) and the Intergovernmental Panel on Climate Change (IPCC, 3-4°C scenario for physical risks). In the future, we will also use the scenarios of the Network for Greening the Financial System (NGFS).

In order to manage the effects of climate risks in the lending business in a proactive manner, we are systematically improving our risk management processes and methods. Lending decisions for companies and institutional customers therefore take into account not only an individual risk assessment but also – where relevant – the extent to which they involve climate risks and the level of resilience to them. In this, we are progressively combining the specific findings from the scenario analyses with the individual risk analysis at customer level. We take a portfolio-specific approach and thus take appropriate account of the differences in terms of those affected and the risk drivers. In the particularly relevant portfolios (large companies, special financing and commercial real estate financing), we have supplemented the qualitative risk analysis in the individual loan decisions with specific aspects for the analysis of climate risks.

In the future, the results of the analyses will be aggregated in a structured evaluation (“score”), which will be integrated into the decision-making process and can also be used in the context of portfolio analysis and management. In our target scenario we want to integrate climate risks – as far as possible – into the quantitative credit risk analysis and thus fully reflect them in the process chain (including pricing, reporting).

In addition, the Bank has been supporting the [Task Force on Climate related Financial Disclosures](#) (TCFD) since September 2020. The TCFD recommendations provide the framework for addressing and reporting on climate change. In the reporting year 2021, we will be following the requirements of the TCFD in our [non-financial report](#) for the first time.

Furthermore, in 2021 a comprehensive, cross-risk-type materiality assessment was carried out for climate and environmental risks for the first time.

>>

**SF 103 Management approach
(including 103-1, 103-2, 103-3)**

>>

The respective risk type owners examined all risk types regarded as fundamentally material for the Commerzbank Group within the risk inventory and assessed the materiality of transition risks and physical risks for the respective risk type. Depending on the risk type, the assessment was made on a qualitative and/or quantitative basis. As a result of the analysis, the influence of climate and environmental risks for the risk types credit risk, market risk, operational risk (including compliance and cyber risk), reputational risk and business risk was assessed as material. The findings of the materiality analysis feed into the business strategy, the overall risk strategy and the sub-risk strategies, as well as into other core elements of the Bank's internal process to ensure an adequate capital position (Internal Capital Adequacy Assessment Process – ICAAP), such as the internal stress test framework and the risk-bearing capacity concept. The materiality analysis for climate and environmental risks is therefore an integral part of the Commerzbank Group's risk governance.

Reputational risk management

In addition to climate risks, there exist other risks to the environment and society that arise from our core business. These are assessed in Commerzbank's Reputational Risk Management department. The bank has a clear stance on controversial topics such as weapons, palm oil, deforestation and agricultural raw materials or fossil energies. In the "[Framework for dealing with environmental and social risks in the core business](#)", we describe in detail the process of how we manage these risks. The framework also contains all sector-specific requirements, for example on deforestation and agricultural raw materials, mining, energy, oil and gas. Cross-sector requirements relate to human rights and indigenous peoples. Exclusion criteria were defined for particularly critical products, transactions or business relationships. This includes, for example, financing for any oil and gas production projects or the new construction or expansion of coal mines, coal infrastructure and coal-fired power plants.

When it comes to defining human rights, Commerzbank draws on established international standards such as the Universal Declaration of Human Rights. As a company domiciled in Germany, Commerzbank is bound by the Organization for Economic Cooperation and Development's (OECD) Guidelines for Multinational Enterprises and takes further guidance from the United Nations (UN) Guiding Principles on Business and Human Rights. By committing to the [UN Global Compact](#), Commerzbank has pledged to support the protection of human rights all over the world and to ensure that it has no involvement in any human rights violations.

When assessing sustainability risks, Commerzbank Aktiengesellschaft always keeps regulatory requirements in mind. However, it does not limit itself to what is legally necessary, but also asks the question of legitimacy in legal transactions. One example of this is the arms policy. We recognise the basic right of states to defend themselves, and do not question the need for the German armed forces or NATO partners to be adequately equipped. However, our financing of military equipment is dependent on the countries involved and the type of weapons to be financed. We generally do not involve ourselves in financial transactions related to "controversial weapons". Our arms policy also excludes arms exports to conflict zones or areas of tension. Here, we are more restrictive than is required by law, and our exclusion list also includes countries that are not affected by sanctions or embargoes. The list of countries is reviewed and adjusted quarterly and on an ad hoc basis.

SF 103 Management approach (including 103-1, 103-2, 103-3)

>>

Commerzbank's Reputational Risk Management department thus defines the criteria for and limits of business operations and carries out differentiated analyses of transactions, products and customer relationships. The assessment process starts in the front office: As soon as an issue defined as sensitive by the Bank is affected, Reputational Risk Management must be involved to perform in-depth research into possible environmental and social risks that may be associated with the existing or potential business partners or the content of the transaction. The department looks at information and reports from non-governmental organisations and analysts as well as media reports and company publications. For the examination of defined threshold values in the area of fossil fuels, lists from the NGO Urgewald are used, for example. The analysis is concluded with a differentiated vote. Evaluation is based on a five-point scale and may result in the rejection of the product, the transaction or the business relationship.

In 2021, Commerzbank's Reputational Risk Management department assessed around 3,300 transactions, business relationships and products relating to specific environmental, social and ethical issues (2020: 4,500 votes). The decline in votes resulted from a decrease in the trade finance transactions carried out at Commerzbank in almost all sectors. This development was due to a combination of effects. These include in particular the global economy, which was negatively impacted by the coronavirus pandemic, and also the decline in trade finance transactions overall in 2021. In addition, a further internal focus on business relationships (e.g. in the agriculture and forestry sector) led to a reduced number of voting processes.

In view of the special risks associated with issues related to fossil fuels and arms, the Board of Managing Directors of Commerzbank Aktiengesellschaft has passed its own binding directive that defines many of the relevant transactions and business relationships in these areas as being subject to assessment and sets down exclusion criteria. For example, Reputational Risk Management subjects every existing and potential client relationship from these sectors to a critical case-by-case review. In doing so, transformation efforts and compliance with defined thresholds are critically examined. In 2021, the fossil fuel directive was reviewed and replaced by a revised version which came into force on 1 January 2022. It includes Commerzbank Aktiengesellschaft's requirements for customers from both the coal sector and the oil and gas sector.

Requests for assessments in reputational risk management in annual comparison

year



>>

SF 103 Management approach (including 103-1, 103-2, 103-3)

>>

Breakdown of risk assessment by sector	2020	2021
	Number of votes	Number of votes
Sector		
Oil and gas	870	566
Energy	939	606
Arms	984	914
Agriculture and forestry	392	155
Mining	405	360
Textiles	304	314
other sectors	573	410
Total	4 467	3 325

Raising employee awareness of the business relevance of non-financial topics is accomplished, amongst other things, via a quarterly newsletter. One issue in 2021, for example, was dedicated to the previously restructured topic area of deforestation and agricultural commodities and explained the new requirements for business and business relationships in the affected sectors. In addition, there are presentations at selected locations, participation in internal committees, and continuous exchange with the market side on assessment processes and controversial issues. Reputational risk reviews are carried out not only for new business, but also for business renewals and in response to specific incidents. Reputational Risk Management department uses a qualitative approach to manage original reputational risk.

The Reputational Risk Management department is the responsibility of the Chairman of the Board of Managing Directors. Reputational risk management is part of Commerzbank’s overall risk strategy. If Reputational Risk Management identifies a significant reputational risk during an audit, senior management is always informed. In serious cases (high reputational risk), Reputational Risk Management has the option of vetoing the decision, which can only be remedied by escalation to the Group Board of Managing Directors by the market side. In order to raise awareness and identify risk concentrations at an early stage, all material and high reputational risk votes are presented to the full Board of Managing Directors and the Risk Committee of the Supervisory Board on a quarterly basis in the form of a report.

To continue developing its reputational risk management, Commerzbank AG monitors issues of potential environmental and social relevance on an ongoing basis and checks how they may be embedded in the Bank’s internal processes and evaluation criteria. All sensitive issues, positions and directives are reviewed regularly and updated as necessary. The voting and reporting processes are also updated if required.

Due to the increasing importance of climate and environmental risks, Reputational Risk Management conducts an annual scenario-based ICAAP materiality analysis relating to the climate and environmental impacts on reputational risks. Using the following scenarios, which are considered potentially material, an expert-based quantitative assessment is derived, for example, on the basis of volume collapses and a lack of fee income, up to the possible taxing out of business:

>>

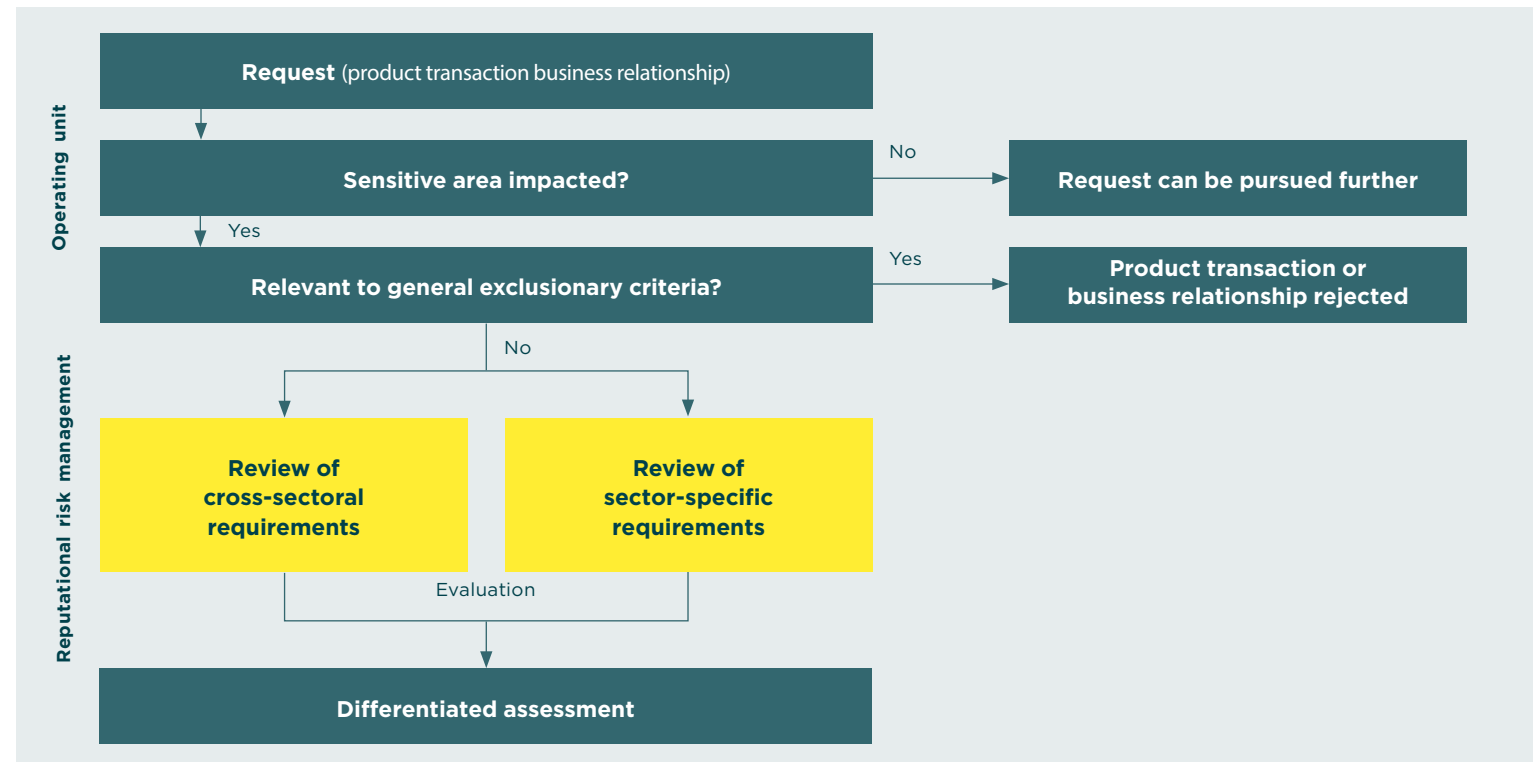
Management approach

SF 103 Management approach (including 103-1, 103-2, 103-3)

- >>
- Public sector sanctions
 - Greenwashing
 - Business relations with CO₂-intensive industry
 - Rating downgrade

Environmental and climate risks were identified here as significant drivers of reputational risk; greenwashing proved itself to be a material reputational risk. In addition to the regular quantification of the risk, relevant reporting and its consideration in the risk-bearing capacity were taken as the first, essential measures for risk mitigation. Furthermore, regular measures for the monitoring of greenwashing have been established.

Environmental and social risk management process in Commerzbank



>>

Management approach

SF 103 Management approach (including 103-1, 103-2, 103-3)

>>

Project finance, customer engagement, product development, lending business

The majority of our cash-flow-oriented project financing and structured financing business is transacted in Europe. In these cases, we carry out thorough due diligence to ensure that national environmental regulations are observed. If we do finance such projects, we work with either supranational bodies, such as the International Finance Corporation (IFC), or with national export credit insurance agencies. As a result, the standards of the supranational institutions or national export credit insurance agencies (OECD Common Approaches) automatically apply.

Commerzbank realises that banks can exert influence beyond their own organisations where sustainability is concerned, which is why it actively addresses sustainability issues with its corporate clients, for example as part of its membership in the Bremen Cotton Exchange. We do so as the need arises to clear up grey areas bilaterally or to coordinate the conditions for banking services.

Our sustainable products are developed with a view to regulatory requirements, market analyses and input from our technical and product experts. Classic product development methods, agile methods and the exchange with our customers are used. The prioritisation of the development of different products results from the specifications of the sustainability strategy in line with economic considerations and the fulfilment of regulatory requirements. In the corporate customer segment, we rely on risk and distribution data to assess the environmental, social and governance (ESG) dimensions of our portfolio and to conduct a dedicated potential analysis for new products. As a result, we have identified sectors that offer new sustainable business opportunities on the one hand, and on the other hand enable us to support our customers' transformation with advisory services and financing products tailored to their needs. The sales and lending departments work closely together to take ESG-related specifics into account.

But responsibility in the lending business does entail even more when it comes to retail banking: "Responsible lending" is a holistic advisory approach that also pays attention to possible changes in the customer's economic situation. For this case, there are special units in the Bank's risk area that deal with early risk identification. Their task includes identifying customers with emerging financial problems at an early stage - and thus, if possible, before existential problems arise - and jointly agreeing on measures that ideally lead to a regulated repayment process.

SF1 Products and Services designed to deliver a specific Social Benefit

SF1 Products and Services designed to deliver a specific Social Benefit

UNGC: 1-6 / SDG: 1, 11

It is not easy to clearly separate products and services designed to deliver a specific social benefit from other products and services because the social benefit depends largely on the customer's motives for buying the product or service, which are beyond the scope of any analysis that Commerzbank is capable of performing. Nevertheless, the Bank does have a range of offers, particularly in the private customers segment, that feature a social benefit component. They include, in particular, residential property and pension plans. Commerzbank's gross home loan business totalled around 1,4 billion euros in 2021.

SF1 Products and Services designed to deliver a specific Social Benefit

SF1 Products and Services designed to deliver a specific Social Benefit

UNGC: 1-6 / SDG: 1, 11

>>

Building up equity to buy property at a later date and long-term interest rate hedging in terms of home loans and modernization measures have come into focus against the backdrop of the low-interest environment, while personal pension plans and insurance against life risks have remained key advisory topics for customers. In the insurance business, agreements on subsidised “Riester” products and basic pension covers worth a total of around 120 million euros were concluded during the reporting year. Commerzbank’s provision portfolio includes products for risk protection, such as term life insurance and occupational disability insurance, as well as additional products for the formation of a pension provision plan (private pension).

To support the federal government’s loan programmes, especially through KfW, to mitigate the social and economic consequences of the Corona pandemic, we automated the KfW Quick Loan (KfW Schnellkredit) and the KfW Entrepreneur Loan with the support of smart automation technology. By eliminating many manual steps in the application process, we were able to process requests more quickly, shorten turnaround times, increase data quality and make such funds available to many more clients very quickly.

In order to provide financial relief to private customers who are affected by loss of income as a result of the coronavirus pandemic, e.g. due to reduced working hours, we offered payment suspensions for consumer and mortgage loans that go beyond the statutory deferrals. The Bank has built up additional resources to handle the high number of applications for these products in a timely manner. In addition, we informed our customers in good time about the end of the deferral period.

SF2 Products and Services designed to deliver a specific Environmental Benefit

SF2 Products and Services designed to deliver a specific Environmental Benefit

UNGC: 7-9 / SDG: 7, 12, 13

Global efforts to combat climate change require not only favourable political conditions and new technologies, but also adequate financial resources. This entails business opportunities for Commerzbank. At the same time, the financing of green technologies and business ideas that could mitigate climate change also makes a concrete contribution towards the successful transition to a low-carbon, sustainable economy.

Sustainable finance of such technologies and business ideas is not a new topic for Commerzbank: corporate and project financing along their value chain has been part of our portfolio since the 1980s and will continue to be a growth area for us in the future. The core business of the Center of Competence Energy (CoC Energy), with its locations in Hamburg and New York, is the worldwide financing of wind and solar parks and related technologies.

The financed plants are operated in particular by independent power producers, project developers, institutional investors and energy utilities. Today, we are one of the largest financiers of renewable energies in Europe and were able to further expand our international portfolio share in the past year. In addition to financing for wind farms and solar parks in Germany, new projects in Finland, France, the Netherlands and the USA are also worthy of mention among the new deals concluded in 2021. Among other things, we financed one of the country’s first offshore wind farms there. The credit exposure of the Energy CoC (exposure at default) amounted to around 5.3 billion euros in 2021 (2020: 5.1 billion euros).

>>

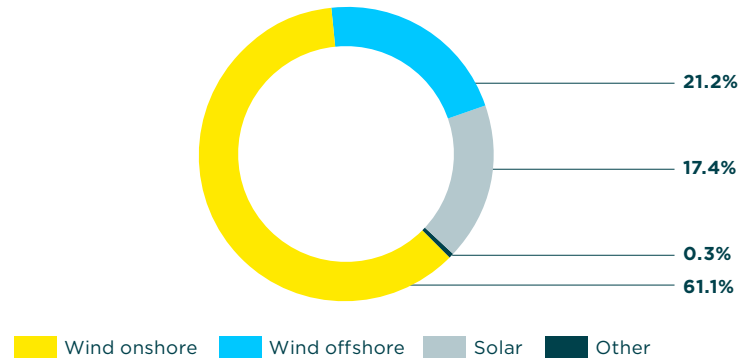
SF2 **Products and Services designed to deliver a specific Environmental Benefit**

UNGC: 7-9 / SDG: 7, 12, 13

>>

Project financing of renewable energies by technology

2021, in % of regulatory exposure at default (100% = € 4,7 bn)



Commerzbank also incorporates sustainability aspects in the development of traditional financing solutions. We advise corporate customers on the benefits of public development loans such as the KfW energy efficiency programmes or the KfW climate protection initiative for SMEs. With a share of around 5% of KfW’s commercial sustainability programmes, we are one of the main intermediaries in Germany for the use of these promotional funds for corresponding investments by SMEs.

Commerzbank makes additional contributions towards climate protection with the award of mortgage loans under which we promote energy-efficient construction and acquisition with attractive financing conditions. With the “Green Mortgage” introduced in September 2019, we offer an additional interest discount on loans in the amount of 0.10% for the construction, modernisation or acquisition of buildings – for personal or third-party use – whose final energy demand is less than 75 kWh per square metre of usable floor space.

The Green CBU+ (Commerzbank Universal Loan), an individual loan for corporate customers, is used to finance sustainable commercial or private investments. These include, for example, those investments that reduce the consumption of resources such as petrol, electricity or water by at least 30%, or have a positive effect on CO₂ emissions. Commerzbank supports the financing of such projects with a more favourable customer interest rate.

In the investment business, too, we want to contribute to sustainable development and take advantage of the associated business opportunities, for example through the offer of sustainable funds, the integration of sustainability aspects in asset management and through sustainable capital market instruments.

As early as 2007, a then subsidiary of Commerzbank was in charge of the world’s first green bond. Since then, we have supported a large number of customers in preparing and issuing sustainable bonds. In the year under review alone, Commerzbank Aktiengesellschaft acted as lead manager for the issue of 57 sustainable bonds with a total volume of more than €62.3bn (2020: €46.3bn).

>>

SF2 Products and Services designed to deliver a specific Environmental Benefit

SF2 Products and Services designed to deliver a specific Environmental Benefit

UNGC: 7-9 / SDG: 7, 12, 13

>>

This also included a number of innovative transactions, such as the world's first sustainability-linked bond issued by a bank in April 2021 or the issue of a thirty-year green federal bond in May 2021. In addition, we are engaged in various interest groups and professional associations and thus contribute actively to the further development of the market for sustainable bonds. In total, the bank has already accompanied more than 155 sustainable bonds.

Commerzbank has already issued its second own Green Bond with an issue volume of €500 million in 2020. This is the Bank's second green bond and follows the inaugural issue in October 2018. Commerzbank will use the proceeds to finance renewable energy projects. The bond has a term of 5.5 years with a call date in March 2025 and a coupon of 0.75% per annum. Commerzbank has earmarked the bond proceeds for loans for onshore and offshore wind and for solar projects in Germany, other European countries and North America. The projects financed by the green bond will help cut CO₂ emissions by around 850,000 tons per year. Commerzbank has been a signatory of the Green Bond Principles since 2014. The Bank has been a partner in the Climate Bonds Initiative since January 2020.

Commerzbank participates in the European Emissions Trading Scheme (EU ETS). It advises companies on the procurement of carbon emissions rights and certificates and the associated risk management aspects, and implements the resulting trading strategies for customers. This is accompanied by the option of voluntary carbon offsetting for companies not subject to the mandatory EU ETS. As a member of the World Bank's Carbon Pricing Leadership Coalition (CPLC), the Bank also participates in the global debate on carbon pricing.

Commerzbank also arranges, structures and places sustainable promissory note loans and syndicated loans in the form of green loans or ESG-linked loans for companies in a wide range of sectors. ESG-linked loans, also known as positive incentive loans, are a comparatively new product category but one that is seeing very dynamic growth. With this type of syndicated loan, the conditions are linked to sustainability criteria such as the borrower's ESG rating. The better the criteria perform, the lower the interest rates – and vice versa. Commerzbank AG was involved in 50 green or ESG-linked loans with a total volume of 84.5 billion euros in 2021. Since 2017, we have been participating in working groups of the Loan Market Association to actively shape the implementation of sustainability in the syndicated loan market.

The range of sustainable and therefore also green investments is also becoming a more important factor in the private customers segment. In this respect, we contribute towards sustainable development and take advantage of the associated business opportunities. Thanks to strategic partnerships with selected investment fund providers, we offer sustainable investments in products such as bonds and stock or pension funds in areas such as climate protection, solar energy and wind energy, and integrate sustainability aspects into asset management as well as sustainable capital market instruments.

>>

SF2 Products and Services designed to deliver a specific Environmental Benefit

SF2 Products and Services designed to deliver a specific Environmental Benefit

UNGC: 7-9 / SDG: 7, 12, 13

>>

At the same time, our processes guarantee that investments in controversial areas such as the arms industry or direct investments in agricultural commodities are excluded. As part of promotional conditions, we offered a large number of sustainability funds online and in our branches without issue surcharges or purchase fees during different promotional campaigns throughout 2021 in order to attract more customers to this investment option. Commerz Real's klimaVest impact fund gives private investors the opportunity to invest in sustainable tangible assets in the field of renewable energy. With comdirect's motive investing, customers can invest specifically in their interests and convictions, including the topic of sustainability. For this purpose, comdirect provides selected funds, ETFs and shares. In addition, other sustainable investment products are available to comdirect customers.

SF3 Assets subject to Positive and Negative Environmental or Social Screening

SF3 Assets subject to Positive and Negative Environmental or Social Screening

UNGC: 1-10 / SDG: 10

Commerzbank offers its customers an increasing number of investment opportunities in the growing market of responsible investments. For example, it distributes sustainability funds from various providers to private and institutional customers.

High-net-worth private and corporate clients can arrange with us for individual asset management under sustainability aspects, in which the selection of securities takes into account sustainability ratings as well as exclusion criteria.

Our Asset Management unit committed itself to the Principles for Responsible Investment (PRI) in September 2020. By signing the UN PRI, the Asset Management unit at Commerzbank Aktiengesellschaft is committed to responsible investment decisions. Since the base year 2017, we have quadrupled the total volume of sustainable investments to around €600m. Furthermore, our entire Asset Management unit already broke new ground in 2020 in terms of comprehensive consideration of sustainability risks. Since then, all mandate solutions that also invest in individual assets such as stocks or bonds integrate certain exclusion criteria as well as minimum requirements for sustainability ratings as part of the selection process for stock selection.

Since 2018, Commerzbank and Bergwaldprojekt e.V. have been working closely together on various projects. As a result, the overall cooperation with Bergwaldprojekt e.V. – including as part of our sustainable asset management - has reached the impressive reforestation area of more than one million square metres of public forest at 37 locations, which corresponds to the size in total of more than 160 football fields.

In addition, institutional investors who obtain their equity research from Commerzbank also receive quantitative sustainability metrics from Arabesque S-Ray as well as in-depth analyses of ESG factors on specific individual stocks. Commerzbank Research, together with Arabesque S-Ray, assesses companies in terms of their compliance with the principles of the UN Global Compact and produces an ESG score. This information is made available to customers in addition to fundamental equity votes.

>>

SF3 Assets subject to Positive and Negative Environmental or Social Screening

UNGC: 1-10 / SDG: 10

>>

The Commerzbank Group also takes sustainability aspects into account in its company pension scheme in Germany, with asset managers only selected for the pension plan if they have signed the UN Principles for Responsible Investment (PRI).

Commerzbank discontinued proprietary trading in its investment banking as early as in 2004. Sustainability aspects are also playing an increasingly important role in the Bank's own investments. As part of its liquidity management activities, Commerzbank AG is increasingly investing in sustainable bonds and building up its own ESG portfolio. To this end, the Bank plans to invest an increasing proportion of its own assets in green, social and sustainability bonds. By the end of 2021, the volume already amounted to €1.6 billion, which corresponded to a share of more than 5% of the liquidity portfolio.



COMMERZBANK



The bank at your side