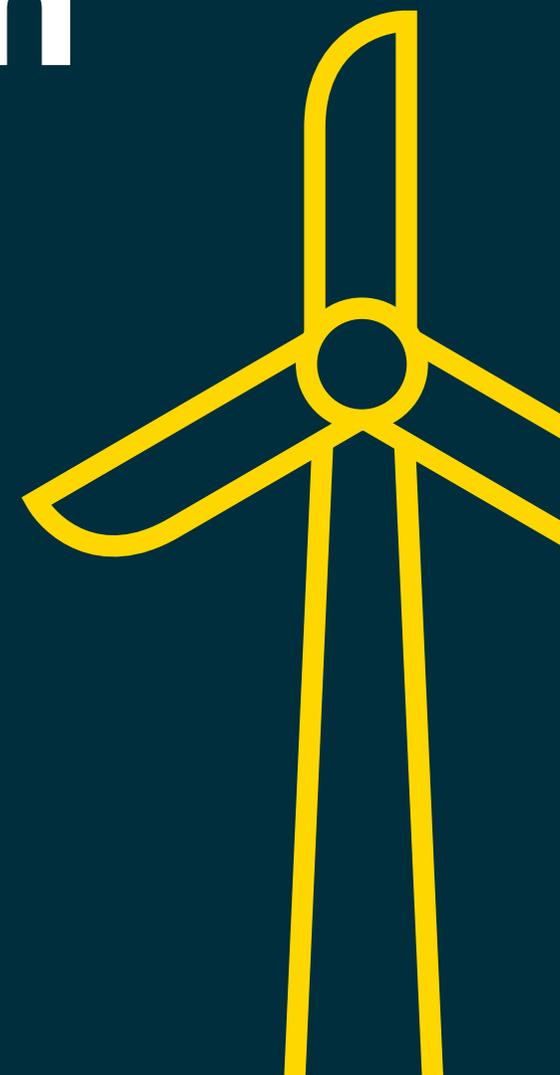




COMMERZBANK

Transformation Net-Zero

Sustainability Report 2022



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Foreword

Dear Sir / Madam,

We are living in times of multiple crises. The Russian war of aggression on Ukraine is still challenging the political world order. For over 15 months, we have been receiving shocking images from the war zone. The new era proclaimed by German Chancellor Olaf Scholz has indeed arrived.

The direct and indirect economic effects of the war were and are enormous: supply chains had to be adjusted across all sectors. The massive turmoil on the global energy markets could only be softened with a huge political effort aimed at helping citizens and businesses. And the economic recovery that people hoped for after the coronavirus pandemic never arrived.

The reversal of interest rates has further dampened economic activity. Meanwhile, inflation is still far too high, labour shortages are putting many sectors under increasing pressure and the economy remains weak for the time being. At the same time, the consequences of climate change are becoming increasingly evident. The current water shortage in Spain is just one of many examples.

At times like these, strong traditional banks like Commerzbank are urgently required. After all, the economy is facing enormous tasks that it can best master with capable financial partners at its side. The war and its consequences must be overcome.

The sharp rise in energy prices shows that there is no alternative to the energy transition and that it must be accelerated. Most companies have long since recognized this need and are expediting the green transformation of the economy. We support them in this endeavour and lead by example.

We continue to move consistently towards our net zero target. By 2050 at the latest, we aim to reduce our CO₂ emissions from our entire lending and investment portfolio to net zero. On the way to achieving this goal, we reached an important milestone at the beginning of the year: we are the first bank in Germany to receive a seal of approval from the Science Based Targets Initiative for our medium-term CO₂ reduction targets, which we have defined for particular emissions-intensive sub-portfolios. In the energy generation sector, for example, we want to reduce our emissions by 74% by 2030. In the automotive industry, we want to reduce them by 32%. And we have set our sights high in other sectors as well.

Effective cooperation with our customers is also crucial for consistently steering our portfolios towards net zero. Only by offering them products and services that support them in their green transformation can we bring capital flows in line with the Paris Climate Agreement. The reduction of our emissions is also linked to this.

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Dr. Manfred Knof
Chairman of the
Board Commerzbank AG

“ Our sustainability strategy is built on transparency. In June 2022, we therefore established Commerzbank’s ESG framework, which discloses all key building blocks of our understanding of sustainability. ”

And we are making good progress: by the end of 2022, we already achieved a large part of our target of mobilising 300 billion euros by 2025 in accordance with our ESG framework for sustainable transformation. Looking towards the future, we will of course also be increasingly guided by the EU taxonomy in this context.

At the same time, we are drawing a strict line. In our Coal Guideline, which was tightened in January 2022, we as a Bank are making it clear what we will no longer finance. For example, Commerzbank will not enter into any new business relationships with companies that generate more than 20% of their sales or electricity from coal. We follow the same clear policy with regard to transactions related to armaments. In our revised guideline, which has been in force since the beginning of 2023, we have, for the first time, explicitly addressed the area of surveillance technology.

In June 2022, we therefore established Commerzbank’s ESG framework, which discloses all key building blocks of our understanding of sustainability. Here we combine all information relevant to our stakeholders on ESG issues in the customer business, our sustainable product solutions, as well as on our sustainability guidelines and exclusionary criteria.

In addition, we have taken initial steps to measure our impact on the environment and to derive actions from it. As such, the newly established Environmental Risk Control unit ensures that climate and environmental risks are more firmly anchored in Commerzbank’s operations. Joining the TNFD (Taskforce on Nature-related Financial Disclosures) at the beginning of 2023 was another important step.

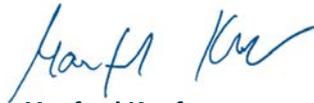
Sustainability is a task for society as a whole. In order to foster critical dialogue with experienced stakeholders from various fields, we established an external Sustainability Advisory Board under my patronage in 2022. Discussions with experts from the fields of politics, science, society and small and medium-sized enterprises are intended to hold a mirror up to us and provide impetus for further developing our sustainability strategy.

Experience shows that in order to act sustainably, you have to think and plan for the long term. In this Sustainability Report with reference to the GRI Standards of the Global Reporting Initiative, we would like to illustrate what contributions to sustainable development we are making today and what we have planned for the future.

This GRI report presents milestones that we have achieved in the reporting year 2022. We will not rest on our laurels. Because a sustainable transformation can only be successfully accomplished through continuous improvement.

With best wishes,

Yours



Manfred Knof

Chairman of the Board Commerzbank AG

Report with reference to Global Reporting Initiative

For the year 2022, Commerzbank AG has reported on its sustainability performance with reference to the GRI Standards. This GRI report is based on the GRI Universal Standards 2021. All disclosed GRI Standards are listed in the GRI content index. The selection of the material topics on which we report is based on a materiality analysis carried out in 2022. As part of the Content Index With Reference Service, GRI Reporting Services confirmed the correct positioning of the GRI Content Index within the report.



1 General Disclosures

GRI 1

Foundation 2021

Commerzbank AG has reported the information cited in the [GRI content index](#) for the period from 1 January 2022 to 31 December 2022 with reference to the GRI Standards.

GRI 2-1

Organizational details

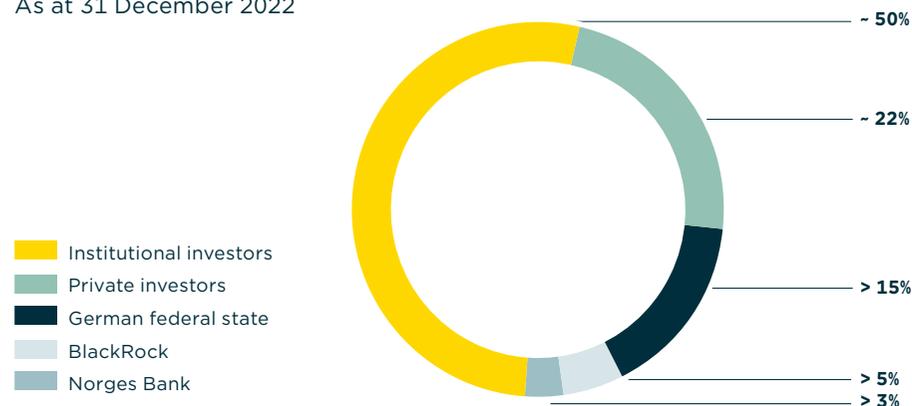
The name of the organization is Commerzbank AG. Commerzbank AG is headquartered in Frankfurt am Main, Germany.

Commerzbank is present across all continents. Outside of Germany, following the sale of Commerzbank Zrt., Budapest, as at the reporting date Commerzbank had 4 material subsidiaries, 16 operational foreign branches and 26 representative offices in just under 40 countries and was represented in all major financial centres, such as London, New York, Tokyo and Singapore. However, the focus of the Bank's international activities is on Europe. For details on Commerzbank's global presence, please see the [Annual Report 2022](#) (rear jacket).

Commerzbank AG is a public limited company under German law. As at 31 December 2022, around 38% of Commerzbank shares were held by the Federal Republic of Germany and our mostly German-based private shareholders. In the year under review, Cerberus disposed of a significant portion of its Commerzbank shares. The reporting threshold of 3% has not been exceeded since then. In mid-April 2022, Capital Group Companies, Inc. officially informed us that it had sold its stake of around 5.3% in Commerzbank Aktiengesellschaft. Consequently, as at end-2022 around 62% of all Commerzbank shares were held by institutional investors, including in particular BlackRock with just under 10% and the Norwegian state, which holds a stake of around 3% via Norges Bank. The free float stood at around 84%.

Shareholder structure

As at 31 December 2022



GRI 2-2

Entities included in the organization's sustainability reporting

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 2022](#). For a list of all entities included in the scope of consolidation, please see pp. 279-284 in that report.

GRI 2-3

Reporting period, frequency and contact point

All figures in this GRI report relate to the period from 1 January to 31 December 2022. Information outside this reporting period is marked with the respective date.

The editorial deadline was 12 July 2023.

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](#).

Contact point for questions regarding the report

Commerzbank AG
Celina-Colleen Hopf
Group Sustainability Management
nachhaltigkeit@commerzbank.com

GRI 2-4

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.

GRI 2-5

External assurance

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](#) and [ISO 50001](#). The externally verified environmental data of the Commerzbank AG Abroad are published in the GRI report since reporting year 2021.

An external verification of the full GRI report has not been performed.

Activities, value chain and other business relationships

Commerzbank is the leading bank for SMEs (the Mittelstand) and a partner to some 26,000 corporate client groups and almost 11 million private and small-business customers in Germany.

The Bank offers a comprehensive portfolio of financial services in two business segments – Private and Small-Business Customers and Corporate Clients. In its corporate client business, Commerzbank focuses on German SMEs, large companies and institutional customers. In international business, the Bank supports customers who have business links with Germany and companies in selected future-oriented sectors. In the Private and Small-Business Customers segment, the Bank serves its customers through the Commerzbank and comdirect brands: via online and mobile channels, in the advisory centre and in person at a local level. The Polish subsidiary mBank is an innovative digital bank. It serves around 5.7 million private and small-business customers, mainly in Poland but also in the Czech Republic and Slovakia.

In the 2022 financial year, the operating profit of Commerzbank Group amounted to 2,099 million euros, compared to 1,183 million euros in the previous year. Consolidated profit attributable to Commerzbank shareholders stood at 1,435 million euros. Total assets of the Commerzbank Group as of 31 December 2022 were 477.4 billion euros, up 2.1% compared with year-end 2021.

| Key performance indicators Commerzbank Group | 2020 | 2021 ¹ | 2022 |
|---|---------|-------------------|--------|
| Operating profit ² (€m) | - 233 | 1 183 | 2 099 |
| Pre-tax profit or loss ² (€m) | - 2 626 | 105 | 2 005 |
| Consolidated profit or loss ³ (€m) | - 2 870 | 430 | 1 435 |
| Total assets ⁴ (Ebn) | 506,6 | 467,4 | 477,4 |
| Equity as shown in balance sheet ⁴ (Ebn) | 28,6 | 29,8 | 30,9 |
| Staff ⁵ | 47 718 | 46 218 | 41 909 |
| of which Germany | 33 551 | 31 939 | 28 349 |
| of which abroad | 14 167 | 14 279 | 13 560 |

¹ Figures partly restated.

² 2020: From continuing operations

³ Insofar as additional equity components can be attributed to Commerzbank shareholders and investors.

⁴ As per 31 December of the year in question.

⁵ Headcount as per 31 December in the year in question.

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GRI 2-6

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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) as well as buildings, logistics and insurance (such as construction works, operational management of buildings and banking technology). Please see [GRI 308: 3-3](#) for information about the sustainability criteria.

Important staffing and business policy events are presented in detail in the [Annual Report 2022](#) (pp. 78):

- There were changes in the composition of the Board of Managing Directors during the year under review. Changes for the current financial year 2023 were also announced at both Board of Managing Directors and Supervisory Board level.
- With the establishment of a Sustainability Advisory Board, Commerzbank has further anchored this particularly important topic in its sustainability strategy.
- In the summer of 2022, the Bank provided information on the progress it has made with the sustainability strategy through its second Sustainability Dialogue event.
- To give our investors the opportunity to participate in the transformation of the real economy towards greater sustainability, the Bank issued its third green bond in the middle of the year.
- In order to remain focused on market developments and trends with respect to the key issue of sustainability, the Main Incubator has been realigned.
- The bank-specific capital requirements set by the European Central Bank (ECB) for 2023 as part of the Supervisory Review and Evaluation Process (SREP) clearly confirm once again that Commerzbank is well positioned in terms of its capitalisation.
- The Bank also further strengthened its compliance function in the 2022 financial year.

GRI 2-7

Employees

At the end of 2022, 24,535 people were employed at Commerzbank AG in Germany. Another 3,578 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 3,510 employees. The majority of employees have permanent employment contracts. Around 29% of our employees currently work part-time. The proportion of external employees at Commerzbank is not significant.

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GRI 2-7

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| Total workforce at Commerzbank AG Germany within the last three years | | 2020 | | 2021 | | 2022 | |
|--|---------------|-------------|---------------|-------------|---------------|-------------|--|
| | total | in % | total | in % | total | in % | |
| Total number of employees of Commerzbank AG (Germany) | 29 601 | 100 | 28 045 | 100 | 24 535 | 100 | |
| By Gender | | | | | | | |
| Female | 15 014 | 51 | 14 268 | 50,9 | 12 252 | 49,9 | |
| Male | 14 587 | 49 | 13 777 | 49,1 | 12 283 | 50,1 | |
| By region | | | | | | | |
| Frankfurt | 10 845 | 36,6 | 10 101 | 36 | 9 029 | 36,8 | |
| Rest of Germany | 18 756 | 63,4 | 17 944 | 64,0 | 15 506 | 63,2 | |
| By contract | | | | | | | |
| Permanent contracts | 26 530 | 89,6 | 25 353 | 90,4 | 22 472 | 91,6 | |
| Fixed-term contracts | 3 071 | 10,4 | 2 692 | 9,6 | 2 063 | 8,4 | |
| By employment | | | | | | | |
| with non-guaranteed hours employees | 0 | 0 | 0 | 0 | 0 | 0 | |
| Full-time employees ¹ | 19 274 | 69,5 | 18 252 | 69,1 | 16 306 | 70,5 | |
| Part-time employees ¹ | 8 456 | 30,5 | 8 149 | 30,9 | 6 824 | 29,5 | |
| By type of employment | | | | | | | |
| Employees not on collectively agreed pay scale | 16 263 | 54,9 | 15 746 | 56,2 | 14 620 | 59,6 | |
| Employees on collectively agreed pay scale ² | 13 115 | 44,3 | 12 178 | 43,4 | 9 813 | 40,0 | |
| Non-salaried employees/other | 223 | 0,8 | 121 | 0,4 | 102 | 0,4 | |

¹ Excluding trainees and interns.

² Including apprentices.

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GRI 2-7

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| Total workforce at Commerzbank AG Germany within the reporting year 2022 by gender | | 2022 | |
|--|---------------|------|-------------|
| | total | in % | |
| Total number of employees of Commerzbank AG (Germany) | 24 535 | | 100 |
| Female | 12 252 | | 49,9 |
| Male | 12 283 | | 50,1 |
| Permanent contracts | 22 472 | | 91,6 |
| Female | 11 129 | | 45,4 |
| Male | 11 343 | | 46,2 |
| Fixed-term contracts | 2 063 | | 8,4 |
| Female | 1 123 | | 4,6 |
| Male | 940 | | 3,8 |
| Full-time employees¹ | 16 306 | | 70,5 |
| Female | 5 738 | | 24,8 |
| Male | 10 568 | | 45,7 |
| Part-time employees¹ | 6 824 | | 29,5 |
| Female | 5 983 | | 25,9 |
| Male | 841 | | 3,6 |

¹ Excluding trainees and interns.

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| Total workforce at Commerzbank AG Germany within the reporting year 2022 by region ¹ | | 2022 | |
|---|---------------|-------------|--|
| | total | in % | |
| Total number of employees of Commerzbank AG (Germany) | 24 535 | 100 | |
| Frankfurt | 9 029 | 36,8 | |
| Eschborn | 1 654 | 6,7 | |
| Hamburg | 1 578 | 6,4 | |
| Rest of Germany | 12 274 | 50,0 | |
| Permanent contracts | 22 472 | 91,6 | |
| Frankfurt | 8 510 | 34,7 | |
| Eschborn | 1 532 | 6,2 | |
| Hamburg | 1 447 | 5,9 | |
| Rest of Germany | 10 983 | 44,8 | |
| Fixed-term contracts | 2 063 | 8,4 | |
| Frankfurt | 519 | 2,1 | |
| Hamburg | 131 | 0,5 | |
| Eschborn | 122 | 0,5 | |
| Rest of Germany | 1 291 | 5,3 | |
| Full-time employees² | 16 306 | 70,5 | |
| Frankfurt | 6 649 | 28,8 | |
| Eschborn | 1 114 | 4,8 | |
| Hamburg | 927 | 4,0 | |
| Rest of Germany | 7 616 | 32,9 | |
| Part-time employees² | 6 824 | 29,5 | |
| Frankfurt | 1 740 | 7,5 | |
| Hamburg | 588 | 2,5 | |
| Eschborn | 486 | 2,1 | |
| Rest of Germany | 4 010 | 17,4 | |

¹ Broken down by the three locations with the most employees in the 2022 reporting year. All other locations are listed collectively as "rest of Germany".

² Excluding trainees and interns.

GRI 2-9

Governance structure and composition

The Board of Managing Directors of Commerzbank AG 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 et seq.) and the Declaration of Corporate Governance (pp. 25 et seq.) in the [Annual Report 2022](#).

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.

To reflect the growing importance of sustainability for the Bank, the Supervisory Board resolved to turn the Social Welfare Committee into the Environmental, Social and Governance Committee. It normally meets four times per year. In particular, it assists the Supervisory Board, in addition to the Audit Committee, in assessing whether the management is ensuring the economically viable and sustainable performance of the Bank while also observing the principles of responsible corporate governance, fulfilling the Bank's social responsibility and at the same time conserving natural environmental resources. The ESG Committee also advises the Board of Managing Directors on ESG issues.

The composition of the committees as of December 31, 2022, is presented on page 17 of the [Annual Report 2022](#) and the members of the Supervisory Board as of December 31, 2022, are listed on the pages 17 and 18.

GRI 2-12

Role of the highest governance body in overseeing the management of impacts

A particular focal point of the Supervisory Board's work in the 2022 reporting year was to assist in the ongoing development of the strategy and monitor its implementation. The Supervisory Board was kept fully informed by the Board of Managing Directors about the ongoing development of the strategy and was involved in an advisory capacity. Commerzbank's sustainability strategy was also discussed in detail. The Supervisory Board, the Board of Managing Directors, stakeholder representatives and employee representatives also examined the Bank's strategic direction in depth in a strategy meeting in 2022.

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GRI 2-12

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Furthermore, the Supervisory Board dealt intensively with the effects of the coronavirus pandemic and assisted the Board of Managing Directors in an advisory capacity. Another focus in 2022 was monitoring the impact of the war in Ukraine and its ramifications for the Bank. 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 strategy meeting, a total of 5 Supervisory Board meetings were held in 2022. Details on the individual meetings can be found in the [Annual Report 2022](#) (pp. 7 et seq.).

The ESG Committee also advises the Board of Managing Directors on ESG issues (please see [GRI 2-9](#)).

As part of the optimisation of the remuneration system for the Board of Managing Directors, the Supervisory Board has now also linked Commerzbank's sustainability strategy to the variable remuneration of members of the Board of Managing Directors in a binding manner by adding an explicit ESG sub-target within the Group target, accounting for 20% of Group target achievement. The Group target itself accounts for the majority (60%) of variable remuneration for members of the Board of Managing Directors. This means that from the 2023 financial year, ESG targets will also be explicitly embedded in the variable remuneration system for all members of the Board of Managing Directors via the Group target. They complement any other ESG targets within the department and individual targets that may have already been in place in previous years.

GRI 2-13

Delegation of responsibility for managing impacts

The Board of Managing Directors develops the Commerzbank Group's strategy, discusses it with the Supervisory Board and ensures it is implemented. Sustainability issues are included in the annual strategy process for the overall bank strategy and are discussed as required in meetings of the Board of Managing Directors. Each member of the Board of Managing Directors is responsible for implementing sustainability measures within their own divisional remit.

The **ESG Committee** also advises the Board of Managing Directors on ESG issues (please see [GRI 2-9](#)).

The central sustainability management function reports to the Chairman of the Board of Managing Directors and regularly informs him about progress on sustainability issues and activities. 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. In doing so, Commerzbank is underlining the strategic importance of the topic.

In addition to Group Sustainability Management, other divisions of the Bank are also actively engaged in the topic of sustainability. Our sustainability strategy is implemented through the overarching strategic initiative "**Sustainability 360°**". The customer segments, Risk Management and numerous other relevant Group divisions are involved in the Group-wide initiative, as is CommerzReal.

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GRI 2-13

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The programme represents an overarching framework for all sustainability activities and ensures that cross-cutting issues are closely joined up, a coordinated approach is taken and tracking is strict. 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 “**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.

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 Single Supervisory Mechanism (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.

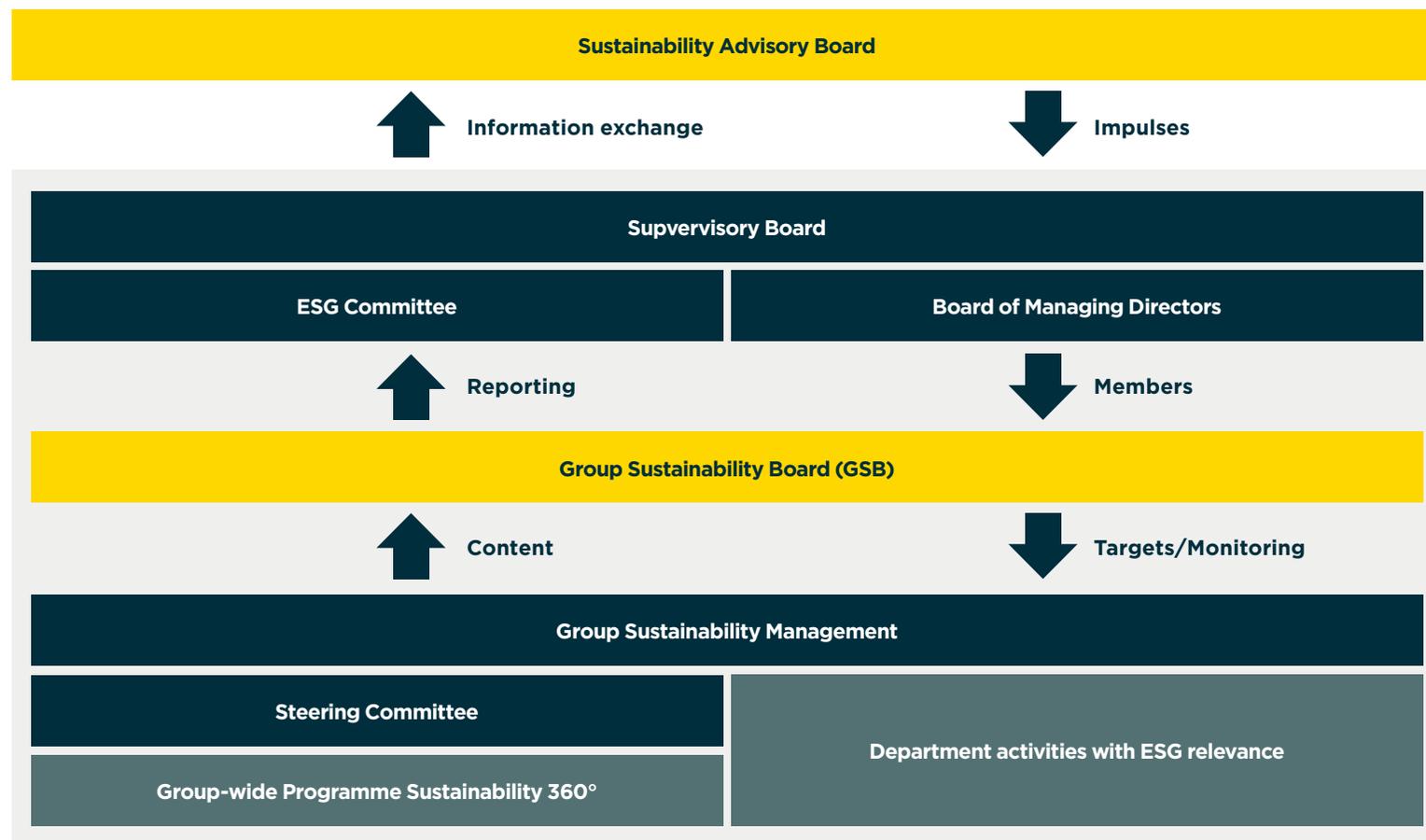
A cross-divisional decision-making and escalation body for sustainability, including matters relating to climate and other environmental risks, enables the sustainable orientation of the business model to be managed holistically. With this Group Sustainability Board we have firmly embedded the wide-ranging issue of sustainability within the Bank’s organisation. The Group Sustainability Board sets the Bank’s strategic sustainability targets and monitors the measures for their implementation and management. In addition, the divisions and segments report regularly on the progress of their sustainability activities and the implementation of regulatory sustainability requirements. The Group Sustainability Board is chaired by the Chairman of the Board of Managing Directors. The Board also includes other members of the Board of Managing Directors and heads of divisions.

To ensure constructive critical dialogue with our stakeholders, in 2022 we established an external Sustainability Advisory Board led by the Chairman of the Board of Managing Directors. This body is made up of six experts from the fields of politics, academia, society and SMEs. They represent a broad spectrum of subject matter, including topics such as the circular economy and biodiversity that are becoming increasingly important for us. The Sustainability Advisory Board provides impetus for the further development of our sustainability strategy.

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GRI 2-13

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GRI 2-15

Conflicts of Interest

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 2022](#) (pp. 13).

GRI 2-17

Collective knowledge of the highest governance body

Regular training and development measures were held for the Supervisory Board in the reporting year. Two extensive workshops on the subject of ESG were held in 2022. A presentation on digital assets and crypto custody and their implementation within the Bank was also given to the Supervisory Board following one of its meetings. The topics of mainframes, the cloud and working methods/ working architecture for new ways of working were covered in the Digital Transformation Committee. In addition, an internal training session on the subject of litigation and liability risks in connection with ESG was held as part of one of the meetings of the Environmental, Social and Governance Committee. Members of the Supervisory Board also attended external training courses on topics such as sustainable finance and ESG in a sustainable finance context.

Information on the training and development measures of the Supervisory Board is provided in the [Annual Report 2022](#) (page 13).

GRI 2-19 GRI 2-30

Remuneration policies Collective bargaining agreements

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 Germany 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 40% (please see table Total workforce at Commerzbank AG Germany in most recent years, [GRI 2-7](#)). As a minimum, the terms and conditions of employment of non-pay-scale employees who are not covered by collective agreements comply in their entirety with the terms and conditions set out in the collective agreements.

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. At Commerzbank AG Germany, the salaries of employees on collectively agreed pay scale 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.

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GRI 2-19

GRI 2-30

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The German Transparency in Wage Structures Act (Entgelttransparenzgesetz, EntgTranspG) has been in force in Germany since 2017. The current Report on Gender Equality and Equal Pay [Bericht zur Gleichstellung und Entgeltgleichheit](#) outlines how Commerzbank promotes the equal participation of women in qualified positions and the equal remuneration of women and men for the same and equivalent work. The Report was prepared in accordance with Article 21 of the EntgTranspG and covers the reporting period 2017 to 2022 (previous publication as per 2018).

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.

“Keep in Touch” is Commerzbank’s contribution to making it easier to reconcile family and career and to avoid career interruptions during parental leave. Alongside other ESG criteria, the Bank’s sustainability targets are also embedded in our employee remuneration system as target criteria. They account for 25% of the qualitative targets, which together with target achievement in the quantitative element determine the level of variable remuneration in the remuneration model for non-pay-scale employees.

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, in the compensation system applicable until the financial year 2022, half of it is 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. 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. With the further development of the remuneration system, which will apply from the 2023 financial year, the Supervisory Board has now also made it compulsory to link the Commerzbank’s sustainability strategy to the variable remuneration of the Board of Managing Directors (see [GRI 2-12](#)).

In addition, with the further development of the remuneration system, the Supervisory Board has increased the share-based portion of variable remuneration to 60%. Finally, it introduced a share purchase and a share holding obligation, under which the members of the Board of Managing Directors are obliged to gradually purchase and hold Commerzbank shares in the amount of one year’s basic salary. Detailed information on the remuneration of the Board of Managing Directors and Supervisory Board is provided in the [Remuneration Report 2022](#).

Policy commitments

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, responsibility 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 2018, we have been represented in the [UN Women’s Empowerment Principles](#) initiative. By signing up, the Bank has committed to promoting gender equality within the Bank and within society.

Integrity is the basis of our business model. We act in an attentive, trust-worthy and reliable manner. As such, we create prospects for discerning people and companies. The globally binding [Code of Conduct](#) is updated in the second quarter of 2023 and summarises our understanding of impeccable ethical and moral behaviour. It goes beyond legal and regulatory requirements and sets standards for Commerzbank Group employees and service providers.

Our net zero commitment is at the heart of the sustainability strategy adopted by the Board of Managing Directors. The strategy to achieve this vision rests on two pillars: we support our customers in their sustainable transformations and set a good example ourselves. We are pursuing this by means of three ambitious targets:

- By 2050 we are aiming for net zero CO₂ emissions from our entire lending and investment portfolio. To measure progress reliably, we use CO₂ reduction targets from the Science Based Targets initiative (SBTi). Using this method, we plan to manage our portfolios also in line with the Paris Climate Agreement from 2025 at the latest.
- By 2025, we will mobilise €300bn for sustainable financial products. They include lending products such as green mortgage loans and financing for renewable energy, along with investment and capital market products such as sustainable securities and ESG-linked loans. In the [ESG framework](#), we disclose the criteria we use to classify financial products as sustainable and transparently describe the composition of the sustainable business volume. By the end of 2022, Commerzbank Aktiengesellschaft had mobilised €246.5bn for sustainable financial products, out of a target of €300bn by the end of 2025. A detailed overview of all products contributing to this goal can be found in our [Annual Report 2022](#) on page 71.
- We plan to reduce the CO₂ emissions of our own banking operations to net zero as early as 2040. By 2025, greenhouse gas emissions at Commerzbank Aktiengesellschaft are to be reduced by a further 30% compared with 2018. We expect our suppliers to be climate-neutral by 2040. CO₂ emissions in 2022 were 78,402 tonnes.

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GRI 2-23

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The status of target achievement is regularly ascertained and reported internally and externally. Publication of the status for target 1 – managing the portfolio based on CO₂, working towards net zero – is planned from the next reporting year. The Group Sustainability Board, chaired by the Chairman of the Board of Managing Directors, reviews the progress towards these three strategic sustainability targets.

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. To reliably measure our progress in reducing our emissions, we rely on science-based CO₂ reduction targets from the [Science-based Targets Initiative \(SBTi\)](#), which we joined in September 2020. Since the 2021 reporting year, we have been following the requirements of the [Task Force on Climate related Financial Disclosures \(TCFD\)](#) in our non-financial report, which also includes information required by the EU Taxonomy Regulation.

We follow binding rules for dealing with environmental and social risks, which we continuously review and adapt as necessary. In the [ESG framework](#) that was published in 2022, we disclose all the key building blocks of our sustainability strategy and transparently explain how we manage sustainability in our core business. A transparent and fair approach towards our customers is one of the keys to doing business sustainably.

In view of the special risks associated with fossil fuels and armaments, the Board of Managing Directors of Commerzbank Aktiengesellschaft has passed its own binding directives on these matters that define many of the relevant transactions and business relationships in these areas as being subject to assessment, and encompass exclusion criteria.

For more information on our sustainability strategy and how we deal with environmental and social risks, see [Sustainable Finance: 3-3](#).

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

- [Corporate culture](#), with the three 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's position on human rights](#), that is subject to compliance and observance by managers in all business units,
- Inclusion Agreement "Action Plan on Inclusion" [[Aktionsplan zur Inklusion](#)],
- Policy Statement on the [Supply Chain Due Diligence Act \(LkSG\)](#),
- [Commerzbank environmental policies](#) as well as,
- [Procurement guidelines](#), which include ethical guidelines and the sustainable procurement standard.

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

Embedding policy commitments

Within Commerzbank AG, various bodies act at different levels to constantly develop our sustainability strategy and review current progress. For more information, please see [GRI 2-13](#).

As the superordinate sustainability area within Commerzbank that reports directly to the Chairman of the Board of Managing Directors, the Group Sustainability Management is responsible for the ongoing development of the sustainability strategy and comprehensive governance. At the same time, the department manages the “Sustainability 360°” Group-wide programme and thereby coordinates the sustainability work of Commerzbank in an overarching way. It also ensures the implementation of strategic sustainability initiatives such as the [Principles for Responsible Banking](#) of the United Nations Environment Programme Finance Initiative (UNEP FI).

The three lines of defence concept for ESG risks was refined during 2022. ESG risks are considered a type of horizontal risk and as such are managed by various control units across the Bank. Group Sustainability Management also acts the second line of defence for social (S) and governance (G) risks, serving as a central point of oversight. Environmental (E) risks are dealt with within the risk control function. A Chief Environmental Risk Officer (CERO) has also been appointed and tasked with bringing the Environmental Risk Control unit into operation.

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.

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 [Sustainable Finance: 3-3](#).

All employees have the opportunity to complete a three-hour basic training course on sustainability. The following aspects are addressed: sustainability as a global challenge, corporate responsibility and the role of Commerzbank, regulatory frameworks and the market environment, sustainability risks, sustainability in customer business, ESG products and services from Commerzbank. The knowledge learned is put to the test in a quiz at the end.

Processes to remediate negative impacts

We want to prevent our business activities from having a negative impact on the environment and on society and to avoid or mitigate any risks that might result.

Sustainability is therefore a cornerstone of our “Strategy 2024”, alongside customer focus, digitalisation and profitability. The objectives for us are to achieve the United Nations Sustainable Development Goals (SDGs) and the Paris climate target of limiting global warming to well below 2°C.

Through the [ESG framework](#) published in July 2022, we have made our understanding of and commitment to sustainability transparent for all stakeholders. The framework creates a Bank-wide standard that enables rigorous management of all relevant products, processes and activities and ensures the sustainable transformation of Commerzbank. The focus of the ESG framework is on our core business. The ESG framework provides an overview of our sustainability directives and exclusion criteria.

Management of climate, environment, and social risks

We want to exploit all opportunities to avoid risks to our business and, at the same time, tap into opportunities for future-oriented steering. 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 2022](#) (pp. 107 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. At Commerzbank, we do not consider climate risks as a separate type of risk, but as a horizontal risk, which can materialise across the different known types of 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) and committed to defining science-based targets to reduce CO₂ in the loan portfolio. In the 2022 reporting year, the Bank set its SBTi targets to manage financed emissions for fundamental sectors and submitted the set targets to SBTi for validation. These reduction paths support the achievement of our net zero target and are a core element of Commerzbank’s sustainability strategy. Further information on Commerzbank’s defined CO₂ reduction targets can be found in the [ESG framework](#) published in 2022, which is updated on a regular basis.

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. The Bank has adopted a clear stance on controversial issues such as arms, palm oil and fossil fuels.

For details on climate and reputational risk management, please see [Sustainable Finance: 3-3](#).

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Supply Chain Due Diligence Act

The German Act on Corporate Due Diligence Obligations in Supply Chains (LkSG) was passed in 2021 and entered into force on 1 January 2023. It seeks in particular to improve the protection of human rights in supply chains. Under the act, Commerzbank is required to identify and prevent violations of certain human rights and certain environmental obligations at direct and indirect suppliers and in its own business activities.

Within Commerzbank, the principles of the “three lines of defence” model are also being introduced in this area as part of risk management, to identify, prevent and remedy risks and breaches in supply chains. A comprehensive compliance programme is being set up to ensure that the requirements are met. Group Compliance will act as the second line of defence, the “global functional lead”, in which capacity it will define minimum Group-wide standards for the Bank.

In 2022, a Human Rights Officer was appointed to assume the responsibilities arising from the LkSG. The Chief Compliance Officer performs this important and responsible role. He reports directly to the Chief Risk Officer. The Board of Managing Directors is also assisted by other units with a view to covering human rights standards as holistically as possible within Commerzbank.

As part of initialising the German Act on Corporate Due Diligence Obligations in Supply Chains [Lieferkettensorgfaltspflichten-gesetz, LkSG] programme, an initial risk analysis was carried out from an LkSG perspective for the company’s own business unit and for its German suppliers, thus identifying the risks that need to be prioritised for prevention. Based on this, the Due Diligence Policy Statement on the Company’s human rights and environmental risks was released by the Board of Managing Directors on 20 December, 2022. As part of this, the human rights position already adopted in 2019 was updated. The existing business keeper monitoring system was expanded to include the requirements specified by the LkSG. The pertinent complaints procedure is described in the official provisions on the complaints procedure in accordance with Article 8 of the LkSG.

The appropriateness and effectiveness of the compliance management system regarding the LkSG provisions are constantly reviewed and supplemented as necessary.

Information on developments and improvements in the area of human rights is provided annually in the [UN Global Compact Progress Report](#). This human rights position is reviewed annually and revised where relevant. The current position and information on further positions and guidelines can be found on our website. Further information, in particular on the legal responsibility within the context of the LkSG, can be found in the [policy statement](#) as well as in the annual LkSG reporting.

Compliance with laws and regulations

Compliance with statutory provisions and regulatory requirements is a matter of course for Commerzbank. Commerzbank was not ordered to pay any significant fines in the year under review. Information on ongoing legal proceedings as per the end of 2022 can be found in the [Annual Report 2022](#) (pp. 135).

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 high-integrity behaviour and to honour employees who act as role models, Commerzbank has redeveloped the “Culture of Integrity Award” into the Culture Award. This award recognises integrity in addition to the Performance and Responsibility categories. It is given to employees or teams who excel in integrity and attentiveness in terms of protecting the interests of customers and the Bank. In the 2022 financial year, the winning team came from the Herne branch (North Rhine-Westphalia), which demonstrated a particularly high level of attentiveness. Over the course of the personnel transition, a very diverse new branch team has emerged. Due to exceptional difficulties (illnesses/restrictions in day-to-day business), maintaining operational stability was an enormous challenge, but one that the team mastered. They demonstrated a high level of initiative and a solution-orientated approach.

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.

The focus of Commerzbank’s compliance activities is on preventing and uncovering money laundering, terrorist financing, market abuse (insider trading and market manipulation), fraud, corruption and other criminal acts wherever the Bank does business, the management of conflict of interest as well as on protecting investors. We also ensure that insider information and other confidential data about our customers and their transactions are protected in accordance with the need-to-know principle. Commerzbank Aktiengesellschaft’s Compliance division has wide-ranging authority and escalation rights, including powers to obtain information and carry out investigations, enabling it to implement its requirements throughout the Group.

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Integrity is the basis of our business model. We act in an attentive, trust-worthy and reliable manner. The globally binding [Code of Conduct](#) (Code of Conduct) is updated in the second quarter of 2023 and summarises our understanding of impeccable ethical and moral behaviour. It goes beyond legal and regulatory requirements and sets standards for Commerzbank Group employees and service providers.

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. 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.

GRI 2-28

Membership associations

Commerzbank is a member of a range of associations and interest groups, both at a national and an international level.

This includes the following organizations:

- BdB - Association of German Banks [Bundesverband deutscher Banken]
- EBF - European Banking Federation
- VdP - The German Pfandbrief Banks [Verband deutscher Pfandbriefbanken]
- Economic council of the CDU [Wirtschaftsrat der CDU]
- Economic forum of the SPD [Wirtschaftsforum der SPD]
- AGI - American German Institute
- IIF - Institute of International Finance
- Association for the study of structural policy issues [Gesellschaft zum Studium strukturpolitischer Fragen]
- AFME - Association for Financial Markets in Europe

Approach to stakeholder engagement

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 and investors
- Research/Science
- Customers
- Suppliers
- Media
- Employees
- Competitors/Financial Industry
- Non-governmental organizations
- Politics
- Civil society

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.

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.

Customers

All units of the Group get their customers actively involved. Experts communicate with customers through various channels to ensure that their ideas and suggestions are taken into account when developing products and services.

This ensures that the customer or user experience (CX/UX), i.e. the customer's experience with our products, services and channels, meets our qualitative standards. Experts involve the customers in the various phases, such as the ideation, conception, design and development of a product. This creates a continuous dialogue, for instance in the "UX-Studio" set up especially for this purpose. In addition, we have set up a UX branch. This is our laboratory branch in which we try out new things with previously selected employees and customers without 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.

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GRI 2-29

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In our Private and Small-Business Customers 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. The Net Promoter Score (NPS), an internationally recognised standard for assessing customer satisfaction, served as a continuous measure of quality in the Private and Small Business Customers segment. According to the NPS, the majority of Commerzbank customers are promoters of their branch (53%). As the method only indirectly reflects customer satisfaction, the methodology was changed to the CSAT (Customer Satisfaction) survey on 1 January, 2023. This determines customer satisfaction on the basis of a 5-star rating.

Commerzbank additionally garners important insights through its “Customer Barometer” strategic customer loyalty study. To this end, around 4,000 customers in the Private and Small-Business Customers and Private Banking Customers, the Wealth Management and Corporate Customer segment as well as comdirect customers are surveyed over a full-year period. In addition, around 150 interviews are conducted in the Corporate Customers segment. Indicators of overall satisfaction, recommendation and competitive advantage are established. 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.

In the business owners’ study, Commerzbank Aktiengesellschaft surveys 2,500 companies from across Germany with annual sales of up to €15m. They include freelancers, self-employed people, tradespeople, and small and medium-sized enterprises. Some are customers of Commerzbank, while others bank elsewhere. The 2022 study was on the topic of cyber security. The results show that the companies surveyed consider this to be a very important issue. Around two in five companies in Germany have already been the victim of a cyber-attack, with nearly one in five affected companies suffering losses as a result of the attack. Nevertheless, the vast majority of companies feel they are well-positioned when it comes to cyber security.

SME topics are at the heart of Commerzbank’s “Unternehmerperspektiven” initiative (“Business Owners’ Views”). Once a year it surveys owners and top-level managers from companies of different sizes and from different industries. In 2022, 300 companies were surveyed for a study entitled “Wirtschaft im Umbruch: nachhaltig und digital” (“Economy in turmoil: sustainable and digital”) about the status of their sustainability implementation in the face of the multiple crises that are currently occurring. In addition, the study provides answers to questions on how companies are dealing with data today and the role played by digital ethics in this. The results also show the opportunities associated with digitalisation, and which digital technologies are relevant for corporate customers today and going forward.

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.

In addition, Commerzbank Aktiengesellschaft actively involves its customers through various customer advisory councils. In a central advisory council and ten regional advisory councils, selected figures from companies, institutions and public life have the opportunity to enter into direct dialogue with the Board of Managing Directors, find out about the performance of the business and contribute their experience and expectations.

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GRI 2-29

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Shareholders and 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 many 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](#). In addition, following participation in ESG conferences, the updated [sustainability presentations](#) are made available to all interested parties on our Commerzbank site.

As part of its operational investor relations work, i.e. ongoing communication with investors and financial analysts, the Bank held seven roadshows (including 1 corporate governance roadshow) with European and North American investors in 2022 and attended eight virtual international investor conferences.

In total, the Board of Managing Directors, managers and Investor Relations held more than 125 meetings with more than 220 investors and analysts in 2022. 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 2022](#) (p. 15).

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.

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Employees

The committees representing the interests of the employees at Commerzbank AG Germany 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 AG Germany 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, 655 ideas were submitted.

The best ideas of 2022 included two proposals that contribute to customer satisfaction or sustainability. One is the confirmation of an extraordinary repayment. In future, customers will be informed that their payment has been received via SMS or email. This improves transparency for customers. At the same time, the number of queries in the loan processing centre will be significantly reduced.

The other idea is saving on paper printouts. When changing from the pay-scale area to the non-pay-scale area, employees receive a new employment contract including a privacy commitment declaration. This attachment was already signed when they first signed their employment contract or joined the Bank. The data protection audit showed that a signature is only obligatory when taking up a job with the Bank for the first time. The change not only streamlines the process. We also save resources by reducing the number of sheets of paper.

Both ideas show that employees are interested in proactively helping to shape the Bank’s products and processes.

The “Management Mittendrin” programme supports cross-departmental and cross-hierarchical communication and discussion. As part of the annual campaign, the Top Management visited a team of their choice for one day and joined the employees in their day-to-day work. These visits promoted a common understanding of day-to-day work, provided new insights from a change of perspective, and strengthened networking. The visits provided an opportunity to work together on how processes can be improved for our customers.

Due to the restrictions caused by the coronavirus pandemic, some of the visits could only take place virtually. This did not have any impact on the recommendation rate, which is surveyed by the visitors and teams via a feedback form after the visit. The participants’ feedback confirms the added value of the programme.

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GRI 2-29

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Politics

We have established several event formats for the dialogue with political representatives. 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 “Mittagswerkstatt” events in Berlin and “lunchlab” 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.

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.

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, considering the development of a new Arms and Surveillance Technology Policy, the topic of armaments was a focus of this exchange alongside the continuing emphasis on climate protection and CO₂ emissions from business activities related to coal, oil and gas.

Information on the inclusion of stakeholders in the materiality analysis is available under [GRI 3-1](#).

GRI 3-1

Process to determine material topics

Commerzbank identified those issues that are material to the company both today and for the future as part of a multi-step materiality analysis. As a result, nine topics, in particular climate protection and adaptation, were identified as material for us and integrated into the annual Bank-wide strategy process. The new materiality analysis was used to determine the topics that are material for Commerzbank and are reported on in this GRI report. The new materiality analysis was launched at the end of 2021 and completed in the first half of 2022.

As part of the new materiality analysis, Commerzbank’s sustainability management has identified the most relevant topics for us. This analysis shows us which topics we need to pursue strategically as a matter of priority. A list of potential sustainability topics was analysed in collaboration with external partners, applying two materiality perspectives. An exposure analysis was conducted to measure the “impact perspective”. This analysis built on the Bank’s internal financial and risk data and proven sustainability indicators to determine “sustainability hotspots”. These are in countries and sectors where Commerzbank is particularly active, both directly and indirectly, for example through financing, and where sustainability indicators in the defined areas are significantly below average. The “business perspective” – i.e. the question of how high the opportunities and risks of these sustainability issues are for business success – was established in a management workshop.

Nine topics have consequently been identified as material. They relate to all three sustainability dimensions – environmental, social and governance – and will form the future focus of our sustainability management activities. Climate change continues to have the highest relevance for the Bank. At the same time, topics such as biodiversity and circular solutions have become more important than in previous materiality analyses, so we are now addressing these more closely.

To apply the materiality analysis in the Bank’s operations, the results were incorporated into the annual Bank-wide strategy process and discussed at the level of the Board of Managing Directors. In the final step, we assigned the respective material topics according to the GRI Standards to the relevant issues identified in the materiality analysis. The material topics according to GRI standards are supplemented by the specially developed “Sustainable Finance” disclosure, which depicts further aspects relating to the relevant topics from the 2022 materiality analysis.

Results matrix for the materiality analysis 2022



List of material topics

The GRI report 2022 is based on the materiality analysis conducted in 2022. All material topics are presented in the following table.

Material topics and classification of GRI Standards

| Material topics as identified in the materiality analysis of 2022 | Associated GRI Standards from GRI 3: Material Topics |
|---|--|
| Climate protection & adaption | GRI 203 Indirect Economic Impacts |
| | GRI 302 Energy |
| | GRI 305 Emissions |
| | GRI 308 Supplier Environmental Assessment |
| | Sustainable Finance |
| Environmental protection & biodiversity | GRI 203 Indirect Economic Impacts |
| | GRI 304 Biodiversity |
| Resource utilization, conservation & circular economy | GRI 203 Indirect Economic Impacts |
| | GRI 302 Energy |
| | GRI 305 Emissions |
| | GRI 308 Supplier Environmental Assessment |
| Product transparency & data security | GRI 417 Marketing and Labeling |
| | GRI 418 Customer Privacy |
| | Sustainable Finance |
| Governance & Compliance | GRI 205 Anti-corruption |
| | GRI 207 Tax |
| | GRI 415 Public Policy |
| | Sustainable Finance |
| Equal opportunities & diversity | GRI 401 Employment |
| | GRI 405 Diversity and Equal Opportunity |
| | GRI 406 Non-discrimination |
| | GRI 407 Freedom of Association and Collective Bargaining |
| Human rights & employee rights | GRI 414 Supplier Social Assessment |
| | GRI 401 Employment |
| | GRI 406 Non-discrimination |
| | GRI 407 Freedom of Association and Collective Bargaining |
| Health & security | GRI 403 Occupational Health and Safety |
| | GRI 414 Soziale Bewertung der Lieferanten |
| | GRI 401 Employment |
| Education & enablement | GRI 401 Employment |
| | GRI 404 Training and Education |

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GRI 3-2

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As part of the new materiality analysis, the topic areas most relevant to Commerzbank were identified – in accordance with the double materiality of the “business perspective” and “impact perspective”. As a result, nine topics have been identified as material. These topics were then mapped according to the GRI standards, resulting in the same material topics according to GRI as in the previous year. Accordingly, climate change continues to have the highest importance for Commerzbank, and the Bank’s sustainability management continues to cover all three sustainability aspects: environment, social and corporate governance. The topic of biodiversity was reported for the first time in the GRI report 2021 and expanded this year. Strategically, we will continue to be guided by the results of the new materiality analysis.

2 Economy

GRI 203

Indirect economic impacts

GRI 3-3

Management of material topics

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 consider it our responsibility to provide financial knowledge on everyday issues and thus offer assistance. Since the beginning of 2020, we have been offering knowledge on various topics and drawing attention to current topics, such as “investing money sustainably”, as well as to classic questions about payment transactions, construction financing, saving or investing. In 2022 alone, the sections “How to ...”, “Financial Blog”, “Knowledge pages on product solutions”, “#togetHERstronger women’s campaign” and the “Banking sustainability page”, which provides holistic information on sustainable topics, attracted the interest of more than 1 million visitors – a great success for financial education.

Commerzbank’ finanz-heldinnen (translates to female finance heroes) initiative has set itself the goal of enthusing women about finance and supporting them on their journey to their financial future with educational programmes. The initiative was founded by comdirect employees at the beginning of 2018 with the aim of making a positive contribution to society. Through an online magazine, podcast, after-work sessions and Instagram channel, as well as the bestselling book “Der Finanzplaner für Frauen” (translates to “The Financial Planner for Women”), the initiative educates, discusses and encourages new ideas. The initiative has already received several awards for its commitment. It received, for instance, the International German PR Prize in the category “Sustainability - Responsibility - CSR” as well as the German Prize for Online Communication.

Our future nationwide branch network stands for solution-oriented advisory services at around 400 locations. At the end of 2022, there were 450 locations. Even as a digital advisory bank, we will remain present in the area. At the same time, the interaction with the digital offer and our advisory centres is becoming increasingly important.

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GRI 3-3

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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 450 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.

We have set ourselves goals for even greater financial inclusion. An important example is our round-the-clock availability for customers, regardless of where they are, via the mobile app, web and telephone channels, which we will make even more accessible in the future. This means that personal conversations with an advisor and digital offers remain at the core of our customer service. In addition, we strive to use the most comprehensible and solution-oriented language possible when communicating with our customers. Commerzbank Aktiengesellschaft is building up a green ecosystem for sustainability-related issues that lie outside our core competencies. The Bank’s expert cooperation partners provide support in the form of consulting services, for example determining a company’s carbon footprint, developing a specific sustainability strategy, or identifying and managing climate risks. In this way, we have already been able to help many customers since the programme was launched at the start of 2022.

GRI 203-1

Infrastructure investments and services supported

With regard to its social commitment, Commerzbank engages with its environment in a variety of ways. Various projects and initiatives make contributions to society.

In 2022, 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.

The war in Ukraine was a source of great concern at Commerzbank, among employees and customers alike. In order to help people on the ground quickly and unbureaucratically, Commerzbank undertook a major fundraising campaign. The Board of Managing Directors of Commerzbank decided to provide 200,000 Euros of emergency aid, which went to Caritas International and an aid campaign run by the city of Leipzig, which is twinned with Kyiv. Customers and employees also made substantial donations to these campaigns.

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GRI 203-1

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The poverty rate in Germany reached a sad new peak of 16.6 per cent in 2021. Many people are worried about how they will be able to pay for food, housing and heating costs. For Christmas, Commerzbank donated 200,000 euros to the non-profit association 'Tafel Deutschland' and called upon employees and customers to make donations. Together we were able to support the Tafel with 430,000 euros.

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 2022/2023 school year, 34 Commerzbank employees volunteered as school advisors. Senior managers also take part voluntarily as judges for the regional heats and European final.

Since as early as 1990, Commerzbank has been offering, together with the German national parks, the [Commerzbank environmental internship](#). Currently, 60 students per year are involved in environmental education and public relations work at 22 national parks or biosphere reserves in Germany. In particular, they teach children and young visitors about the importance of the protected areas for acutely endangered biodiversity and help foster greater awareness of environmental and climate protection. Commerzbank finances the internships, the National Natural Landscapes Association [Verband Nationale Naturlandschaften e. V.] organises the programme and the national parks and biosphere reserves provide the interns with on-site specialist support. Since the start of the programme, around 1,900 students have taken part and subsequently brought their experience to bear in the fields of business, politics, society or environmental protection.

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.

Commerzbank Aktiengesellschaft also donated a total of 632,471 Euros to various institutions and organisations in the year under review.

For more information about Commerzbank's commitment to society, please see the [Annual Report 2022](#) (page 68).

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GRI 203-1

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Various foundations supported by the Group over the long term also make a significant contribution to society. The common goal of all foundations is to make a lasting contribution to the further development and future viability of society. The funding focuses are as follows:

- As a corporate foundation, the Commerzbank Foundation promotes the social responsibility of its founding company to work towards a society fit for the future. Its motto is: participation creates the future. With its independent foundation, Commerzbank takes responsibility for its sustainable commitment to be a “good citizen” of the community that goes beyond its actual business activities. Since its establishment in 1970, the Commerzbank Foundation has built up many sustainable partnerships across Germany and has thus become a firmly established provider of support in the world of German foundations. In its more than 50-year history, it has provided a total of around €40m to support well over 1,000 projects relating to cultural, social and scientific activities. Its partnership network ranges from museums and theatres to nonprofit social organisations and scientific institutions, from national lighthouse projects to exemplary local initiatives. The funding always supports cultural education and mediation, social participation for disadvantaged people and incentives for young researchers.
- In addition, seven social foundations have been established to provide financial support to the Bank’s employees and retirees in unforeseeable emergencies. The common aim of all the foundations is to make a long-term and sustainable contribution to the future viability of society. 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.

| Sponsorship volume of foundations supported by Commerzbank € rounded | 2020 | 2021 | 2022 |
|--|------------------|------------------|------------------|
| Commerzbank Foundation | 827 000 | 883 000 | 970 000 |
| Charitable foundations | 430 000 | 451 550 | 447 007 |
| Total | 1 257 000 | 1 334 550 | 1 417 007 |

| Endowment capital of foundations supported by Commerzbank € million rounded | 2020 | 2021 | 2022 |
|---|--------------|--------------|-------------|
| Commerzbank Foundation | 63,0 | 63,0 | 63,0 |
| Charitable foundations | 21,16 | 21,16 | 21,7 |
| Total | 84,16 | 84,16 | 84,7 |

Commerzbank Aktiengesellschaft provided a total of €596,000 in funding for these foundations in 2022, covering expenses such as staff, workstations, premises costs and other operating costs.

GRI 3-3

Management of material topics

In our fight against corruption and bribery, we go further than simply focusing on statutory requirements such as the German Criminal Code, 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 ten principles - including Principle Number ten on working against corruption of any kind.

These external standards are supplemented with internal guidelines, which are reviewed at least annually and updated as needed. 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 specific requirements in the range of gifts and invitations. 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.

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GRI 3-3

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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 2-27](#)).

With the aim of avoiding or appropriately resolving potential conflicts of interest, we have implemented a comprehensive system for managing conflicts of interest. A comprehensive and clearly written set of rules has been implemented, including control governance. Within this framework, we apply the following instruments, for example: The Conflict of Interest Tool was introduced. This tool is used to compile data on relevant transactions worldwide, including in the corporate customer and capital market business, and to examine the transactions for potential conflicts of interest. Furthermore, a cooling-off procedure has been introduced that implements the specifications of the Minimum Requirements for Risk Management AT 4.3.1. In the lending business, conflicts of interest are managed in accordance with the requirements of a number of guidelines, including the EBA Guidelines on loan origination and monitoring (EBA/GL/2020/06) and, for example, the EU Directive 2013/36/EU and the final report on guidelines on internal governance under Directive 2013/36/EU (EBA/GL/2021/05, 2 July 2021). Furthermore, the Conflict of Interest Matrix is used to mitigate the risk of conflicts of interest. It identifies general, abstract situations involving conflicts of interest and defines how to identify and implement the measures that need to be taken to avoid them. In addition, there is an established system for reviewing and handling conflicts of interest for new hires, secondary employment, mandates, participations and in the purchase of goods and services. Group-wide compliance with conflict of interest standards is enforced through an operative legal entity governance management system.

We strongly oppose attempts at market manipulation and are committed to preserving the integrity of the markets and our clients' need for protection.

GRI 205-1

Operations assessed for risks related to corruption

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 2022, 32 (100%) of the 32 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 (2021: 40/40).

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.

GRI 205-2

Communication and training about anti-corruption policies and procedures

To provide employees with support in implementing the policies, the Group conducts ABC trainings. The mandatory anti-corruption training is completed by all employees and 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.

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 instance, in 2022, Commerzbank continued to publish guidance on how to handle gifts and invitations, which uses specific case studies to help people understand internal policies.

GRI 205-3

Confirmed incidents of corruption and actions taken

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 2022, just like in the previous years.

GRI 3-3

Management of material topics

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.

The Bank's tax strategy is derived from, among other things, the understanding of the Group as set out in Commerzbank's Code of Conduct. 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.

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GRI 3-3

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In line with the corporate culture objectives as set out in Commerzbank's strategy, the globally binding Code of Conduct, the Group Tax Strategy and in compliance with the continuously increasing transparency and documentation requirements and the statutory framework, Commerzbank AG is also required to establish a comprehensive Tax Compliance Management System (TCMS) framework to support and protect all employees and executives in performing their tax obligations. Process deficiencies in particular which, if viewed critically, could result in prosecution under criminal law, such as criminal tax investigations due to organisational culpability, must be identified at an early stage and, if possible, prevented. Against this background, Group Tax has developed a number of measures, including a Group Tax Linking Guideline. The adoption of such a guideline also meets the requirements based on IDW Practice Statement 1/2016 on Auditing Standard 980 ("Design of and Assurance Engagements Relating to Tax Compliance Management Systems in Accordance with IDW PS 980").

In order to take account of the zero-tolerance approach with regard to tax offences, Commerzbank has also established numerous internal management and control systems, i.e. tax compliance programmes. The Group Tax Compliance Management division is responsible for tax risk management and, in cooperation with the other Group Tax departments and divisions, for identifying and assessing tax risks. If required, these risks are then further minimised through appropriate measures and controls.

GRI 207-1

Approach to tax

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 TCMS.

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 all 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](#)).

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GRI 207-1

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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 and unequivocally defined, for instance within 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](#), which is published on the Internet and freely accessible 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 does not aim to be represented in tax havens. While in previous years no branch¹ was located in a location that is included in the "Common EU list of third country jurisdictions for tax purposes", the latest revision as of 14 February, 2023 resulted in a change to the effect that Russia was added to the list and Commerzbank is represented there via Commerzbank (Eurasija) AO.

¹There is only one representative office in Panama (no banking business; main activity: information on the range of products and services offered by the Financial Institutions business unit), which had to be set up as an independent, wholly-owned subsidiary due to local statutory regulations in Panama.

GRI 207-2

Tax governance, control, and risk management

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.

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GRI 207-2

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Commerzbank's Tax-Compliance-Management-System (TCMS) 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 TCMS 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 regulations and the corresponding risk and control framework is monitored by Group Tax TCM at several levels. The most notable monitoring measures include:

- a. Implementing risk-oriented TCM safeguards annually as well as reviewing and evaluating adequacy and effectiveness of existing (key) controls as part of the annual ICS cycle
- b. Conducting an annual compliance risk analysis regarding the avoidance of aiding and abetting tax evasion (based on the UK Corporate Criminal Offence (CCO), see [GRI 207-1](#))
- c. Quarterly "Anti-Tax Offences Measurements" reporting, which serves to monitor the risk situation with regard to tax offences or tax offences in the IFRS scope of consolidation of Commerzbank
- d. Quarterly Tax Risk Management reporting, aimed at tax risk management at Commerzbank Group for the IFRS consolidation group and as part of the overall strategy of Group Tax as 2nd Line of Defence

The results from each of the topics mentioned above are presented to the Board of Managing Directors and the Audit Committee within the framework of the TCM Annual Report. 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: 3-3) 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.

GRI 207-3

Stakeholder engagement and management of concerns related to tax

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.

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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 in the [Annual Report 2022](#) on pages 140 and 261.

GRI 207-4

Country-by-country reporting

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 2022](#) on page 275. Detailed information on the names of the companies domiciled in the countries and their business purpose can be found in the in the [Annual Report 2022](#) on page 279 and following.

| Country-specific reporting 31.12.2022 | Turnover €m | Pre-tax profit or loss €m | Taxes on income ¹ €m | employees number |
|---|----------------|------------------------------|------------------------------------|---------------------|
| Germany | 7 796 | 2 094 | 512 | 25 504 |
| China including Hong Kong and Shanghai | 36 | - 23 | - 4 | 165 |
| France | 57 | 16 | 6 | 84 |
| United Kingdom | 599 | 341 | 6 | 607 |
| Luxembourg | 111 | 79 | - 2 | 158 |
| Netherlands | 19 | 3 | - 1 | 35 |
| Poland | 1 025 | - 6 | 133 | 8 351 |
| Russia | 115 | 93 | 15 | 130 |
| Singapore | 102 | 31 | 5 | 335 |
| USA | 207 | 89 | - 44 | 287 |
| Others | 212 | 46 | 17 | 1 518 |

¹The 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).

GRI 3-3

Management of material topics

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 2022, we continued working on the various measures for implementing our climate strategy (please see GRI 305: 3-3) 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.

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 14 subsidiaries have an integrated environmental and energy management system. This defines the responsibilities, behaviour, processes and specifications for the implementation of the operational environmental and energy policy and documents them in a structured manner. The focus is on optimising resource consumption, particularly where we can have a direct impact on the environment, such as in building management and business trips.

The system has been certified by DNV Business Assurance Zertifizierung GmbH in accordance with the ISO 14001 and ISO 50001 standards. In 2022, the system covered 91% (Previous year: 92%) of Commerzbank's electricity and heating energy consumption domestically and abroad and, thereby, stayed consistent. 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.

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GRI 3-3

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Since the 2021 reporting year, the environmental data of Commerzbank Abroad have also been verified alongside the data of Commerzbank Germany AG. The commuting traffic figures were only identified in Germany, as the necessary basic statistical data for Commerzbank Abroad are not available.

Commerzbank's approximately 600 buildings (as per end 2022) 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 2022, 34% 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 25% compared to 2018.

In particular, the conversion of fans to electronic commuted (EC) technology with higher efficiency and reduced noise emissions, the optimisation of the operating times of the recirculating air cooling units in the service centre, as well as illuminated advertising systems in branches have led to further energy savings. The continued use of LEDs for lighting also made a contribution.

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.

GRI 302-1

Energy consumption within the organization

At Commerzbank AG Germany, approximately 60% of heat energy is obtained from natural gas and around 39% 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 60% of heat energy is generated with natural gas. The Amsterdam location is 100% heated with green electricity via a geothermal power plant. 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 1,4% in Germany. No oil heating systems are operated at the international locations.

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GRI 302-1

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| Direct energy consumption at Commerzbank AG MWh | 2020 | 2021 | 2022 |
|---|----------------|---------------|---------------|
| | AG total | AG total | AG total |
| Natural gas | 97 755 | 61 670 | 68 802 |
| Heating oil | 2 299 | 2 767 | 1 532 |
| Diesel for back-up power | 246 | 311 | 407 |
| Fuel ¹ | 29 314 | 11 111 | 22 208 |
| Total | 129 615 | 75 859 | 92 949 |

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 | 2020 | 2021 | 2022 |
|---|----------------|----------------|----------------|
| | AG total | AG total | AG total |
| Energy consumption (electricity) | 169 529 | 151 534 | 131 944 |
| Energy consumption (district heating) | 49 972 | 74 271 | 44 654 |
| Total | 219 501 | 225 805 | 176 598 |

GRI 302-4

Reduction of energy consumption

Thanks to the successful implementation of the location strategy, energy consumption was further reduced for the year 2022. Commerzbank's direct energy consumption increased by around 23% compared to the previous year, as fuel consumption increased significantly because travel restrictions were lifted.

Indirect energy consumption shows a decrease of 21.8%, as the heating energy consumption in Germany decreased by 41% and the electricity consumption by 15.9%. At the foreign locations, power consumption increased by 23.5%, but district heating consumption remained at the previous year's level. In contrast, electricity consumption at Commerzbank AG fell by 12.9%. This was attributable to an increasing proportion of employees working from home worldwide of around 61% (previous year's estimate: 47%) as well as measures controlled via the energy management system, such as optimisation of air-conditioning systems, lighting, operating hours and the IT infrastructure. The temperature-based system control was introduced in a further five buildings in 2022 and also helped achieve the targeted electricity savings of more than 15%. At 3,064 MWh, electricity consumption attributable to employees working from home accounts for 2.3% of total electricity consumption.

Global business travel increased significantly by 114.4% because of the lifting of global travel restrictions. Air travel in particular has increased almost fivefold (+371%). The environmental impact of emissions at high altitudes was taken into account for the first time by raising the RFI factor (Radiative Forcing Index) from 1 to 5. Business travel by rail has increased by 83% and business travel by car by 86%.

GRI 3-3

Management of material topics

Global economic output is dependent on properly functioning ecosystems, which makes conserving biodiversity imperative. The current state of ecosystems and species numbers brings home how important it is to act.

Commerzbank is paying increasing attention to the issue by putting biodiversity at the centre of debates on sustainable development. Consequently, the result of our new materiality analysis from 2022 showed that biodiversity is one of our three most relevant topics. Compared to the previous materiality analysis, it can be seen that biodiversity has become more important for us as a bank.

For this reason, Commerzbank has been part of the [Biodiversity in Good Company](#) (BiGCI) since March 2022, in which Commerzbank, together with other companies, is committed to the sustainable utilisation of global biodiversity. The initiative acts as a dialogue platform for the continuous development of biodiversity management. By communicating best practices, companies and economic stakeholders are to learn from one another.

In order to lay the foundations for future management of biodiversity, we conducted an impact analysis using the “Encore” tool for the first time in 2022. Encore provides a science-based link between economic activities and biodiversity-damaging impacts. In our analysis, we compared the business volume of the sectors we finance with the tool’s external data and then weighted them. We identified potential areas of action and strategic priorities and will develop further analyses and measures to protect biodiversity.

Within the frame of the 2022 environmental risk materiality assessment, we examined for the first time the extent to which biodiversity is material as a risk driver for the Commerzbank Group. As with climate risks, biodiversity risks can be divided into physical and transition risks. While physical biodiversity risks arise from a loss or degradation of things provided by the ecosystem on which the economic system depends (e.g. pollination or genetic diversity), transition risks in this context refer to risks that arise from the transformation process towards a more sustainable and environmentally friendly economy.

The physical risk analysis focused on an assessment of the dependence on the ecosystem of sectors in which Commerzbank is represented through credit exposures. To do this, we used external data that classify the degree of dependence of sectors on the ecosystem, and we considered these data in conjunction with the volume of business in each sector.

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GRI 3-3

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In the case of transition biodiversity risks for credit risk, the negative impact of business activities on the environment and the consequences due to anticipated future regulatory changes to protect biodiversity were included. As a result, we currently assess physical biodiversity risks as not material, but consider transition risks to be material risk drivers for credit risk in the medium and long term. In the future, a more in-depth analysis is planned, supported by corresponding scenarios – where available – and more advanced evaluation methods in this context.

| Material risk types | Materiality assessment of biodiversity risks | | |
|--|--|---------------------|---------------------|
| | Total | Transition Risks | Physical Risks |
| Credit Risk <small>(incl. Counterparty Risk)</small> | material | material | non-material |
| Market Risk | non-material | non-material | |
| Operational Risk <small>(incl. Compliance Risk and Cyber Risk)</small> | non-material | non-material | |
| Reputational Risk | non-material | non-material | |
| Business Risk | non-material | non-material | |
| Liquidity Risk | non-material | non-material | |
| Model Risk | non-material | non-material | |

In our core business, we contribute to the protection of biodiversity through our positions and guidelines on environmental and social risks. We have defined clear exclusion criteria (see [Sustainable Finance: 3-3](#)). In addition, we take into account the extent to which the active companies are affecting biodiversity, especially in the agriculture, forestry and mining sectors. This includes, for example, the protection of areas designated as “High Conservation Value Areas” or “UNESCO World Heritage Sites”, or other protected areas, and 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 since 1990 (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. We actively observe what is happening in the industry and the development of new initiatives in order to continuously increase our contribution to biodiversity. Joining the “PRB UNEP FI Nature Target Setting Working Group” is just one example of this.

GRI 3-3

Management of material topics

The overarching approach to environmental and energy management regarding the Bank's operations under [GRI 302: 3-3](#) also applies to GRI-305.

We have been offsetting Commerzbank Aktiengesellschaft's currently unavoidable emissions in Germany since 2015, and globally since 2021. The Bank thus operates in a mathematically climate-neutral manner. 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.

In addition, special attention is paid to making travel activities as environmentally friendly as possible and thus preventing CO₂ emissions. The business travel policy therefore envisages rail as the preferred means of transport. This also means avoiding air travel wherever 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 coming into force in July 2022, employees can solely choose between pre-configured vehicles with a maximum CO₂ emission of 134 g/km pursuant to the Worldwide Harmonised Light Vehicle Test Procedure (WLTP). The order of an electric vehicle is attractively financially supported by the bank through a monthly contribution. Fleet management is carried out by an external provider. For foreign countries, the International Car Guideline (ICG) (version 1.4) of January 2023 is applicable with eleven country-specific annexes that govern local specifics. The bonus-penalty system successfully used in the past at home was transferred to the foreign locations at the beginning of 2020. 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 six buildings for Commerzbank employees' private electric vehicles.

With the corporate car sharing concept, fuel-efficient vehicles available throughout Germany are offered for temporary use. 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.

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GRI 3-3

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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 because of digital alternatives (audio and video conferencing systems). For the year 2022, however, a slight increase was recorded again. The number of BahnCards 25 and 50 rose by around 92%, while the increase for BahnCards 100 was 14%. 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. In addition, Commerzbank pays its employees in Germany a monthly mobility allowance of 20 Euros for commuting by public transport.

We set ourselves the goal of reducing our greenhouse gas emissions by 30% by 2025 (relative to the base year 2018). 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 2022, a 34.9% reduction in global CO₂ emissions was achieved compared to the base year 2018. For the reporting year 2023, we expect CO₂ emissions to rise again with regard to business travel – 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. Since 2021, this also applies to the foreign branches so that the banking operations of the entire Commerzbank AG are now climate neutral

GRI 305-1

GRI 305-2

GRI 305-3

Direct (Scope 1) GHG emissions**Energy indirect (Scope 2) GHG emissions****Other indirect (Scope 3) GHG emissions**

Commerzbank determines its greenhouse gas emissions on the basis of the standard developed by the Association for Environmental Management and Sustainability in Financial Institutions (VfU). This is based on international guidelines for environmental and climate reporting, such as the Greenhouse Gas Protocol, CDP and the Global Reporting Initiative. 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.

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GRI 305-1
GRI 305-2
GRI 305-3

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In our reporting on CO₂ emissions, we distinguish in accordance with the Greenhouse Gas (GHG) Protocol. Scope 1 designates the emissions caused directly, for example through the consumption of natural gas, heating oil or fuel. Scope 2 refers to emissions from purchased energy. These 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. Scope 3 captures other indirect emissions from the upstream and downstream value chain. These include paper and water consumption, business travel and commuting, and other emissions from energy supply. The indirect emissions from our financial products (“financed emissions”) are not included in the calculation of the operational CO₂ footprint.

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).

To comply with the requirements of the Corporate Sustainability Reporting Directive (CSRD) at an early stage, the reporting period for the carbon footprint was adjusted from calendar year to the period October-September. In 2022, Commerzbank Aktiengesellschaft generated 78,402 tonnes of CO₂-equivalent total emissions. This is slightly higher than in 2021, which was heavily impacted by coronavirus measures, but well below the emissions of previous years. The reasons for this include technical adaptations for energy efficiency in building management and changes in occupational mobility, as well as site closures and job reductions over the past two years. These measures will continue to have an effect even after the coronavirus restrictions have come to an end.

VfU 2022²

| Carbon footprint at Commerzbank AG ¹ (including representative offices) t of CO ₂ equivalents | | 2020 | 2021 | 2022 ³ |
|---|------------|--------|--------|-------------------|
| Scope 1: direkt GHG emissions | | | | |
| Energy supply | | | | |
| | AG Germany | 19 365 | 12 367 | 13 509 |
| | AG abroad | 738 | 744 | 695 |
| Natural gas | AG Germany | 18 678 | 11 529 | 13 015 |
| | AG abroad | 702 | 707 | 637 |
| Heating oil | AG Germany | 653 | 786 | 435 |
| | AG abroad | 0 | 0 | 0 |
| Diesel for back-up power | AG Germany | 34 | 52 | 59 |
| | AG abroad | 36 | 37 | 58 |
| >> | | | | |

GRI 305-1
GRI 305-2
GRI 305-3

| Carbon footprint at Commerzbank AG ¹ (including representative offices) t of CO ² equivalents | | 2020 | 2021 | 2022 ³ |
|---|------------|--------|--------|-------------------|
| >> | | | | |
| Business travel (company car) | AG Germany | 7 848 | 2 962 | 5 989 |
| | AG abroad | 101 | 42 | 286 |
| Bank vehicles ⁴ | AG Germany | 7 635 | 2 823 | 5 769 |
| | AG abroad | 79 | 34 | 256 |
| Pool vehicles | AG Germany | 213 | 139 | 220 |
| | AG abroad | 22 | 8 | 30 |
| Coolant and extinguishing agent losses | AG Germany | 112 | 43 | 593 |
| | AG abroad | 149 | 422 | 541 |
| Coolant | AG Germany | 112 | 43 | 593 |
| | AG abroad | 149 | 143 | 212 |
| Fire extinguishing agent | AG Germany | 0 | 0 | 0 |
| | AG abroad | 0 | 279 | 329 |
| Total Scope 1 | AG Germany | 27 326 | 15 373 | 20 091 |
| | AG abroad | 988 | 1 208 | 1 522 |
| | AG total | 28 314 | 16 581 | 21 613 |
| Scope 2: indirect GHG emissions (market-based) | | | | |
| Energy supply | AG Germany | 7 142 | 13 619 | 8 239 |
| | AG abroad | 5 121 | 4 624 | 4 618 |
| Electricity | AG Germany | 6 | 0 | 0 |
| | AG abroad | 4 903 | 4 101 | 4 132 |
| District heating ⁵ | AG Germany | 7 136 | 13 576 | 8 007 |
| | AG abroad | 218 | 505 | 483 |
| Traffic ⁶ | AG Germany | | 43 | 232 |
| | AG abroad | | 18 | 3 |
| Total Scope 2 (market-based) | AG Germany | 7 142 | 13 619 | 8 239 |
| | AG abroad | 5 120 | 4 624 | 4 618 |
| | AG total | 12 262 | 18 243 | 12 857 |
| >> | | | | |

GRI 305-1
GRI 305-2
GRI 305-3

| Carbon footprint at Commerzbank AG ¹ (including representative offices) t of CO ² equivalents | | 2020 | 2021 | 2022 ³ |
|---|------------|--------|--------|-------------------|
| >> | | | | |
| Scope 2: indirect GHG emissions (location-based) | | | | |
| Energieversorgung | AG Germany | 71 644 | 68 594 | 54 448 |
| | AG abroad | 6 259 | 6 647 | 7 468 |
| Energy supply | AG Germany | 64 502 | 54 976 | 46 209 |
| | AG abroad | 6 041 | 6 124 | 6 982 |
| District heating ⁵ | AG Germany | 7 142 | 13 576 | 8 007 |
| | AG abroad | 218 | 505 | 483 |
| Traffic ⁶ | AG Germany | | 44 | 232 |
| | AG abroad | | 18 | 3 |
| Total Scope 2 (location-based) | AG Germany | 71 644 | 68 594 | 54 448 |
| | AG abroad | 6 259 | 6 647 | 7 468 |
| | AG total | 77 903 | 75 241 | 61 916 |
| Scope 3: other indirect GHG emissions | | | | |
| Paper consumption | AG Germany | 3 601 | 2 606 | 2 623 |
| | AG abroad | 45 | 26 | 21 |
| Energy supply | AG Germany | 8 727 | 8 422 | 7 521 |
| | AG abroad | 1 381 | 1 595 | 1 141 |
| Natural gas (in upstream and downstream emissions) | AG Germany | 5 115 | 3 425 | 3 866 |
| | AG abroad | 192 | 210 | 189 |
| Heating oil (in upstream and downstream emissions) | AG Germany | 129 | 117 | 65 |
| | AG abroad | 0 | 0 | 0 |
| Diesel back-up power (in upstream and downstream emissions) | AG Germany | 7 | 8 | 9 |
| | AG abroad | 7 | 6 | 9 |
| District heating (in upstream and downstream emissions) ⁵ | AG Germany | 1 823 | 3 570 | 2 106 |
| | AG abroad | 74 | 109 | 107 |
| Electricity from renewable energies (pre-products and conversion losses) | AG Germany | 1 004 | 471 | 395 |
| | AG abroad | 901 | 1 067 | 639 |
| Energy mix (home offices) | AG Germany | 649 | 832 | 1 080 |
| | AG abroad | 207 | 203 | 197 |
| >> | | | | |

GRI 305-1
GRI 305-2
GRI 305-3

| Carbon footprint at Commerzbank AG ¹ (including representative offices) t of CO ² equivalents | | 2020 | 2021 | 2022 ³ |
|---|------------|--------|--------|-------------------|
| >> | | | | |
| Business travel with indirect impact⁷ | AG Germany | 5 639 | 3 665 | 10 640 |
| | AG abroad | 706 | 223 | 3 728 |
| Air travel | AG Germany | 380 | 228 | 4 683 |
| | AG abroad | 571 | 141 | 3 476 |
| Rail travel | AG Germany | 70 | 70 | 134 |
| | AG abroad | 9 | 7 | 16 |
| Greenhouse gas emissions of up- and downstream emissions from direct road traffic | AG Germany | 3 794 | 2 115 | 4 278 |
| | AG abroad | 76 | 28 | 190 |
| Business trips with indirect impact | AG Germany | 1 395 | 1 252 | 1 545 |
| | AG abroad | 50 | 47 | 46 |
| Logistic journeys | AG Germany | 3 781 | 3 535 | 3 307 |
| Commuting travel⁸ | AG Germany | 19 216 | 15 893 | 14 601 |
| Water | AG Germany | 141 | 115 | 105 |
| | AG abroad | 23 | 42 | 42 |
| Waste disposal | AG Germany | 83 | 130 | 93 |
| | AG abroad | 128 | 111 | 110 |
| Total Scope 3 | AG Germany | 41 188 | 34 366 | 38 890 |
| | AG abroad | 2 284 | 1 997 | 5 042 |
| | AG total | 43 472 | 36 363 | 43 932 |
| Total overall | AG Germany | 75 656 | 63 358 | 67 220 |
| | AG abroad | 8 392 | 7 829 | 11 182 |
| | AG total | 84 048 | 71 187 | 78 402 |

¹ Commerzbank AG Germany's consumption data have been externally verified by DNV Business Assurance Zertifizierungs GmbH. The verification process is based on ISO 14064-3.

² The standard of the German Association for Environmental Management and Sustainability in Financial Institutions (VFU) is aligned with the international standards of environmental and climate reporting such as the GRI Standards and GHG Protocol.

³ To comply with the requirements of the Corporate Sustainability Reporting Directive (CSRD) from the 2023 reporting year onwards at an early stage, the reporting period for the carbon footprint was adjusted from calendar year to the period October-September. This means that the fourth quarter of 2021 was taken into account again because of the adjustment.

⁴ Business travel restrictions (COVID pandemic) being lifted has caused business trips with bank and pool vehicles to increase significantly. The percentage of business trips taken by Commerzbank AG Germany bank vehicles are calculated using a statistical model and increased to about 43% (previous year: 25%).

⁵ The change in district heating is due to a more precise allocation of the heating energy sources as well as the implementation of Strategy 2024.

⁶ The number of electric vehicles used as bank cars has increased from 223 to 378 at Commerzbank AG Germany.

⁷ Because business travel restrictions (COVID pandemic) have been lifted, taxi, rental car and private car travel also increased again. For air travel, the Radiative Forcing Index (RFI factor) was raised from 1 to 5 to take into account the special environmental impact, as recommended by the German Environment Agency [Umweltbundesamt - UBA].

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 the data collection period (1 October 2021 - 30 September 2022). In addition, the actual commuting distances of employees and the proportion of public transport users (with monthly/annual pass) were evaluated.

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GRI 305-1
GRI 305-2
GRI 305-3

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| Carbon footprint at Commerzbank AG by scope t of CO ₂ equivalents | 2020 | 2021 | 2022 |
|--|----------|----------|----------|
| | AG total | AG total | AG total |
| Scope 1 | 28 313 | 16 581 | 21 613 |
| Scope 2 (Market-based) | 12 263 | 18 243 | 12 857 |
| Scope 2 (Location-based) | 77 903 | 75 241 | 61 916 |
| Scope 3 | 43 472 | 36 363 | 43 932 |

| Business travel at Commerzbank AG km | 2020 | 2021 | 2022 |
|--|------------|------------|------------|
| | AG total | AG total | AG total |
| Cars | 46 342 276 | 21 025 926 | 39 038 781 |
| Bank vehicles (AT Leasing) | 40 541 618 | 16 045 932 | 33 107 675 |
| Pool vehicles | 1 265 025 | 1 031 027 | 1 095 623 |
| Kilometres accounted for as private, hire car and taxi journeys ¹ | 4 535 633 | 3 948 967 | 4 835 483 |
| Air travel | 6 157 209 | 2 906 824 | 13 691 040 |
| Rail travel | 7 605 165 | 4 473 989 | 8 176 579 |

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.

GRI 305-4

GHG emissions intensity

The increase in CO₂ emissions per full-time employee (VZK) to 2.6 tons in 2022 (2021: 2.42 tons) is mainly due to the end of pandemic-related travel restrictions. Business travel was particularly by this. Commuting also decreased by a further 9% compared to 2021 – 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 ² | 2020 ³ | 2021 | 2022 |
|--|-------------------|------|------|
| Tonnen | 2,85 | 2,42 | 2,6 |

¹ Full-time personnel.

² Domestic shuttle service.

³ Including representative offices.

GRI 305-5

Reduction of GHG emissions

We are working on further measures that can help us save CO₂ emissions. For example, the current 92.2% share of electricity sourced from renewable sources worldwide is aimed to be increased.

First and foremost, the iUEMS serves to continuously improve our own environmental and energy performance. At the same time, it helps minimise risk: by regularly observing and checking the current situation, any need for action can be identified at an early stage and preventive measures can be taken. This integrated management system forms an ideal basis for ensuring the business has a sustainable orientation.

We can achieve savings in our operational emissions through efficient and sustainable building management in particular, and we are taking various measures to achieve this. These include gradually replacing conventional light sources with LEDs since 2017, making a significant contribution to energy saving. We continuously review the energy efficiency of our buildings using defined energy performance indicators. We have succeeded in reducing the electricity consumption measure for the space we lease in the Lateral Towers from 104 kWh/m² in 2018 to 72 kWh/m² in 2022. Following this positive experience, we have also put such software into operation at other sites and are continuously examining implementation in further buildings.

In addition, special attention is paid to making travel activities as environmentally friendly as possible and thus preventing CO₂ emissions (see [GRI 305: 3-3](#)).

GRI 3-3

Management of material topics

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 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.

We ensure standardised sustainability standards through various policies and processes. This commitment extends to our suppliers and service providers:

GRI 3-3

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- 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 „human and environmental responsibility“. Compliance with social standards is the focus of annual meetings with Commerzbank's main suppliers.
- ESG criteria must be evaluated a spart of the tender process.
- Reputational Risk Management also performs ad hoc analyses during the process of selecting suppliers.

GRI 308-1

New suppliers that were screened using environmental criteria

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

GRI 3-3

Management of material topics

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 ongoing implementation of the Bank’s current restructuring will continue to entail job losses. To this end, Commerzbank Aktiengesellschaft agreed a framework social plan with the employee representatives at the end of 2021, with the aim of achieving fair job reductions that are as socially responsible as possible. In the year under review, we successfully pushed ahead with the headcount reductions required under the transformation. The vast majority of employees who departed the Bank did so under retirement arrangements. In addition, many employees were able to find new prospects with the support of new placement consulting. The Bank is working very hard to complete the remaining headcount reductions as quickly as possible and in a socially responsible manner.

Commerzbank has to be positioned for the future. The focus on digitalisation means that in certain areas we increasingly need different skillsets and job profiles than we did in the past. That is why we are positioning ourselves accordingly for this target group in order to attract suitable experts. At the same time, it is important to counteract demographic change. Initiatives to ensure that the Bank has a healthy pipeline of future talent are firmly embedded in the HR strategy: our extensive training offering, innovative learning programmes and the opportunity to pursue many different development paths should make the Bank attractive for talented young people.

In 2022, the Bank-wide recruitment campaign was launched to meet the high demand for graduates in all business areas. In 2023, a total of over 500 graduates for initial training and 200 trainees are to be recruited. The labour market has turned into an application market, which requires a new approach from the Bank and its executives – now it is us who are applying to young talents, not the other way around.

These changed circumstances require a high degree of flexibility, a willingness to innovate and speed. We quickly optimised the current selection process for initial training with the Quickwins and were bold in suspending the online test for the 2023 recruitment cohort. This has already noticeably increased the recruitment rate in a short space of time. For 2024 onwards, we are now working on a major restructure of the selection process to make it more forward-thinking.

In 2022, 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. Sabine Mlnarsky assumes the position of Chief Human Resources Officer at Commerzbank from January 2023.

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GRI 3-3

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As in the previous year, surveys also constituted an important element of the feedback culture in the Bank in 2022. These include sample-based surveys, project-related evaluations as well as culture and strategy surveys at the divisional and departmental level throughout the Bank. Internal market research activities focused on the third 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 Board of Managing Directors and senior management with valid indications of employee motivation and approval of the strategy. In addition, a management survey was conducted among all executives of Commerzbank AG with the aim of identifying starting points for improving cooperation and making them available to the Top Management.

GRI 401-1

New employee hires and employee turnover

The rate of employee turnover in the year under review was 10.75%. Of this, about 3/4th of the withdrawals happened on the basis of an amicable solution. These solutions were implemented with the help of social plan instruments to achieve the reduction in staff from Strategy 2024. The employee turnover has, thus, doubled in the year-on-year comparison with 2021. The average length of service of employees with Commerzbank AG Germany is around 22 years; 14% have worked for the Bank for up to nine years, 17% for between ten and 19 years, and 69% for 20 years or more. The rate of employee turnover in the year under review was 10.75%. It has thus doubled in comparison with the previous year.

| New hires at Commerzbank AG (Germany) by age, gender and region (in full time equivalents) | 2020 ¹ | | 2021 | | 2022 | |
|---|-------------------|-------------|------------|-------------|------------|------------|
| | total | in % | total | in % | total | in % |
| Total number of new employees hired | 1 640 | 6,15 | 133 | 0,55 | 201 | 0,9 |
| By age | | | | | | |
| Employees younger than 30 years old | 261 | 0,98 | 39 | 0,16 | 45 | 0,2 |
| Employees between 30 and 50 years old | 948 | 3,55 | 80 | 0,33 | 131 | 0,59 |
| Employees more than 50 years old | 431 | 1,62 | 14 | 0,06 | 25 | 0,11 |
| By gender | | | | | | |
| Female employees | 695 | 2,61 | 65 | 0,27 | 59 | 0,27 |
| Male employees | 945 | 3,54 | 68 | 0,28 | 142 | 0,64 |
| By region | | | | | | |
| Frankfurt | 281 | 1,05 | 62 | 0,26 | 118 | 0,53 |
| Rest of Germany | 1 359 | 5,10 | 71 | 0,29 | 83 | 0,37 |

¹Includes integration of comdirect.

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GRI 401-1

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| Employee turnover at Commerzbank AG (Germany) by age, gender, region and reason for leaving (in full time equivalents) | 2020 ¹ | | 2021 | | 2022 | |
|--|-------------------|------------|--------------|-------------|--------------|--------------|
| | total | in % | total | in % | total | in % |
| Total number of employees leaving | 1 219 | 4,6 | 1 186 | 4,90 | 2 398 | 10,75 |
| By age | | | | | | |
| Employees younger than 30 years old | 131 | 0,5 | 198 | 0,82 | 311 | 1,4 |
| Employees between 30 and 50 years old | 465 | 1,7 | 472 | 1,95 | 1477 | 6,62 |
| Employees morethan 50 years old | 623 | 2,3 | 516 | 2,13 | 609 | 2,73 |
| By gender | | | | | | |
| Female employees | 470 | 1,8 | 504 | 2,08 | 1 219 | 5,46 |
| Male employees | 749 | 2,8 | 682 | 2,82 | 1 179 | 5,29 |
| By region | | | | | | |
| Frankfurt | 467 | 1,8 | 426 | 1,76 | 704 | 3,16 |
| Rest of Germany | 752 | 2,8 | 760 | 3,14 | 1 694 | 7,59 |
| By reason for leaving (selection) | | | | | | |
| Contract terminated by employee | 515 | 1,9 | 458 | 1,7 | 520 | 2,33 |
| Contract terminated by employer | 11 | 0,04 | 18 | 0,07 | 5 | 0,02 |
| Amicable agreement | 692 | 2,6 | 623 | 2,4 | 1 778 | 7,97 |
| Death | 9 | 0,03 | 11 | 0,04 | 3 | 0,01 |

¹Includes integration of comdirect.

GRI 3-3

Management of material topics

Health is the basis for a properly functioning organisation and workforce alike. That makes strategic health management another key element in Commerzbank Aktiengesellschaft's HR activities. The Bank seeks to promote the mental and physical health as well as the social well-being of its employees. To this end, we offer them a wide range of preventive measures such as professional advisory and information services, for instance on how to deal with stress. 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 tested (see [GRI 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 preventive measures such as professional counselling or training - for example in dealing with stress and resilience. 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.

In 2022, too, 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, a far-reaching hygiene and distance concept was implemented, which is continuously adapted to the current situation, and the options for mobile working were expanded.

GRI 403-1

Occupational health and safety management system

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. Voluntary additional benefits such as the Employee Assistance Programme (EAP) are available for colleagues in Germany and partially also abroad, depending on their location, via telephone, e-mail and video conferencing. While face-to-face seminars are attended mainly by employees at larger locations due to organisational reasons or could not take place due to the pandemic, digital seminar offerings allow all employees to participate without any additional effort or travel.

GRI 403-2

Hazard identification, risk assessment, and incident investigation

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 by means of occasion-related as well as regular 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. Employees can also contact 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.

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GRI 403-2

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The Bank's occupational health and safety regulations require project-related risk assessments to be carried out if there are significant changes in work processes or standards for employees in connection with projects. The benchmark for psychological hazards that are largely possible is provided by the guideline "Criteria for a good working environment", agreed upon by the Bank and employee representative committees. Typical situations that require a project-related risk assessment are the introduction of new work equipment, process changes, and significant changes in the work environment or standards. However, not every change necessitates a risk assessment. Initiating, implementing and coordinating a project-related risk assessment is the responsibility of the relevant project, product or process managers. This means that it is primarily the project managers who are responsible, but it can also be the line managers of the employees concerned. It is important that those responsible coordinate their work. The responsible persons receive professional support and advice from the occupational safety specialists and the risk-assessment specialists.

Regular risk assessments are carried out with surveys and site inspections. Regular surveys take place on an ongoing basis as comprehensive, centrally coordinated, division-based surveys. This means that all employees and executives can participate. The surveys cover all domestic operations of Commerzbank AG in a rotating system. The questionnaire to be used was developed according to occupational principles and adapted to the conditions of the Bank and has been embedded in a works agreement. The survey is conducted by an external survey institute. Participation is voluntary and anonymous. Executives, HR advisors for executives and committee representatives receive digital reports on the results for each of their areas of responsibility. The follow-up process includes analysing and assessing the suspected hazards, developing measures, if necessary, and a subsequent evaluation of their effectiveness.

GRI 403-3

Occupational health services

Commerzbank offers its employees the opportunity to consult company doctors and their teams 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:

- 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 – telephone or online consultation also possible
- Company integration management (BEM): 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. 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.
- Integration at work of colleagues with disabilities
- Advice on healthy nutrition
- Preventive health protection during business trips abroad
- Addictions - preventive and acute
- The Bank offers senior employees of Commerzbank AG Germany the opportunity to take advantage of a health check-up every two years. The Bank allows employees to do this during paid work time.
- Occupational health care for employees is supplemented by first-aid stations at the major sites (currently at the Frankfurt a.M. site). These are available in particular for first aid for injuries and illnesses. In addition, there are trained first aiders at all locations.

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) as a voluntary fringe benefit to all employees, managers and their relatives living in the same household. In general, the service is available to employees of the AG in Germany and can target-group specific 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.

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GRI 403-3

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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.

GRI 403-4

Worker participation, consultation, and communication on occupational health and safety

Various committees within the Bank discuss and take decisions on occupational health and safety issues. The Central Health and Safety Committee (ASA) represents all employees of Commerzbank AG and participating subsidiaries 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.

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.

GRI 403-5

Worker training on occupational health and safety

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, the Bank's qualifications offers 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. Among others, these offers include:

- Videos 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.

GRI 403-6

Promotion of worker health

Commerzbank supports various health promotion programmes. More than 40 sports are available to employees in the 140 company sports groups throughout Germany. In addition to health promotion, the feeling of togetherness within the company is fostered at the same time. Around 6,000 employees take part in the regular, nationwide sports programmes (some with coronavirus-related restrictions). These include, for example, dancing, football, swimming, darts, bowling, fitness or volleyball. National tournaments and German championships take place regularly, last in 2022 with more than 500 sports enthusiastic employees.

During the pandemic, a podcast with the senior company doctor of the occupational health service provider regularly provided information on medical topics related to coronavirus.

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.

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GRI 403-6

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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. In addition, every affected person can use the Addiction Helper Network 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 403-8

Workers covered by an occupational health and safety management system

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.

GRI 403-9

Work-related injuries

In 2022, there were a total of 240 reportable work-related and commuting accidents. This corresponds to a rate of 7.7 per 1,000 people employed at Commerzbank Group. There was one serious accident (i.e. recovery time of more than 6 months or death), which was related to the blackmail case and the letter bombs sent.

Compared to the level of 2021, there was a significant increase (+89%), although the figure was still below the rates of the relevant statutory accident insurance. The significant increase relates to no longer having to work from home and suspected coronavirus infections. 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 | 2020 | | | 2021 | | | 2022 | | |
|--|-----------|--------------------|------------|-----------|--------------------|------------|-----------|--------------------|------------|
| | Frankfurt | Rest of Germany | total | Frankfurt | Rest of Germany | total | Frankfurt | Rest of Germany | total |
| Workplace and commuting accidents ² female employees | 28 | 100 | 128 | 9 | 76 | 85 | 17 | 136 | 153 |
| Workplace and commuting accidents ² male employees | 20 | 32 | 52 | 13 | 29 | 42 | 17 | 70 | 87 |
| Workplace and commuting accidents² total | 48 | 132 | 180 | 22 | 105 | 127 | 34 | 206 | 240 |
| of which purely workplace accidents | 10 | 33 | 43 | 5 | 34 | 39 | 17 | 136 | 153 |

¹ Including all subsidiaries in Germany.

² More than three days' absence.

GRI 403-10

Work-related illnesses

The annual average sickness rate for Commerzbank AG Germany was 5.4% for 2022 (2021: 4.0%), not including those on permanent sick leave.

GRI 3-3

Management of material topics

For Commerzbank, employee training is an important building block for its attractiveness as an employer and for the further development of its workforce. Due to the multitude of challenges as part of transforming and digitalising the Bank, training activities have been combined in the HR Learning Cluster. The new cluster focuses on the entire employee cycle, i.e. from training to leadership qualifications as well as comprehensive offers for professionals and specialists. Demographic change requires initial training to be bolstered and a strong focus on the next generation of academics. We are responding to the digital change in the labour market with re/upskilling programmes and comprehensive IT training offers.

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, for the documentation of skills in the internal employee profile, 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 to enable them for current and future tasks.

GRI 404-1

Average hours of training per year per employee

In 2022, we invested a total of 477.774,51 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 30.585 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 15,62 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 | 2020 ^{2, 3} | 2021 ¹ | 2022 |
|--|----------------------|-------------------|--------------|
| No. of hours per year female employees | 18,04 | 13,98 | 15,84 |
| No. of hours per year male employees | 18,36 | 14,43 | 15,43 |
| No. of hours per year total | 18,18 | 14,32 | 15,62 |

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.

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GRI 404-1

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In addition to the central learning platform for Commerzbank-specific content, our employees have also dedicated themselves to the other learning media and formats provided. For example, a total of 39,035 learning videos with a total time of 2,004 hours were completed by learners as part of the Lernzeit+ pilot project. This corresponded to approx. 1.4 hours per quarter per active user.

Furthermore, during the second half of 2022, the basic sustainability training was made available to our employees for voluntary use. By the end of the year, 5,264 employees had already taken this course. The total learning time for this measure amounts to three hours.

Likewise, 220 pilot participants started their certified re/upskilling learning journeys. 200 of them completed the upskilling pilots with 120 teaching units each in November. This adds up to a total of 18,000 hours of training time. The reskilling pilot covers a total of 12 months. By the end of 2022, the 20 participants had already completed 3,600 hours of learning time from this. This corresponds to 180 hours per participant.

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 people employed by Commerzbank AG Germany in December 2022, 287 were in initial training. In addition, 280 active members from the study circle (Commerzbank's working-student programme), 192 trainees, and a total of 357 interns, in Germany and abroad, and employees completed further development programmes.

In 2022, Commerzbank hired 186 graduates in initial training (101 apprentices and 85 university students in dual-degree programmes). Furthermore, we welcomed 305 student interns, 107 new study circle members, 6 students at the FSFM and 111 trainees. In 2022, we took on 62% of the apprentices and dual-degree students who had completed their training.

| Apprenticeships at Commerzbank AG (Germany) | 2020 ^{1, 2} | 2021 | 2022 |
|---|----------------------|------------|------------|
| Female apprentices | 367 | 358 | 276 |
| Male apprentices | 571 | 548 | 479 |
| Total number of apprentices | 938 | 906 | 755 |
| Ratio of apprenticeships to other employees (%) | 3,6 | 3,7 | 3,5 |
| Percentage of apprentices offered permanent positions (%) | 69,7 | 70,8 | 62,0 |

¹ Includes only qualifications conducted on the central learning platform.

² Excluding comdirect.

GRI 404-2

Programs for upgrading employee skills and transition assistance programs

We pool all offerings in 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.

In addition to the learning platform that will continue to be used in the future, Commerzbank is working on an overarching, holistic learning platform that will be available to employees for self-directed, digital learning based on their interests. As part of a pilot project, about 2,600 employees were integrated into the test phase. The successful pilot will be rolled out to the entire Bank in 2023. As part of “Lernzeit+”, the Bank wants to support voluntary, self-directed learning.

Commerzbank offers a host of optional and mandatory training modules such as 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.

Furthermore, we have developed and tested a certified programme for reskilling and upskilling in cooperation with external partners. These courses deal with the interdisciplinary future skills and thus support staff training in a changing digital working environment.

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.

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GRI 404-2

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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.

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.

In July 2022, a voluntary basic qualification on the topic of sustainability was also rolled out for all Commerzbank employees in Germany and abroad. The training programme is intended to ensure a common understanding of sustainability and to strengthen our expertise as contact partners for sustainability matters. In 2023, an offer for an advanced qualification will follow.

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

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 as well as personnel risks and discusses appropriate measures regarding staff deployment and development in the management team.

GRI 3-3

Management of material topics

For more than three decades, our Diversity Management unit has been working to achieve an open and fair environment throughout the Group in which everyone feels appreciated. The focus is on the different perspectives and talents that our employees bring. Globally, the Group employs people from 120 nations. Their diverse origins vitalise and enrich interactions. Differences in viewpoint and experience lead to new ideas.

By means of a council structure with representatives from all areas of the Bank, Diversity & Inclusion has been anchored throughout the Group for many years. 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”. In 2022, we added another field of action, namely “Social Origin”.

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 2022, 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. In 2023, we will begin to work on the follow-up action plan 2.0.

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. In 2022, Gruner&Jahr once again recognised our engagement by naming us one of the best employers for women.

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GRI 3-3

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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 been at a constant level for years. At the end of 2022, 20% of employees were working in part-time.

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 2022, some 100 employees took a sabbatical. Staff also have various opportunities to make the location of their workplace more flexible (see [GRI 404-2](#)).

The Bank offers approximately 260 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. As in the 2020 and 2021, however, a large part of the childcare services could again 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 2.554 times in 2022.

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 2022. The childcare service offered in exceptional cases and during holidays was used on 1.440 days in 2022. 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 seven 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.

Commerzbank is committed to an open approach in respect of the sexual orientation and gender identity of its staff, customers and business contacts. This is achieved through education and various formats for dialogue, such as digital events and communication about queer people. Formats covering the topics of coming out, subconscious reservations and overarching diversity issues such as families and cross-cultural understanding are particularly popular with employees. These are also regularly attended by members of the Board of Managing Directors and executives.

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GRI 3-3

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We want to embrace diversity in our language as well, so we decided in April 2022 to launch a one-year pilot with a recommendation on inclusive language. We are initially gathering experience with this recommendation in internal publications, with the aim of communicating in a more accessible, value-neutral and gender-sensitive manner.

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 2022, of all employees taking parental leave at Commerzbank, fathers accounted for 22.1% (2021: 13.1%). The average duration of parental leave (within the 2022 calendar year) was 8.4 months for women and 2.4 months for men.

GRI 405-1

Diversity of governance bodies and employees

Diverse teams often perform better and are essential to the success of the company, also with regard to internationalization and demographic change. Although a small majority of Commerzbank staff are female (around 52%), women are not yet represented at management level to the same extent. For this reason, in recent years the measures designed to promote a good work-life balance have been further improved to open up fresh career opportunities for women in particular. These include company childcare, innovative part-time models – including for managers – and structured return-to-work options to prevent careers from stalling.

In the Gender Diversity Index of Boston Consulting Group, Commerzbank ranked 12th out of almost 99 listed companies regarding gender equality in companies in 2022. 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 73.5 out of 100 in 2022 (with an index average of 51.8) and the steady improvement compared with previous years, Commerzbank demonstrates that it takes its responsibility for equal opportunities seriously and is successfully implementing measures.

Due to the pandemic, face-to-face and exchange formats for entry-level female employees and female employees already working at the Bank could only be continued in 2022 in part or in another form due. There were several virtual events and trainings with over 7,000 registrations on a wide range of topics from our diversity dimensions.

Programmes such as “Keep in Touch” (10 to 0% part-time for up to twelve 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 175 employees in 2022. The “Management Experience” programme offers employees the opportunity to try out their skills as a manager or project manager in temporarily vacant positions.

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GRI 405-1

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In this way Commerzbank has increased the proportion of women in leadership positions to 35% Group-wide at the end of 2022 (2021: 33.7%). Our Executive Board has already set a target of 40% across all management levels by the end of 2030. 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.

Further information on the proportion of women in the Supervisory Board and the Executive Board as well as the following first and second management levels can be found in the [Annual Report 2022](#) on pages 33 and 34.

| Proportion of female employees¹ at Commerzbank AG (Germany) by management level¹ (%) | 2020 | 2021 | 2022 |
|---|-------------|-------------|-------------|
| Proportion of women in overall workforce | 51,7 | 51,7 | 50,8 |
| Proportion of women at management levels 1-4 in total | 30,4 | 31,1 | 31,8 |
| Mgmt. Level 4 - team head | 40,5 | 40,6 | 43,9 |
| Mgmt. Level 3 - head of department | 27,2 | 27,6 | 28,4 |
| Mgmt. Level 2 - divisional head | 18,5 | 22,5 | 22,8 |
| Mgmt. Level 1 - divisional board member | 17,5 | 15,8 | 15,4 |

¹ Excluding trainees.

| Commerzbank AG (Germany) workforce by age and gender | 2020 | | 2021 | | 2022 | |
|---|-------------|-------|-------------|-------|-------------|-------|
| | women | men | women | men | women | men |
| up to 19 | 166 | 230 | 128 | 191 | 85 | 120 |
| 20-24 | 609 | 804 | 535 | 712 | 447 | 656 |
| 25-29 | 793 | 967 | 667 | 846 | 560 | 672 |
| 30-34 | 1 043 | 1 030 | 912 | 947 | 901 | 791 |
| 35-39 | 1 292 | 1 026 | 1 204 | 955 | 1 112 | 809 |
| 40-44 | 1 981 | 1 556 | 1 830 | 1 363 | 1 484 | 1 058 |
| 45-49 | 2 699 | 2 254 | 2 400 | 1 958 | 1 932 | 1 696 |
| 50-54 | 3 434 | 3 292 | 3 291 | 3 089 | 2 972 | 2 782 |
| 55-59 | 2 523 | 2 677 | 2 763 | 2 915 | 2 755 | 2 968 |
| from 60 | 474 | 751 | 538 | 801 | 604 | 897 |

In 2022, the bank employed an average of 1,751 severely disabled employees. In recent years, Commerzbank has consistently exceeded the statutory requirement of 5% employees with disabilities. With 6.27%, we meet the quota again in 2022 (2021: 5.89%). In the meantime, we are also increasingly focusing on the next generation of employees: In 2022, we presented ourselves for the first time on a job platform for people with disabilities (myAbility) with the aim of further promoting diversity and inclusion.

GRI 405-2

Ratio of basic salary and remuneration of women to men

Avoiding pay discrimination is a key concern for us, so all the Bank's remuneration components and other benefits are designed to be gender-neutral and transparent.

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 | | 2020 | | 2021 | | 2022 | |
|--|---------------------|--------|-------|-------|-------|-------|-------|-----|
| | women | men | women | men | women | men | women | men |
| Outside scale | 5 927 | 10 336 | 5 840 | 9 906 | 5 497 | 9 123 | | |
| Apprentices | 367 | 571 | 358 | 548 | 276 | 479 | | |
| Hourly, monthly and other wages | 104 | 119 | 46 | 75 | 40 | 62 | | |
| Scale 1-3 | 30 | 9 | 24 | 4 | 6 | 1 | | |
| Scale 4-6 | 2 377 | 707 | 2 031 | 593 | 1 216 | 387 | | |
| Scale 7-9 | 6 349 | 2 845 | 5 969 | 2 651 | 5 217 | 2 231 | | |

GRI 3-3

Management of material topics

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 unfavourable treatment of people based on their gender, nationality, ethnic origin, religion or beliefs, disability, age, sexual orientation or gender identity constitutes a violation of human dignity and infringement of 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.

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GRI 3-3

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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 (see [GRI 405: 3-3](#)).

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 appropriate measures are 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.

GRI 406-1

Incidents of discrimination and corrective actions taken

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 2022. No such case occurred in 2022. In the reporting year, there were a total of 8 contacts in the EAP relating to the overarching topic area of “bullying, discrimination and sexual harassment.“ This corresponds to just under one percent of around 1.485 total EAP contacts in 2022.

GRI 3-3

Management of material topics

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. Therefore, Commerzbank 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 407-1

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

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 3-3

Management of material topics

Please see [GRI 308: 3-3](#).

GRI 414-1

New suppliers that were screened using social criteria

Please see [GRI 308-1](#).

GRI 414-2

Negative social impacts in the supply chain and actions taken

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 3-3

Management of material topics

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.

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GRI 415

Public Policy

GRI 3-3

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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 the [lobby registry of the German Bundestag](#) and, therein, report on our 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.

GRI 415-1

Political contributions

In accordance with its Group-wide donation policy, Commerzbank does not make donations to political parties, affiliated institutions or politicians. Accordingly, Commerzbank's party donations amount to 0 euros.

GRI 417

Marketing and Labelling

GRI 3-3

Management of material topics

For us, being at our customers' side means providing comprehensive and comprehensible advice on financial products. It is essential that the customer's personal goals and demands are incorporated and the customer's entire assets are considered comprehensively. Based on the customer's information, we identify recommendations for action that are tailored to the customer's needs. This also includes offering information on potential risks and alternatives in line with the customers' long-term needs as well as transparent and comprehensible documentation of the advisory process. We pursue this claim, for example, with our financial analysis tools Customer Compass for Private Customers, Strategy Dialogue and Entrepreneur Dialogue. The associated advisory process, in which the specific needs of private and small business customers lead to individual solutions and financial plans, ensures that customers are provided with what they want and what they need.

In addition, we have introduced new products and services with special benefits for our customers in recent years. These include accounts with a security guarantee, the native integration of the instalment loan in the banking app and a provider-independent mortgage. With the basic account, we offer all customers access to the Bank and, via the Commerzbank Banking app, a convenient solution for carrying out banking transactions at any time and from anywhere. The digital assistants, such as the financial analysis or the financial compass, noticeably simplify the banking experience. Transfers are possible in less than 10 seconds thanks to bill scanning and real-time transfers.

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GRI 3-3

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To measure their average personal carbon footprint, Commerzbank customers can calculate their approximate carbon footprint via the app. The banking app is available in German and English. In comparison to other branch banks, customers award the banking app top marks: an average of 4.7 out of 5 possible stars.

With the Commission Delegated Regulation supplementing the MiFID II Directive as part of the EU Action Plan on Financing Sustainable Growth, it became mandatory in August 2022 to ask about sustainability preferences when providing investment advisory and financial portfolio management services. Our investment advisory teams received intensive training on this topic. As part of the fact-finding stage, we educate customers about the three sustainability standards defined in the regulation and ask about their sustainability preferences. Where they have a sustainability preference, customers subsequently decide on the share of their investments to be put into sustainable assets. The advisory universe in the Private and Small-Business Customers segment comprises some 500 financial instruments that meet at least one of the sustainability standards defined by MiFID II.

We support our customers on their journey towards a sustainable future. In addition to various information materials on ESG products, customer advisors can also use an ESG sustainability questionnaire developed by us in the ESG advisory meetings. When in dialogue with the customer, the current ESG status, development opportunities to move towards transformation, and customised product solutions can be offered for support.

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.

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

GRI 417

Marketing and Labelling

GRI 417-1

Requirements for product and service information and labeling

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) and key information document (KID)

GRI 418

Customer privacy

GRI 3-3

Management of material topics

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 want to adequately address both this trend and future challenges relating to the management of cyber risks. Cyber and information security risks are managed by the Group division Group Risk Management – Cyber Risk & Information Security (GRM-CRIS), which reports to the Group Chief Information Security Officer. In addition to established security functions such as the Information Security Management System, the focus is on managing cyber risk appropriately and on strengthening Commerzbank's cyber-resilience (including its information security incident management capabilities). To cover the human element, we also rely on our employees being highly security and risk-conscious. We promote this via a special, multi-awardwinning information security awareness campaign. GRM-CRIS also addresses the interplay between cyber and information security risks and other types of risk relating to areas such as HR, procurement, BCM and physical security. Commerzbank Aktiengesellschaft is a founding member of the German Competence Centre against Cybercrime (G4C) association, which collaborates with the Federal Criminal Police Office. The association's aim is to develop and optimise measures to counteract cyber crime in order to protect its members and their customers against damage.

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GRI 3-3

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Commerzbank Aktiengesellschaft takes the protection of personal data very seriously and complies with the applicable data protection rules, in particular the provisions of the EU General Data Protection Regulation and the Group Data Protection Policy. The purpose of this policy is to ensure a consistently high level of data protection in the Group and to respect the fundamental rights and freedoms of data subjects over the long term. It includes principles applicable Group-wide for the collection, processing, use and international transmission of personal data.

Making sparing, proportionate, necessary use of personal data only within the legally permissible limits is a right under the Charter of Fundamental Rights of the European Union, to which Commerzbank is expressly committed. This also includes processing only for a specific purpose and ensuring transparency towards and the provision of information to the data subject. Commerzbank also transfers personal data to third parties only if this is lawful and it is not apparent that there is a risk to the fundamental rights and freedoms of the data subject; this includes transfers of personal data to authorities. Personal data is deleted as soon as it is no longer required for business purposes and there is no other legitimate reason preventing deletion. We can demonstrate that we comply over time with the principles governing the processing of personal data.

Commerzbank investigates inquiries, complaints, requests for information and breaches of personal data protection without delay and keeps in close communication with the data subject, especially when there may be risks to their fundamental rights and freedoms. In addition, data subjects can contact Commerzbank's data protection officer at any time.

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 raise our employees' awareness of data privacy and data security issues and keep them informed, there are regular training sessions and mandatory educational programmes.

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. In addition, BDAA provides methods for efficiently designing Group-wide models to calculate credit and operational risk as well as capital requirements, and to perform stress testing. This helps to ensure regulatory compliance and improve capital efficiency. To comply with the high data protection standards, the Bank works with pseudonymisation, anonymisation and micro-segmentation.

GRI 418-1

Substantiated complaints concerning breaches of customer privacy and losses of customer data

Given that the Bank has almost 11 million customers in Germany and around 5.7 million in Poland, the Czech Republic and Slovakia, plus around 26,000 corporate customer associations, groups, financial service providers and institutional customers worldwide, the number of data protection complaints was again comparatively low in 2022. For example, the data protection officer of Commerzbank Aktiengesellschaft in Germany received 199¹ customer complaints in the year under review. In most cases, the complaint was that data had been put to unauthorised use or had become known to third parties. However, many 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 2022.

¹In addition, there are 79 complaints regarding the comdirect brand.

GRI 3-3

Management of material topics

One of the three objectives agreed under the 2015 Paris Agreement was to bring global financial flows into line with climate targets. Funding for new projects and technologies is intended to reduce greenhouse gas emissions and support climate change adaptation measures. The aim is a gradual decarbonisation of industry with the aid of financial instruments. This can be done, for example, by promoting renewable forms of energy or forgoing certain transactions such as financing new coal mines or coal-fired power stations.

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. We are pursuing the strategic goal of reducing the CO₂ emissions of our entire loan and investment portfolio to net zero by 2050. To this end, we analysed the carbon intensity of our loan portfolio in 2022 using sector-specific target values in accordance with the Paris Agreement. Our methodology is guided by the SBTi, which strives to reduce greenhouse gases by applying scientifically calculated targets. This enables companies to align their climate policy with the goals of the Paris Agreement and effectively counteract climate change. Using the SBTi method “Sectoral Decarbonisation Approach” (SDA), we have set specific sectorspecific goals with a view to reducing the CO₂ emissions associated with our loan and investment portfolio (known as “financed emissions”) and ultimately meeting our net zero target.

We aim to manage all portfolios highlighted as requiring attention in the SBTi method, with a particular focus on emission-intensive sectors. These include power generation, Commercial real estate finance, automotive manufacturing, and the production of cement, iron and steel. We will also consider the private residential mortgage loan portfolio, which is deemed optional in the SBTi analysis. In the 2022 reporting year, corresponding emissions intensity reduction targets were formulated for all these portfolios and validated under the SBTi. The portfolio targets according to the SBTi are published in the [ESG framework](#), and the status of target achievement is regularly updated there.

Our ambition is to support companies in the real economy in their transition process and to sustainably reduce emissions.

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5 Sustainable Finance

GRI 3-3

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The table below sets out the CO₂ reduction paths that we have defined for the period to 2030, broken down by sector. The percentage reductions derive from the applicable emission intensity for the baseline year 2021 and the targets for 2030. The emissions intensities were calculated using the loan transactions and investments that were actually carried out and are relevant for the balance sheet. The SBTi also requires minimum levels of portfolio coverage, which we have also shown in the interests of transparency.

| Reduction targets under the Sectoral Decarbonisation Approach (SDA) | | | | | | |
|---|--|--|--------|--|----------------------------|-------------|
| Asset class | Sectors | CO ₂ reduction paths for the period to 2030 | | | SBTi minimum coverage | Utilisation |
| Consumer loans | Residential mortgage loans | 57% | (1,5°) | 2021: 46 kg CO ₂ /m ² 2030: 20 kg CO ₂ /m ² | Optional | €94bn |
| Project financing/ corporate loans and investments | Energy | 74% | (1,5°) | 2021: 91g CO ₂ /kWh 2030: 24g CO ₂ /kWh | 100% of kWh | €7.4bn |
| Corporate loans | Commercial real estate, commercial use | 68% | (1,5°) | 2021: 91 kg CO ₂ /m ² 2030: 30 kg CO ₂ /m ² | > 67% of m ² | €8.3bn |
| | Commercial real estate, residential use | 57% | (1,5°) | 2021: 36 kg CO ₂ /m ² 2030: 16 kg CO ₂ /m ² | | €0.4bn |
| | Iron and steel | 37% | (1,8°) | 2021: 1,6t CO ₂ /t Stahl 2030: 1,0t CO ₂ /t Stahl | | €0.2bn |
| Corporate loans and investments | Cement | 20% | (1,8°) | 2021: 0,6t CO ₂ /t Zement 2030: 0,5t CO ₂ /t Zement | > 67% in total | €0.3bn |
| | Automotive manufacturing | 31% | (1,8°) | 2021: 162g CO ₂ /pkm 2030: 111g CO ₂ /pkm | | €1.8bn |
| | Aviation¹ | 22% | (1,8°) | 2021: 781g CO ₂ /tkm 2030: 611g CO ₂ /tkm | | |

¹ The SDA target for aviation does not yet form part of the SBA validation. This is because the SBTi's aviation SDA methodology is currently only designed for the real economy and not yet approved for financial institutions.

GRI 3-3

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Environmental risk materiality assessment

In 2022, we again carried out a comprehensive materiality analysis for climate risks across all risk types for the Commerzbank Group, in particular with regard to the expectations set out in the ECB's Guide on climate-related and environmental risks. In this process, all risk types assessed as material in the risk inventory are evaluated in terms of their materiality in relation to climate risks, and both transitional and physical risks are taken into consideration with regard to the materiality of their impact on climate risks, amongst other things. The benchmark is a fundamentally uniform quantitative materiality limit from the risk inventory for all risk types.

Transitional risks arise for companies because of the change towards a lower-emission and more sustainable economic system, for example due to regulatory or legal changes in energy policy, changes in market sentiment and preferences, or technological innovations. On the contrary, physical risks develop as a result of changing climate conditions and the more extreme and more frequent acute weather events that accompany these, such as floods or heat events, or chronic effects, such as acute flooding. The environmental risk materiality assessment is carried out based on the scenario, across risk types, with a short-, medium- and long-term perspective for physical and transitional risks. There is a comprehensive qualitative analysis of potential transmission channels and, in principle, also a scenario-based quantification. The climate scenarios used are based on scenarios such as those from the Network for Greening the Financial System (NGFS). In the process, the scenario analysis and stress test infrastructure established in-house are used.

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 confirmed as material. No materiality was determined for property value change risks, liquidity risks and model risks. A risk type is considered to be materially influenced by climate risks as soon as it is materially affected by either transitional or physical climate risks. The findings of the environmental risk materiality assessment feed into the creation of 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. In particular, risk types materially affected by climate risks are managed within the corresponding risk function. Thus, the environmental risk materiality assessment is an integral part of the Commerzbank Group's risk governance.

We have examined the potential future impact of physical and transitional risks on the credit portfolio as part of scenario analyses. For this purpose, we tested our portfolio in various scientific climate scenarios from the Network for Greening the Financial System (NGFS, Net Zero 2050 for transitional risks) and the Intergovernmental Panel on Climate Change (IPCC 3 to 4°C scenario for physical risks). The analyses were carried out using a specific model that comprehensively translates the relevant parameters of a scenario into economic effects (change in balance sheet ratios). With regard to transitional risks, changes in regulation, price changes, supply/demand changes, effects from technological changes and more elements are considered; for physical risks, effects from all relevant events (storm/cyclone, drought, heat, flood, sea level rise) are taken into account. Periods up to at least 2050 were considered in each case.

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5 Sustainable Finance

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Transition risks are industry-specific and can sometimes vary significantly between different sub-sectors of an industry (for example mechanical engineering). Furthermore, a correlation between the degree of adaptation of a company, for instance its progress in the transition, and the risk must be identified. For physical risks, the regional/geographical composition of the portfolio is also relevant.

As a major financier of the German economy, we are also active in sectors that are particularly exposed to climate-related physical or transition risks. However, we have little exposure to some of the hardest-hit sectors (agriculture, for example). Sectors that could potentially be more heavily affected by climate risks and that have a sufficiently large exposure are, for example, the energy sector, the automotive sector and mechanical engineering. Owing to the geographical focus of our portfolio in Germany and Europe, we are less affected by physical climate risks, such as hurricanes and rising sea levels, than other regions in the world. Overall, both climate-related transition and physical risks are considered material to credit risk over a long-term time horizon.

| Material risk types | Materiality assessment of climate risks | | |
|---|---|------------------|----------------|
| | Total | Transition Risks | Physical Risks |
| Credit Risk (incl. Counterparty Risk) | material | material | material |
| Market Risk | material | material | non-material |
| Operational Risk (incl. Compliance Risk and Cyber Risk) | material | material | non-material |
| Reputational Risk | material | material | non-material |
| Physical Asset Risk | non-material | non-material | non-material |
| Business Risk | material | material | non-material |
| Liquidity Risk | non-material | non-material | non-material |
| Model Risk | non-material | non-material | non-material |

In addition to climate risks, risks from the loss of biodiversity are also among the relevant environmental risks. Biodiversity risks were analysed and identified within the frame of the environmental risk materiality assessment of 2022. For further information, please see [GRI 304: 3-3](#).

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GRI 3-3

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Climate risk management

In order to proactively manage the effects of climate risks in the lending business, we are systematically optimising our 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 affectedness and the risk drivers. In the particularly relevant portfolios, such as large, international companies, special financing and commercial real estate finance, we have supplemented the qualitative risk analysis in the individual loan decisions with specific aspects for the analysis of climate risks. The results of the analyses are aggregated into a structured assessment that is incorporated into the decision-making processes. We take this score into account in individual lending decisions, but we also use it as part of portfolio analysis and management. We will progressively extend this approach to other relevant portfolios and include smaller companies, for example. In our target state, we want to integrate climate risks – as far as possible – into the quantitative credit risk analysis and thus fully reflect them across the process chain, including in pricing and reporting.

Since reporting year 2021, we follow the requirements of the TCFD in our [non-financial report](#).

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 issues such as arms, palm oil, deforestation and fossil fuels. To this end, we have formulated sector-specific requirements, for example for mining, energy and fossil fuels, including oil and gas. The [ESG framework](#) provides an overview of our sustainability directives, exclusion criteria and our reputational risk steering framework. Exclusion criteria have been defined for particularly critical products, transactions or business relationships. This includes, for example, new financing for oil and gas production projects (conventional and unconventional production methods), as well as the Group-wide decision not to finance new construction or expansion for coal mines, coal infrastructure or coal-fired power plants. Financing of such projects is excluded under our Fossil Fuels Policy. For years now, environmental and biodiversity aspects have been bindingly integrated into the core business by means of minimum environmental standards and corresponding exclusion criteria.

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GRI 3-3

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Commerzbank is committed to respecting human rights and wants to help promote and uphold these within its scope influence, for example in its dealings with employees, suppliers and customers. The Bank's Position on Human Rights describes in detail how we address this matter. In the Reputational Risk Management department, business transactions and relationships in sectors such as mining, raw materials extraction and cotton production, where human rights are a significant consideration, are intensively researched, analysed and assessed in detail. During the year under review, Commerzbank Aktiengesellschaft also worked intensively on implementing the German Act on Corporate Due Diligence Obligations in Supply Chains (LkSG), which entered into force on 1 January 2023 (siehe [GRI 2-25](#)).

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 is the topic of armament: We recognise the basic right of states to defend themselves and do not question the need for the German armed forces to exist or to be adequately equipped. We therefore continue to finance arms manufacturers who produce weapons and armament systems for the Federal Republic of Germany and its allies. Nevertheless, we have tightened and expanded the requirements and criteria for the arms industry applying to Commerzbank Aktiengesellschaft, which have been in place since 2008. The Board of Managing Directors approved the new Arms and Surveillance Technology Policy in January 2023. It preserves the fundamental parameters of the old policy, which means that Commerzbank will not fund arms business in conflict zones or areas of tension, or business relating to what are termed "controversial weapons". In addition, the new policy now also governs the approach in relation to autonomous weapons and surveillance technology.

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.

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 (NGOs) 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.

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5 Sustainable Finance

GRI 3-3

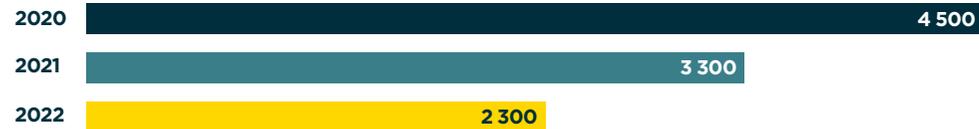
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In 2022, Commerzbank's Reputational Risk Management department assessed around 2,300 transactions, business relationships and products relating to specific environmental and social issues (2021: 3,300 votes). The decrease in votes is due to stricter exclusion criteria (for instance due to the guideline for fossil-fuel-related business and customer relationships at Commerzbank AG published in the reporting year) and the continued focus on business relationships.

In view of the special risks associated with fossil fuels and arms, the Board of Managing Directors of Commerzbank Aktiengesellschaft has passed its own binding directives on these matters that define many of the relevant transactions and business relationships in these areas as being subject to assessment, and encompass exclusion criteria. For example, Reputational Risk Management subjects every existing and potential customer relationship from these sectors that does not already breach an exclusion criterion to a critical case-by-case review. Transformation efforts and compliance with defined threshold values are critically examined. Financing of arms supplies is also examined on a case-by-case basis according to the directive. The Fossil Fuels Directive came into force at the beginning of 2022 and contains the requirements of Commerzbank Aktiengesellschaft for customers in the coal, oil and gas sectors. It follows the Coal Directive that has been in force since 2016.

Requests for assessments in reputational risk management in annual comparison

year



| Breakdown of risk assessment by sector | | 2022 |
|---|--|-----------------|
| | | Number of votes |
| Sector | | |
| Fossil fuels (coal, oil, gas) | | 528 |
| Energy (nuclear power, water power) | | 205 |
| Arms industry and surveillance technology | | 757 |
| Agriculture and forestry | | 102 |
| Mining (excl. coal mining) | | 177 |
| Textiles | | 310 |
| Other sectors | | 207 |
| Gesamt | | 2 286 |

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GRI 3-3

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Raising employee awareness of the business relevance of non-financial topics is accomplished, amongst other things, via a quarterly newsletter. One issue in October 2022, for example, was dedicated to nuclear power and explained Commerzbank's position in this topic area. 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 Internal Capital Adequacy Assessment Process (ICAAP) materiality analysis regarding the impact of these risks on reputational risks. An expert-based quantitative assessment was also derived in 2022 using the following scenarios, which are considered potentially material (for example, on the basis of volume collapses, a lack of fee income, and the possible loss of business):

- Public sector sanctions,
- Greenwashing,
- Business relations with the CO₂-intensive industry and
- Rating downgrade.

Environmental and climate risks were identified as major drivers of reputational risk; greenwashing turned out to be a material reputational risk.

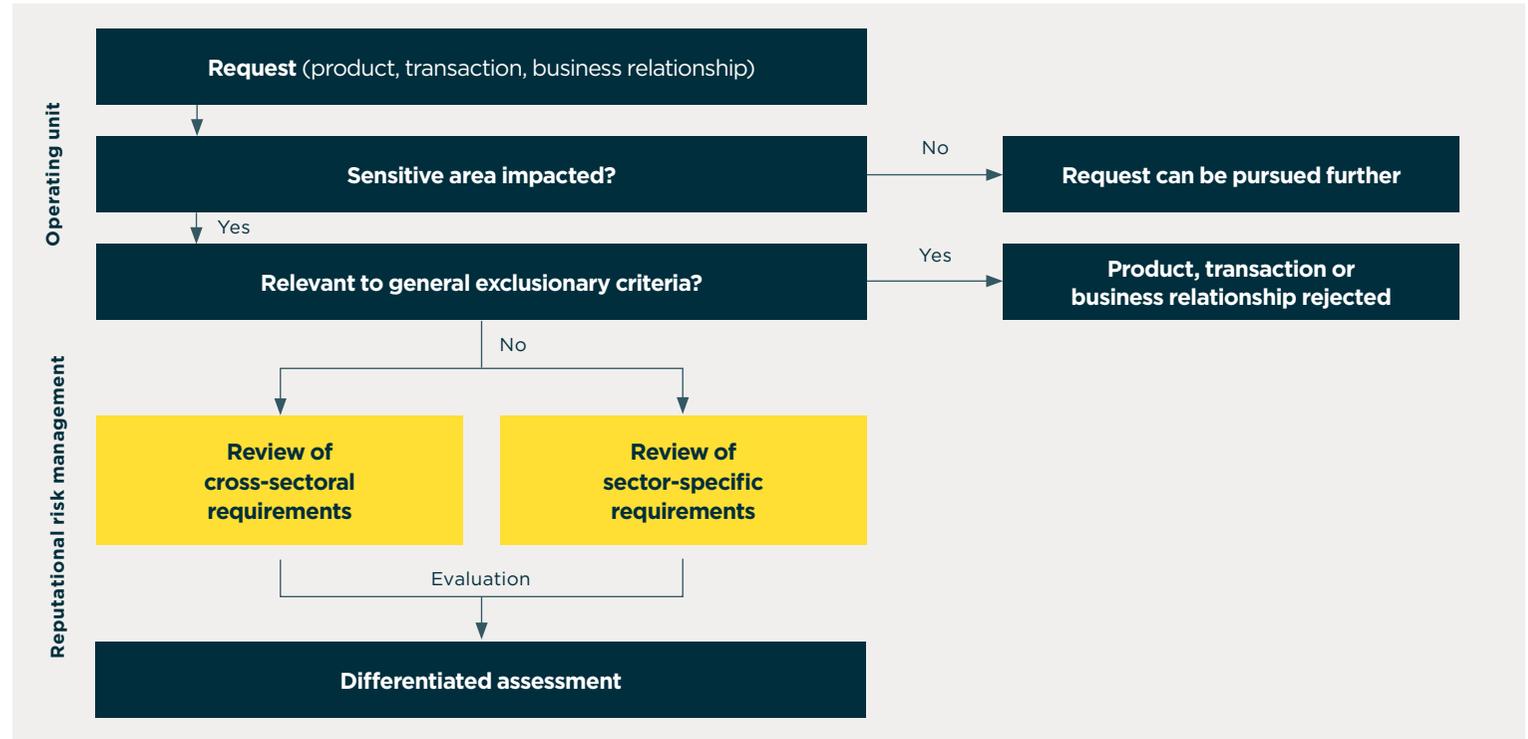
Conclusions were drawn for early detection and reputational risk reporting and will be further developed within the framework of the annual ICAAP materiality analysis (e.g. expanding reputational risk reporting, additional monitoring function for certain business relationships). Furthermore, appropriate ICAAP consideration was ensured via business risk, which covers deviations between planned and realised P&L and serves to underpin the ICAAP management buffer used in the limit system.

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Environmental and social risk management process in Commerzbank



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.

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GRI 3-3

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We develop sustainable products with a view to regulatory requirements and market analysis and apply the Bank's own specialist and product expertise. These products support our customers in their sustainable transformation and at the same time provide incentives for companies and private individuals to become more sustainable. We draw on classic product development practices, agile methods and direct dialogue with customers. The products prioritised for development are determined in equal measure by the requirements of the Bank's own sustainability strategy, economic considerations and regulatory requirements. In the Corporate Clients segment, we rely on risk and sales data to evaluate the ESG dimensions of our portfolio and to carry out a dedicated potential analysis for new products. As a result, we have identified sectors that offer us new sustainable business opportunities and at the same time allow us to provide advisory services and financing products to support our customers in their own transformations. The sales and lending departments work closely together to address the specifics of ESG issues.

Responsibility in the lending business goes even further for the Private and Small-Business Customers segment: "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 - revealing measures that ideally lead to a regulated repayment process.

SF 1

Products and Services designed to deliver a specific social benefit

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 and Small-Business 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 2,64 billion euros in 2022. In the current, very volatile market environment with rising interest rates, the focus is primarily on follow-on financing for existing properties.

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).

The current situation in society as a whole has not left people unscathed. In order to provide private customers with financial relief in the current environment of high inflation rates and a strained energy supply, we continue to offer the instalment breaks introduced for instalment loans during the coronavirus pandemic, which go beyond the statutory deferments. We inform our customers in good time about the end of the break. The comdirect brand provides financial knowledge easily accessible for everyone on the web and on the app. Irrespective of their existing level of knowledge, we enable our customers to take better care of their money themselves by providing them with knowledge and content.

SF 2 **Products and Services designed to deliver a specific environmental benefit**

Global efforts to combat climate change require not only favourable political conditions and new technologies, but also adequate financial resources. By 2025, we will mobilise more than 300 billion Euros for sustainable financial products. 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.

In the Private and Small-Business Customers segment, we offer financing for energy-efficient buildings: With the green mortgage loans scheme, for example, financing conditions are reduced by 0.10% for construction, modernisation or acquisition of buildings – for own or third-party use – whose final energy demand is less than 50kWh per square metre of usable floor space.

The green investment loan for self-employed people and small businesses, the so-called KlimaDarlehen, also finances sustainable commercial investments. Examples of these include heat or electricity generation from sustainable, renewable sources and investments in electric and hydrogen mobility, which are subsidised with advantageous conditions. The intended uses of these projects meet the definition of sustainable products under the [ESG framework](#), meaning that the financing goes towards climate protection or climate adaptation activities.

In addition, Commerzbank corporate customers receive access and discounts to service providers that support decarbonisation measures. This includes Global Changer. Here, companies can have their carbon footprint identified. Global Changer also offers software for monitoring emission reduction measures. Furthermore, Commerzbank corporate customers are granted access to the Impact Solution Platform. This is a B2B platform with a large number of service providers for sustainable issues. Commerzbank customers also benefit when using it. This is how Commerzbank supports corporate customers in achieving their CO₂ targets. Private customers can use a CO₂ calculator in the banking app to work out their approximate personal carbon footprint based on a questionnaire about their mobility and consumption habits and living situation. This application is supplemented by information on sustainable lifestyles and sustainable product offerings from Commerzbank.

Sustainable finance of such technologies and business ideas is not a new topic for Commerzbank: Corporate and project financing along the value chain have 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 Competence Center Energy (CoC Energy) with its sites in Hamburg and New York is the global provision of finance to wind and solar parks as well as related technology.

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 energy in Europe and we have further expanded our international portfolio share in the past year. In 2022, in addition to financing for wind farms and solar parks in Germany, we also successfully added new projects and refinancing transactions in France, the UK, the Netherlands, Spain and the USA. Noteworthy projects in this category include support for the Bank's first standalone financing of a battery storage system in the USA and the portfolio financing of solar parks in Germany with an output of 315 megawatts. CoC Energy's total financing commitment in 2022 was around €8bn.

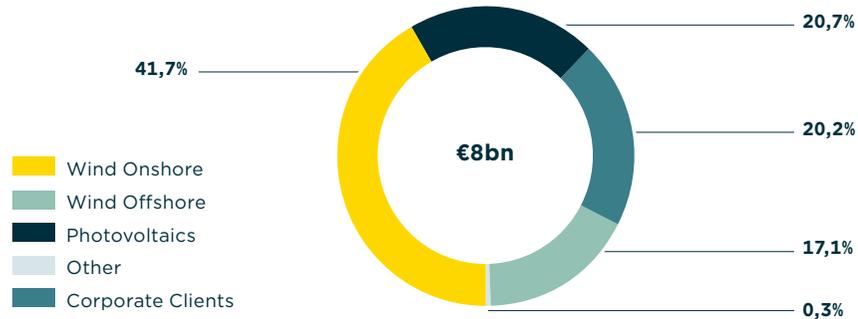
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SF 2

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Renewable energy portfolio

(€bn | financing commitments as at 31 December 2022)



Commerzbank also incorporates sustainability considerations into the development of traditional financing solutions. We advise businesses about the advantages of public promotional loans such as KfW's energy efficiency programmes or its climate protection initiative for small and medium-sized enterprises. We keep an eye on new products and product evolutions from the public funding bodies and offer these to our customers.

Within corporate customer lending, since the beginning of 2022 we have also been offering sustainable bilateral credit products used to fund sustainability-related projects (green loans). Corporate financing can also take the form of KPI-linked loans and ESG rating-linked loans, where the margins are based on the extent of the company's transformation efforts. The yardsticks for these efforts are either individually agreed, externally validated indicators such as CO₂ emissions reductions, or a recurring sustainability rating from a recognised agency that compares the company's sustainability efforts with its sector. The Bank is also working on expanding other financing products to include sustainability components.

The range of sustainable and therefore also green investments is also becoming a more important factor in the Private and Small-Business 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. 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.

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SF 2

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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 2022 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. Since 2021, the fund has met the transparency requirements to qualify as a sustainable financial product under Article 9 of the EU Disclosure Regulation. klimaVest invests mainly in facilities for the generation of renewable energy and in the infrastructure of the energy revolution. The fund's investment objective is to generate attractive risk-adjusted returns for investors while making a positive contribution to the achievement of environmentally sustainable objectives within the meaning of the EU taxonomy. klimaVest's volume stood at around €992.3m at end-2022. This figure is expected to grow to €4.5bn by 2025, with a target of around €2.2bn in equity.

The motif investing product offered by Commerzbank's comdirect brand enables customers to make targeted investments in megatrends without the need to obtain advice. The funds, Exchange-traded Funds (ETFs) and equities are sorted into themes such as robotics, health, technology and sustainability, which customers can then use to compile their portfolio.

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. Since 2022, we have also taken our customers' sustainability preferences into consideration as standard when giving investment advice.

In 2007, we were involved in issuing the world's first green bond. Since then, we have supported a large number of companies in preparing and issuing sustainable bonds.

In the year under review alone, Commerzbank Aktiengesellschaft acted as lead manager for the issue of 59 sustainable bonds with a total volume of €46.6bn. This volume is included in the sustainable business volume in accordance with the criteria set out in the [ESG framework](#).

These included a number of innovative transactions, such as the first sustainability-linked bond in the Swiss franc market in January 2022 and the largest green bond transaction by a corporate issuer to date in May 2022. We continue to be active in various industry associations and similar interest groups, thus helping to actively develop the market for sustainable bonds. In total, the Bank has already assisted in the issue of more than 200 sustainable bonds.

Commerzbank Aktiengesellschaft is a participant in the European Emissions Trading Scheme (EU ETS) and the UK Emissions Trading Scheme (UK ETS). It advises companies on the procurement of carbon emissions rights and on the associated risk management aspects, and helps to implement the resulting trading strategies. In addition, there is the option of voluntarily offsetting a company's unavoidable carbon emissions with certificates from emission reduction projects. As a member of the World Bank's Carbon Pricing Leadership Coalition (CPLC), the Bank also participates in the global debate on carbon pricing.

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SF 2

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In addition, Commerzbank Aktiengesellschaft arranges, structures and places sustainable promissory note loans and syndicated loans, particularly in the form of ESG-linked loans, for corporate customers of varying sizes across a wide range of sectors. In these transactions, we regularly act as sustainability coordinator in order to develop ambitious ESG structures, working on behalf of the banking consortium in close consultation with the companies. ESG-linked loans are a comparatively new but very fast-growing product category, and now represent the most common form of sustainable syndicated loans. The terms of the loans are linked to sustainability criteria, predominantly in the form of sustainability-related KPIs, or to an ESG rating of the borrower. If the borrower meets the predefined targets for these KPIs or the underlying rating, the interest rate is lower – with higher interest rates applying if they are not met. Sustainable promissory note loans operate in essentially the same way. 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.

In 2022, Commerzbank Aktiengesellschaft was involved in 71 ESG-/Sustainability-linked syndicated loans for companies in Europe with a total transaction volume of €103.8bn. It was also involved as the arranger in eight sustainable promissory note loans with a total transaction volume of €3.24bn, of which €800m was attributable to the largest sustainable promissory note transaction anywhere in the world to date.

SF 3

Assets subject to Positive and negative environmental or social screening

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.

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.

Asset Management therefore offers wealthy individuals and corporate customers various solutions that take environmental and social factors into consideration. In particular, customers can agree on individual sustainable asset management in which the security selection not only takes exclusion criteria and sustainability ratings into account, but also aims to invest in companies with sustainable business activities. Overall, the proportion of sustainable investments, which under the ESG framework feed into the sustainable business volume, has increased significantly in recent years and as at the end of 2022 accounted for 10.7% of Commerzbank Asset Management's AuM.

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SF 3

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With around 17 billion euros in fund assets, hausInvest is one of the largest open-ended real estate funds in Europe. Founded in March 2021, it is one of the first open-ended real estate funds to promote environmental and/or social objectives pursuant to Article 8 of the EU Sustainable Finance Disclosure Regulation. hausInvest aims to reduce its portfolio's carbon footprint to 14 kilograms per square metre by 2050. In addition, the fund also pays attention to social aspects. These characteristics, in addition to other aspects such as accessibility and green electricity supply, are checked annually for all properties on common areas.

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.

Sustainability aspects are also playing an increasingly important role in the Bank's own investments. As part of its liquidity management activities, Commerzbank Aktiengesellschaft 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 2022, their volume within the liquidity portfolio had reached €2.2bn.

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

GRI Content Index

Commerzbank AG has reported the information cited in this GRI content index for the period from 1 January 2022 to 31 December 2022 with reference to the GRI Standards. The GRI Universal Standards 2021 were applied. For the Content Index with Reference Pilot Service, GRI Services reviewed that the GRI content index is clearly presented, in a manner consistent with the Standards, and that the references for disclosures are aligned with the appropriate sections in the body of the report.



General Disclosures

| GRI Standard | Disclosure | SDGs | Page |
|--|--|-----------------------|-----------|
| GRI 2: General Disclosures 2021 | The organization and its reporting practices | | |
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