

Corporate Responsibility Report 2009



# About this report

The Corporate Responsibility Report 2009 explains how Commerzbank perceives corporate responsibility in principle and how it applies this understanding in its business processes, business model, for its employees and also within its corporate responsibility. The report is aimed at all stakeholders at Commerzbank (see page 59 of the report). It refers to the Commerzbank AG in Germany and includes all activities of the years 2007 and 2008. Moreover, relevant events right up to the editorial deadline on June 30, 2009 have been included. The key data, with a few relevant exceptions indicated, also basically include the period between 2007 and 2008. Group companies such as BRE Bank, comdirect bank and Eurohypo have been presented as examples. The reporting will be gradually intensified in the coming years.

## Transparent and comparable reporting

To achieve improved comparability and therefore better transparency, the report was also compiled in line with the guidelines of the Global Reporting Initiative (GRI) G3. As the first of Commerzbank's Corporate Responsibility Reports, it was GRI checked and meets the requirements of the highest category "Application Level A". At the same time, the given indicators correspond with the requirements of a "Communication on Progress" providing information about the status of implementation of the ten principles of the UN Global Compact. The UNGC indicators are integrated in the tabular overview of the GRI indicators discussed (see page 91 of the report).



## Qualitative and quantitative report contents: Selection and preparation

In the selection of contents, Commerzbank follows the principle of relevance and reports in particular about topics that are of significance in assessing its sustainability performance. The key data are for Commerzbank AG in Germany, unless otherwise stated. They have been obtained locally from the individual departments and the environmental key data have been included using the environmental management system and compiled by the Reputation and Sustainability Management department.

## Formal aspects

To make the report reader-friendly, we have avoided gender-based overlaps in the text. The naming of the legal forms of the group of companies and/or charitable institutions has also been omitted for better readability. Foreign currencies have been converted into Euros as per the record date of December 31 of the relevant year. The Corporate Responsibility Report 2009 is available in German and English and is available on the Internet at <http://sustainability2009.commerzbank.com>. We publish our CR report every two years. The next report will be released in 2011.

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# Editorial



**MARTIN BLESSING** Chairman of the Board of Managing Directors

*Ladies and gentlemen,*

for many years now, and not only since the financial market crisis, corporate responsibility has been a guiding principle for our everyday actions at Commerzbank. We regularly examine progress made in this area and compare it with our own expectations and those of our stakeholders. We have been documenting these results every two years since 2005 in Commerzbank's Corporate Responsibility Report. I am pleased to present to you the third edition.

We – and this holds true for the entire management team of the new Commerzbank, now enlarged by the takeover of Dresdner Bank – are well aware of the huge responsibility we bear as part of the economy and as a partner of business and also as a member of society. This does not simply involve successfully managing the largest banking merger in German history for our customers, our stakeholders, and especially for our employees. Above all, we want to do justice to the great trust our customers place in us even in times of crisis. We are doing this by providing them with advice

geared to their actual needs and through transparent products. Lending to small and medium-sized companies – the core of the German economy – is also extremely important to us as the leading SME bank. Not least as the pioneer in renewable energy financing, we believe it is our responsibility to intensify our involvement in climate protection. Through our financing activities we are already providing an important boost for investments in sustainable projects and climate-friendly technologies. In future, we intend to strengthen this influence as part of our climate strategy.

For me as the CEO of Commerzbank, it is natural, as it was for my predecessors, to act in a responsible and sustainable manner. When taking business decisions, it isn't always easy to find answers that reflect the interests of all stakeholders concerned while, at the same time, securing our sustainability as a bank. It was not easy for me and my fellow board members to decide upon the job cuts in connection with the integration of Dresdner Bank. At all events, though, the necessary reduction of workplaces is being carried out in as socially responsible a way as possible. In line with the balancing of interests agreed with the staff representatives, no personnel will be laid off for operational reasons before 2011.

*»Corporate responsibility is a management function. It constantly needs fresh impetus and has to be put into practice.«*

Outside our core business, Commerzbank's social involvement forms part of how we see corporate responsibility; because this involvement is becoming ever more important for the success of many sustainable initiatives, especially in the course of globalisation. This is the reason why we decided in September 2009 to participate with a contribution of 750 million US dollars in the World Bank's Global Trade Liquidity Program. The initiative is intended to support trade financing in less developed countries and will especially benefit the countries of sub-Saharan Africa.

Let me briefly give you more examples of our social involvement:

Our excellence initiative, CAMPUS OF EXCELLENCE, aims to promote talents and encourage young people in Germany to discuss their visions and questions relating to the future with various social-policy players. I personally have taken part in this initiative since 2005 as speaker of the board of trustees.



Now that the foundations of Commerzbank and Dresdner Bank have been brought together under one roof, representing a total endowment capital of around 100 million euros, we will increase our social involvement. In future, we want to focus our foundation activities even more on the education sector.

We also consider an open dialogue as part of our corporate responsibility, such as, for example the series of events “Commerzbank im Dialog”, launched in March 2009, at which we answered critical questions of our customers in many regions of Germany. Together with experts, we provided information on financial market issues and discussed pertinent financial topics and the correct use of banking products.

Corporate responsibility is a management function. It constantly needs fresh impetus and has to be put into practice. Not least, therefore, I especially want to reaffirm Commerzbank’s commitment to the ten principles of the UN Global Compact. Like its predecessors, this report is a Communication on Progress (COP). You can learn the details of the state of our efforts to implement the UN Global Compact’s principles from the table on page 91.

While reading this report, you will perhaps be surprised at the number of areas in which we are already contributing towards the sustainable growth of business and society. In 2008, Commerzbank gave more than 38 million euros in the form of donations, CSR sponsoring and other social activities. In my view, this represents a sustainable investment.

We have even more ambitious plans for the future. I would be delighted if you could accompany us on this course.

But first, though, I wish you stimulating reading.



Martin Blessing  
Chairman of the Board of Managing Directors

# The new Commerzbank

With the takeover of Dresdner Bank in January 2009, Commerzbank became Germany's leading bank for private and corporate customers. It is the second largest financial institution in Germany and, with a total of nearly 15 million customers, one of the leading banks in Europe.

## Integrated major bank

Commerzbank has traditionally been a competent service provider for private and corporate customers as well as for small and medium-sized businesses, while also serving numerous large and multinational corporate customers. The "new" Commerzbank aims to be the "best bank" for all its key target groups, especially for the German small and medium-sized businesses, with which it has continued to hold this position in the past (see page 16 of the report). In order to realise this goal, the already begun integration of Dresdner Bank will continue to be implemented consistently and the bank will focus more intensively on the individual needs of its customers.

## Responsibility for Germany with consequent focus on customers

With its clear commitment towards the German market, the new Commerzbank is an even more attractive partner for the export-oriented small and medium-sized businesses as well as the large corporate customers. The takeover of Dresdner Bank is of great significance for Germany as business and financial centre.

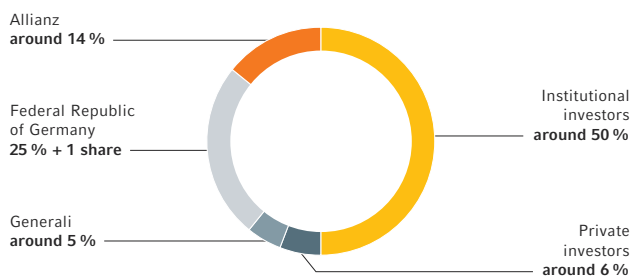
With around 1,200 branches, Commerzbank will soon have the densest branch network of all German banks. Furthermore, its customers benefit from an increasingly broad and attractive range of product and advisory services because the new Commerzbank is designing its products and services more intensively on the needs of the customers. Every advisory service keeps its focus on the personal financial situation and investment objectives of customers.

## The shareholder structure of the new Commerzbank

Institutional investors hold around 50 % of the Commerzbank shares. The Federal Republic of Germany has a minority contribution (25 % plus a share), which was decided in the agreements with the Special Funds Financial Market Stabilisation (SoFFin). Other big single stockholders also come into the picture.

### Shareholder structure

As on: June 30, 2009



## Flashpoint and course of the financial market crisis

Immediately after the decision on taking over Dresdner Bank, the sub-prime crisis in the US mortgage market intensified in autumn 2008 to a global financial market crisis. The sub-prime crisis, mainly triggered by intransparent securitisation of American mortgage credits of low credit history, global distribution of basic risks and a phase of persistently low interest, in March 2008 due to US Central bank support. A few weeks after the takeover of Dresdner Bank, the crisis escalated in international markets in

### Selected key data of the Commerzbank Group

	1.1.–30.6.2009	1.1.–30.6.2008
Operating profit (in € m)	–792	919
Cost/income ratio in operating business (in %)	80.6	64.1
Return on equity of consolidated surplus <sup>1, 2, 3</sup> (in %)	–13.2	16.4

	30.6.2009	30.6.2008
Balance-sheet total (in € bn)	911.8	625.2
Market capitalisation (in € bn)	5.2	12.4
Staff	66,464	41,622

<sup>1</sup> If added to the Commerzbank shareholders.

<sup>2</sup> Annualized.

<sup>3</sup> The capital base comprises the average Group capital attributable to Commerzbank shareholders without the average revaluation reserve and the cash flow hedge reserve and less the current consolidated surplus.

addition to the Lehman Bank insolvency. Banks lost important refinancing sources overnight, even as the equity capital demands increased promptly around the world. The situation could be stabilised through internationally coordinated packages of measures by numerous governments. But the resulting severe slump in the world economy, which has the same cause as the financial market crisis, could not be arrested.

### Learning process started

The mistakes involved in the financial market crisis have initiated a learning process for Commerzbank as well. Important lessons are being learnt here too. The bank consequently increased the standards for rule of conduct and also additionally strengthened the internal control processes. These decisions contributed to winning back the trust lost. Furthermore, measures towards further improvement in quality of advisory services have been taken and the transparency of the products has been increased. Commerzbank wants to participate actively in developing the internationally applicable standards and avoiding future crises. It therefore looks to dialogue with other financial institutions and regulatory and supervisory offices.

### Governmental stabilisation packages

Commerzbank has proofed itself in the wake of a turbulent environment in order to do justice to its responsibility of supplying credit to the German economy and to be a reliable partner for its customers. To ensure that the new institution fulfils the sizeably increased demands on capital backing by banks in the light of aggravated financial crisis, the bank agreed on a silent participation by SoFFin amounting to 16.4 billion euros. SoFFin also contributed towards the bank's equity capital.

### Rapid integration of Dresdner Bank

Notwithstanding the financial market crisis, Commerzbank is realising the integration of Dresdner Bank. Since January 12, 2009, Commerzbank has been the sole shareholder of Dresdner Bank and the integration pace will increase considerably with the merger of the two banks.

### Socially responsible restructuring

Since the end of January 2009, the new Commerzbank has been under a uniform leadership. The bank agreed in April with the staff representatives on the integration of Head Offices of Commerzbank, Dresdner Bank and Dresdner Kleinwort in Frankfurt. In the course of the integration, 9,000 full-time workplaces have to be cut in a socially acceptable away as possible. The procedures were agreed with employee bodies to extend the initially agreed term of year-end 2011 end for lay-offs due to operational reasons, under certain conditions, to year-end 2013 (see page 83 of the report).

The integration at operational level is expected to complete by the end of 2010. The number of branches will be reduced to around 1,200 from 1,540 in the course of the consolidation. With this, the new Commerzbank will have the densest branch network of all private banks in Germany. All management systems will be standardised. Important milestones are the consolidation of the IT systems as prerequisite for the technical integration of both houses as well as the quick implementation of the resultant advantages for the customers.





### Takeover despite high costs beneficial

Commerzbank expects expenditures of around 2 billion euros in 2009 alone. Nevertheless, the strategic advantages clearly outweigh the odds: With the densest branch network in Germany, almost 15 million customers put together, and excellent product and advisory services competence of employees of both houses, the new Commerzbank has the best prerequisites to further strengthen the strong market position.

### Strategy of the new Commerzbank

The financial market crisis has shown that the financial market requires better rules to regain lasting trust. However, this is not enough. It boils down to the need of banks checking their business model, among other things, for sustainability. The position of the new Commerzbank is clear: It follows a sustainable strategy encompassing all segments on its way of growing to become Germany's leading universal and customer bank.

### Three-way programme "Roadmap 2012"

In May 2009, Commerzbank introduced upon its strategic three-way programme, Roadmap 2012. With the cornerstones "Focus", "Optimization" and "Downsizing", it is looking to achieve more transparency, customer orientation and even more sustainable business processes. Central objective of Roadmap 2012 is to help the new Commerzbank break even by 2011 and return to full profitability by 2012.

### Focusing on our customers

An important feature of the strategic focus of Commerzbank on its core activities is the open, transparent, and fair conduct with its customers.

Commerzbank considers active response to critical questions and long-term improvement of advisory services as an opportunity to strengthen the foundation of trust with its customers. This also corresponds with its positioning as a customer bank, where it differentiates itself from its competition.

With increased number of customer and branches, the new Commerzbank has optimum prerequisites to make a comprehensive and sustainable contribution towards higher performance standards in the future and to build and nurture trustful customer relations.

### Sustainability secures future

The core segments of Commerzbank remain profitable. Initial cost synergies arising out of the Dresdner Bank takeover are being enhanced. Both offer a solid base to rise above the financial crisis effectively.

With the progressive integration of Dresdner Bank, the advantages of the new Commerzbank's sustainable and strong market position are more visible than before. There are even stronger operative units for sustainable technologies and solutions. They are expected to play an even more internationally significant role in the financing of renewable energies or structuring of CO<sub>2</sub> emissions trading in the future. The changes in framework conditions related to climate protection and climate adjustment require innovative solutions mainly in corporate banking and intensive advisory services, for which the new Commerzbank is especially equipped.



*»An advisory meeting is only effective if the customer and advisor have the same understanding of the product and the risk involved.« DR. ACHIM KASSOW*

# Setting standards – ensuring trust

In coping with the financial market crisis and the integration of Dresdner Bank, Commerzbank relies first and foremost on the quality of its advisory services. The Board member responsible for Private Customers, Dr. Achim Kassow, talks about the bank's challenges and strategy.

## About Dr. Achim Kassow

Achim Kassow has been a member of the Board of Managing Directors of Commerzbank since November 10, 2004 and is responsible for the Private Customers and Central & Eastern Europe segments. He was born in Hanover on July 6, 1966, is married and has three children. After completing professional bank training and obtaining a degree in business administration and economics, he began his career at Deutsche Bank in 1993. In 1999, he joined the executive management of Deutsche Bank 24 AG and became a member of its Board in 2001. From 2002 to 2004, he was Chairman of the Board of Managing Directors of comdirect bank AG.

**A great deal of trust has been lost on the part of customers during the financial market crisis. What must banks do in future in order to regain this trust?**

The entire reputation of the financial industry has suffered greatly. At the same time, trust in one's own principal bank, one's own advisor, has largely remained intact. Consequently, Commerzbank is doing very well in terms of customer satisfaction. As a financial services provider, this presents a dual challenge: we must rebuild trust in the system while preventing the loss of trust from spreading to our Bank. It is important that we do not stop at public statements of will. We must deliver quality in the short and medium term. This is what customers expect from us – they want banks to take action.

**Not only customers but banks, too, are uncertain as to what the future will bring. Mistakes were made and they cannot be categorically ruled out in future in light of the volatility on the markets. How will you offer your customers the necessary transparency and security?**

With quality. And that means much more than documenting advisory discussions. Commerzbank has therefore developed its own ideas for more understandable products and product information, increased price transparency and for improving the skills of financial advisors. Our goal is to make sure that customers can compare products and advisory services with the help of clear, mandatory quality criteria. In addition, good investment advice is always aligned with the customer's individual situation. However, every customer must be aware that capital is always subject to a certain degree of volatility. There are still risks, which is why an advisory meeting is only effective if the customer and advisor have the same understanding of the product and the risk involved.

**What are you doing to ensure that customers looking for good advice turn to your expertise instead of going elsewhere? How can you recognize changing client expectations as they occur and take them into account when designing your products? And what role does your new customer advisory council play?**

The financial crisis has taught us that there is no such thing as an absolute, final level of quality. Customer requirements and basic conditions are constantly changing. Improving quality is a process involving many large and

small steps. Our current measures are therefore not always dramatic. We are not concerned about the immediate effect. We are doing our homework, which is what our customers expect. For example, we are centralizing quality management across the entire Bank, which allows us to recognize problems more quickly and resolve them at a national level. Our customer advisory council allows us to engage in a direct dialogue with our customers and to constantly be aware of what is happening in the market.

**Financial institutions are accused of not having learned anything from the crisis and once again being primarily concerned with their own returns. What do you think?**

A war of words does not help customers. We banks have a demanding agenda to address. That is what customers expect from us – however, we must also think long-term. How will customers' quality standards change in the next 10 to 20 years? We know what customers expect today. However, we cannot hesitate if we want to meet their expectations in future.

**Customers benefiting from EU-wide uniform rules**

In providing customer advisory services, Commerzbank adheres to the EU's Markets in Financial Instruments Directive (MiFID) as well as its implementation at national level, for example in the Securities Trading Act. The Directive aims to increase investor protection through conduct and transparency obligations and to facilitate competition between trading platforms, among other things. Commerzbank supports these goals. It can thereby consolidate its opportunity to increase customer satisfaction and develop new instruments and solutions as well as high standards for customer advisory services. Furthermore, it regularly conducts mystery shopping to check the extent to which this is put into practice. The Bank has also implemented extensive employee training, which it conducts on a regular basis. In 2008, Commerzbank received the Comenius EduMedia Seal of Approval for its vivid presentation of the very detailed Directive in its learning programme "The secrets of MiFID". The Seal is awarded each year by the German Association for Education and Information for educational media that delivers exceptional educational value, content and design.

**Advisory tools made transparent**

Since 2009, Commerzbank has been supporting its private customer advisors with its advisory and information tool (BIT), an interactive platform for providing investment advice to new customers and those holding custody accounts. It also plans to introduce a system-based needs analysis for Private and Business Customers in the fourth quarter of 2009. This new advisory standard focuses even more strongly on the customer's personal situation, financial goals and the consequent course of action required. The customer receives added value by taking away from the meeting a summary of his or her current financial situation and an individual plan of action.

*»Standards will help customers compare the quality of the advisory services.«*

**What is your strategy for ensuring long-term success in the private customer business?**

The private customer business represents a stable component of the new bank. With the integration of Dresdner Bank, we now advise more than 11 million private customers. That is five million more than the old Commerzbank. Nearly doubling the client base is a major challenge for any organization. At no time can we neglect quality and we will provide our customers with first-rate service even during the integration phase. That is why we are concentrating particularly closely on our customers and strengthening customer loyalty. We want to be the principal bank for our customers.

**Are there any arguments against commission-based or potentially fee-based advisory services?**

We are testing the response to fee-based advisory services at comdirect and among wealthy private customers. For me, the key question is how many customers are prepared to pay for isolated advisory services. Moreover, customers who contact four banks in order to make a comparison, for example, would pay four times. And how would customers then know which advisory services were the best? That is why we need comparable quality criteria first and foremost. I believe that both models are valid. Customers should be able to decide between them on an individual basis.

# Concentrating on customer needs

The customers' trust in the banking industry was put to a grave test during the financial market crisis. However, Commerzbank customers continue to consider their main bank trustworthy and are satisfied with its services. The bank sees this trust as an incentive to improve its advisory services and products permanently.

## Surveys confirm close customer contact

Commerzbank conducted a survey in August and September 2009 to find out what the customers think of the effects of the crisis. A total of 200 private and corporate customers and around 1,000 randomly selected people took part in the survey.

The results show the fruits of the chosen path of consistent customer orientation and comprehensive educational advertising: customers for whom Commerzbank is the only and/or the most important financial services provider show more trust in their principal bank than the customers of other major banks. Over a third of these so-called major bank customers of Commerzbank say they are very or extremely satisfied with their bank's support. The majority of all Commerzbank customers wish to continue with their existing business relationship as it is. However, customers demand a pro-active approach and fair and open discussions with their advisor. Commerzbank has identified the needs and is acting accordingly – as the current results of the regular Commerzbank checks on customer satisfaction indicate.

*» Two thirds of the banking customers want individual advisory services. «*

DR. DETLEV DIETZ Divisional Board Member Retail Banking

## Constant improvement in quality

The developments in financial markets and also the expectations of customers can change abruptly. In order to react to them in time, Commerzbank has put several measures in place. In doing so, it is not looking for quick effects, but rather for gradual, steady improvement. Besides the regular customer surveys, it has included a new customer advisory council for a most intensive customer dialogue.

Despite the financial market crisis, Commerzbank attributes the high customer satisfaction to the quality of its products, the technical competence of its advisors and to the successful implementation of an advisory concept strongly oriented towards their needs. In order to become even better in this, Commerzbank is currently developing a new service, so-called systematic need

analysis (see page 10 of the report) for private and corporate customers. Its main component is an informative talk dealing with individual customer needs, which is the focus of the counselling rather than advice on product. This emphasis is going to be used for the entire Commerzbank advisory practice in future. Two thirds of the customers want individual advisory services, which are tailored to their personal lifestyle. Since April 2009, the bank has been complementing its advisory services by providing its private customers with substantial brochures on partnership, parenthood, retirement, or inheritance.



## Dynamic expression of a responsible corporate culture

Close on 15 million customers have differing expectations. In order to fulfil them, Commerzbank is focusing on open and direct communication with its private, business, and corporate customers. The bank has been trying out new dialogue models since the autumn of 2008. It wishes to improve the customer contact and emphasise its trustworthiness.

### **Customer advisory council: innovative dialogue model for better quality**

The customer is the best expert where quality is concerned. This is why Commerzbank has reversed the normal advisor relationship. With its new 40-member customer advisory council, the bank created an independent special interest group for private wealth management and corporate customers, which is close to the Board of Managing Directors who can draw upon its advice while designing products and services. In doing so, it has assumed the role of a pioneer among the German private banks.

### **Part of company-wide learning process**

In October 2008, Commerzbank invited customers of Dresdner Bank and Commerzbank through a nationwide advertising campaign to register themselves as honorary council members. Over 5,400 interested people responded and participated in the selection procedure conducted by a neutral party. Beginning with the written registration through a telephone survey to personal introduction, the group was gradually established. Ultimately, 20 customers each of Commerzbank and Dresdner Bank were invited for the constituent meeting.

### **Together moving towards a better bank**

The first meeting of the customer advisory council took place on March 11, 2009 in Frankfurt. The councils exchanged views extensively with Dr. Achim Kassow, member of the Commerzbank Board of Managing Directors, responsible here mainly for the Private Customers segment, on the progress of integration, the situation in the financial markets, and on initial improvement recommendations. They also formed eight work groups assigned different customer segments and appointed their speakers. The customer advisory council will meet twice a year. Two other meetings have been scheduled for the eight advisory council speakers "Customer advisory body". The topics discussed in the advisory council are brought together here and the meetings are prepared.

In addition to the work of the customer advisory council, Commerzbank introduced an internet dialogue platform on April 1, 2009 and invited the remaining applicants to participate in the site in the form of a customer advisory council group. Around 3,300 people visited the site within the first four and a half months. Topic recommendations were submitted, the work of the customer advisory council was discussed, and an unfiltered customer feedback was possible.



### Listen, discuss, improve

The customer advisory council's activities have been in full swing since late summer of 2009. The first council meeting discussed a few critical points and formulated requirements for better advisory quality. In the meantime, at the instigation of the customer advisory council, online banking at Commerzbank was redesigned to make it more user-friendly, information material on the integration of Commerzbank and Dresdner Bank were developed, and a brochure on financial market crisis was published. The council also initiated the series of meetings "Commerzbank im Dialog" for increasing the financial knowledge of the customers.

### From the customer advisory council

#### "We have formed a network among ourselves"

Martin Haug, manager of the legal department of a financial information service provider. He has been a customer of Dresdner Bank for the last 30 years and "really wants to get things moving": "No real deeply contextual work could be expected from the first meeting. But we began with it right at the outset and networked with each other. I feel that we can really make a difference. Some of our comments were implemented right away and the information we receive has become considerably more target-oriented."



Martin Haug

#### "We got really open answers"

Simone Bock, general manager at a management consultancy in the area of project planning and IT for insurance companies. She has been a Commerzbank customer for the last 15 years and wants to have more opportunities to exercise influence on the bank's management decisions: "With the integration of Dresdner Bank, I expected immense challenges for the new company. I asked myself: Why not provide the Head Office with feedback on how decisions are received? My expectations of the first meeting were met: the board member for Private Customers sat with us at the table for several hours and answered numerous questions quite openly."



Simone Bock

### Quality management: Complaint management and ombudsman procedure

For sustainable quality assurance, Commerzbank has been operating an active complaint management for over ten years and participates in the ombudsman procedure of the Association of German Banks.

#### Responsiveness pays off

Criticism helps the company to improve, provided it has the ear for it. Using the motto "Your criticism, our opportunity", Commerzbank provides its customers with a series of different methods for expressing their wishes. Private and corporate customers can take their complaints personally to an advisor at their branch, via telephone on customer hotline or via letter, fax, or email to the customer satisfaction initiative. Commerzbank has designed a form, the so-called *Gelbe Zitrone* in order to simplify the expression of criticism and requests for the customer. The customer receives either a reply or an interim response within 48 hours.

#### Consistent processing

In 2008, Commerzbank accepted a total of 15,732 requests. For instance, the payment of starting balance for new customers was criticised as being too slow. By an electronic message to the responsible advisor, this was speeded up hence eliminating the need for any more complaints on the delay. Medium-sized businesses criticised the processing time of complaints. The Mittelstandsbank took this complaint seriously and started a reorganisation of its complaint management. During the integration of Dresdner Bank, the complaint process has been integrated into a new Customer Relationship Management (CRM), which will save this problem by the end of 2010.

#### Settlement confirms quality

The ombudsman of the Association of German Banks can be employed for disputes. In 2008, there were 457 cases concerning Commerzbank. The above-average number of arbitrator decisions in favour of the bank, 88.7 % in 2007 and 92.2 % in 2008, show the high quality of its products and services.

# Commerzbank im Dialog

The first project of the Commerzbank customer advisory council is already in place: during its founding meeting in March 2009, the council initiated the series of meetings called “Commerzbank im Dialog” and with it, produced another instrument for building trust between the company and its customers.

## Focus on transparency and information

An active approach to current issues and informing customers without any concrete selling intention, these are the objectives of “Commerzbank im Dialog”. These dialogue events focused on providing background knowledge on current financial market developments by independent experts and on open discussion with customers and advisors who attended. A member of the Board of Managing Directors took part in the events as speaker and discussion partner. Markus Beumer, member of the Board of Managing Directors and responsible for the Mittelstandsbank segment, and Dr. Achim Kassow, member of the Board of Managing Directors and responsible for the Private Customers segment among other offices, shared this task. Markus Beumer on the expectations of Commerzbank: “We hope to get closer to our customers. We wish to be seen as honest and trustworthy and to show that we do not avoid critical issues either. The customers must know that we will stand by them in difficult times.”



Dr. Achim Kassow at the “Commerzbank im Dialog” event

### All customer groups reached

At the kick-off event on May 25 2009, Markus Beumer received 350 customers in Wiesbaden. Other new informative evenings followed until end-July in different German cities. There were ten events with up to 500 customers participating in each of them. The respective advisors invited customers from the Private Customers and the Mittelstandsbank segments. The mixture of customers across banks and segments was selected deliberately in order to support the company-wide integration process.

*»The customers must know that we will stand by them in difficult times.«*

MARKUS BEUMER

The meetings follow a uniform pattern: A short introduction to the new Commerzbank in three presentations by experts. First, the relationships between the financial and the real economy and the systemic significance of banks are explained. Some thoughts on medium and long-term measures for overcoming the financial market crisis follow, as well as some basic recommendations for sustainable investment strategy from the point of view of consumer protection. In the subsequent discussion, the podium participants answer questions from the audience.

### Positive feedback and authentic discussions

Over 90 % of the participants considered the meetings to be positive. They especially valued the active willingness to discuss, the presence of members of the Board of Managing Directors and the great relevance of the information presented. Board member for Mittelstandsbank Beumer sums up: "The feedback was decidedly positive. Discussion of the topics wasn't always positive, however, in fact it was quite emotional, which is rather good since we seriously want to participate in the dialogue."



Markus Beumer, member of the Board of Managing Directors and responsible for the Mittelstandsbank segment

### Continuing a successful dialogue

The overall positive response to this series of events has strengthened our determination to continue on the chosen path. We will have the regular dialogue next year as well. Slightly modified, these events will be representative of the bank's discourse with the community and in the community. The series of talks will deal with pertinent, socially relevant topics that will be discussed by a group of competent and renowned experts in the fields of science, politics, and media. In doing so, we will always reflect on the customer's and the bank's view of these topics.

# Reliable partner for small and medium-sized businesses

The Mittelstandsbank is an important pillar at Commerzbank. It achieved a good operating result despite the difficult environment in 2008, and aims to further consolidating its market share of small and medium-sized businesses (SME) and to secure its position as the best bank.

## Stronger focus on smaller companies

The Mittelstandsbank segment is a reliable value driver and growth engine for Commerzbank. Its target group, small and medium-sized businesses, is also a declared core business area of Commerzbank, which is the only major bank in Germany managing small and medium-sized business banking as its separate operative segment. With around 100,000 customers and market shares of 6 % to 20 % depending on the customer segment (around 13 % on average), the bank is the leading SME bank in Germany. Markus Beumer, member of the Board of Managing Directors and responsible for the Mittelstandsbank segment, on the bank's perspective: "Despite the cyclically difficult environment, we are following a forceful growth strategy. This holds especially true for smaller medium-sized companies, on which we are increasingly focusing."

The readers of the specialist magazine "Markt & Mittelstand" also awarded a special distinction to the Mittelstandsbank. They voted it in 2009 for the second time "Mittelstandsbank of the Year" in Germany. Furthermore, even in 2008, the year of the crisis, the bank received excellent ratings in a survey on customer satisfaction conducted by the market research institute Prof. Homburg & Partner, involving about 7,500 corporate customers: around 91 % of the respondents claimed to be satisfied or very satisfied with its competence and 93 % with its reliability. Christine Wedeleit, specialist in sales management, sees the results as a clear sign of trust: "The data really is extraordinarily positive".

*» Despite the cyclically difficult environment, we are following a forceful growth strategy. «* MARKUS BEUMER

## Performance and responsibility

The performance of the Mittelstandsbank includes the entire spectrum of company financing from export, project, and structured financing to rating-oriented advisory services. The focus here is on modern transaction man-

agement, which goes far beyond the settlement of payments. Information, cash, and liquidity management are also included as are documentary foreign transactions, the risk management of interest

and currencies, or interest and debt management designed in long-term customer relationships. Another increasingly important business area is the planning of succession in company management.

## Responsible lending

Credit decisions by the Mittelstandsbank also always consider the prospects for the borrower. In future, they will be included in the customer rating more strongly through target figures and industry perspectives. Secured repayment of the credit is always decisive factor. In every loan assessment, the ecological risk are considered. If environmental aspects are of special significance in financing or for a company, external experts are involved in order to assess the risk professionally.

## Export financing

In export financing, the Mittelstandsbank supports its largely German and European customers in exporting durable capital goods with supplier credits. They are largely secured by the guarantees of the exporting countries. While assessing the environmental relevance of



#### Awards for the Mittelstandsbank

- "Mittelstandsbank of 2008" and "Mittelstandsbank of 2009"  
The award is made by the specialist magazine "Markt & Mittelstand" through a reader survey.
- Number 1 in "ASU bank rating 2008"  
For the second time in a row, Commerzbank was selected in 2008 by the "Die Familienunternehmer ASU e.V." association as the leading Mittelstandsbank.
- "Award for Excellence" as "Best bank in Germany 2008"  
Awarded for Commerzbank by Euromoney journal for sustainable and positive development of its Mittelstandsbank.

transactions, the Mittelstandsbank relies on the checks conducted in all cases by the state credit insurer during the guarantee granting processes. A consortium of Euler Hermes Kreditversicherungs AG and PricewaterhouseCoopers AG conduct them in Germany. The checks are carried out on the basis of uniform criteria (Common Approaches) of the Organisation for Economic Cooperation and Development (OECD) for guaranteeing state credit insurance for export and project financing. They categorise the transactions with respect to their ecological and social implications as having high, medium, or little relevance. Transactions with high or medium relevance are checked according to laws of the target country and international criteria, normally those of the World Bank. Detailed environmental impact studies must be submitted for especially sensitive transactions. In other cases, conditions are imposed and adherence to them must be checked regularly during implementation.

#### Project financing/structured financing

Around 85 % of the project financing by Commerzbank is realised in Europe. Adherence to national environmental guidelines is monitored as part of a diligent project assessment (due diligence). Commerzbank has only been involved in developing country projects in exceptional cases. In financing such projects, the bank's objective was and is to cooperate either with supranational institutions such as International Finance Corporation (IFC) or national export credit insurance agencies. Therefore, the standards of supranational institutions or national export credit insurance agencies (Common Approaches) of the OECD automatically apply.

#### Special assessment of sustainability impact

Financing, in which ecological, ethical, or social aspects play an important role, have been intensively checked and assessed since 2005 in the Reputation and Sustainability Management department at Commerzbank (see page 58 in report). The results of this verification can sometimes lead to rejection of the financing in question.

#### Classic company financing – support even in difficult phases

Commerzbank is strong in the German medium-sized business sector. Its comprehensive advisory and financing activity is marked by considerable product and industry know-how. This especially pays off in the export-oriented technology industry, as the extensive cooperation with Manz Automation AG shows. Commerzbank lends to Manz. It has arranged a borrower's note issue for the company and took part in a capital increase in 2008. In foreign business, it notifies letters of credit and settles forex transactions for the company. Commerzbank also carries out investment transactions for Manz to a large extent. It is also a leasing partner for the company's buildings through its subsidiary Commerz Real. Commerzbank helped in getting four new constructions and carrying out several large projects in the last five years. In 2008, a company in Taiwan was acquired with the bank's support. Martin Hipp, CFO at Manz Automation AG, describes cooperation as



Manz Automation AG supplies standardised automation systems for production of solar cells

### Manz Automation AG, Reutlingen

Commerzbank customer since 2002

Core business	System technologies for photovoltaic and LCD industry as well as OEM systems for automation for the life sciences industry and other industries
Production sites in	Germany, Slovakia, Hungary, Taiwan and China
Annual turnover 2008	€236.5m
Employees	more than 1,500
URL	<a href="http://www.manz-automation.com">www.manz-automation.com</a>

constructive and based on mutual trust: “Even in difficult phases of the company’s development, Commerzbank stood by us with advice and funds and thus helped us develop the company”.

#### Help with the change in generations

Family-owned companies are the backbone of medium-sized businesses. Promoting them has high social significance. However, many are facing an internal generation change. Only two-thirds of family companies survive this without ending in liquidation or the sale of the company,

*»Family-owned businesses are the heart of the social market economy.«*

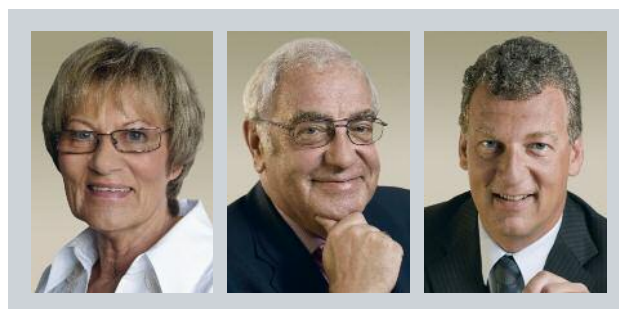
**JOCHEN H. IHLER** Divisional Board Member Small and Medium Enterprises

### Maschinenbau Kitz GmbH, Troisdorf bei Bonn

Commerzbank customer since 1992

Core business	Aluminium profile-based components and modules for machine construction, solutions in the field of conveyance technology and automation
Main clients	suppliers and end customers from food, chemical and automobile industry
Annual turnover 2008	€27.4m
Employees	187, including 19 trainees
URL	<a href="http://www.mk-group.com">www.mk-group.com</a>

says the Bonn Institut für Mittelstandsforschung. Furthermore, there is often no suitable or willing successor within the family these days. With its experience and profound business knowledge, the Mittelstandsbank can often identify advantageous solutions for all concerned and help in securing the company’s continued existence. Therefore, the Mittelstandsbank has developed advice on successors as one of its strategic business fields.



Founding couple Doris and Hans Josef Kitz with successor Stephan Kitz

Commerzbank has been the principal bank of Maschinenbau Kitz GmbH for several years. In addition to financing its current operations, one of the services provided by the bank is a comprehensive advisory service for optimum financing structure. In September 2008, our client enlisted Commerzbank’s help in finding a successor for its management position. After assessing the company’s financial and family situation, Commerzbank conducted interviews with the founding couple and the heirs in order to determine the interests and analysed suitable ways for transferring management responsibility. After considering possible consolidations and trade-offs and the tax burdens to be expected, it presented a solution in the spring of 2009 consisting of a transfer against a certain payment and the company’s continued existence under the family’s management.

#### Change in perspective initiated

The world economy is changing rapidly and demands a high degree of flexibility and innovation from an export-oriented economy in the light of global challenges such as climate change and the financial market crisis. SMEs in particular have repeatedly revealed this potential. Markus Beumer, board member for Mittelstandsbank, sees German companies, especially in the field of future technologies, well placed in the long term: “German companies have the



technological know-how to make a significant contribution, using high-quality engineering services to cope with the more urgent problems facing humanity”.

Among the strengths of the small and medium-sized business are its widely ramified network with partners and know-how keepers. In order to build this further and support the company in its diverse challenges, the Mittelstandsbank started the initiative “UnternehmerPerspektiven” (Entrepreneurial Perspectives). Objective of the initiative is to place the issues that concern small and medium-sized businesses in the public focus, start discussions, and network building and inspire the exchange of perspectives necessary for creative processes.

### Products and services with sustainable usefulness

The Mittelstandsbank offers its customers a variety of products and solutions, which provide ecological and social value in addition to their economic uses. Besides financing for renewable energies (see page 26 of the report) and climate:coach (see page 25 of the report), an instrument for evaluating energy efficiency and intensity, there is also a series of public subsidy schemes: for several years, the Mittelstandsbank has been introducing Development Loan Corporation (KfW) subsidy schemes for investments in environmental protection and energy efficiency as well as innovation programmes for encouraging product development and creation, which are expected to show positive employment effects. Since December 2008, Commerzbank has also offered the so-called special programmes of KfW. Available with different financing frameworks, these are designed for companies of varying size and for project sponsoring in a difficult economic environment. So, the effects of financial market crisis are toned down and work positions are secured. The volume of credit approvals under KfW programmes was €630m in 2008. In addition, the Mittelstandsbank offers long-term subsidy schemes of the European Investment Bank (EIB) for financing investment in the fields of education, innovations, environment, and energy. Up to now, 27 global loan agreements have been concluded in this connection.

### Balance after three years of UnternehmerPerspektiven

By mid-2009, the initiative had published seven extensive studies on central business challenges of our times. Publications related to climate protection, changing values and demographic development appeared in the reporting period. In this connection, 170 dialogue events took place in many German cities during which the findings were presented to medium-sized businesses and discussed with representatives from business, politics, and research.



Jochen H. Ihler, Divisional Board Member Small and Medium Enterprises, with moderator Jan Hofer at UnternehmerPerspektiven event in Munich

During these discussions, some surprising points and aspects were brought to the public's attention, which were not seen previously, such as the large market potential in the field of energy efficiency or the chances of a third industrial revolution for climate protection. Entrepreneurs also presented their model business solutions.

Leading public figures sponsor the individual studies. As members of the advisory council, renowned experts from business, research, politics, and trade associations helped to interpret the complexity of approaches and examples and to consolidate know-how on an across-industry bases. Seven surveys each covering 4,000 entrepreneurs revealed a very positive response and reaffirmed the Mittelstandsbank's intention of continuing the UnternehmerPerspektiven on its existing quality standard.



*» The transition to sustainable business strategies requires smart and bold investments. Banks make a decisive contribution to this by financing innovative technologies and developing new green products. With the climate:coach tool, Commerzbank is offering a very important service to reduce the tremendous complexity of the topic and shed light on the associated business management options available. «*

**PROF. DR. HANS JOACHIM SCHELLNHUBER**

# “Seizing the opportunity for innovation”

Prof. Dr. Hans Joachim Schellnhuber, a leading climate researcher and political advisor, describes the risks, opportunities and necessities of climate protection.

## About Prof. Dr. Hans Joachim Schellnhuber

Hans Joachim Schellnhuber has been the director of the Potsdam Institute for Climate Impact Research (PIK) since 1991. He teaches theoretical physics at the University of Potsdam, is a visiting professor at Oxford University and a distinguished science advisor at the Tyndall Centre for Climate Change in Norwich. Schellnhuber was born in Ortenburg, Bavaria, on June 7, 1950. He is married and has one child. He began his career working in physics, later focussing on chaos theory and then climate research. Since 1992 he has had various roles as a political advisor. He is chairman of the German Advisory Council on Global Change and a member of the Experts Group on Energy and Climate Change which advises President of the European Commission José Manuel Barroso.

**Climate change is not pausing for the financial crisis, but is continuing unabated. Can the ambitious European climate protection goals be met even in difficult economic times and can industry handle an additional burden?**

Isn't the much more urgent question how much more of a burden can the global climate system handle? Climate change is happening quickly and relentlessly. It would be irresponsible to stand idly by and a grave mistake not to take advantage of the innovation and growth potential offered by the project of the century, decarbonization – abandoning fossil-fuel based subsistence strategies. Many German companies are particularly suited to playing a profitable, pioneering role in this transformation. Climate protection is not a barrier to sustainable economic growth, it is a requirement.

**With its High-Tech Strategy for Climate Protection, the German government is banking on technological advances and improved cooperation between scientists, economists and politicians. What are the expectations for the strategy?**

The aim is to agree on goals, spread risks and consolidate competencies. The High-Tech Strategy creates incentives by promoting innovation alliances. Of course I am particularly pleased that an institute for advanced studies in sustainability research is being created in Potsdam. There, scientists from around the world will study crucial questions pertaining to the huge transformations that today's industrial society will have to undergo, and from which German politics and our economy can only profit.

**You are the official sponsor of the study entitled “Climate protection – opportunities and challenges for small and medium-sized companies”, published by Commerzbank's UnternehmerPerspektiven initiative. What contribution can small and medium-sized German companies make in order to limit the effects of climate change?**

We need a global technology revolution. Small and medium-sized companies would play a decisive role in this as many of them are particularly enthusiastic, risk tolerant and flexible. Flat hierarchies and efficient processes increase their decision-making power. I have faith in the power of SMEs to innovate. But policymakers need to establish framework conditions that give companies security.





**Following on from the SME study, Commerzbank developed climate:coach, an energy consulting tool for SMEs. How do you rate this service?**

The transition to sustainable business strategies requires smart and bold investments. Banks make a decisive contribution to this by financing innovative technologies and developing new green products. With the climate:coach tool, Commerzbank is offering a very important service to reduce the tremendous complexity of the topic and shed light on the associated business management options available. Companies are given the option of assessing the energy efficiency and CO<sub>2</sub> intensity of their production processes in a way they can understand, thereby combining financial expertise with climate know-how and facilitating the transition to sustainable business operations.

**What measures need to be taken in terms of climate policy to limit the rise in average global warming to 2°C?**

Around 130 countries – including the G8 states – have declared that they want to adhere to this 2°C target. The decisive factor will be whether this level is anchored in a binding agreement for all countries of the world at the UN Climate Conference in Copenhagen. The to-do list of climate policy is then a matter of compelling logic. By 2050, no more than approximately 700 billion tonnes of CO<sub>2</sub> should be emitted from fossil fuels worldwide. This global budget can be distributed among the global population in a fair manner, resulting in direct reduction obligations for individual countries. “CO<sub>2</sub>-insolvent” countries would have to acquire additional emission rights. The high demand

from industrial countries could lead to a comprehensive finance and technology transfer from north to south via emissions trading. The draft budget proposal is easy to grasp and could serve as a blueprint for the Kyoto follow-up agreement.

**Until now emissions trading has only existed in the EU, and currently only comprises a fraction of all greenhouse gas emission and pollutants. What needs to be done to expand emissions trading in order to achieve all of our climate protection targets?**

That is not entirely true. In the US, ten states have already introduced an emissions trading system as part of the Regional Greenhouse Gas Initiative. To maximize the results, however, it is vital to expand trading on a global basis and involve all sectors. One way of doing this would be to couple the acquisition of fossil fuels directly to the acquisition of certificates. Geographically speaking, trade could be expanded by linking together regional systems, or even by setting up a global trading system within the context of a new global climate agreement. This will open up a promising business area for the new Commerzbank with its extensive experience in the field of emissions trading and renewable energies.

**The scenarios being predicted by climate researchers are overwhelmingly bleak. On the other hand, you say that it would be possible and even lucrative to make the Western world largely carbonless by 2050. What do you mean by this?**

If we continue to do “business as usual” this century, the forecast does not look good – to put it mildly. If climate change continues at its current pace, Central Europe would probably get off relatively lightly, environmentally speaking, but the influx of environmental refugees would undermine socio-political systems in the longer run. On the other hand, reserves of fossil fuels will inevitably come to an end, and regardless of what happens a new industrial society will need to be established. Why shouldn’t resourceful and agile entrepreneurs be able to take advantage of what could be a global start-up period? Black is not the only colour we can use to paint our future.

# Our climate strategy

Climate change requires resolute action – by the financial services industry as well. As Germany's second largest financial institution, Commerzbank takes its business responsibility for climate protection very seriously and is making concerted efforts towards renewable energies and trend-setting climate-friendly products.

## Climate protection as an opportunity

Climate change will have far-reaching consequences on the environment, life in the society and the overall conditions for economic activity. If things go on as they have up to now, Nicholas Stern believes that besides grave socio-political consequences, we can expect annual economic losses of 5 to 20 % of the world's gross domestic product (GDP). The necessary costs for avoiding this loss, on the other hand, have been estimated to be only 1 to 2 % of global GDP. Globally effective climate protection is therefore not only ethically justified, but also economically sen-

sible. In the light of the huge risks for nature and society, and also considering the tremendous opportunity of converting to a new CO<sub>2</sub>-free economy, Commerzbank – along with other social players – wants to effectively combat climate change with a comprehensive climate strategy.

## Good reasons for having our own climate strategy

We consider it our responsibility to contribute solutions to challenges faced by the entire society, such as climate change. For this reason, we have set up a climate strategy, which combines our existing activities and to which other



steps are geared. For a long time, Commerzbank has been active in various fields related to climate protection. Therefore, it plays a pioneering role as one of the globally leading institutions in trading emission rights and in financing renewable energies and is actively involved in various initiatives. In addition, international climate policies and the Kyoto follow-up influence the development of our business areas emissions trading and renewable energies. Not least, this affects the general conditions for our corporate customers, *inter alia* with the obligation to purchase CO<sub>2</sub> emission certificates. Therefore, Commerzbank has decided to become an even stronger driving force behind climate protection.

### **Ambitious objectives**

With its climate strategy, Commerzbank follows three higher, ambitious objectives. By 2011, it wants to reduce its greenhouse gas emissions by 30 % compared with the base year 2007 and to gradually make the company climate-neutral. Its core business is also to be made even more sustainable and other innovative climate-relevant products and services are to be developed. Furthermore, the bank wants to increase sensitivity towards climate change and promote active climate protection among its staff and the public wherever possible.

### **Concentration on important spheres of activity**

Commerzbank sees four central spheres of activity for implementing its climate strategy:

#### **1. Climate protection as part of in-house environment management**

For analysing reduction potential and introducing effective measures, a systematic analysis of emission sources and recognition of our own CO<sub>2</sub> footprint is essential. Here, Commerzbank has progressed from its time-honoured eco-controlling to CO<sub>2</sub> accounting (see page 69 in the report). CO<sub>2</sub> substitution measures such as the gradual conversion to green electricity and CO<sub>2</sub> reduction measures are being introduced on this basis.

#### **2. Compensation for unavoidable CO<sub>2</sub> emissions**

Central publications such as the annual report and the sustainability report are being made climate-neutral by the purchase and closure of emission-reducing certificates from recognised, ecologically high-quality climate protection projects. In future, Commerzbank wants to gradually compensate for its unavoidable greenhouse gas emissions. Suitable measures are being formulated in the central management with the Center of Competence Renewable Energies (CoC RE) and the newly created field of activity, emissions trading.

#### **3. Climate-friendly products and services in core business**

Activities such as the financing of renewable energies and innovative emissions trading products have high market potential and are being developed strongly by Commerzbank. With innovative products such as climate:coach (see page 25 in the report), Commerzbank supports its medium-sized business customers in climate protection, for instance in improving energy efficiency and reducing CO<sub>2</sub> intensity.

#### **4. Communication on climate protection**

Commerzbank employs numerous ways to make the public more sensitive for climate change. These methods include our own initiatives, such as Unternehmer-Perspektiven (see page 19 in the report), various kinds of customer and employee information and memberships in climate protection initiatives such as

- Carbon Disclosure Project,
- “Climate Change Finance Forum” initiated by the Federal Ministry for Research and Education (BMBF) or
- “Action week: Climate and Finances” by the German Ministry for Environment (BMU).

Commerzbank participates actively in the discussion circle “Climate change and banks” of the Hessian Ministry for Environment, Energy, Agriculture and Consumer Protection (HMULV) and the forum Climate Change of the Association for Environmental Management in Banks, Savings Banks and Insurance Companies (VfU).

- [www.cdproject.net](http://www.cdproject.net)
- [www.cfi21.org](http://www.cfi21.org)
- [www.klima-und-finanzen.de](http://www.klima-und-finanzen.de)
- [www.vfu.de](http://www.vfu.de)



# Integrated financial and climate advice by climate:coach

Commerzbank's emphasis on sustainability in its business activity goes beyond simply a more climate-friendly approach to its internal processes. The central task is above all to support customers through financial and climate advice so as to exploit their saving potential and thus reduce the CO<sub>2</sub> footprint of their processes and products.

The climate:coach was introduced to the market in the first quarter of 2009 as a new innovative service. It completes the range of sustainable products and services of Commerzbank and combines financial and climate expertise for the benefit of small and medium-sized businesses.

## Research and dialogue for climate protection

Leading financial service providers, including Commerzbank as founding member, launched "Climate Change Finance Forum" in October 2007. The financial services industry wants to contribute towards effective implementation of the German government's "High-tech Strategy" with this initiative. As a central research and dialogue platform, the forum serves to develop a climate protection and climate adjustment strategy beneficial to Germany. It is expected to launch processes for better scientific, technical, and business networking between innovators and financial service providers in cooperation with the Federal Ministry for Education and Research (BMBF). In addition, natural-scientific and economic analyses and information systems are to be refined and research initiatives are being implemented. Members of the forum have an advisory function in the BMBF-promoted scheme "Climate Change, Financial Markets, and Innovation" (CFI), which aims at further developing and co-ordinating research-related dialogue between the financial services industry and the ministry. With the support of the forum and active involvement of Commerzbank, the "Climate Service Center" (CSC) was founded in July 2009 in Hamburg. As national service centre, CSC will make the latest results of climate research available to and usable for decision makers.

## Support for innovation and CO<sub>2</sub> management in small and medium-sized businesses

The need for advice is considerable in many small and medium-sized companies, and not simply because of increasing energy prices. It is essential to keep an eye on the quantity and price structure of one's own energy consumption, structure one's energy mix and CO<sub>2</sub> emissions more reasonably than usual in the respective industry and to identify saving possibilities. The long-term calculability of energy supply and successful marketing of climate-friendly solutions and products are also important. Numerous energy-intensive companies have been involved since 2008 in emissions trading and are obliged to buy emission rights if they are not successful in adequately increasing energy efficiency or in using renewable energies to sufficient extent.

Therefore, Commerzbank has developed a special advisory instrument, climate:coach, in its Mittelstandsbank segment, which provides climate and financial expertise for customers. It analyses the energy efficiency and CO<sub>2</sub> intensity of company processes and compares them with the help of benchmarks with other companies in the industry. Based on this data, it shows the saving potential and makes recommendations for the company in question. Energy efficiency advice and services of external technical service providers subsidised by the Reconstruction Loan Corporation (KfW) are also available; depending on the size of the company various providers exist. The combination of financing and climate protection advisory is especially appreciated by the customers.

# Financing renewable energies

Renewable energies are a growing market and will remain so. In the financial analysis, no alternative for a climate-friendly and sustainably secure energy supply. Commerzbank, along with its Center of Competence Renewable Energies (CoC RE) is one of the world's largest financers of renewable energies.

## Future market with large potential

In 2008, 31.5bn tonnes of the greenhouse gas carbon dioxide (CO<sub>2</sub>) were emitted into the atmosphere. This is the tenth consecutive record, according to the Internationale Wirtschaftsforum Regenerative Energien in Münster. The entire energy requirement of world's population will probably double by 2050. This increasing energy requirement needs to be covered. Due to limited availability,

fossil fuels cannot be considered as a major source. What is more, the use of fossil fuels such as coal, oil, or gas is one of the main causes of climate change with grave consequences for mankind due to high CO<sub>2</sub> emissions. This is why the greater use of renewable energies is linked with high expectations.

There is a worldwide consensus of governments on the importance of climate protection and the promotion of renewable energies. For instance, the German government aims to increase the share of renewable energies in energy generation by 30 % by 2020. This will have enormous effects on the growth of this industry, which already generated turnover of 28.7 billion euros in Germany in 2008, nearly 4 billion euros more than 2007. Plant for generating renewable energies also play an important role for the German industry in the form of export goods. Last, but not least, this sector is generating new employment opportunities: in 2008, it recorded close to 280,000 new jobs according to the work group "Renewable energies statistics" founded by the German Environmental Ministry. Torsten Hinsche, Head of the Center of Competence Renewable Energies (CoC RE) of Commerzbank, sees Germany not only as the world's leading nation in technologies and their export in the renewable energies segment. The related legislation is also very important in this regard. There is a remarkable need in the emerging markets and developing countries: "Many countries have tremendous interest, know-how and production sites within the country and more than 60 % of these technologies come from German companies".



### Complex services portfolio

CoC RE combines a profound understanding of the industry with the competence of an international major bank and can therefore offer solutions of the whole industry. These services range from the entire added value chain, cover all relevant segments of wind, solar and bio-energy from hydropower to geothermal energy and include all sectors of financial services industry. Company and project financing form part of this package as are capital-market transactions in the form of customised individual solutions.

The CoC RE credit portfolio comprised around 4 billion euros in 2008, and hence is one of the largest portfolios in the field of financing renewable energies. Around 70 % of this amount was allotted to wind energy, around 20 % to solar energy and the remaining 10 % to bio-energy and hydropower, among others. The installed performance of wind energy projects financed in Germany by Commerzbank until now is more than 5,000 MW (amounting to over 20 %). If the 2008 installation rating is taken as a basis, emissions amounting to 8.6 million tonnes of CO<sub>2</sub> were saved within the year through the wind energy units financed by Commerzbank. This is around 10 % of the entire reduction of CO<sub>2</sub> emissions by renewable energies in Germany.

#### From a north-German "plant" to global complete service provider

Some branches of Commerzbank financed renewable energies as early as the mid-eighties. Initially it was only wind energy. In 2000, solar energy was added and in 2005 biomass technologies made it to the list. With the Power Grid Law of 1991, the precursor to the renewable energy law (EEG), the sector has been experiencing a strong growth period since the 90s, which is still continuing. The market share of Commerzbank in Germany is currently around 20 %. Commerzbank is one of the twelve largest financers of renewable energies in the world. For around six years, the renewable energy know-how of Commerzbank has been assembled in CoC RE as a unit of the Mittelstandsbank in Hamburg. The interdisciplinary team comprises of 80 employees. The original vision of offering tailor-made solutions to the customer using the entire know-how of the sector has long been realised.

CoC RE also pays due attention to solar and solar-thermal technologies alongside the historical increase in emphasis on financing the wind energy sector. In the year 2009, around 45 % of project financing is allotted to the solar energy sector. Wind parks in the ocean (offshore wind energy), solar-thermal power plants, and new technologies such as wave and tidal power plants also have a potential for growth and are being monitored ever more closely by CoC RE.

### Stronger international activity

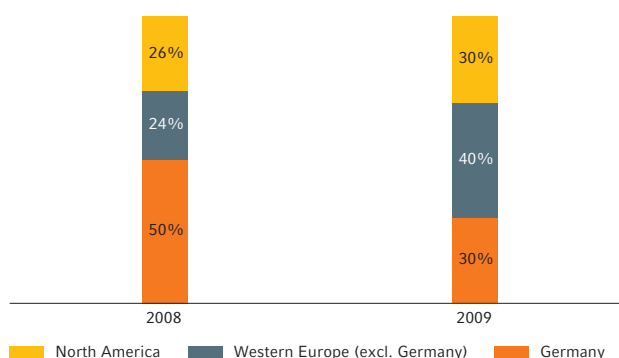
Renewable energies have an almost unlimited market potential. The growth markets are mainly in Western Europe, North America, and Asia. This is why CoC RE is focusing on international business.

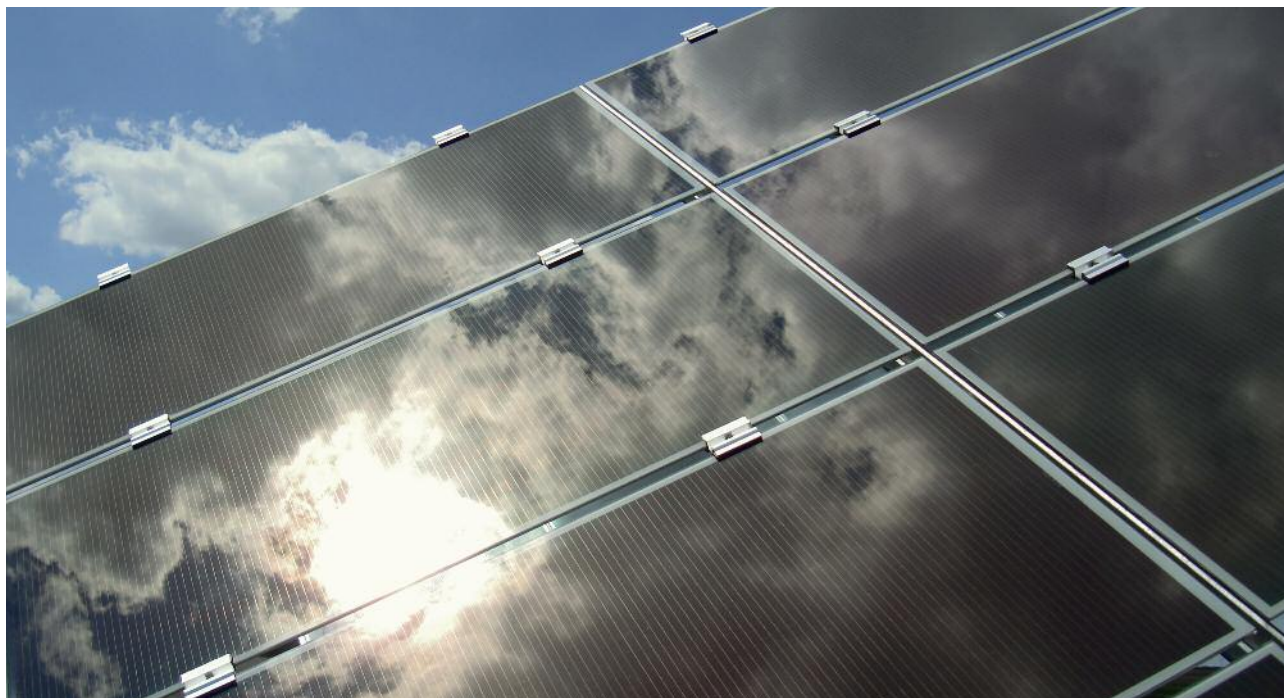
### Solar and wind energy across the world

Commerzbank's CoC RE operates internationally and finances the construction and operation of plants for using renewable energies at the world's most attractive locations.

For instance, as a leading organisation, CoC RE recently arranged, along with others, the financing of the first wind park in the Republic of Cyprus. By the end of 2010, 41 turbines with a total capacity of 82 MW are going to be installed here. They should be able to cover around 8 % of the energy requirement of the country. For financing the 170 million euros Cyprus energy project, it was important that the country's government assured the future operator a fixed 20-year tariff for supplying wind energy.

New business for CoC RE in 2008 and 2009, by market





To finance solar energy in Andalusia and Majorca, Commerzbank provided total credit of 70 million euros in 2007. On Majorca alone, there are solar units with around 50,000 photovoltaic modules in an area of 20 ha and an output of 14 million kilowatt hours per year. These units can supply electricity to 3,600 households and around 12,400 tonnes of CO<sub>2</sub> emissions can be saved.

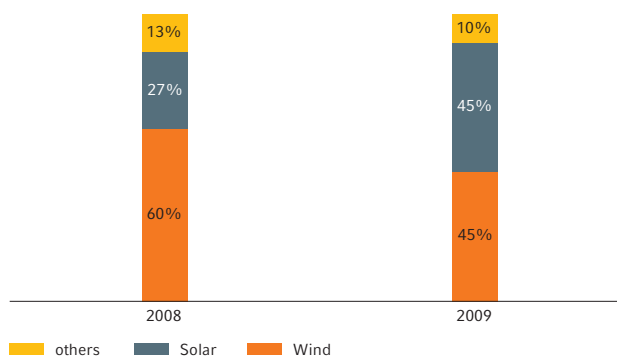
#### Linked up with research, politics and business

CoC RE is a highly appreciated dialogue partner of research, politics and business. With its know-how and its extensive network activities it takes over the role of a “motor” for the development of renewable energies. CoC RE is a member of the foundation Offshore-Windenergie and is represented in the federal associations of wind and solar energy. In the area of technology it is closely linked with the leading research institutions such as the Fraunhofer-Institut and supports the training and development of junior staff, for example by promoting the “Renewable Energy Finance” course at the Frankfurt School of Finance & Management. Furthermore, CoC RE participates in numerous national and international conferences, organises its own symposiums and conventions. Thus, for example, in June 2009 at the “Renewable energies globally” conference, which Commerzbank organised in Berlin, ambassadors and the employees of Ministries of Economy and Commerce of approximately 70 states learned how they can make their country an attractive investment location for German companies.

Commerzbank became market leader as the financier of wind energy capacities in Turkey in 2008. Wind energy plants with a capacity of 167 MW amounting to a total of 190 million euros, were financed here.

Commerzbank will continue to support the growth of renewable energies actively, even abroad, through CoC RE. The proven approach of cooperation with competent and experienced partners in the industry will be maintained.

#### New business for CoC RE in 2008 and 2009, by technology





# Climate protection by CO<sub>2</sub> trading

With the takeover of Dresdner Bank, Commerzbank also integrated emissions trading, previously part of the investments arm Dresdner Kleinwort. The new Commerzbank now has key competence in an important market of the future and offers the new unit considerable synergy effects and stability for growth.

## Opportunities in emission rights trading

One of the central instruments for limiting climate change is CO<sub>2</sub> emissions trading. The Kyoto protocol explicitly provides for the mechanism for environment-friendly development (Clean Development Mechanism – CDM) serving finance measures for emission reduction in developing countries, and the mechanism for Joint Implementation (JI), regulating the transfer of emission rights between most industrial countries. The most far-reaching regulation is the EU Emission Trading Scheme EU ETS, which sets the member states absolute upper limits for the greenhouse gas emissions of their industry. Emission rights must be purchased if these values are exceeded. “If the certificates are restricted by ceilings, the so-called ‘caps’”, explains Ingo Ramming, Co-Head of Commodity Solutions at Commerzbank, “the price of greenhouse gas emissions results from the minimum costs for their elimination. Companies can then decide the best option: purchase, or reduction. Therefore, emissions trading is the most economical way to minimise greenhouse gases”.



Ingo Ramming, Co-Head  
of Commodity Solutions





**Commerzbank Tower:  
The world's first "Green Building"**

Many visitors to Frankfurt enjoy the grand view over the city offered by the Commerzbank Tower, completed in 1997, Germany's highest office building. For eight years, the architect Kai Thiele has regularly been hosting tours up to the 49<sup>th</sup> floor, housing the Board of Managing Directors. Frequently, he himself is overcome by enthusiasm: "The building is not only beautiful to look at, it also functions absolutely excellently". Especially impressive is the energy quality of the design from the early 90s, with which his famous fellow architect Lord Norman Foster anticipated the term "green building". "The Commerzbank Tower in Frankfurt am Main", said Foster in a Federal Ministry for Environment publication, "is a symbolic and functional, 'green' building. Though it has climate control, it uses a natural ventilation system for reducing energy consumption – something which makes it the world's first ecological skyscraper". Its special construction feature: the facade has two shells for the air to freely circulate between them. Another special feature was added on January 1, 2008: the building is supplied entirely with green electricity (see page 72 of the report).

The skyscraper's gardens provide additional ecological touches: Three each of them are situated in the east, south, and west of the building and offer ideal climatic conditions to the various plants. Sycamores, cypresses, and a redwood tree reach up to the 16-metre high glass ventilation flaps. Since 2008, the "highest position" on the building, the roof of the 57<sup>th</sup> floor has been home to a pair of rare and endangered peregrine falcons, tenderly cared for by the building's manager Peter Muschelknautz.



### Pioneer in innovative emission products and climate protection solutions

The emissions trading team has established itself in the last five years as one of the world's leading providers of climate protection solutions. Besides emissions trading, the team specialises in active marketing of a series of innovative emissions products. Carbon Trade & Finance, the joint venture started in 2006 with Gazprombank, focuses on realising JI projects in Russia and within the Commonwealth of Independent States (CIS). The potential for CO<sub>2</sub> reduction by improving energy efficiency in the Russian oil and gas sector is considerable. Ingo Ramming sees noteworthy opportunities for German business here: "The necessary investments not only offer opportunities for the CO<sub>2</sub> market, but also for German export companies that have suitable equipment and technologies".

### The new Commerzbank steps up emissions trading

Emissions trading was completely integrated in 2009 into the commodities trading section of Commerzbank's Corporates & Markets segment and closely linked with the bank's energy trading activities. Thus, the team has access to valuable information and can use synergy effects in risk management, for example. Furthermore, the work of the team benefits from the firm positioning of Commerzbank in German SME business, since the management of CO<sub>2</sub> risks has played an important role for several companies in Germany since the introduction of EU emissions trading in 2005.

*»It is to be hoped that politicians use the current market crisis as an opportunity to revive national economies in terms of a 'green revolution'.«*

INGO RAMMING Co-Head of Commodity Solutions

### Global emissions trading necessary

Climate change is a global problem, and therefore a global solution beyond EU ETS is necessary. Ingo Ramming sees a substantial need for action: "It is important that all industrial nations recognise serious obligations towards reducing greenhouse gases and providing LDCs and emerging economies with investment so that they can participate actively in building a CO<sub>2</sub>-reduced economy". At the same time, some initial successes have been registered: "Emissions trading is making the public aware of climate change and the emission of greenhouse gases is occupying an increasingly central role in company strategies. Companies have understood that we are living in a carbon dioxide-dependent world".

Emissions trading is now firmly established for oil, electricity and coal besides the energy trading markets. Today, EU ETS dominates the fast-growing CO<sub>2</sub> world market, which showed a total turnover of USD 120 billion in 2008. Commerzbank expects substantial growth in 2012, if the USA also introduces a nation-wide emissions trading system. Should that be the case, market players expect a total turnover of USD 3,000 billion by 2020. However, what actually happens will mainly depend on political decisions. Ingo Ramming sees a reason for optimism here: "The decision makers largely agree today that quick action is necessary to dampen the worst climate risks. It is also to be hoped that politicians use the current market crisis as an opportunity to revive national economies in terms of a 'green revolution'".



*»From a business perspective the integration of Commerzbank and Dresdner Bank was the right decision in order to secure the institution's success in the long term. The special thing about this merger is that it involves two banks who have defined themselves – among other factors – via their direct competition and who were both proud of their own histories.«*

**ULRICH SIEBER**

# “Growing together” – The path to the new Commerzbank

The takeover of Dresdner Bank is the largest merger in Commerzbank’s history. The integration presents a major challenge for all involved. In an interview Board Member Ulrich Sieber, responsible for Group Human Resources and Group Integration, we find out just how important transparency and fairness are in an integration process.

## **Mergers are a part of Commerzbank’s company history. What makes the one with Dresdner Bank so special?**

From a business perspective the integration of Dresdner Bank and Commerzbank was the right decision in order to secure the institution’s success in the long term. The special thing about this merger is that it involves two banks who have defined themselves – among other factors – via their direct competition and who were both proud of their own histories. This has made the cultural integration of the two banks a real challenge. Nevertheless, backed by the dedication and commitment of the many motivated staff who work at the two institutions and our shared desire to succeed, I am confident that we will meet this challenge.

## **What do the staff of the two banks think about the integration of the new Commerzbank?**

### **What is the general mood?**

From the very beginning we placed an emphasis on assessing the mood of employees. The third Pulse Check, a survey of employee sentiment by an impartial institution, revealed that 74 % of all staff are confident that the merger will be a success. This is an excellent result compared with the benchmarks for other large mergers. Through our enhanced focus on change management, we hope to sharpen employees’ awareness of the importance of the integration and to improve the way the process is perceived.

## **What risks and hurdles do you see for this integration process and how is Commerzbank dealing with this?**

Both speed and realisation of synergy potential are the overriding aims of the integration. This is why from the outset we decided to monitor the progress of the merger and realisation of synergies on a rolling two-week basis. In spite of the fast pace of the integration, however, we have not lost sight of the needs of our customers and employees and counteracted any negative developments through equally speedy corrective measures. Our basic principles – transparency, fairness and clearly defined rules – have enabled us to keep up this ambitious pace despite the complexity and multitude of tasks involved.

**Mr Sieber, you worked for Dresdner Bank for many years, you have been with Commerzbank since 2006, and since June 2009 you have been a member of the Board of Managing Directors responsible for Group Human Resources and Group Integration at the new Commerzbank. How much of an advantage is your experience at both banks for the integration process?**

One of the main advantages of my personal experience is that it allows me to understand the behaviour and reactions of Dresdner Bank employees from a Dresdner Bank perspective. My career path has brought me into contact with many people from both banks, so I am able to approach, discuss and question issues directly with employees from a variety of different areas and hierarchical levels. Unfiltered and honest opinions like these are generally extremely valuable; they help us understand the concerns and needs in the integration project at the interface between Commerzbank and Dresdner Bank and enable us to provide the necessary support.

**What are you doing to ensure that the integration process is structured as fairly as possible for all involved?**

I have made transparency and fairness my top priority. Our goal is to put employees in the picture about what is going on as quickly as possible. This is reflected in our trusting and constructive relationship with the works council, which represents the interests of employees. The negotiations on the reconciliation of interests and social plan are a good example of this. The agreed appointment process, whereby applications are accepted from all segments and management positions are advertised across the board, is quick and fair. However, let me make one thing clear: We can



#### About Ulrich Sieber

Ulrich Sieber has been a member of the Board of Managing Directors of the new Commerzbank since June 1, 2009 and is responsible for Group Human Resources and Group Integration. He is married and has three children. He previously held various functions at banks such as Bayerische Vereinsbank AG, Credit Suisse Deutschland AG, JP Morgan GmbH and Dresdner Bank AG.

only structure the process fairly; people's individual perception can, of course, differ – especially if they are personally affected. The important thing is to strike the correct balance.

**However, the media and employees frequently talk about an "integration marathon". Does this not imply that some runners will get left behind?**

The planned personnel reduction is vital to secure the competitiveness of the new bank in the long term and enable the resulting cost synergies to be realised. I know from personal experience how difficult and painful this is for each and every manager since it also impacts on families and their personal lives. In order to minimise this impact and make the job cuts as socially responsible as possible, we have agreed fair instruments. Let us not forget that overall we are accustomed to very high social standards. We must also ensure that we remain an attractive employer and an efficient team for the employees that remain.

**You are already on your way, but you still have a tough road ahead of you. Mr Sieber, what makes you so confident that you will be able to successfully master the next stage of the integration going forward?**

Let me use an analogy. When climbing a mountain, the initial ascent is very quick. The decisive point comes towards the end of the climb, however; the last few steps are slower and more strenuous. So why am I still so confident? Because of the quality of our employees and the passion with which we are striving to make a success of the integration. The ComWerte, our corporate culture, fosters openness and a solution-oriented escalation process, which in turn enables us to make quick and efficient decisions. I would like to take this opportunity to thank all project managers who have worked so long and hard to make this integration a success.

# Diversity – as varied as life itself

Employees of different ethnic backgrounds, religions or world-views, different genders and ages as well as people with and without disabilities work at Commerzbank. The international financial company considers the diversity of its employees to be something special.

A meeting in Commerzbank's Accounting department: Dr. Karin Mayer, a German, reports in English; her colleague Joseph Lim sends a comment in German from Singapore. Finally, a lively, but surprisingly calm discussion: loud voices would puzzle the Asian colleagues, as the very diverse team has learnt. "The diversity in our team is not a coincidence", stresses Divisional Head Hermann Rave. "We need multilingual and inter-cultural know-how in order to make the relationship with our international offices efficient". What is especially true for Accounting actually applies to the entire company: Commerzbank values and encourages diversity in its employees as an important opportunity for innovation and creativity. The more diverse the experience, preferences and needs of the employees, the better they can adapt to the needs of around 15 million Commerzbank customers. This is why Commerzbank encourages an open company atmosphere, that is appreciative of differences, through its Diversity management, where only personal performance counts (see page 78 of the report).

## Forwards, with courage

Women are well-educated, have a motivated start in the profession; and still, due to various reasons, rarely reach the top. The proportion of female top managers in large German companies has even gone down recently. Their share at the start of 2008 was 5.5 %, compared with 7.5 %

*» As part of the corporate identity, Courage has put in positive effort for our image as an employer. The goals of the network are still relevant and I will go along with them. «*

MARTIN BLESSING Chairman

in early 2007. In previous years, the share of female top managers had regularly increased. At Commerzbank as well, only 15 % of Executives are women, though the half of its entire staff is female. The women's network Courage supports women in their career through various activities, hence increasing their proportion in executive positions.

## Fair opportunities, good atmosphere



A good work-life balance, a positive company culture and fair opportunities for all: Commerzbank offers its employees this and more on a high level. In 2009, it came fourth among the 105 companies evaluated by an independent agency across Germany in a survey of "TOP Employers". In the same year, it was awarded the TOTAL E-QUALITY rating for equal opportunities for the fifth time in succession.

## Career-advancing women's network

Commerzbank women employees in Frankfurt founded the Courage network in 1998 as one of the first company women's networks in German banking. Today, more than 250 women in Frankfurt and eight other regional bases are involved in this initiative. Since 2008, the patron has been Frank Annuscheit, member of the Board of Managing Directors, and regional managers also promote the network. The network members support each other in actively





recognising their professional opportunities and attaining key positions. They organise a wide-ranging exchange of experiences, such as career-promoting events and sponsorships. In addition, through projects they advocate an improvement in equal opportunities in the company. “Joint effort by all for a company culture in which women have the same opportunities as men is the most important thing for me”, is how Carolin Schnabel, Client Relationship Manager in Frankfurt, explains her involvement in Courage.

#### **Project “Im Lot” performs pioneer work in health management**

In order to protect and maintain the health of its employees, Commerzbank has initiated the “Im Lot” (work/life balance) project in cooperation with the staff council. From April 2008 to May 2009, an exhaustive study analysed the causes of increasing psychological stress and demands, especially in sales and risk management and measures developed to reduce them. The project is doing pioneer work and setting benchmarks in company health management through its innovative activities.

With the project “Im Lot”, employees and employer focus on one topical issue, the solution of which will benefit all concerned. With the professional support of “Institut für Autonomieforschung Cogito“ (PARGEMA) and the “Institut für Arbeitspsychologie Arbeitsmedizin (IAPAM/Universität Herdecke)” – both established experts in the field of industrial and organisational psychology and medicine – for the decisive factors were identified professionally and exhaustively. In workshops and interviews along with around 600 managers and employees, a guideline for an ideal working

environment was developed, on the one hand, and on the other, the causes for increasing psychological stress and demands were examined. Employees were also asked in detail about issues concerning health during the course of the employee survey (see page 76 of the report).

The results of the study are instructive. The development of the ideal of a Commerzbank beneficial to health has shown that the perceptions of managers and employees overlap in several places, such as advising customers, management, or setting targets. Another result: the bank already has suitable instruments such as working-time regulations, career development models and the value process ComWerte, which help in making the ideal reality. On the other hand, the results point to the precise spots that need action. These include targets/target setting, customer support, work loads, management, and controlling.

*» We need healthy employees who like to work at Commerzbank and are fully committed; employees who are balanced. «*

**ULRICH SIEBER** Member of the Board of Managing Directors and responsible for Group Human Resources und Group Integration

After comparing the ideal and actual work situation, measures were developed, which will be implemented for all employees by autumn 2010. For example, qualification measures for enhancing individual health competence and the setting-up of an employee council are a part of the plan. Additionally, specific plans approaches will be developed with sales and risk management units on the basis of the knowledge acquired in the project. All this is always done with objective of effectively maintaining the performance and satisfaction of the employees.

# Careers for unconventional thinkers: Training and further education

Individual career planning, extensive qualification opportunities and a transparent, systematic talent management: Commerzbank offers its staff various opportunities to develop their talents and interests.

Markus Hujara studied general rhetoric at Freiburg University. A bank, or so he thought, is something for economists looking for a conservative work environment. He was impressed by a Commerzbank recruiting seminar: "I am thrilled with the atmosphere", he exclaims. "Most of all, I am positively surprised that a bank is so modern and progressive". In the meantime, Markus Hujara has joined Commerzbank as a management trainee. The opportunities to develop here are good. One of the focuses of personnel work is providing a large number of qualification and advanced training options. Every single individual must get the opportunity to develop their talents and interests, be it professional advanced training, an assignment abroad or one of the many openings for developing social competence.

As an employer, Commerzbank also meets its responsibility concerning training. Despite the difficult economic situation, it is sticking to its goal of steadily increasing the number of trainees: from 600 in 2007 to around 700 in 2008. It is the foremost Dax-30 company, with a total realised training rate of 7.6 %.

## How will I reach the position I have aimed for?

Finding, encouraging and using potential: these central personnel strategic goals are supported at Commerzbank by means of an online tool. Using ComSkill, employees can make their qualifications and abilities transparent. Executives can look for suitable employees with the help of this application.

*»I actually thought that only corporate customer banking was a possibility for me. ComSkill introduced me to a totally new idea: now I have a very interesting position in Reputation Management for Group Communications.«* RÜDIGER SENFT

Holger P. wants to further his career. The MBA wants to switch to Group Development & Strategies and is entering a detailed profile of his professional qualifications and personal abilities in ComSkill. Then, all positions and possible options to follow will be displayed there on the screen with a mouse click. He will learn precisely which qualification he still needs to acquire and which further training options he can use.

**Awarded:**  
"I'm going to the bank"

The Commerzbank marketing campaign for trainees "I'm going to the bank" was awarded again in 2008. It has become possible through the campaign to make teachers and students aware of the broad palette of different training options and therefore getting a large number of young people for training at Commerzbank.

The principal feature of the online tool ComSkill, launched in 2003 and radically revised in 2009, is a detailed comparison of the required with the existing capabilities of the employee. More than 800 job descriptions with exact details of the required qualifications are recorded in the management system. Employees can look for them using their personal profile. With this facility, ComSkill is making a key contribution towards better transparency in the entire company as regards possible career paths and existing employee potential. The instrument also serves as the source for the annual potential appraisal by superiors. The employee's self-assessment is compared with the observations of his/her superior and together they determine what the next career step will be or which qualification measures are needed.

#### **The Commerzbank Career Ship**

The future of Commerzbank largely depends on acquiring well-trained, talented, and performance-oriented employees. With its new trainee programme NewCom, the bank was able to triple the number of trainee applicants in 2008.

Breakfast on the Rhine: More than 50 specialist and executive personnel at Commerzbank and around 80 selected students sit relaxed on the terrace of the Career Ship and discuss career possibilities at the bank. They have been at the getting-to-know evening, at which they could try out the drums. And they have a challenging programme of workshops and presentations ahead of them, which will offer the students deeper inside into Commerzbank as a company. The objective of the two and a half day event: encouraging potential

*»Inviting us students onto a ship is an original idea. Contact here is informal; it is easy to get into conversation with top managers. We have acquired a lot of information on day-to-day business.«* STEFAN MEISSNER Student



young employees to join Commerzbank. The Career Ship is part of the new trainee programme “NewCom”, with which Commerzbank has been attracting excellent students and graduates since 2007. There is also the “management meets campus”, in which the top managers are personally active present as “university captains” at selected universities during recruiting events. The trainee initiative has been successful: since May 2007, the number of applications for a trainee position has almost tripled.

#### Future career at the bank

Commerzbank wishes to do even more in future to ensure that it has well-qualified younger staff. Therefore, it completely restructured its trainee programme in 2007 to present itself as a modern, attractive employer to students and graduates. The fact that Commerzbank offers a number of interesting career options precisely for unconventional people is not sufficiently familiar. “We are looking for creative people who can and should think along unconventional lines”, stresses Jochen H. Ihler, Divisional Board Member Small and Medium Enterprises.

#### Seitenwechsel® for Executives

How do homeless, disabled or psychologically sick people live? Christof Maetze, Divisional Board Member Financial Institutions, at Commerzbank has become intensively involved with this question as a member of the programme Seitenwechsel® and for five days has looked after drug-addicts and AIDS patients in a social-service institution.

*» Getting to know people whom I would hardly come across in my daily life has been an enriching experience for me. «*

CHRISTOF MAETZE Divisional Board Member  
Financial Institutions

The aim of Seitenwechsel® is to provide a view of the way of life alien to the managers, thus making them more sensitive in dealing with people living under difficult conditions.

#### Corporate Volunteering

Another project is integrated as a voluntary feature into the training of executives. In 2008 and 2009, managers accepted an invitation to the summer camp at the Hessian Order of St. John for disabled youngsters and young adults. In workshops planned, organised and carried out by them, they spent a day with mentally and physically challenged young people and experienced how different a turn life can take at times. The day urged them to con-



sider for a while. “As expected, we were welcomed with open arms. This warmth and the good conversations constantly made it clear that everyone had a good time. Especially the look in the eyes of the young people when they succeeded in doing something has had a lasting impact. In short, an very impressive day, which is simply a must. I would do it anytime as well on a private basis”, says IsaNatascha Bosmann in retrospect. The feedback from both sides and the experience were so positive that more of these opportunities will be provided in the future.





*» Over recent years we have enhanced communication with funding organisations in order to ensure a more targeted and effective project selection. By concentrating on so-called lighthouse projects we plan to make our funding strategy more concrete and our foundation work more transparent for both our employees and the general public. «* **KLAUS-PETER MÜLLER**



# Charitable by tradition

For 40 years, the Commerzbank Foundation, which is Commerzbank's largest foundation and steeped in tradition, has backed selected projects from various socially relevant sectors covering a broad spectrum of activities. Chairman of the Supervisory Board Klaus-Peter Müller, who as Chairman of the Board of Trustees plays a key role in the decisions made by the Foundation, talks about the Foundation's activities and their importance for the company.

## **Mr Müller, what are the key funding missions and goals of the Commerzbank Foundation?**

Since it was founded in 1970, to mark the 100<sup>th</sup> anniversary of Commerzbank, the Commerzbank Foundation has played a key role in the bank's social involvement. Three key funding areas have emerged in recent years: education and research, social projects, and art and culture. The funding objectives were defined in deliberately broad terms so that the foundation can be active in all non-profit areas. The Commerzbank Foundation supports selected institutions and initiatives that are actively involved in cultural, social and academic projects, thus making a sustainable contribution to society.

## **What were the key developments of the Commerzbank Foundation in 2007 and 2008? What were the highlights?**

Over recent years we have enhanced communication with funding organisations in order to ensure a more targeted and effective project selection. By concentrating on so-called lighthouse projects we plan to make our funding strategy more concrete and our foundation work more transparent for both our employees and the general public. One of our shining moments included the Cranach exhibition at the Städel Museum in Frankfurt am Main, which attracted 205,000 visitors and which we backed in 2007 as chief sponsor. Furthermore, the Commerzbank Foundation supported the fight against world hunger by contributing 75,000 euro towards reconstruction efforts in the Province of Banda Aceh following the tsunami. There have also been new developments in the field of research, for example through the financing of two endowed professorships.

## **The International Commerzbank Chamber Music Award was awarded for the second time in September 2010. Why did the Foundation choose to become active in this area? What kind of response has it received from the general public?**

The Commerzbank Foundation has actively promoted music for over 30 years. The International Commerzbank Chamber Music Award, founded in 2008, is intended to provide encouragement and support to talented young musicians and honour outstanding individual performance that is in perfect harmony with the whole. We are well aware that chamber music does not have the cache it used to, not least in light of its visitor numbers. But in terms of the quality of the musicians competition has

never been so high. The Foundation aims to highlight the importance of chamber music within classical music and support ambitious performers at the highest level. The specialist press would seem to agree with our prognosis; the Frankfurter Allgemeine Zeitung is of the opinion that “quality is winning through”.

**On a personal level, you are also involved with the Frankfurt School of Finance & Management as part of your work for the Commerzbank Foundation. Why did you decided to get involved here?**

I have been lecturing at the Frankfurt School of Finance & Management since 2007 according to the motto “added value through education”. The Frankfurt School is an important centre of competence for training and support within Banking and Finance and seeks out forward-looking projects. I lecture on two topics: “Ethics – Corporate Governance” as well as on a strategic topic that is often only determined shortly before the lecture based on current events. Even more important, however, is that the Foundation paved the way for the Commerzbank professorship in SME financing, on the initiative of Martin Blessing. I am pleased to be able to underscore this commitment through my involvement with the Frankfurt School.

**The Foundations of Dresdner Bank and Commerzbank are also growing together as a result of the integration process. What changes or even challenges will this lead to in terms of structures and content? What impact will this have on the goals of the Commerzbank Foundation?**

A new foundation centre will be formed at Commerzbank following the merger of Dresdner Bank and Commerzbank. The individual foundations will continue to operate independently under this umbrella organization. Their previous



funding strategies will also remain unchanged. The centre of competence will now benefit from an even broader range of topics. Of course we will also exploit the new synergy effects arising from the merger in the respective funding areas. I see the Commerzbank Foundation Centre as an opportunity to anchor the funding projects and entire social commitment of the Foundation more firmly with the general public.

**What kind of role do you think foundations will play in Germany in future against the backdrop of current social developments?**

Public funding has been severely scaled back in recent years. Savings are also unfortunately being forced through in those areas that urgently need financial support, such as the education sector and social and cultural institutions. It goes without saying that private foundations cannot close these gaps, but they do serve as a stable pillar for society in times of financial difficulty. The extensive commitment and charitable work provided by over 16,000 foundations in Germany make an indispensable contribution in this respect. If you look at the foundation system in Germany today, you can see that over the years the number of foundations has grown – as has the volume of available foundation capital. I am convinced that this pleasing trend will continue. The work done by foundations is vital to securing and fostering diversity in all areas of Germany’s public sector.

#### About Klaus-Peter Müller

Klaus-Peter Müller is Chairman of the Supervisory Board of Commerzbank and Chairman of the Board of Trustees of the Commerzbank Foundation. He joined Commerzbank in 1966 and was a member of the Board of Managing Directors from 1990 to 2008; from 2001 to 2008 he was Chairman of the Board of Managing Directors at the Bank. In addition to this he is Chairman of the German Corporate Governance Code Government Commission inaugurated by the Federal Ministry of Justice. Since 2007 Klaus-Peter Müller has been Honorary Professor at the Frankfurt School of Finance & Management.

# From the endowed professorship to the Chamber Music Award

Selected highlights of the multifarious social commitments of Commerzbank.

## International Chamber Music Award

In order to make the general public more aware of chamber music, the Commerzbank Foundation created the International Commerzbank Chamber Music Award in 2008 in association with the Alte Oper Frankfurt and the Hochschule für Musik und Darstellende Kunst Frankfurt. Despite the high artistic standard in classical music, chamber music often does not receive the recognition it deserves. Besides promoting chamber music, the Commerzbank Foundation award provides the first launching pad to the future career of ambitious young artists. The interest of international musicians in the competition was tremendous: altogether 26 ensembles from eleven countries applied to participate. The distinguished jury under the chairpersonship of Julia Fischer finally invited eleven of them to Frankfurt am Main. The semi-finalists displayed their enthusiasm and musical prowess for two days in free public concerts at the Hochschule für Musik und Darstellende Kunst. In view of the high level of performance, the jury decided to award the

15,000 euros prize twice, besides a second prize of 6,000 euros. In a final award concert in the Mozart hall of the Alte Oper, the three first prizewinners demonstrated with their ensembles why they had received the 1<sup>st</sup> International Commerzbank Chamber Music Award. The harmonious interplay peaked at a “boisterous chase for sounds” (Frankfurter Neue Presse), every individual trio making come to life. The competition will take place every two years. The organisation has already begun for the 2010 Chamber Music Award for the category piano trio/quartet.

## Qualification offensive with the Frankfurt School of Finance & Management

The Frankfurt School of Finance & Management is an internationally recognised institute that offers courses of the highest level, a comprehensive advanced training programme, top-quality research, and extensive consultancy services. The close linking of theory and practice ensure the institute's success. The Commerzbank Foundation has funded the school in numerous projects and initiated the endowed professorship in SME financing in 2006, for three years. The focal points here are the need for financing of small and medium-sized businesses and the development of alternative financing models. The development of Germany's first training programme for Compliance Officers was a project in which Commerzbank cooperated (see page 62 of the report). Since August 2008, Commerzbank trainees have been taught by lecturers from the Frankfurt School in a joint qualification drive. Commerzbank managers also play an important role at the University: the Chairman of the Supervisory Board, Klaus-Peter Müller, has held an honorary professorship since January 2007 and a member of the Board of Managing Directors, Ulrich Sieber, is on the Board of Trustees. Regular guest lectures strengthen the excellent cooperation. Two graduates of the Frankfurt School, Jochen Klösge and Ulrich Sieber, joined Commerzbank's Board of Managing Directors in 2009.



# Encouraging and challenging young talent

The CAMPUS OF EXCELLENCE (COE) was founded by Commerzbank in 2005 and has developed successfully since. It offers a unique platform for networking excellent fresh talent and for an exchange of knowledge and discussion on burning issues between companies, universities, schools, associations, and institutions.

## From regional project to European initiative

More than 70 partners, with Commerzbank as the main sponsor, are supporting COE, which began as a regional initiative in Franconia and has now become a successful project with partners and sponsors from six European countries and around 40 international participants. Since 2005, “company stipends” have been given to 320 high-performing students and young managers and journalists.

*» CAMPUS OF EXCELLENCE is very important to me. It is about young people, their prospects, their future. «*

**MARTIN BLESSING** Chairman of the Board of Managing Directors of Commerzbank and Speaker of CAMPUS OF EXCELLENCE Board of Trustees

## Promoting the “future generation”

Innovation, creativity, and sustainability are the special features of the COE. Participants are encouraged during their time at the Campus not only to question the existing structures in the companies in which they work at challenging projects, but also to identify necessary actions together and to develop future visions with clear values; this is how the project is different from other initiatives.

## Where do I want to get and what can I do?

The COE programme comprises of three core modules. In the “job factory”, students get an overview of various professions, are supported in their choice of profession and courses and can develop their personalities. In the “praxis academy”, students visit companies as junior advisors in projects lasting several weeks and get to know the partner companies from inside. The “summer school”





is an idea workshop: young participants debate current issues concerning Germany and Europe, such as “School 2020 – Visions for the education system in Germany”, and discuss their solutions with a professional audience. As Speaker of the Board of Trustees, Martin Blessing, Chairman of the Board of Managing Directors of Commerzbank, has also been taking part in the discussions since 2005.

### The alumni network offers dialogue and career opportunities

Former participants can get involved in the alumni network and train further in the symposiums, series of lectures and workshops being conducted regularly and interact with one another as well. They can also participate in a mentoring programme in which an employee of the partner company assists them in their personal and professional development.

### A network platform for participants and partner companies

The COE enables participants and the partner companies to build up and maintain a network, which helps them structure their professional or business future. There are more than 179 members in the alumni network, a figure that illustrates the good response and immense significance of this network even after the days at the Campus are over.

#### Teamwork and face-to-face discussion



The 26-year old management student Eva-Maria Amrhein has passed through several CAMPUS OF EXCELLENCE (COE) initiative stations since 2006 and has also had an internship at Commerzbank in Human Resources, New York (USA). As a member of the study group, Eva-Maria Amrhein wrote her thesis at Commerzbank on “Investment management and transfer prices in a bank holding”. She tells us about her experience as a scholarship-holder of COE.

**Ms Amrhein, what motivated you to become a part of COE?**

**How is COE different from other initiatives?**

COE offered me exactly what I found missing in my university education: guidance towards a career decision, practical experience in a project and presentation in front of a large, renowned audience. There was also the introduction to a network with the respective interaction, which is tremendously lively. To my knowledge, no other initiative is so well packaged.

**COE aims to promote the combination of theory and practice, and thus bring students and the company together in a motivating environment. What experience in this connection was of special significance to you?**

As a student, I had a rather idealistic-theoretical view of things, practical people on the other hand think in terms of solving a problem. In the “summer school” I learnt through my cooperation with journalists to probe beneath the surface and recognise things as they really are. The various characters and their backgrounds in the team have personally enriched me and broadened my view.

It is extraordinary to get an opportunity as a student to discuss solutions for current topics face-to-face with CEOs such as Martin Blessing or Armin Luczkowski (Viessmann Kältetechnik AG).

**Another important goal of this initiative is also to train the social competence of participants. Which aspects appealed to you most and what did you learn from them?**

Thanks to my experience in the “praxis academy” and the preliminary seminars on project management, teamwork and presentation techniques, I find it much easier to work in teams. I am aware of my role and have become more conscious of involving all team members in the discussions and at the same time, not ignoring the objective.

**The COE is also a platform for swapping experience and building networks between participants, alumni, and companies. How has your experience been in this respect and to what extent will it be useful for the development of your career?**

For questions on professional practice and my future career, I use my COE network and will certainly do so in the future as well. For instance, my mentor helped me find a partner in the practical field for my thesis. Just a short while back, I arranged an interview for a fellow student for her thesis with one of the alumni managers.

**What are you personally taking with you from your time at COE?**

Very definitely self-confidence, arising from the many conversations I have had with other participants and personalities I have got to know. COE also helped me in getting launched in Commerzbank, which helped me and made possible my internship in New York. But most of all, I got to know a number of great people through COE, who will continue to be with me as acquaintances, mentors and friends in the network.



# Experiences bring people together

Diverse projects from fields of education and sport are the highlights of our sponsoring activities.

## Research, question, feel – enjoy nature with all senses

Antje Gerlach, an intern at the Bayerischer Wald national park distributes magnifying glasses, brushes, and cue cards to a group of fourth grade students. They have been told to look for animals in the vicinity and observe them and their behaviour when they are discovered. Some questions arise when they discuss their finding: why do some animals run away and others play possum? What kind of animals will benefit from playing possum?

The nature awareness day has been part of the events calendar at the Bayerischer Wald national park for the last ten years. The concept was developed by a former intern for the “Praktikum für die Umwelt” organised by the umbrella organisation of German national parks, nature parks, and biosphere reserves – Europarc Deutschland – under the sponsorship of Commerzbank. This initiative has attracted more than 1,100 students since its inception in 1990.

This project, awarded a prize by UNESCO, is part of the educational commitment of Commerzbank, which recognises the ecological and social principles clearly in its guidelines and wishes to establish sustainability in society through its sponsoring activities.



Chancellor Angela Merkel visited the joint exhibition of the UNESCO biosphere reserves at the Bundesgartenschau 2009 in Schwerin and learned about Commerzbank's National Park sponsoring from Heiner Herkenhoff, Head of Public Affairs (left)



### Shell-pickers and crab-catchers

Commerzbank also offers children the chance to learn about nature conservation through intensive nature experiences. With its annual Nationalpark-Ferien, it sponsors a weeklong educational outing. In 2008, 25 children experienced mudflats on the Eiderstadt peninsula during mudflat hiking trips, a nature rally and several excursions. Two interns from the “Praktikum für die Umwelt” project were responsible for the organisation and implementation. Commerzbank supports these activities to ensure that families with limited means can also participate.

### From WM 2011 to qualification offensive in mass sports

Commerzbank has been the premium partner of the DFB since 2008 and has thus shifted the focus of its sporting activities to football. With this choice, it has strengthened its brand values of partnership and performance and at the same time, selected a sport, which apart from the major competitions, reaches out to millions, regardless of their social position. Commerzbank supports DFB in all areas of its work, from men's and especially women's national teams to encouraging young players in mass sports, which is the most important considering that it has the world's largest individual sport association with around 6.5 million members. Therefore, it exclusively funds the qualification offensive of DFB, among other things, in which in 2008 a total of 130,000 main and honorary coaches, supervisors and youth leaders acquired a licence for training or as an association manager or participated in one of the highly popular short training modules. In addition, 300 part-time employees were trained as assistants for a DFB mobile with which they will travel in



the next three years to local associations where around 10,000 training events are planned. In women's football, through its long-standing involvement with 1. FFC Frankfurt, Europe's most successful women's football team, the bank has made an important contribution towards the development and increasing popularity of this sport in Germany and is now also the national sponsor of the FIFA women's football WM 2011™ in Germany.

#### Commerzbank breaks record for participants in company run

Frankfurt on a June evening 2009: the banking quarter is completely cordoned off. DJ sounds and the cheers of 70,000 spectators accompany some 69,000 amateur runners in their colourful company jerseys on their 6 km long run between the tower blocks. The new Commerzbank set a new record for the largest company run in the world, the "JP Morgan Corporate Challenge": it became the first company team to enter more than 2,000 participants for the race. Precisely 2,475 Commerzbankers and Dresdner Bankers ran in white T-shirts with the slogan "Zusammen wachsen" for a good cause, including the CEO Martin Blessing: "Such huge numbers of people are mobilised

*» Today's the first collective run – I must run, too. I find it great that we have managed to field the largest team here in Frankfurt. « MARTIN BLESSING CEO*



here; it is a great collective experience away from the meeting rooms and I believe it binds together the new colleagues of the two banks even better". Commerzbank has been traditionally involved in the annual company race for the benefit of the Deutsche Sporthilfe Foundation. Part of the entry fees is donated and the organiser doubles the amount generated. In 2009, a total of 207,126 euros was collected, which was given to a foundation that uses the money for projects in the field of sports for disabled people.

#### The basics of handling money

There is a need to improve general financial education in Germany: A study commissioned by comdirect bank shows that only half of the population has good or excellent knowledge as regards finance, investment, and pensions.

The study initiated in 2009 by comdirect bank "Customer motives 2009 – Money, a taboo topic: Attitudes, behaviour and knowledge of Germans" indicates a substantial gap in the financial knowledge of the people surveyed. Around a quarter could not understand basic economic terms such as recession and inflation. People's uncertainty regarding the financial crisis also confirms this. In its 2003 memorandum "Canon for general financial education", Commerzbank had already suggested that this topic be taken up in all sections of the population in Germany. This should also trigger an intensive public debate. Commerzbank has been actively involved since the 90s in achieving a better general financial education of the general public. It believes that only well informed customers could distinguish between good and bad financial products and service providers. With the relevant background knowledge, customers can compare complex offers with each other qualitatively and appropriately evaluate them according to their individual situation.

#### Various educational projects

Commerzbank has been involved in recent years in numerous projects and initiatives, sometimes also in cooperation with other players from the financial and insurance fields, in order to improve general financial education. Since the financial market crisis, Commerzbank customer advisors have analysed the individual life situation, planning, and needs of their customers in greater detail and have worked out an investment strategy and objectives with them. In order to make the routes of the crisis and current economic developments more comprehensible, the bank published the free brochure "The financial market crisis – How did it come about and what can be done now" in May 2009.

#### Linking socio-political players

Commerzbank will continue to the topic of general financial education. However, Commerzbank cannot promote this challenge alone. In order to bring about substantial changes, a joint initiative is required by relevant socio-political players such as consumer protection, politics, and research.



# Corporate responsibility at major Group companies

## comdirect bank AG

### Modern banking with high growth rates

comdirect bank AG is the market leader among online brokers and Germany's leading direct bank. This bank, founded in 1994, extended its business model from the traditional brokerage in 2003 to cover banking and advisory services. It provides future-oriented products for modern investors, focusing on the needs of the customer.



### Broadly-based growth strategy

comdirect bank has set ambitious growth goals with its "complus" programme, specially geared to demanding, critical bank customers, a target group that has grown since the financial market crisis. By 2014, it aims at doubling its number of customers and assets managed. Independent advisory is expected to strengthen customer's trust. The first practical test for fee-based advisory began in 2009. The focus here is on performance-oriented advisory with the core facets of transparency, independence, individuality, and risk-optimisation. In order to get closer to the customer, the bank also relies on market research, customer feedback, and trend and motive research. Customer service has been strengthened with new personnel with new IT. Regular surveys of customer satisfaction confirm the success of the measures: three-quarters of the customers were completely satisfied or very satisfied, 85 % were prepared to "certainly" or "probably" to recommend

the bank. In order to support growth in the customer area, comdirect bank follows a dynamic personnel strategy. The employees of the new acquisition base, Commerz Service Gesellschaft and Dresdner Direktservice have to be integrated in this way. With the programme "Personalarbeit 2013 DB" (direct banking), strategic solutions are being devised to carry on the integration and ensure growth and efficiency. Closer cooperation is also planned with Deutsche Gesellschaft für Personalführung. comdirect bank used several training and advanced training programmes for personnel development in the 2007/2008 reporting period; which included comeahead, a continuous further training programme geared to needs for all employees in the Service department. It encompasses banking, system and communication training. comdirect also continued its "comfly" qualification programme for managers. Here the objectives are to improve personal management skills as well as procedures within teams and between them. In February and October 2008, comdirect started a two-month specialist trainee programme for graduates; in addition, it ran "comfit", an extended health programme. The social involvement of comdirect bank is oriented towards its core business and also aims to ensure future success; hence the bank promotes the furthering of basic mathematical skills as one of the basic qualifications for understanding financial products and has set up the Rechnen Foundation. 100,000 euros were already provided in 2008 to this end. By 2013, project volumes of more than 2 million euros annually are expected.

### Selected key figures of comdirect bank AG

	2007	2008
Balance-sheet total (€ m)	8,233	11,070
Equity capital ratio (%)	5.9	4.4
Number of customers (m)	1.0	1.3
Number of employees	824	906
Customer assets (€ m)	20,373	20,342
Number of call money PLUS accounts	400,414	814,516

Commerzbank holds 80 % of comdirect bank shares.

- > [www.comdirect.de](http://www.comdirect.de)
- > [www.stiftungrechnen.de](http://www.stiftungrechnen.de)



## Eurohypo AG

### Partner for real estate management

Eurohypo AG is one of the leading banks for real estate and state financing. It serves professional real estate investors and developers, who have a regular need for finance. Eurohypo finances office, commercial and logistics real estate as well as hotels at home and abroad. In state financing, it is the partner of publicly owned authorities, one of the largest institutions with long years of experience in Europe. The two segments, real estate and state financing, are characterised by “relationship banking”, which has been maintained and handed down for decades by the predecessors of Eurohypo. Stable and long customer relationships are extremely crucial, and therefore, are decisive for Eurohypo’s high standing in the market.

### Active for sustainable city development

Eurohypo sees itself as an active social force in terms of corporate citizenship. It is convinced that value is created as much through social responsibility as through the revenues from banking. Eurohypo has packaged its social responsibility in a comprehensive corporate responsibility concept and systematically combined it with its core business. For instance, the bank focuses on the funding of initiatives for the sustainable development of cities, which it considers an important instrument for combating the threat of dramatic climate change and grave social problems in the urban expansion. It is a member of the Urban Land Institute (ULI), regularly makes the “International Urban Landscape Award” and started the ecology congress “Building Eco Value” in 2008, where high-level experts discussed the opportunities and limitations of climate protection in implementing real estate projects in this congress. The German Minister for Environment,



Parc Central de Nou Barris in Barcelona, Winner of the International Urban Landscape Award 2007

Sigmar Gabriel, and Prof. Hans Joachim Schellnhuber, Director of the Potsdam Institute for Climate Impact Research (see page 20 of the report), held the opening speeches.

Eurohypo also addresses urban planning issues in sponsoring art and culture, such as the Düsseldorf project Kunst im Tunnel. In its sponsoring activities, the bank also supports the promotion and spread of financial knowledge. Eurohypo thus supports a series of university institutions, thereby securing a constant inflow of qualified young people. The Institute of Law and Finance at the Johann Wolfgang Goethe University Frankfurt am Main and the Institut für Immobilienwirtschaft at Regensburg University are among the institutions funded. Besides financial support, it has also been giving personnel support for the last five years: Eurohypo employees hold guest lectures and also take up teaching assignments. The bank provides immediate help for measures of social importance in academic, social and charitable as well as cultural areas through its Eurohypo Foundation. This has assets of 5 million euros and with the interest, supports outstanding initiatives, such as the “Butterfly” project for the psychosocial support of cancer patients at Frankfurt University Clinic.

### Selected key figures of Eurohypo AG

	2007	2008
Balance-sheet total (€ m)	214,215	291,600
Tier I core capital ratio BIS* (%) 2007, 2008 Basel II	7.4	7.8
Number of employees	2,034	1,750
New commitments commercial real estate finance (€ bn)	36.8	13.7
Public finance (€ bn)	20.2	4.1

\* Eurohypo is not participating in the official procedure for the implementation of the Basel agreements.

Commerzbank holds 100 % of Eurohypo shares.

## BRE Bank SA

### Universal bank aware of its responsibility

BRE Bank was founded in 1986 in Poland under the name Bank Rozwoju Eksportu SA. It has evolved from being a specialist for corporate customers to a wide-ranging universal bank. Today it is the third-largest Polish bank. It offers private customers modern products and services through its brands mBank and Multibank. While Multibank primarily focuses on private customers and companies, mBank is the largest direct banking platform in Poland.

### Wide-ranging social commitment

BRE Bank considers itself to be an integral part of society and has been documenting its social responsibility since 2006 in annual corporate social responsibility reports. For its exemplary corporate governance, BRE Bank received the “Trustworthy Company” award of by a jury of leading institutional investors organised by the Polish Institute of Directors in 2007. In addition, the Polish Chamber of Commerce and the Ministry of Economics named BRE Bank “Business-friendly bank” in January 2007. Especially appreciated features of the bank were its professional advisory system, the constantly friendly interaction with institutional customers and the high transparency of its products and services. BRE Bank considers this to be a confirmation of its corporate strategy, which gives priority



Mariusz Grendowicz, CEO of BRE Bank and Piotr Pawlowski, President of Friends of Integration Association, announcing their strategic cooperation

### Selected key figures of BRE Bank SA

	2007	2008
Balance-sheet total (€ m)	15,568	19,888
Equity capital ratio (%)	10.2	10.0
Number of customers (m)	2.1	2.8
Number of employees	4,795	5,877
Corporate customer branches	23	24
Multibank sales units	109	131
mBank sales units	103	161

Commerzbank holds 70 % of BRE Bank shares.

to responsibility towards private, business, and corporate customers. It is especially active in improving the financial know-how of the customer through informative and educational events on daily financial transactions via the internet site “mBank Schools”. For increasing its service quality, BRE Bank is actively involved in dialogue with its customers, mainly through the “mCouncil”, the customer advisory of mBank.

Sustainable staffing policy is another part of its social commitment. Multi-faceted advanced training programmes reflect this philosophy; for instance the “BRELanguage” language courses, which prepare employees for the challenges of internationalisation and growth. 255 employees used this facility in 2008 (2007: 416) for improving their English skills. In the BREmba programme, especially talented BRE Bank employees receive scholarships for an MBA university course. The selected employees can also participate in internal MBA programmes. BRE Bank made another important contribution towards the financial development of society by organising the Macro-Economic Forum in April 2008 with representatives of the most important Polish companies as well as the Polish government. BRE Bank has also been a promoter of Polish culture and arts for many years and as such supports social, educational and research programmes. The bank’s most important agency for social activities is the BRE Bank Foundation. In 2007, it gave 644,564 euros for funding socially relevant projects and programmes. The amount was 773,083 euros in 2008.



# Commerzbank's sustainability performance

The following performance section of the Corporate Responsibility Report 2009 presents the sustainability performance of Commerzbank during the reporting period. The relevant topics and key indicators from the fields of Governance, Economy, Environment, Employees and Society are stated in the form of a classical statement of accounts. The aim is to provide our stakeholders with a transparent and comprehensive picture of developments within these areas whilst also illustrating future prospects. This part of the report will revisit the content of the magazine section and provide an extensive presentation of topics including all details and key indicators. Reporting is based on Global Reporting Initiative (GRI) G3 guidelines and is organised according to the following topics.

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# Governance

In its capacity as the second-largest bank in Germany with a total of close on 15 million customers, Commerzbank bears an economic and social responsibility within the scope of the influence it is able to exert. Commerzbank respects both the demands and expectations of its various stakeholders and of society and investigates the possibility of taking these into account in the corporate decisions it makes.

## Commerzbank's corporate culture

Our corporate values (ComWerte) and the corporate culture which has developed at Commerzbank during the course of the company's history form the cornerstones of our responsibility. These corporate values describe the bank's past and present as well as setting out an objective for the future. We are confident that shared values which form an integral part of both internal and external working practices constitute the best foundation for responsible conduct.

## ComWerte as the basis for sustainable conduct

Commerzbank's values are "integrity", "mutual respect and partnership", "market orientation", "performance" and "team spirit". These values were identified by the Board of Managing Directors and managers on the basis of the company history and stakeholder demands in 2007. They were then verified by working groups comprising employees from all levels of the bank. A conscious decision was taken not to define the individual values in specific terms and not to produce a glossy brochure. The focus of our endeavours and the success factor we sought was to obtain broad employee participation, an aim which was achieved.

Over 2,300 workshops were staged to provide all employees in Germany with an opportunity to address the values. What do the values mean for me or our team? What are our shared associations with the values? What can we do to make the values more explicit? Between July 2007 and December 2008, around 25,000 employees took the opportunity to take part in the workshop process. This represents a participation rate of 95 %.

This active involvement enabled the values to become deeply rooted within the company, a fact also revealed by the employee survey conducted in conjunction with TNS Infratest in September 2008. Around 84 % of employees

in Germany who had already participated in a ComWerte workshop felt that they had either been "well informed" or "very well informed" about the ComWerte process.

Notwithstanding this, ComWerte will not develop into an interlinking and binding corporate culture until they become established as an integral part of our daily dealings with one another. Every single employee is responsible for making this happen. Company management and managers act as pioneers and role models and bear a particular responsibility for this process. ComWerte has also broken new ground in terms of media. The ComWerte film "What we stand for" documented the ComWerte process since 2007 and has been seen by 12,000 employees of Commerzbank, Dresdner Bank and subsidiaries in 26 towns and cities right across Germany.

Achieving a successful merger with Dresdner Bank will also represent a challenge in cultural terms. ComWerte supply the necessary basis. The main focus of ComWerte continues to be on personal dialogue. One example of this is the cultural analysis conducted by a working group specifically instigated for the integration project. The corporate cultures of Dresdner Bank and Commerzbank display a high degree of fundamental harmony. Target group specific workshop formats were developed on the basis of ComWerte to enable the newly instigated divisions and teams to grow together in the most effective way.

## 360° feedback – a sustainable management instrument

The introduction of a 360° feedback system has integrated ComWerte into human resources and management development. Such an instrument enables managers to use a process of self-evaluation and external appraisal to obtain overall feedback, or feedback from all angles, on their conduct. 360° feedback has been in use as a management instrument for Board Members and Executives across the whole company since 2007 and has been extended to include Main Branch Managers and Divisional Board Members since 2008. Commerzbank will also apply this tool to its third tier of management from 2011 onwards. The quota of returns received in 2009 was 94 %, demonstrating the extent to which Commerzbank managers are prepared to engage in the constructive exchange of information on strengths, areas of development and ComWerte.

### Guidelines provide orientation

Corporate Responsibility Guidelines were drawn up in 2007 and act alongside ComWerte in forming the basis for responsible corporate conduct by Commerzbank.

#### Corporate Responsibility Guidelines

We are confident that responsible conduct will make a significant contribution to enhancing value and securing the future of Commerzbank. As the second-largest bank in Germany, we acknowledge our corporate responsibility both in general terms as well as in terms of the sustainable development of our business. This is based on the following six principles.

1. **Legal compliance and transparency:** Compliance with regulations and laws as well as transparent reporting to shareholders and other stakeholders form the basis of our responsibility.
2. **Rooted in core business:** Corporate responsibility is a significant, integral part of our corporate culture, the operational banking business and internal work processes.
3. **Employee awareness:** The realisation of our responsibility can only succeed with employees who live up to the principle of sustainability in their day-to-day work. To this end, we continuously strive to increase employee awareness of these issues.
4. **Stakeholder dialogue:** We aim to understand the expectations and interests of our stakeholders and, at the same time, to present Commerzbank's perspective through dialogue with customers, shareholders and business partners as well as the media, non-governmental organisations and state authorities. We view the results of this dialogue as an important basis for the future development of our activities in the field of corporate responsibility.
5. **Commitment to UN Global Compact:** We are a member of the UN Global Compact. Together with other companies and the UN, Commerzbank strives to uphold and promote the fundamental principles of human rights, fair labour conditions, anti-corruption and environmental protection.
6. **Continuous improvement:** Commerzbank is continually developing and adapting its corporate responsibility strategy to the needs and expectations of a dynamically changing society.

### Comprehensive corporate responsibility management

Commerzbank management in the field of corporate responsibility (CR) is based on clear structures and defined processes. The Reputation and Sustainability Management Department was set up by Commerzbank's Board of Man-

aging Directors and has formed part of Group Communications since 2005. This department operates with a strongly networked management structure. This means that the topic of Reputation and Sustainability Management is firmly established at the top tier of management within the domain of the Chairman of the Board of Managing Directors. Aspects relating to CR and sustainability are included in the analysis of reputational risks, meaning that they also constitute part of the quarterly report submitted to the Risk Committee of the Supervisory Board. The Reputation and Sustainability Management Department also chairs the internal cross-departmental "Round Table Climate" Committee, in which strategies and specific measures on the overarching topic of climate and climate change, such as measures relating to raising employee awareness, are developed (see page 23 of the report).

#### Impetus for corporate responsibility

The Reputation and Sustainability Management Department operates in accordance with corporate values in providing an impetus for and acting as the driving force behind CR. Its aim is to promote CR across the whole of the company. The department is also responsible for communicating the topic of corporate responsibility and prepares the Corporate Responsibility Report which is published in full every two years in a German and English language version. The Reputation and Sustainability Management Department supports the Press, Investor Relations and Public Affairs Divisions in the preparation and placement of sustainability topics. It also fulfils an external "sensory function". The department's staff evaluate and observe themes and debates on such issues as climate change. The tasks of the Reputation and Sustainability Management Department also include managing contact with non-governmental organisations and responding to questionnaires from sustainability indices and ratings agencies. Internally, the department acts as an interface to other departments which exercise a role relevant to CR, such as the Center of Competence Renewable Energies, Compliance, Human Resources, Environmental Management, Mittelstandsbank, Retail Banking and others (see graphic p. 58). The team works closely with the divisions mentioned above on the further development of strategies, guidelines and sustainable products and services (see page 64 of the report).

### CR Roadmap

Commerzbank will endeavour to do even more to meet its corporate responsibility in the coming years. We aim to extend our range of sustainable products and services and expand existing management systems such as the Health Management System. The CR Roadmap comprises essential milestones for the period from 1988 to 2012 and provides the relevant strategic framework. Because resources are tied up in our current attempts to achieve successful integration, we have unfortunately been unable to reach our objective of drawing up a comprehensive CR strategy for the present reporting period. Notwithstanding this, we have scheduled a large number of individual strategies and measures which will determine the direction of travel for our sustainable conduct over the next three years (2010 to 2012). Topics essential for the structuring of a comprehensive CR strategy were drawn up within an internal workshop before being matched against a survey of all departments relevant to the issue of CR and adopted. The pres-

ent CR Roadmap provides transparency in respect of the strategic objectives within the main focuses of our activity for the period 2010 to 2012. We will continue to communicate in a transparent manner both internally and externally on the progress of these and other projects.

### UN Global Compact

The UN Global Compact calls upon companies to follow and uphold ten principles in the fields of human rights, labour standards, environment and anti-corruption. In signing up to the UN Global Compact in 2006, Commerzbank has committed itself to corporate responsibility within a further sphere. Respect for and implementation and promotion of these principles form the basis for corporate conduct at Commerzbank. The principles of the UN Global Compact have become part of our internal rules and regulations and of the daily working lives of our employees. We have established a series of measures, guidelines and company agreements within this area and will report

### CR Roadmap/milestones

1988 – 1993	1994 – 1999	2000 – 2005
First Initiative “Women in modern Banking” <b>1989</b>	Publication of the first Environmental Balance Sheet Report <b>1996</b>	Beginning of Commerzbank’s commitment to microfinance banks in South-Eastern Europe <b>2000</b>
Adoption of a Group Mission Statement containing a commitment to socially and environmentally friendly progress <b>1990</b>	Cosmopolitan Award for the Most Family-Friendly Company in Germany <b>1996</b>	Formation of the Initiative for the Promotion of Voluntary Work in Sport <b>2000</b>
First major German bank to appoint an Environmental Representative <b>1990</b>	The company moves into the world’s first “Green Building” skyscraper (based on a design by Lord Norman Foster) <b>1997</b>	Energy saving weeks are instigated for the first time at the new headquarters <b>2000</b>
Launch of the environmental education project “Internship for the Environment” in partnership with the German National Parks Association <b>1990</b>	Establishment of emergency childcare for employees at “Kids & Co.” <b>1999</b>	Formation of the Competence Center Renewable Energies (CoC RE) <b>2001</b>
The annual “Mittelstand protecting the environment” prize is awarded for the first time <b>1990</b>		Participation in the first reporting cycle of the “Carbon Disclosure Project” <b>2002</b>
Company agreement on reintegration of parents <b>1990</b>		Commerzbank is awarded the TÜV Süd (Southern Technical Inspection Agency) certificate for high quality standards in the funds selection process <b>2004</b>
Commerzbank becomes a founder member of the UNEP Finance Initiative <b>1991</b>		Involvement in the development of a Code of Conduct for debtor countries and investors <b>2004</b>
		Establishment of the Reputation and Sustainability Management Department <b>2005</b>
		Publication of the first Corporate Responsibility Report <b>2005</b>
		Opening of the childcare centre “Kids & Co.” <b>2005</b>

annually on progress made (see page 88 of the report). Membership of UN Global Compact will continue to assist us in the identification and achievement of new objectives for the sustainability process at Commerzbank.

### Human rights

Commerzbank also bases the way in which it deals with and develops employees on the UN Global Compact. Any resulting requirements are, of course, implemented. Examples are the right to freedom of assembly (works meetings), the right to rest and leisure, recuperation, and the right to form and to join trade unions.

In addition to this, Commerzbank has adopted a series of further regulations. We have acted in accordance with Article 7 of German Basic Law by establishing a company agreement on fair conduct in a spirit of partnership and an integration agreement relating to such matters as severely disabled staff. Commerzbank has also implemented the

right to freedom of thought, conscience and religion within the scope of the so-called “Diversity Charter”. We have been fostering the individuality of employees in our company for around 20 years by introducing numerous practically related measures. Commerzbank has developed a comprehensive diversity management system that creates attractive work conditions, involves employees closely in processes, encourages open dialogue, and raises awareness on the part of managers (see page 78 of the report).

Our binding Business Conduct Guidelines to ensure integrity also stipulate that the obligation to regard human and personal rights as fundamental rules of society and to respect such rights all over the world extends beyond us. We expect the same from our customers and business partners (see page 63 of the report). Within the scope of its reputation risk management system, Commerzbank checks business and business relationships with regard to their social and ethical aspects. Such aspects also include human rights.

2006 – 2008	2009	2010 – 2012
Signing of the United Nations Global Compact 2006	Certification of the Environmental Management System in accordance with ISO 14001	Development of a comprehensive CR strategy
Introduction of new Business Conduct Guidelines (Code of Conduct) for employees at Commerzbank 2007	Adoption of a climate strategy for Commerzbank	A further NGO-Bank Dialogue Forum to be held
Founder member of the Climate Change Finance Forum by the German Ministry of Education and Research (BMBF) 2007	Introduction of the new product “climate:coach” for SME customers	Development of further sustainable products and services
The first Bank Dialogue Forum with non-governmental organisations takes place (topic: Banks, Pulp and Paper) 2007	Integration of emissions trading into the range of products and services of the new Commerzbank	Further internationalisation of the CoC RE
Electricity supply to Commerzbank Head Office entirely converted to certified green energy from the region 2008	Establishment of a Customer Advisory Council	Expansion of emissions trading within the range of products and services of the new Commerzbank
Adoption of Environmental Guidelines 2008	Launch of the series of events “Commerzbank in dialogue”	Electricity supply to the whole of Commerzbank AG Germany entirely converted to green energy
Introduction of an Environmental Management System 2008	The fourth NGO-Bank Dialogue Forum takes place (biofuels)	Expansion of stakeholder dialogue
The second NGO-Bank Dialogue Forum takes place (sustainable financial decisions) 2008	Establishment of a Group Environmental Committee	Adaptation and implementation of Code of Conduct for the new Commerzbank
Launch of the first internal “Round Table Climate” 2008		Successive expansion of CR reporting to encompass significant group companies
Initiation of the “Im Lot” (work/life balance) project 2008		Organisational consolidation of the Commerzbank and Dresdner Bank Foundations
Signing of the “Diversity Charter” 2008		Development of further sector-specific guidelines and policy documents (nuclear energy, human rights)
Development of an internal sector guideline for armaments business within the Commerzbank Group 2008		Gradually moving towards making the new Commerzbank climate neutral



### Reputation risk management

Alongside management of topics and projects relevant to the issue of CR, a further important focus of Commerzbank's corporate responsibility is to recognise ecological, social or ethical risks at an early stage and react accordingly. The evaluation of these risks takes place within the scope of reputation risk management and is incorporated into the group's overall risk strategy and management. By reputation risks, we mean the risk of losses, declining revenue or a reduction in the bank's market value on account of business transactions that erode the confidence that the public, customers, employees, rating agencies, investors or business associates have in the bank. Reputational risks may result from other types of risk – for example, environmental, tax or legal risks – or arise alongside them (see page 81 of the report).

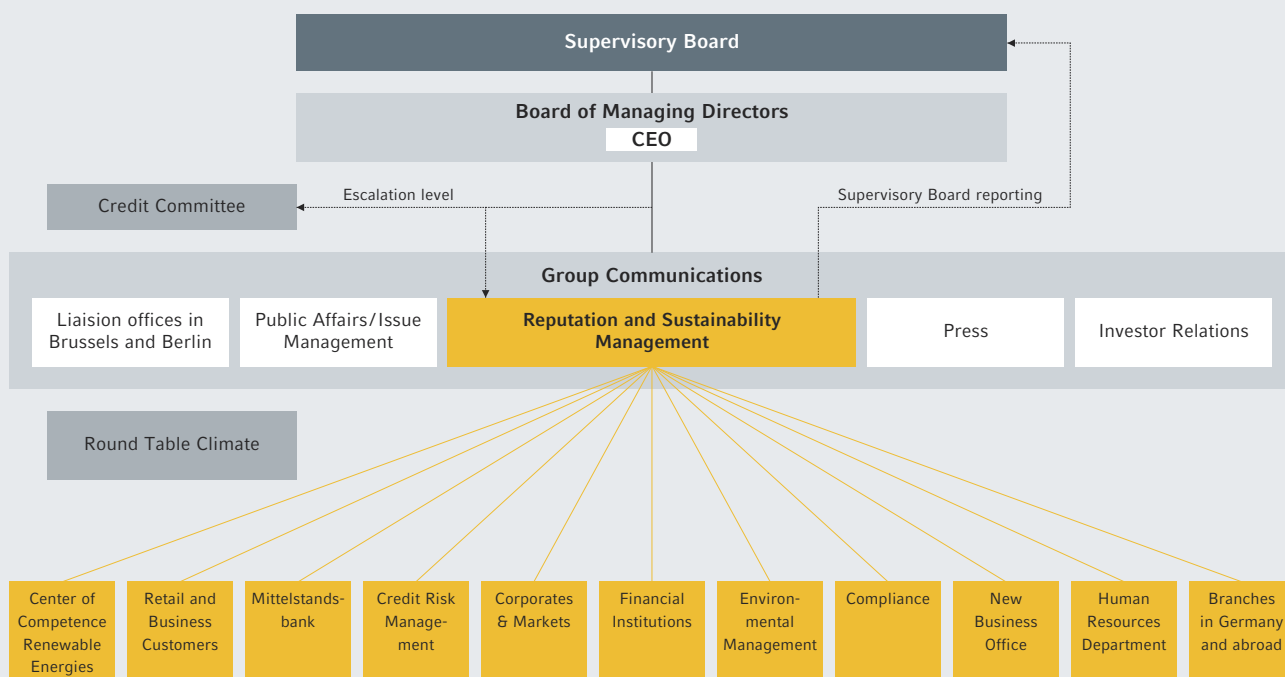
Central management of reputational risks at Commerzbank is conducted by Group Communications. The Reputation and Sustainability Management Department uses a qualitative approach to manage reputation risks and remains in close contact with relevant departments. Business and business relationships in which aspects of sustainability play a material role are extensively researched and analysed and subjected to a differentiated evaluation. This may extend as far as refusal of the relevant business or termina-

tion of the business relationship. The main current focuses of activity are corporate customer and interbank business with a particular emphasis on the fields of commodities (such as forestry), armaments and projects which are controversial in terms of sustainability perspectives. A binding cross-group "Guidelines governing armaments transactions at Commerzbank Group" were adopted by the Board of Managing Directors and implemented in 2008. Further policies are either being planned or have already been implemented. In 2007 and 2008, a total of more than 375 individual businesses or business relationships were subjected to detailed scrutiny. Of these, 45 received a negative evaluation from Reputation Risk Management.

The Board of Managing Directors and the Supervisory Board are regularly kept informed of the relevant reputation risks for Commerzbank via a quarterly reporting system.

The "Forum Reputation Risk" of the Association for Environmental Management in Banks, Savings Banks and Insurance Companies (VfU) provides a framework for those responsible at Commerzbank to exchange views on reputation risk management issues with representatives from other banks and insurance companies.

### Organisation of Reputation and Sustainability Management



As a result of the integration of Dresdner Bank and Commerzbank, the reputation risk management systems of both companies were merged and standardised in September 2009.

### Materiality process

Commerzbank has undertaken an extensive inventory of strategically material topics. Topics relevant to the issue of CR arising from within the company environment were matched against the perspective of the stakeholders in an all-day workshop involving external consultancy services. Prioritisation of the material topics (Materiality Matrix) initially served as the basis for the selection of content for the present CR Report. In addition to this, these topics will also be incorporated into the further development of our CR strategy and activities.

### Transparent stakeholder dialogue

By engaging in active and constructive dialogue with stakeholders, Commerzbank takes the opportunity to familiarise itself with the various expectations and requirements of the groups with whom it has a stakeholder relationship and to use these expectations and requirements to assist in decision-making and planning as well as to present its own points of view.

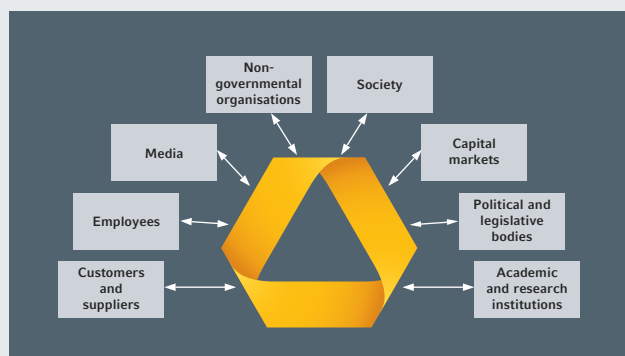
Reputation and Sustainability Management (RSM) is closely networked with other divisions within the group in order to facilitate systematic dialogue with our stakeholders. A daily exchange of views takes place within Group Communications between the Departments Press, Investor Relations, Internal Communication, Brand Management and Public Affairs and enables topics and the planning of dialogue measures to be interlinked. The RSM Department manages and coordinates all communication instruments and measures relevant to CR and guarantees the prioritisation of the material topics by assuming an

interface function. The department communicates as necessary with decentralised CR representatives from such fields as Human Resources, Environmental Management, Procurement or Product Development, provides impetuses, fosters dialogue and integrates stakeholder dialogue into the comprehensive communication strategy if required. RSM Department staff also engage in dialogue with representatives of other banks and insurance companies within the scope of the Association for Environmental Management in Banks, Savings Banks and Insurance Companies (VfU).

We are available to our **customers** in many different ways. The new Commerzbank will have around 1,200 branches, the densest branch network of any German bank. The series of events “Commerzbank im Dialog” enables us to reach a large number of Commerzbank customers who discuss the financial and economic crisis with bank board members and consumer protection representatives (see page 14 of the report). The established Customer Advisory Council (see page 12 of the report), our regular customer surveys (see page 11 of the report) and our active complaints management give clients the opportunity to show us where there is room for improvement (see page 13 of the report).

We actively involve our **employees**. One notable example of this is our well-established annual staff survey, which provides the opportunity for employees to convey their views, desires and ideas to the management as a way of helping to shape the company. Two additional surveys have been established for the ongoing integration process. The marketing research institute TNS Infratest carries out regular “Pulse Checks” of colleagues from both banks in the form of e-mail surveys in order to obtain a picture of opinion and mood right across the bank. The “Integration Monitor” took place for the third time in June 2009 and was aimed at 2,500 employees from the integration teams. It also investigated whether the promise that the integration process would be conducted with fairness and transparency is perceived as credible. Experiences gathered thus far within the integration teams have also been evaluated.

Responsible conduct is also firmly established within Commerzbank’s procurement processes. Our standard for sustainable procurement and our ethical guidelines have put binding regulations in place right across the company for the consideration of ecological, social and ethical aspects when procuring goods and services (see page 68 of



the report). In 2008, we also sent individually adapted ethical guidelines to each of our major **suppliers**.

Open, transparent and proactive communication with all our stakeholders, either directly or via the **media**, is standard business practice for us. The same also applies to topics related to our corporate responsibility. Our integrated communications approach enables us to process topics systematically and maintain permanent dialogue with stakeholders within the framework of a structured Issue Management system.

We believe that dialogue with **non-governmental organisations** plays an important role. The main focus of this dialogue is on the effects of our business activities on people and the environment. One example in this regard is the NGO-Bank Dialogue Forum series of events staged in conjunction with the German NGO Urgewald, which have been successfully continued since the last report and take place on a regular basis at Commerzbank Head Office. During the reporting period, representatives from banks and non-governmental organisations convened for three events. The topics debated were “Banks, pulp and paper” (June 2007), “Sustainable financial decisions” (April 2008) and “Biofuels” (June 2009).

Actors on the **capital markets** include our institutional investors and private shareholders in particular but also extend to encompass analysts and rating agencies. We address questions regarding the responsible development of our business openly and thoroughly. In recent years, numerous rating agencies have once again assessed our activities in the field of corporate responsibility. We conduct further dialogue at meetings with analysts, on Investor’s Day, at financial conferences and at road shows.

We are committed to the well-being of **society**. To this end, we work together with various charitable organisations in specially defined spheres of activity such as education and culture (see page 41 of the report). We strive for long-term, successful cooperation with our partners in this field. Their ideas and proposals are incorporated into the overall structure of our corporate responsibility.

Because **academic and research institutions** provide us with stimulus for the future orientation of our business operations, we work together closely with universities and research institutions. One example of this cooperation is the ongoing exchange of views between our Competence

Center Renewable Energies and academic researchers from various disciplines (see page 28 of the report).

### Public Affairs

The organisation of Public Affairs to create an autonomous department within Group Communications reflects the growing significance of the new Commerzbank. The greater significance of the bank and the temporary use of state guarantees and capital assistance in the wake of the crisis on the financial markets have further focussed the attention of both the public and the government on Commerzbank. For this reason, a conscious decision has been taken to merge those departments particularly closely connected with the social, ecological and political responsibility of the bank together into the Public Affairs Department.

The Issue Management Department and its connected historical archive, the Reputation and Sustainability Management Department (see page 58 of the report) and the liaison offices in Berlin and Brussels have all been attached to the Public Affairs Department. The department is led by the Head of the Berlin Liaison Office, who combines the two managerial functions and to whom the Brussels Liaison Office also reports.

The task of both liaison offices is political lobbying. This includes ongoing management of contacts with members of parliament, ministries, media and resident associations. The liaison offices also take responsibility for part of the Issue Management process by filtering and prioritising external information. In undertaking these functions, they assume a sensory function for new political and social developments as well as serving as a “mouthpiece” for the bank by actively representing Commerzbank positions to government and the media and by acting as local contact partners. The International Affairs Department, which takes account of the challenges faced by a bank operating at a global level by taking care of management of contacts with embassies and international government offices, is also based at the Berlin Liaison Office. The Issue Management Department provides communication and content positions and also handles speech management for members of the bank’s Board of Managing Directors. This includes coordination of public appearances, or responsibility for making recommendations on the issue of who should speak where on which topic. This “single source” approach to the provision of issue and speech management assists in enhancing the consistency and efficiency of Commerzbank’s political and social communication.

# Economy

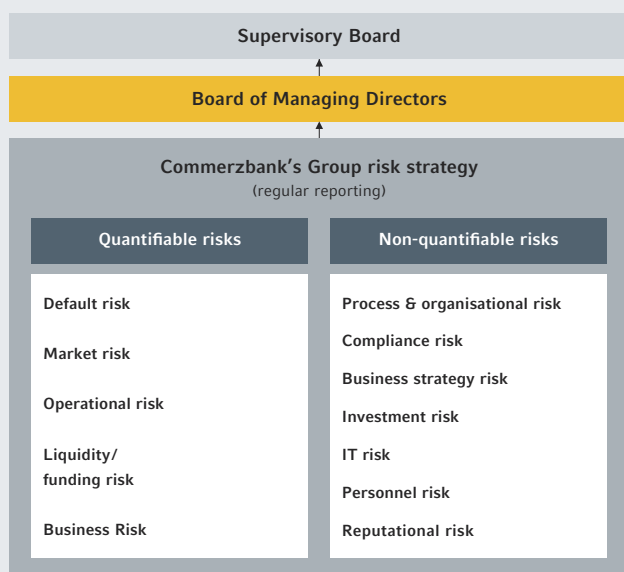
## Corporate Governance

Responsible corporate governance has always been a high priority at Commerzbank. We expressly support the German Corporate Governance Code and the goals and objectives it pursues. The Articles of Association of Commerzbank and the procedural rules issued by its Board of Managing Directors and the Supervisory Board were already largely in compliance with the requirements of the German Corporate Governance Code prior to its enactment. Where this was not the case, we have amended the Articles of Association and the procedural rules accordingly. The Articles of Association and procedural rules are available online.

The bank makes an annual declaration on whether the conduct recommendations of the Code have been or are being complied with or explains which recommendations are not being implemented. This declaration is also published online. Commerzbank complies with virtually all of the recommendations of the German Corporate Governance Code.

## Risk management

Identification of all material risks and risk drivers, independent measurement and evaluation of these risks and resultant risk and results based management as part of a future oriented risk strategy are crucial to successful risk management.



Commerzbank defines risk as the danger of possible losses or lost profits as the result of internal or external factors. We make a fundamental distinction between quantifiable – i.e. usually measurable in the Annual Report or in terms of capital commitment – and non-quantifiable categories of risk such as reputational risk.

The bank's Board of Managing Directors defines risk policy guidelines within the scope of the group strategy which it stipulates and reviews on an annual basis. This group strategy represents the business and risk strategy and the general strategic conditions applying to the group, its segments and banking divisions. Detailed information on Commerzbank's risk management can be found in the Risk Report in the Annual Report.

## Compliance

The trust of our customers, shareholders and business partners in proper and legally compliant conduct by Commerzbank is the basis of our business activity. For this reason, our overriding objective is to avoid any risk endangering trust in the group's integrity. As a financial services provider operating at a global level, compliance with prevailing laws, guidelines and market standards constitutes the foundation of our responsible conduct and is an integral part of our business activity. Violations of relevant laws and regulations may lead to legal disputes and financial sanctions and may also affect the reputation and stability of the group. The focus of our compliance activities is on the prevention and combating of money laundering, the financing of terrorism, insider trading, fraud, corruption and other criminal activity within the environment of our business activity. In order to take account of the constantly increasing complexity of national and international laws and regulations, we continue to develop our compliance management on an ongoing basis and adapt it to meet current developments and challenges.



### **Compliance organisation – independence secures effectiveness**

The task of the Compliance Division is to monitor supervisory and capital market and internal regulations. In order to ensure that Compliance is able to fulfil these functions effectively, it works independently from the operating units of the bank. It reports directly to the Chief Financial Officer and operates free from any central directives within its own area of responsibility.

The tasks of the Compliance Division include the provision of comprehensive advice to banking divisions, the annual drawing up of the group-wide compliance risk strategy and the monitoring of the implementation and effectiveness of this strategy in daily business. The aim of the strategy is to identify and prevent compliance risks. Within this area, Commerzbank pursues a holistic approach which encompasses specific business, customer, product and process related safety systems and controls. The alignment of the Compliance risk securing systems takes place on the basis of a group-wide risk analysis. This facilitates the systematic identification, analysis and evaluation of compliance risks. The central Compliance Division works in close conjunction with the worldwide network of decentralised compliance departments and representatives to achieve these ends.

### **Comprehensive advice and training**

In its capacity as a service department, the Compliance Division provides advice and support to all divisions of the company. So-called relationship managers are available to the business units supported to act as main contact partners on issues relevant to compliance. Close and regular contact ensures that solution strategies for possible risks and challenges can be developed before such risks and challenges actually occur. The Regulatory Affairs Committee (RAC) was established in 2008 in order to be able to react even more rapidly to changes within the legal and regulatory environment at Commerzbank. The task of this internal committee is to conduct groundwork for senior management on regulatory developments, topics arising from the work which takes place with associations and ongoing regulatory procedures at a national and super-natural level and to identify any resultant measures which need to be implemented.

A differentiated and comprehensive compulsory training programme as stipulated by both the German Money Laundering Act and the German Securities Trading Act

is an essential part of risk prevention. Web-based training courses take place to raise staff awareness of compliance risks within their own working environments. We extended this Internet-based training programme in 2009 and now offer the following specific compulsory training courses in ten languages.

- Money laundering prevention: combating attempted abuse in illegal financial dealings
- Fraud prevention: measures against fraudulent actions
- Securities compliance: integrity in dealing with customers and customer information
- Sanctions and embargos: compliance with financial and trade sanctions

We conduct additional conventional training courses in business units operating in areas where risks are particularly high. This enables training courses to reach virtually 100 % of our staff.

Our aim is to continue to drive forwards and professionalise the issue of compliance in future. To this end, we set up the first training course in Germany leading to qualification as a Compliance Officer in May 2008. An additional

### **Launch of first Compliance Officer training course in Germany**

In May 2008, Commerzbank launched the first training course in Germany leading to qualification as a Compliance Officer in conjunction with the Frankfurt School of Finance & Management. The course, which takes place on an in-service basis and concludes with the award of a certificate as "Certified Compliance Professional", is making a major impact on professionalising the topic of compliance within the company. The background behind the course is the fact that the internationalisation of business relationships and the growing degree of state regulation are today making it increasingly complex to be aware of and implement all laws, regulations and areas of compulsory self-regulation. This is increasing the risk of violations which could bring about long-term damage to a company's reputation. The course takes place over two semesters and teaches the basic principles of money laundering prevention and compliance as well as providing deeper knowledge of such areas as international supervisory law, the financing of terrorism and investment banking. Teaching is delivered by experienced practitioners, including three lecturers from Commerzbank, and is based on current case studies.

focus of the present reporting period was on the further development and expansion of existing compliance instruments and guidelines for all international business units.

### **Prevention of money laundering and the financing of terrorism**

One of the core tasks of compliance is fulfilment of statutory and supervisory body anti-money laundering requirements. We comply with internationally recognised standards including the recommendations of the Financial Action Task Force on Money Laundering (FATF) and the Wolfsberg Anti-Money Laundering Principles. Recent years have also brought an increased risk of abuse for the purpose of financing terrorism. Whereas money laundering involves transporting money from illegal sources into financial circulation, the financing of terrorism pursues the aim of using money which not infrequently originates from legal sources for the purpose of terrorism. Prevent-

ing this is seen as one of the most important ways of combating international terrorism.

In order to ensure the greatest possible degree of transparency in business relationships and financial transactions, Commerzbank follows the “Know your customer” principle. Identifying a customer before entering into any kind of business relationship is one of the main instruments for the prevention of illegal activities. “Know your customer” extends beyond the clear ascertaining and documentation of a client’s identity to include the possibility of deploying a risk-based method to clarify the origin of the assets to be used within the scope of the business relationship or transaction. We treat all information confidentially as a matter of course. Confidentiality is enshrined within the Commerzbank Business Conduct Guidelines as an integral part of our corporate culture (see page 54 of the report).

### **Business Conduct Guidelines**

Commerzbank’s Business Conduct Guidelines are part of the bank’s corporate culture and underscore its commitment to making integrity an active part of our daily business. The guidelines clearly set out existing rules of conduct and thus provide all staff with a binding guidance framework for acting with integrity. The Business Conduct Guidelines apply to all Commerzbank staff without exception, from senior company management down to trainee level. The guidelines deal with such individual topics as bribery, corruption, tax evasion, discretion, prevention of money laundering, insider trading and basic principles of how to behave in the workplace. They also describe the consequences of violations of rules and laws, indicate the obligations of management staff and preventative training provision for staff and contain support for conduct in the event of any breach being discovered. A revision of the Business Conduct Guidelines was begun in 2008 and will be continued in 2009 against the background of the integration of Dresdner Bank. In undertaking this review, Commerzbank is reacting to changes in the general legal conditions, such as those which have, for example, taken place on the capital markets and on the labour market, and to the requirements of auditing companies. A chapter on the “whistle blowing” system to be put in place for staff, suppliers and business partners is also being added to the Business Conduct Guidelines. The plan is to introduce this system for the fourth quarter of 2009. It provides those persons making reports with the opportunity to give information anonymously in circumstances where there is strong suspicion of acts of economic crime.

### **Politically exposed persons**

Our duty of care in the effort to combat money laundering and the financing of terrorism particularly applies to politically exposed persons (PEP). This group includes natural persons who hold or have held important public offices, their direct families and other close associates. The duty to identify politically exposed persons has entered national law in the EU states, Switzerland and Liechtenstein on the basis of the 3<sup>rd</sup> EU Money Laundering Directive. The reason for this is the increased potential risk that this abuse of this group of persons may take place to conduct illegal transactions.

We act in accordance with the “Know your customer” principle in monitoring whether a client should be categorised as a PEP before the start of every business relationship. In addition to this, the existing customer base of every Commerzbank business unit is monitored at regular intervals to ascertain whether it contains PEP’s.

### **Sanctions and embargos**

When making business policy decisions, we take into account as a matter of course any economic restrictions which may apply. Although this was also standard business practice in the past, our Global Sanctions Policy entered into force in the third quarter of 2009 in order to establish greater vigilance. These guidelines lay down a series of principles. A particular aim is also to act in accordance with the principle that where more than one sanction is in place the stricter or strictest sanction should

be followed. A further aim is to observe the basic principle of transparent processing of business and to prohibit the circumvention of relevant legal rules. The Global Sanctions Policy also names states which are particularly affected by sanctions and embargos. It further stipulates that, with regard to any existing business relations, measures should be instigated which accord due consideration to the respective risk. These measures may extend as far as termination of business relationships.

### **Conflict of interest management**

Commerzbank operates globally in a large number of business areas. Whereas on the one hand this enables us to offer our customers a large portfolio of flexible and diverse financial services, areas of conflict may also arise if there is a clash between the business interests of Commerzbank, its customers or its suppliers. For this reason, Commerzbank has established a comprehensive conflict of interest management system to ensure that potential conflicts are avoided and that any conflict situations which do arise can be balanced in a fair manner. In order to avoid conflict situations, we use the Conflict of Interest Tool (COI Tool) to identify any possible transaction based conflicts of interest at an early stage. The COI Tool collates and checks data from relevant corporate customer transactions across the whole of the group. The standardised approach adopted and the documentation produced also make COI based decisions transparent and easy to understand for independent third parties.

In the wake of the integration of Dresdner Bank, conflict of interest management has been extended to include the newly acquired business units. In order to establish a uniform compliance culture across the group, we are continuing to drive forwards the harmonisation of compliance instruments, compliance standards and IT infrastructure.

### **Data protection: achieving security by providing information and by deploying state-of-the-art technologies**

Commerzbank sets great store by data protection and is, of course, also particularly highly committed to banking secrecy. In dealing with personal data on a daily basis, all Commerzbank employees are required to comply strictly with the provisions of the German Data Protection Act (BdSG). Within the bank, our independent data protection

representatives work to secure and monitor the strict technical and organisational data security measures which apply. Web-based learning programmes and permanently available Intranet pages are used to provide our employees with regular training and to raise staff awareness for the topic of data security.

We aim to offer our customers the greatest possible degree of security in the execution of their banking business. To this end, we have high standards in place with regard to authorisation, authentication, the encryption of data and data integrity. The objective is to guarantee our customers optimum protection at all times, especially in online banking. We communicate extensively with our customers to continue to draw their attention to potential security loopholes which may arise as a result of failure to use anti-virus software on home computers or as a consequence of a lack of care and attention on the part of the customers themselves.

### **Sustainable products and services**

Commerzbank offers its customers a wide range of sustainable products and services. The aim is to expand this range further in future. Corporate and project financing along the whole of the renewable energies value-added chain form the core of these products and services (see page 26 of the report). Commerzbank is also extremely active in the highly promising field of emissions trading (see page 29 of the report). In addition to this, a new service was launched in 2009 in the form of the climate:coach, an advisory service on energy efficiency and CO<sub>2</sub> intensity for SME customers (see page 25 of the report). The range of sustainable products and services also includes special finance measures for particular target groups, such as the KfW (Reconstruction Loan Corporation) further education loan which enables students to secure their living costs independently from the income of their parents. Commerzbank is also investing in microfinance banks, which support small and medium-sized companies by providing loans and also offer savings accounts and time deposits for private customers (see page 66 of the report).

Commerzbank has in the past established a number of sustainability funds. In the wake of the transfer of the Commerzbank investment fund subsidiary cominvest to the Allianz Global Investors financial group in January 2009,

these have since been managed by the latter. Commerzbank continues to offer these funds to its private and institutional investors as part of an exclusive sales cooperation agreement. This provides an opportunity for targeted investment in and support for companies which operate in a sustainable manner in the fields of environmental technology and alternative energies. The sustainability funds include “Cominvest Green Energy Protect”, “Cominvest Klima Aktien”, “Cominvest Klima Safe Kick” and “Cominvest Wasser Aktien Protect”.

### Promoting trade with developing countries

In September 2009, Commerzbank announced that it had joined the Global Liquidity Program together with the International Finance Corporation (IFC), a member of the World Bank Group, and had invested USD 750 million. This initiative brings governments, development aid institutes and commercial banks together in order to support trade in developing countries.

#### Continuing training programme for African managers

Commerzbank has been joining forces with 19 leading German companies since 2008 to participate in “AFRIKA KOMMT!”, a continuing training programme for young managerial talent from sub-Saharan Africa. The companies taking part in the initiative are seeking both to foster educational exchange and lay the foundations for sustainable economic cooperation. The programme is targeted at 20 African managers taking part in a pilot project which provides professional continuing training in Germany as well as offering language and intercultural training. Those supported under the scheme are given the opportunity to spend nine months at their sponsoring company and further their knowledge via placements in various departments. Commerzbank has taken on Eric Frank Ringo from Tanzania, who is gaining work experience in such areas as Financial Institutions and Corporates & Markets. We view this exchange as an enrichment of our corporate culture, in which international thought and action are key characteristics.

### Objective fund selection

Commerzbank is the only bank in Germany to offer neutral and independent fund selection since as long ago as 2004. This supports investors in deciding on the right investment fund. The enhanced analytical methodology introduced at the start of 2009 has increased the prognostic capacity of the objective fund selection procedure still further. This scientifically based methodology has been developed in conjunction with the Retail Banking Competence Center at the University of Frankfurt and enables good funds to be evaluated even more rapidly than before and thus be recommended to investors at an earlier stage. It is based on calculations and evaluations from all registered funds in Germany, around 9,000 in number. The aim is to identify the best funds manager in each of the various market segments able to achieve above-average performance in the long term. Because the procedure used is based on hard performance and risk data and is not capable of being influenced, this selection process maintains neutrality and independence at all times. This has resulted once again in the awarding of the TÜV Süd “Certified Fund Selection” seal of approval denoting transparency and objectivity. The previous procedure also received the same quality award. During the reporting period, this process has also resulted in recommendations for future oriented ecological investments such as the “Pictet Water Fund” and “BGF New Energy”.

In order to find the appropriate fund for each customer, advisors begin by conducting personal meetings at local branches in order to discover each client’s own individual life situation and investment goals. These discussions include such factors as overall assets, availability of assets, personal investment philosophy and planning. This information serves as a decision-making basis for which type of fund is most suitable – for example equity funds or pension funds – and which country, regional or branch funds are most appropriate. Only when this process has been completed will an advisor select the best funds within the respective segments from a list of recommendations and recommend these to the customer. This ensures that the advisor precisely identifies the funds which are individually suitable for the customer and best meet the customer’s needs.



### **Risk management skills: Commerzbank and the GTZ train Vietnamese bankers**

Commerzbank and the Deutsche Gesellschaft für technische Zusammenarbeit (GTZ) are joining forces to provide Vietnamese bankers with risk management training. This development partnership forms part of the Public-Private Partnership Programme of the Federal Ministry for Economic Cooperation and Development (BMZ) within a project which supports macroeconomic reforms on the Vietnamese financial markets. In 2008, specialists from Commerzbank provided training to bankers in Hanoi. Six months later, the bankers received a reciprocal invitation to extend their knowledge by undertaking a practical placement in Frankfurt. Commerzbank has maintained a representative office in Ho Chi Minh City since 2006.

### **Stakes in microfinance banks**

Commerzbank is the only commercial bank in Germany to have held direct stakes in microfinance banks since as long ago as 2000. Microfinance banks provide loans for small and medium-sized companies and also offer savings accounts and time deposits for private customers in the countries of South-Eastern Europe. Commerzbank's commitment began with a microfinance bank in Kosovo and has now been extended to include seven further South-East European countries. Today Commerzbank holds stakes of up to 21 % in the microfinance banks. In the case of six of these banks, Commerzbank was initially joined as an investor by public funding bodies such as the Reconstruction Loan Corporation, the European Bank for Reconstruction and Development and the International Finance Corporation of the World Bank acting within the framework of a Public Private Partnership. These bodies have, however, since incorporated their stakes into ProCredit Holding AG, which now holds a majority share in most of the local ProCredit banks. In 2007, Commerzbank entered into cooperation with seven international partners to found the Belarusian Bank for Small Business in Minsk, Belarus. The initial aim is for the bank to fill a gap in the Belarusian banking system by providing urgently required financing opportunities for small companies.

### **Achieving corporate responsibility on a stage-by-stage basis**

Alongside micro credits, microfinance banks also offer support services for international and deposit business as well as a range of products for retail banking customers. The aims are to foster the development of a strong and autonomous SME branch whilst also establishing market economy principles within the financial sector. Initially, small short-term loans are granted to the SME's. Only when the loan has been repaid in full can they apply to borrow larger amounts over a longer period of time. This enables borrowers to be gradually introduced to the idea of learning to manage debt capital responsibly.

### **Sustainable and ethical basic principles of the Pro-Credit banks**

The issue of sustainability was integrated from the very beginning within the business strategy of the ProCredit banks and in the principles agreed upon and laid out by the shareholders. An Environmental Exclusion List with clearly defined sustainability criteria is also a definitive factor for bank agreements. Child labour, arms production and non-sustainable forestry are examples of the exclusion criteria. In addition to this, the microfinance banks set great store by introducing corporate standards and creating a pool of well-trained local staff to fill positions in the constantly expanding national branch network. New employees receive a code of conduct, the objectives and contents of which are then personally explained. This code sets out the basic ethical principles for responsible and impeccable conduct towards customers and colleagues. This framework is of particular importance in countries characterised by ethnic diversity. Internal audit checks are conducted on an ongoing basis to ensure that the code is observed. Each employee is also required to reaffirm commitment to the code every year by providing a signature.

# Environment

## Environmental protection systematically integrated

Environmental management is an integral component of corporate responsibility at Commerzbank. Environmental protection is an important aspect which plays a material role in virtually all processes at Commerzbank. During the reporting period, Commerzbank has laid the foundations for efficient environmental management and the realisation of the bank's climate strategy by adopting environmental guidelines and implementing an Environmental Management System in accordance with the DIN EN ISO 14001:2005 Standard (see page 23 of the report).

## Organisation of environmental protection

The task of our Environmental Management System is to involve all employees in driving forwards all facets of company environmental protection in a systematic fashion in order to shape the business conduct of Commerzbank in an ever more sustainable way. Company environmental protection is managed from within the Operational Organisation Group Division, which reports directly to the Board of Managing Directors. Typically for the banking sector, this area of the company contains the processes which are of greatest relevance to the environment, such as energy and waste management, group procurement and management of business travel. In addition to this, company environmental protection is also networked with a large number of other divisions in order to create comprehensive validity for Commerzbank's environmental policy and exert an influence on the business activities of the bank.

The most significant objectives of company environmental protection include optimisation of resource consumption and increased use of renewable energies in conjunction with a reduction in direct and indirect CO<sub>2</sub> or greenhouse gas emissions. Considerable importance is also attached to securing sustainable procurement. We will increasingly endeavour to compensate for CO<sub>2</sub> emissions in areas where they cannot be avoided. We have set ourselves the targets of reducing our group-wide CO<sub>2</sub> emissions by 30 % by the year 2011 compared to the base year of 2007 and of gradually making the new Commerzbank climate neutral (see page 23 of the report).

## Milestone: Environmental Policy adopted

We reached a significant milestone along the route to more sustainable alignment of all corporate processes in May 2008 when the Board of Managing Directors adopted our Environmental Policy. This policy represents an explicit commitment by Commerzbank to its corporate responsibility and to aligning its business activity in a sustainable way. All employees are urged to take account of the effects their daily conduct has on the environment and nature.

## Milestone: Environmental Management System certified

We began the development of our Environmental Management System at the end of 2007. The system complies with ISO 14001, an international standard for the structure, implementation and further development of environmental management systems. The main initial priority was the appointment of a Environmental Management Representative. The first stage of the Environmental Management System had already been implemented across all German locations of the existing Commerzbank AG by September 2008. External certification followed in February 2009. In July 2009, certification of Dresdner Bank in accordance with ISO 14001 was checked and confirmed as part of an integration respectively acquisition audit. This means that the certificate applies to the new Commerzbank AG and all its locations in Germany since that date.

The aim of our Environmental Management System is to achieve a continuous improvement process based on key indicators in order to bring about an increase in our environmental performance. The core elements of this continue to include securing compliance with environmentally related legal regulations accompanied by an improvement in risk management in environmental issues. Organisations which have a functioning Environmental Management System in place are able to conduct regular appraisals, and this puts them in a position to identify areas where action is required at an early stage and take preventative action.

### Environmental management challenges

In the wake of the takeover of Dresdner Bank, environmental management faces the task of introducing joint processes for the new Commerzbank. This also includes the collection of key environmental indicators in order to be able to produce a consolidated report on these in future. Retrospective calculations have already taken place in the field of greenhouse gas emissions to determine the joint carbon footprint for the years 2007 and 2008.

### External commitments to environmental and climate protection

In order to support and network its activities related to corporate responsibility, Commerzbank has entered into a series of memberships and voluntary declarations which are of significance to climate protection and company environmental protection:

- German Environmental Management Association (B.A.U.M.) since 1985
- Carbon Disclosure Project since 2002
- UN Global Compact since 2006
- Association for Environmental Management in Banks, Savings Banks and Insurance Companies (VfU) since 2006
- Rhine-Main Office and Building Ecology Network (NBG) since 2006
- Climate Change Finance Forum initiated by the Federal Ministry of Education and Research (BMBF) since 2007
- Rhine-Main Environmental Forum since 2009
- A partner of the “Action week Climate and Finances” by the German Ministry for Environment (BMU) in 2010

### Integration of employees into environmental and climate protection

Centrally implemented measures are bringing about a significant improvement in environmental performance in many areas of the company. Motivated and aware staff constitute a further important success factor in the field of the environment. We use both our Intranet and our employee magazine to inform our staff of company environmental protection news on a regular basis. In addition to this, we also foster environmentally aware behaviour by staging employee campaigns and competitions and by including relevant modules in training.

- At the end of 2008, a flyer was included with all employee payslips to illustrate the wide range of ways of becoming involved in environmental protection.
- Since 2007, the Commerzbank Intranet has been operating a portal for the employee suggestion system by the name of “Comidee”. Any suggestions made which are relevant to company environmental protection are passed onto the Environmental Management Department in the Operational Organisation Group Unit for evaluation.
- On the occasion of World Environment Day on 5 June 2009, around 10,000 employees were present at six Commerzbank and Dresdner Bank locations. We offered a diverse information and involvement plan under the motto “Environmental protection matters to us all”. A large number of external partners attended the information stands to provide information on environmentally related products and services. All employees were given the chance to take part in an environment quiz featuring attractive prizes and were also able to benefit from advisory services relevant to both their business and private lives on such topics as energy and mobility.
- Both Commerzbank and Dresdner Bank are displaying a considerable degree of environmental commitment at a regional level. The Commerzbank branch in Ibbenbüren and the Dresdner Bank Administration Centre in Leipzig scored equally highly to be placed joint second nationally in the “European Energy Trophy 2007/2008”, a competition supported by the European Commission and sponsored by the Federal Environment Agency. Experiences gained will be transferred to other branches and administrative units.

### Procurement as a lever for sustainable development

Commerzbank sets great store by the fact that the products and services it buys should meet sustainability requirements in terms of manufacture, use and disposal or preferably recycling. Such products and services should do as little damage as possible to the environment or the climate. They must not be permitted to cause any adverse effects on health, must be produced under decent labour conditions and need to be capable of being recycled wherever possible. Our “Standard for Sustainable Procurement” entered into force in September 2006 in order to fulfil these and other requirements. This is updated on a regular basis and operates in conjunction with our Procurement Guidelines, which were revised in May 2009 and now apply to the new Commerzbank.

- [www.baumev.de](http://www.baumev.de)
- [www.cdproject.net](http://www.cdproject.net)
- [www.unglobalcompact.org](http://www.unglobalcompact.org)
- [www.vfu.de](http://www.vfu.de)

- [www.cfi21.org](http://www.cfi21.org)
- [www.umweltforum-rhein-main.de](http://www.umweltforum-rhein-main.de)
- [www.klima-und-finanzen.de](http://www.klima-und-finanzen.de)
- [www.energytrophy.org](http://www.energytrophy.org)

### Orientation on the sustainable products and services market

Our “Standard for Sustainable Procurement” serves as a valuable basis for guidance in procurement decisions and offers recommendations in such areas as dealing with ecological seals of approval and certificates for office materials, paper, hardware and software. All employees have access to the range of sustainable products via the Piazza procurement platform. One of the criteria for sustainable procurement is the targeted and reliable integration of workshops employing the disabled when sourcing advertising and print materials. In 2007, we concluded a framework agreement with reha GmbH, a disabled persons’ workshop in Saarbrücken. Regular and secure orders from Commerzbank have enabled reha GmbH to expand its business and improve the social integration of disabled people.

### Binding procurement and ethical guidelines

Our Procurement Guidelines define areas of product and procurement responsibility for all relevant product groups. They also differentiate between various types of product and take Ethical Guidelines into account in regulating the procurement process. These ethical guidelines form an integral part of the Procurement Guidelines and act in concert with Commerzbank’s comprehensive Business Conduct Guidelines (see page 63 of the report) in requiring responsible behaviour from all employees. An agreement is also in place which requires staff in Group Procurement and all employees across the group involved in buying goods and services to provide written confirmation of their commitment to the ethical guidelines once a year. We have made separate individually adapted guidelines available to each of our main suppliers. These were sent out in 2008. This means that our procurement and ethical guidelines constitute the framework for the whole of the procurement process with regard to the important decision-making processes which take place. They stipulate the loyalty of staff towards their own company, encourage contractual compliance and autonomy within the decision-making process and make provisions for any conflicts of interest which may arise. Confidential information should be treated discreetly, and strict compliance with laws and prevailing standards is required. Strict criteria also apply to the acceptance of invitations and gifts. These ensure the independence of those in receipt of such benefits.

### Moving from eco-controlling to CO<sub>2</sub> accounting

Commerzbank is making a major step forward and reaffirming its traditional commitment to company environmental protection by calculating its carbon footprint. With our appointment of the first Environmental Management Representative at a major German bank in 1990, we heralded a new era of corporate environmental management activity. Today, Commerzbank’s Environmental Management System provides a framework for the collation of the large amount of data required to determine the bank’s carbon footprint.

We are aware of the particular responsibility incumbent on us as one of Germany’s leading companies and also wish to provide an extensive account of our own carbon footprint. Our CO<sub>2</sub> emissions were stated in our 2007 Corporate Responsibility Report. In the 2007 Report, we drew a distinction between energy and business travel as the main sources of emissions and announced that we would provide a more detailed breakdown. This breakdown is now available in a form which enables us to take account of CO<sub>2</sub> emissions as a quantitative indicator within the business process. This makes our carbon footprint into a business administration tool.

### Robust climate protection required

The generally accepted view is that we will need to achieve drastic reductions of up to 80 % in greenhouse gas emissions if we are to keep the rise in average global temperatures to under 2°C by the year 2100. A study by Nicholas Stern and the Potsdam Institute for Climate Impact Research published in 2009 states that if emissions level remain constant the limit of tolerance of the amount of greenhouse gases in the atmosphere would be reached in under 40 years. This gives an idea of the level of action needed. Commerzbank is accepting this challenge as part of its corporate responsibility and has set itself the following goal:

- we will avoid CO<sub>2</sub> emissions;
- If this is not possible we will reduce CO<sub>2</sub> emissions or
- we will compensate CO<sub>2</sub> emissions where they cannot be reduced.

The task of CO<sub>2</sub> accounting is to secure a reliable and detailed database on Commerzbank’s greenhouse gas emissions in order to enable these aims to be implemented.



### CO<sub>2</sub> accounting according to VfU Standard

Greenhouse gas emissions have been calculated on the basis of key indicators provided by the Association for Environmental Management in Banks, Savings Banks and Insurance Companies (VfU) and are stated as CO<sub>2</sub> equivalents in accordance with the VfU Standard. As well as CO<sub>2</sub> amounts, quantitative account is also taken of CO<sub>2</sub> equivalents for five further greenhouse gases named in the Kyoto Protocol in line with the individual contribution these make to global warming.

In presenting CO<sub>2</sub> emissions, the VfU Standard also states data in accordance with the “Greenhouse Gas (GHG) Protocol”. The Greenhouse Gas (GHG) Protocol makes an initial distinction between direct and indirect emissions. Direct greenhouse gas emissions originate from sources which the reporting company either owns or controls. One example of such a source would be a gas-fired heating system. Although indirect greenhouse gas emissions also occur as a result of the business activity of the reporting company, the source of such emissions is externally owned or controlled. An example of such a source would be power stations used for the generation of electricity. On this basis, the GHG Protocol takes account of the degree to which the reporting company is able to exert an influence by dividing emissions into the categories “Scope 1”, “Scope 2” and “Scope 3”.

- Scope 1 includes all direct emissions.
- Scope 2 covers all indirect emissions which the company sources externally for such purposes as the generation of electricity, steam or heat energy.
- Scope 3 applies to all other indirect emissions in the areas of logistics, consumption of materials, supply and disposal. This also includes emissions which occur within service and production companies or their upstream processes.

Evaluation of CO<sub>2</sub> emissions as a business indicator may take place via the current GHG trading price per tonne/CO<sub>2</sub>. On 1 September 2009, for example, this price was €14.85/tonne CO<sub>2</sub>.

### Greenhouse gas emissions of Commerzbank AG in Germany

	CO <sub>2</sub> data in tonnes		CO <sub>2</sub> data in %
	2007	2008	2008
<b>Total</b>	<b>127,106</b>	<b>91,043</b>	<b>100</b>
<b>Scope 1: Direct energy emissions within the company</b>			
<b>Total</b>	<b>26,038</b>	<b>26,046</b>	<b>29</b>
Energy supply	10,698	10,350	12
Gas	10,305	9,946	
Heating oil	393	404	
Business trips (company cars) <sup>1</sup>	15,340	15,696	17
Bank cars <sup>2</sup>	14,069	14,344	
Pool vehicles	1,271	1,352	
<b>Scope 2: Indirect energy emissions at suppliers</b>			
<b>Total</b>	<b>88,485</b>	<b>52,147</b>	<b>57</b>
Energy supply	88,485	52,147	57
Electricity	72,506	35,787	
District heating	15,979	16,360	
<b>Scope 3: Other indirect emissions at suppliers/service providers</b>			
<b>Total</b>	<b>12,583</b>	<b>12,850</b>	<b>14</b>
Consumption of materials <sup>3</sup>	1,907	2,025	2
Logistics materials <sup>4</sup>	N/A	N/A	N/A
Energy supply <sup>5</sup>	2,262	2,187	2
Gas	2,194	2,117	
Heating oil	68	70	
Business trips	7,490	8,126	9
Air travel	5,173	5,547	
Rail <sup>6</sup>	996	1,004	
Private car	1,321	1,575	
Mobility not including business trips <sup>7</sup>	N/A	N/A	N/A
Water/sewage	150	135	<1
Waste disposal <sup>8</sup>	774	377	<1

<sup>1</sup> Business trips are also recorded under Scope 1 because of the direct greenhouse gas emissions caused by the company. This means that statement deviates from the current VfU Standard.

<sup>2</sup> Business use of 60% has been assumed and stated in respect of bank cars.

<sup>3</sup> Data relates exclusively to paper consumption, not including printing products and toner requirements.

<sup>4</sup> Includes customer service logistics, internal bank logistics, upstream logistics for consumption of materials at the bank.

<sup>5</sup> Indirect emissions from supply.

<sup>6</sup> This position also includes rail journey undertaken by subsidiary companies since separation of figures is not currently possible. Separate figures will be available from 2009 and will be stated accordingly.

<sup>7</sup> Emissions caused by employees on their way to work, customers on their way to the bank, visitors on the way to events, service providers on their way to the bank.

<sup>8</sup> A greater number of construction projects took place in 2007, the ensuing special waste from which resulted in increased CO<sub>2</sub> values compared to 2008.

N/A. No information is currently available for these positions.

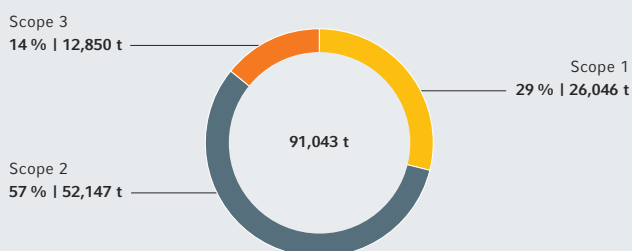
## CO<sub>2</sub> footprint

We have been able to state the greenhouse gas emissions of Commerzbank AG in Germany in full in the categories Scope 1 and 2. Some gaps still remain in the breakdown in respect of Scope 3. These gaps have been stated, and the aim is to reduce them on a step-by-step basis over the course of the coming years.

The “CO<sub>2</sub> Cockpit” below presents the carbon footprint on a pro-rata basis in accordance with Scope 1 to 3 and in accordance with the areas presented on the following pages. Mobility and energy consumption make up the majority proportions of Commerzbank’s greenhouse gas emissions, accounting for 26 % and 71 % respectively. The remainder (3 %) is accounted for by consumption of materials, water and waste.

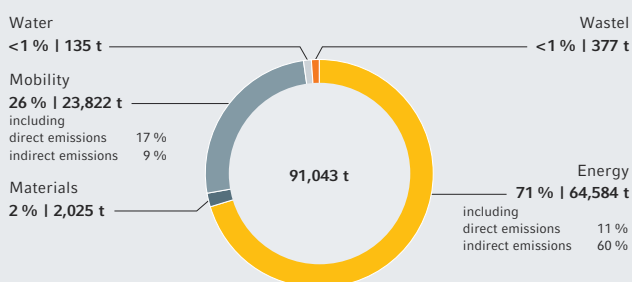
### Proportion of CO<sub>2</sub> footprint, differentiation according to Scope

2008, in tonnes CO<sub>2</sub> equivalent



### Proportion of CO<sub>2</sub> footprint, differentiation according to types of consumption

2008, in tonnes CO<sub>2</sub> equivalent



## CO<sub>2</sub> accounting energy use

Energy consumption makes up the greatest proportion of Commerzbank greenhouse gas emissions, accounting for approximately 71 % of CO<sub>2</sub> emissions. The extent of these emissions depends on both the amount of energy and the CO<sub>2</sub> intensity of the technologies and sources of energy used. For this reason, we will act in the interests of climate protection by reducing consumption and by making increased use of renewable energies or green energy and of combined heat and power systems.

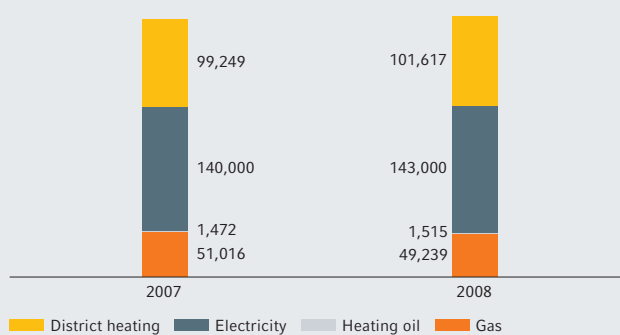
### Energy consumption<sup>1</sup>

	2007	2008	Proportion of carbon footprint 2008
in MWh			
Gas	51,016	49,239	13 %
Heating oil	1,472	1,515	0.5 %
Electricity	140,000	143,000	39 %
District heating	99,249	101,617	18 %

<sup>1</sup> Precise heat energy consumption data is only available for buildings owned by the group. Data for rented buildings and premises has been extrapolated. The first extrapolation took place in 2007, meaning that comparison with data from previous years is not possible. The proportion of premises for which heat energy consumption is directly calculated is 44.2 %.

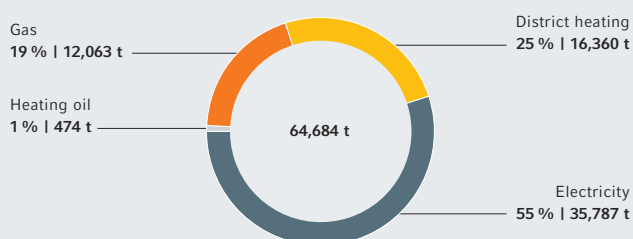
### Energy consumption according to source of energy

in MWh



### Sources of energy as a proportion of the CO<sub>2</sub> footprint

2008, in tonnes CO<sub>2</sub> equivalent



### CO<sub>2</sub> footprint significantly improved by the use of green energy

The main focuses of electricity use during 2008 were ventilation and air conditioning, buildings technology and information technology. We have made a fundamental change to the way we source electricity. Since mid-2008, all new contracts concluded have been for green energy supply only. Since January 2008, Commerzbank has been covering 63 % of its domestic energy requirements from environmentally friendly sources of energy (green energy and district heating). This has enabled us to increase the proportion of environmentally friendly sources of energy by 22 percentage points within one year. The switch to green energy meant that in 2008 we were able to reduce electricity consumption as a proportion of our overall carbon footprint by almost one third compared to 2007.

#### Proportion of environmentally friendly sources of energy<sup>1</sup>

in %



<sup>1</sup> Includes green energy, the proportion of renewable energies in the electricity mix and district heating.

### The world's first "Green Building" in Frankfurt

Commerzbank Head Office remains at the cutting edge of technological development despite being twelve years old. For this reason, we have decided to enter the Commerzbank Tower, completed in 1997, for the City of Frankfurt Green Building Prize to be awarded in November 2009. The original invitation to tender issued during the planning phase of the building in 1991 contained an ecological preamble. Since this time, key features such as the supply of fresh air and natural light and the integration of gardens have been considered as groundbreaking (see page 30 of the report).

There is thus no doubt that Commerzbank Head Office in Frankfurt and a large number of the bank's other premises represent an outstanding example of building operation based on ecological criteria. In the wake of the introduction of green energy at Commerzbank right across Germany, the switch to 100 % certified green energy at the

Commerzbank Tower in Frankfurt announced in our last report has been realised. Electricity is supplied by regional hydroelectric power stations in Griesheim and Eddersheim. In terms of the carbon footprint of the building, the switch has brought about a significant improvement in emission levels from 4,644 t to 29 t CO<sub>2</sub> equivalent. This means that emissions per square metre at the Commerzbank Tower are down to a mere 337 g CO<sub>2</sub>. One particular reason why we have been able to achieve this particularly low level is the fact that the building is also heated and cooled in an environmentally friendly way using district heating, which is generated by combined heat and power and exhibits the lowest levels of CO<sub>2</sub> emissions of all conventional sources of energy.

### Continuous improvement in energy efficiency

Alongside the CO<sub>2</sub>-free sourcing of green energy, energy efficiency improvements are our main priority. For this reason, at many of our work stations we now use energy efficient hardware certified with such eco-labels as "Energy Star" or the "Blue Angel". In our 2007 Corporate Responsibility Report, we announced our intention to switch outdoor advertising at our offices to low-energy LED technology. We now deploy this technology in every case where new advertising installations take place. A large proportion of our branches is already equipped with low-energy LED technology.

### Outlook

Energy supply contracts have already been concluded for the new Commerzbank AG in Germany for the year 2010. These contracts ensure that the proportion of green energy will be 90 % – and rising. A national Energy Controlling System will be implemented for the active management of energy consumption by the new Commerzbank. This system will record, electronically evaluate and interpret relevant readings. This data will then be used for the implementation of targeted measures aimed at increasing energy efficiency. Successful measures will subsequently be transferred to other offices.

### CO<sub>2</sub> accounting consumption of materials

The proportion of CO<sub>2</sub> emissions linked to consumption of materials is relatively low at 2 %. The main focus of our consumption of materials related to CO<sub>2</sub> emissions is use of paper. This is not, however, an area in which we wish to neglect the ecological consequences. For this reason, we

## Consumption of materials

	2007	2008	Proportion of carbon footprint 2008
<b>Paper use</b>	2,719 t	2,841 t	2 %
Fresh-fibre paper ECF <sup>1</sup>	1,710 t	1,805 t	
Fresh-fibre paper FSC-certified	417 t	498 t	
Recycled paper	592 t	538 t	
<b>Toner consumption<sup>2</sup></b>	74 t	97 t	< 1 %
Printer (items)	31,999	42,254	
Copier (items)	1,756	1,665	

<sup>1</sup> ECF manufacture using elemental chlorine free or low-chlorine bleached wood pulp.

<sup>2</sup> The 42,254 printer items in 2008 include ink.

set great store by the use of recycled paper from controlled sources. Our paper towels are also recyclable and have been made carbon-neutral by the manufacturer.

## Development of paper use

Although paper use in absolute terms increased in 2008 compared to the previous year, average use per employee remained constant. The decrease in the use of recycled paper described in the 2007 Report continued, whereas the proportion of FSC certified paper rose.

## Optimisation of paper use

Following our new brand launch in October 2008, we stipulated a sustainable Paper Standard. Only “Blue Angel” certified recycled paper may be used for internal purposes. This also applies to draft documentation for the Board of Managing Directors. In August 2008, we defined the stipu-

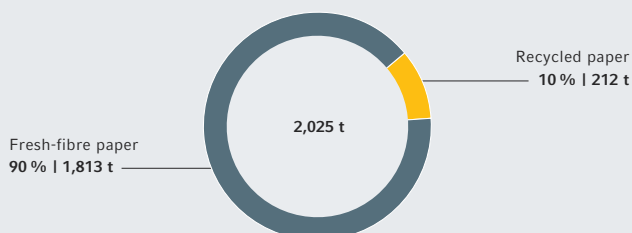
lations of the Forest Stewardship Council (FSC) as the standard for external paper. Since this time, FSC certified paper has been used in bank statement printers. The aim is also to use FSC certified paper for external communication purposes, particularly for business stationery and high-quality printed products (such as brochures, flyers, customer magazines, notepads and business cards). In addition to this, we ensure that printing companies with which orders are placed, are also FSC certified.

Commerzbank uses a range of opportunities to make printing out hard copy redundant by employing digital technologies. One good example of this is the electronic postbox used as part of Internet banking. This service, which we use to make account statements, credit card bills and contract notes available to our customers electronically, rapidly and in a paper-free way, is increasingly in demand. In 2008, the proportion of customers using the electronic inbox for at least one of their accounts rose by 27 % to 141,085 users. In respect of correspondence with these customers, we were able to make a total of 5.8 million documents consisting of one or more pages available via the Internet during 2007 and 2008. It is, however, not yet possible to determine precisely the exact amount of paper saved.

Employees also provide good ideas on how to save paper. Many proposals as to how processes could be improved were submitted via the employee suggestion system. The aim of these proposals was to eliminate the need for paper print-outs via such means as scanning documents or by making electronic records or other software tools available.

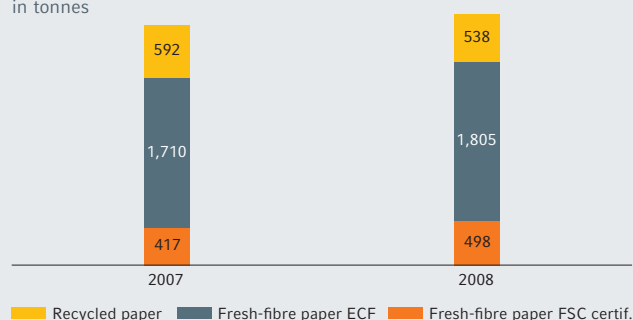
## Paper fibre as a proportion of the carbon footprint 2008

2008, in tonnes CO<sub>2</sub> equivalent



## Paper use according to paper fibre

in tonnes





## Waste management

During the reporting period 2005/2006, only the amounts of waste for the Commerzbank Tower in Frankfurt were recorded. Since 2007, we have been recording amounts of waste for the whole of Commerzbank AG in Germany. This has led to a virtual doubling in overall volume recorded.

We were able to reduce the amount of hazardous waste and waste sent for incineration during the reporting period. In 2008, paper waste made up by far the largest proportion of total waste, accounting for 4,096 tonnes of 4,578 tonnes overall. One conspicuous aspect is that the amount of paper waste is significantly higher than paper consumption, which is 2,841 tonnes (order system). The reason for this is that other paper products not included within the order system have been taken into account. These include magazines, paper towels forming part of washroom and sanitary requirements and paper files disposed of as a result of the switch to electronic files. Secondary packaging and customer information material provided by external financial services providers whose products we sell alongside our own products within our branches also play a role in the amount of paper waste produced.

### Amounts of waste Commerzbank AG in Germany

	2007	2008	Proportion of carbon footprint 2008
in tonnes			
Waste for Reuse/recycling	2,756	4,578	< 1 %
including paper waste <sup>1</sup>	2,010	4,096	
Waste for incineration	402	351	
Landfill waste	18	18	
Hazardous waste	302	141	

<sup>1</sup> The discrepancy in the levels of paper waste and in the amount of overall waste between the years 2007 and 2008 is the result of an improvement in and expansion of the database.

The process we adopt for the disposal of empty toner cartridges is for these to be returned to the Materials Management Department which then passes on any non-recyclable products to the Maintenance Department to arrange for professional disposal. Recyclable toner cartridges are, on the other hand, sold and redirected for reuse.

Canteen waste from Head Office in Frankfurt, meaning both food waste and fat separation material, is redirected to the biogas plant in Friedberg-Ossenheim, which is a certified as a specialist disposal company in accordance with the German Waste Recycling and Management Act (KrW-/AbfallG) and combines environmentally friendly energy generation with ecological use of organic and residual waste.

## Outlook

For the years 2010 and 2011, we intend to use only fresh-fibre paper from FSC certified sources and to increase the proportion of recycled paper significantly. In terms of procurement, we have a fundamental plan to expand the range of sustainable products in the central Commerzbank procurement portal even further. This will lead to a successive expansion in the number of sustainable products available. In future, the plan is also for products to display an ecological seal with the aim of continuing to raise employee awareness. In order to reduce decentralised disposal of toner cartridges, we intend to introduce a centralised process, to increase the proportion of empty cartridges returned to the Materials Management Department.

## CO<sub>2</sub> accounting mobility

Staff travel activities make up about 26 % of total CO<sub>2</sub> emissions and have a material impact on Commerzbank's greenhouse gas output. For this reason, environmentally efficient means of transport such as rail are preferred to

### Business trips

	2007	2008	Proportion of carbon footprint 2008
in km			
Cars AG Germany <sup>1</sup>	83,723,661	86,789,067	19 %
Bank cars (AT Leasing)	70,700,000	72,080,000	
Pool vehicles	6,385,079	6,793,956	
Privately charged kilometres	6,638,582	7,915,111	
taxi, rental cars	N/A	N/A	
Air travel Group <sup>2</sup>	39,320,768	39,753,923	6 %
AG Germany	22,487,358	24,544,858	
Subsidiaries	16,833,410	15,209,065	
Rail journeys Group <sup>3</sup>	18,106,778	18,261,600	1 %

<sup>1</sup> Account has been taken of bank cars (personal company cars) and pool vehicles since 2007.

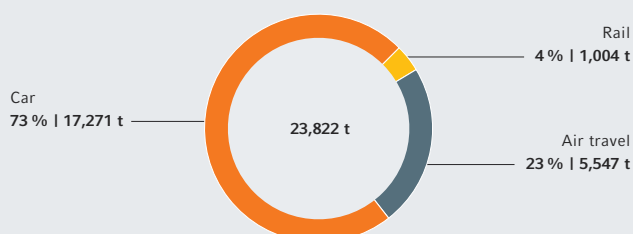
<sup>2</sup> The 2007 report stated air travel data as a total for Commerzbank AG Germany and subsidiaries.

<sup>3</sup> It is currently not possible to separate the number of rail kilometres for Commerzbank AG in Germany and the subsidiaries. Separate data will be available from 2009.

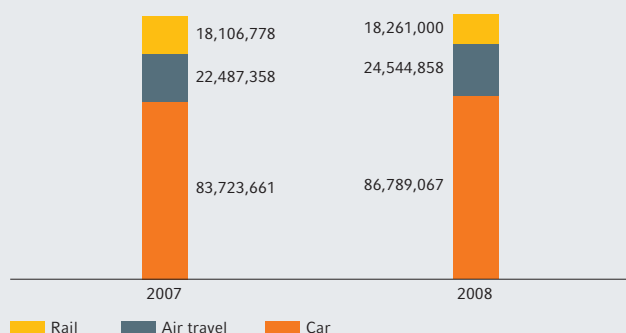
air travel and we take low emission values into account when purchasing pool vehicles. The carbon footprint from the direct and indirect emissions of our business trip activities underlines the fact that action needs to be taken.

There was a slight increase in the number of kilometres travelled in 2008 compared with the previous year for all means of transport used by Commerzbank. This use, however, scarcely altered in proportionate terms in the years 2007 and 2008.

**Transportation as a proportion of the carbon footprint 2008**  
in tonnes CO<sub>2</sub> equivalent



**Mobility according to means of transport**  
in kilometres



### More precise survey data planned

Gaps still remain within the precise survey data on mobility with regard to the full carbon footprint. We intend to close these gaps for the reporting year 2009. One of the measures we plan to introduce to improve data quality is separate recording of rail kilometres travelled for Commerzbank AG in Germany and subsidiaries. The aim is for the information thus provided to assist us in exerting an even more targeted influence on more sustainable travel activities by our employees.

### Travel Guidelines updated

Our Business Trip Guidelines, which were revised in 2009, also stipulate that the use of air travel should largely be avoided for short journeys, that staff should investigate the possibility of car sharing and that technical alternatives such as video and telephone conferences should be used wherever possible. We publicise these opportunities by making appeals via our Intranet. The Travel Guidelines particularly emphasise the role model function of managers in demonstrating compliance with the guidelines.

### Climate friendly bank cars promoted

The new Bank Car Guidelines for leasing vehicles, which have been in force since January 2009, also stress the responsibility of management staff for climate friendly mobility. These guidelines stipulate a general CO<sub>2</sub> upper limit and restrict the choice of model in such categories as 4-by-4 vehicles and sports cars. Hybrid drive vehicles have also been included in the selection of vehicles for the first time. A monthly CO<sub>2</sub> fee for vehicles emitting more than 171 g/km also provides an incentive to select more climate friendly models.

### Outlook

We have set ourselves further goals for 2010 and 2011. We aim to use appropriate incentive systems to help achieve an even greater shift from air travel to rail as well as encouraging the leasing of vehicles with lower levels of CO<sub>2</sub> emissions. For business trips, we also plan to conclude more general agreements with hotel chains which operate in a sustainable manner.

# Employees

## Human resources management: working conditions which promote optimum performance and staff development

Our employees are motivated and high-performing and devote their energies to the success of Commerzbank. The commitment they display is key to this business success. For this reason, we seek to offer a working environment which provides them with the best possible opportunity to develop their talents and skills. The Human Resources Department underwent a reorganisation in 2008 in order to be able to provide the group with an even greater degree of targeted support. Operational and structural adjustments have been made, and greater focus is being placed on the strategic alignment of human resources work. The central challenge over the course of the next few years will be the integration of our new colleagues from Dresdner Bank in cultural, operational and strategic terms.

### Optimum advisory services for internal customers

The Human Resources Department views itself as a co-agent of corporate change, especially in the wake of the integration of Dresdner Bank. For this reason, human resources strategy and corporate strategy are closely linked. The high degree of the former is also reflected in the realignment of the Board of Managing Directors. Commerzbank has had a Board Member with responsibility for Human Resources since 1 June 2009.

The Human Resources Department at Head Office in Frankfurt develops standardised regulations for major strategic decisions across the whole of the group and acts as a business partner in assisting the bank's banking divisions to achieve their targets. The Human Resources Department provides systematic and demand-oriented advice

to management staff at all levels, particularly with regard to strategic personnel decisions. HR advisors support managers in requirements planning and in the recruitment of employees able to offer key expertise. They also assist in achieving appropriate deployment of staff and promote targeted further staff development. The creation of an attractive working environment including a strong corporate culture is a further essential area of action in terms of acquiring high-performing staff for Commerzbank and achieving their long-term loyalty to the company.

### TOP Employer 2009

In 2009, Commerzbank secured its first top-20 position in the "Top Employers of Germany" study conducted yearly by CRF, one of the leading companies in the Employer Branding Sector. The bank came an extremely creditable fourth.

### A route to employee satisfaction

Commerzbank seeks to offer its employees a working environment in which they enjoy working and in which they work well. To this end, the bank has developed a range of measures to recognise the requirements of its staff and to enable these to inform corporate development. One example of these measures is the regular employee survey, which serve as a vehicle for identifying areas of potential improvement within the working environment whilst also providing a picture of staff mood.

### Considerable rise in identification with the objectives of Commerzbank

Since 2005, Commerzbank has been arranging for an external institute to determine on an annual basis the extent to which employees identify with the aims of the company. The institute also conducts a detailed analysis of strengths and weaknesses every three years. The results of the 2008 Employee Survey show above all that there has been a strong increase in the degree to which employees identify with the company's objectives (the index having risen from 49 to 66 points since 2005). This is also reflected in the low rate of staff turnover and the long average period of service of 15.4 years. The fair way in which employees deal with one another was viewed as a strength. Weaknesses were mainly identified within the area of upgrading and continuing training opportunities. As a consequence, the

### Total workforce of Commerzbank AG by type of employment

	2005	2006	2007	2008
Salaried employees not covered by a collective bargaining agreement	9,327	9,423	9,696	10,438
Salaried employees covered by a collective bargaining agreement	13,040	12,606	12,622	12,614
Non-salaried employees/others	257	255	264	295
<b>Total</b>	<b>22,624</b>	<b>22,284</b>	<b>22,582</b>	<b>23,347</b>

### Staff turnover at Commerzbank AG by reason for departure

in %	2005	2006	2007	2008
Notice given by employee	1.7	2.1	1.8	1.9
Notice given by employer	Can no longer be evaluated	0.3	0.6	0.7
Departure by mutual agreement	1.2	0.8	0.8	0.9
(Early) retirement/ partial retirement	1.7	1.4	0.7	0.7
Death or disability	0.08	0.08	0.08	0.09

Human Resources Department has initiated a comprehensive process of systematisation in this field and has already implemented a number of measures (see ComSkill, p. 37).

A positive attitude on the part of staff is essential, especially for the success of the integration process between Commerzbank and Dresdner Bank. For this reason, special surveys have been developed for the process. The results show that three in four employees (around 75 %) are confident that the merger will be a success, regardless of whether they work in the integration teams or not.

### Junior staff development – a task for the future

As an expert provider of services to retail and corporate customers and in our capacity as the second largest bank in Germany, the qualification of our employees is a fundamental success factor for our business. For this reason, we continued to expand and develop our human resources development strategies and programmes in 2008.

### High training rate, large number of trainees taken on permanently after completion of training

Commerzbank continues to provide high-level vocational training and has also increased the number of training places it offers on an ongoing basis over recent years. In 2008, an additional 100 places were created and a total of 700 trainees was taken on. At the end of 2008, there were 1,483 trainees (2007: 1,432), accounting for 7.6 % of total headcount. This puts Commerzbank in a leading position amongst the 30 companies making up the DAX. 80 % of trainees were taken on permanently on completion of training.

### Commerzbank AG training rate<sup>1</sup>

in %	2005	2006	2007	2008
Training rate	6.8	7.3	7.4	7.6

<sup>1</sup> Trainees as a proportion of permanent staff at Commerzbank AG as per year end

### Sustainable training courses

Commerzbank offers school leavers a whole series of up-to-date and practically related training opportunities. These range from the classical bank apprenticeship – to which “specialist bank clerk for corporate customer business” was added in 2008 – to the new qualification of “commercial agent in dialogue marketing”. The high quality of training is secured via modern teaching methods and cooperation agreements with external experts. One example of the latter was the training cooperation agreement entered into with the Frankfurt School of Finance & Management in 2008. Various opportunities also exist across the country for a dual course of higher education study leading to a Bachelor degree.

### Entry-level opportunities for graduates

In order to attract qualified graduates to the bank at an early stage, Commerzbank offers students interesting opportunities whilst they are still at university. These include paid internships or support in writing a graduation thesis. Every year, the bank asks around 50 students who show a high level of interest and potential to join its study groups in which they are systematically prepared for their initial professional challenges. Higher education graduates have the choice between a tailored trainee programme and direct entry. In 2008, 143 graduate trainees were employed at the bank (2007: 89). Commerzbank also fosters junior staff development within the “CAMPUS OF EXCELLENCE” network (see page 44 of the report).

### Getting the best talent on board

In 2008, Commerzbank reorganised its junior staff development programmes via the “NewCom” project. The aim is to position the bank even more strongly as an employer of choice amongst higher education graduates and students. Since the beginning of 2008, all activities relating to recruitment and support and extending to include the management of individual career pathways have been coordinated centrally whilst guidance services have been intensified. Interns, graduate trainees and members of the study groups now receive individual guidance from the very start and are also provided with comprehensive advice on their development opportunities within the bank.

Commerzbank is setting new standards for the recruitment of graduate talent with the projects it has launched in connection with NewCom, “Management Meets Campus” and “Career-Ship” (see page 38 of the report). In the case of “Management Meets Campus”, representatives of top



management act as so-called university captains and establish direct contact with professors, lecturers and students. They also work within an interdisciplinary team within the institute of higher education to organise specialist events such as guest lectures, workshops or podium debates.

### Diverse career pathways

An essential aspect of the human resources work at Commerzbank is to identify potentially high-performing staff within the company and to provide such employees with comprehensive support and interesting development prospects. The human resources work conducted fosters professional development of employees via a large number of interlinked measures. Self-evaluation and guidance programmes such as the targeted training and development programmes “ComStep” or “ComGrow” are available across the group. ComStep illustrates development pathways to regularly contracted employees covered by a collective bargaining agreement within a given department, whereas ComGrow is deployed on an interdepartmental basis. The system also includes regular appraisals of potential carried out by line managers. Importance is also attached to continuing training. In 2008, each Commerzbank employee underwent an average of 16 hours of continuing training (2007: 12).

### New management development programme

Commerzbank completely revised its management development programmes in 2008. At the start of 2009, the “Commerzbank Management Programme” (CMP) for the selection, development and training of management staff was launched. This programme is closely linked with the ComMap job evaluation system (see page 82 of the report). And is aligned with the ComWerte corporate culture (see page 54 of the report). It also takes the new requirements facing Commerzbank’s banking and other corporate divisions into account. The CMP acts as a vehicle for the stan-

dardisation of career pathways within Commerzbank and Dresdner Bank at an early stage and thus constitutes an important step towards achieving successful integration. The aim is for bank-wide talent pools to provide even more transparency in respect of those employees deserving of support in future in order to provide such staff with advancement in accordance with their skills and development wishes and establish loyalty to the bank.

### Valuing diversity: diversity management at Commerzbank

Employee diversity is a significant success factor for the future development of Commerzbank. For this reason, the bank promotes an open, fair and respectful working environment within the scope of its diversity management system and supports its employees in achieving harmony between individual work and life plans.

#### Employees of Commerzbank AG by gender

in %	2006	2007	2008
Male	49	49	50
Female	51	51	50

### A multi-faceted corporate culture

People from more than 90 nations work for Commerzbank worldwide. The various talents, experiences and perspectives these employees bring to the table enable them to react to customer requirements in a flexible manner.

Over the course of almost 20 years, Commerzbank has established a comprehensive system of diversity management with the aim of establishing a sustainable multi-faceted corporate culture. Commerzbank has also publicly committed itself to this objective by being one of the first signatories to the “Diversity Charter” in March 2007. We regularly engage external experts to monitor the progress we have made within the scope of such procedures as the “berufundfamilie” audit. In June 2009, Commerzbank’s human resources policy received the TOTAL E-QUALITY Award for equality of opportunity in the workplace for the fifth time running.

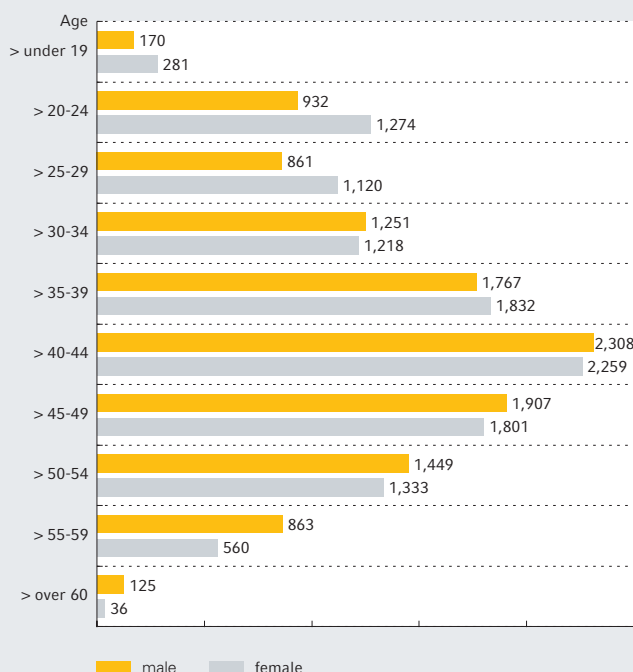
#### Proportion of employees receiving regular performance appraisals and development planning at Commerzbank AG

in %	2005	2006	2007	2008
Employees	58	87	92	0 <sup>1</sup>

<sup>1</sup> Management instruments are primarily deployed with regard to performance-related pay. No performance-related bonuses were paid in 2008. Management instruments were merely deployed on a voluntary basis. For this reason, no central records were made and no valid statement can be given.

### Age structure at Commerzbank AG 2008

2008



### Diversity at all levels

The advancement of women is an important aspect of diversity management. Given the proportion of female staff at the bank as a whole, women are not yet appropriately represented in the top echelons of management at Commerzbank. For this reason, a number of measures are in place to support the professional development of female employees. Ten years ago, Commerzbank launched the very first nationwide cross-mentoring programme for women in conjunction with a number of other companies. The programme involved the provision of one year of mentoring support for talented young female staff by a manager from a partner company. During this period, the female participants were given the opportunity to attend workshops and engage in networking. More than 200 mentees and mentors from Commerzbank have already taken part in the programme. The Self-Mentoring System, which provides women with training and support in undertaking their own search for and selection of a mentor, and the women's network "Courage" (see page 35 of the report), which celebrated its tenth anniversary in 2008, are further examples in this area. In 2009, the bank launched a project aimed at increasing the proportion

### Proportion of male (m) and female (f) employees at Commerzbank AG

in %	2006		2007		2008	
	m	f	m	f	m	f
Managers and executives	87	13	86	14	85	15
Salaried employees covered by a collective bargaining agreement	28	72	29	71	29	71
Salaried employees not covered by a collective bargaining agreement	73	27	72	28	71	29
Non-salaried employees	33	67	77	23	76	24
Trainees (all levels)	44	56	42	58	47	53

of female involvement in specialist, project management and leadership tasks at a senior management level.

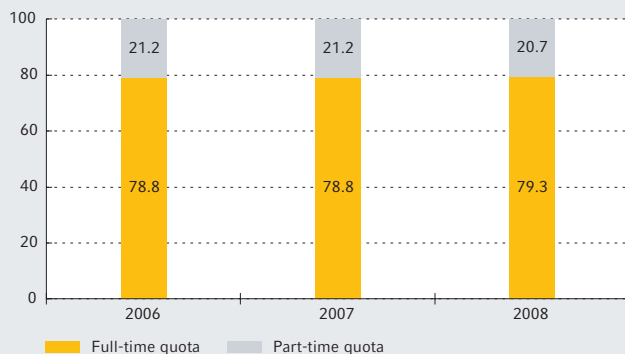
The gay and lesbian employee network "arco", founded in 2002, and the "Focus on Fathers" network, a working group which represents the interests of fathers and seeks to establish a new form of male role model, are also engaged in a wide range of activities to promote acceptance of individual life backgrounds. Commerzbank also supports the group-wide exchange of experiences on diversity and continuing training on diversity-related topics via such measures as the "ForumDiversity" series of events and the Diversity Portal in the Internet to be launched at the end of 2009.

### Space for family life

Commerzbank's diversity management also contains a large number of provisions to support employees' work-life balance. Around 20 % of staff take advantage of one of the many flexible working models which offer such provisions as part-time work, working from home and annual working time contracts. The "Comeback Plus" programme supports parents in a gradual return to work following parental leave and acts in conjunction with the pme Family Service to offer emergency short-term childcare at 17 locations across the country. The "Kids & Co." day-care centre, conveniently located at Head Office in Frankfurt, currently offers 200 full-time childcare places which are shared by a total of 320 families. Experience shows that provision of a day-care centre is particularly helpful in enabling parents to return to work after the birth of a child. For this reason, we plan to expand our regular childcare provision to further locations. A study conducted in 2009 showed that the

### Employment quotas at Commerzbank AG

in %



day-care centre delivered a return on investment of 23 %. This included such benefits as an early return to work by the parents and lower levels of absenteeism. Commerzbank also exceeds statutory requirements in the amount of support it provides for the care of close family members. Examples of this include comprehensive advisory and placement provision offered by Family services and training courses on the subject of care.

### Innovations in the workplace

We seek to structure our processes and procedures in an efficient way as possible. This is in the interests of both our corporate success and our employees. For this reason, areas of potential improvement must be exploited to the optimum degree. One extremely successful model in this regard is the “COMIDEE” employee suggestion system, which was established in 1998 and made available online in 2007. This provides a system which gives all employees the opportunity to submit proposals for the improvement of work processes and products. The introduction of the Intranet presence of COMIDEE in 2007 brought a dramatic increase in the number of ideas submitted in its wake. A total of 2,851 ideas were proposed in 2007, 15.5 % of which were awarded prizes and implemented. In 2008, these figures rose to 3,573 and 18.7 % respectively. Since the system has been in existence, approximately 33,000 ideas have been submitted and premiums in the amount of 1.8 million euros have been paid out. COMIDEE is involved in the “Ideas are the Future” initiative organised by the German Business Management Institute. In 2008, this initiative beat 1,461 applicants to be awarded the designation of “Landmark in the Land of Ideas” in the “Germany – Land of Ideas” project.

### Health and safety at work

Commerzbank attaches a high priority to maintaining the long-term health and performance ability of its employees and has displayed commitment in this field for more than 30 years.

### Central management guarantees quality nationwide

The increasing demands of everyday work and longer working lifetimes require everyone to adopt a responsible attitude towards their own health. This also represents a challenge for companies, which need healthy, motivated and high-performing workers to deliver success. Commerzbank recognised these requirements at an early stage and has been going beyond statutory regulations in the way in which it promotes health and safety at work since as long ago as 1976. An internal safety at work management was set up as part of a central reorganisation in 2005, and 2006 saw the implementation of a holistic health management system. During 2007 and 2008, health and safety at work and health management were affiliated with central organisation divisions with the aim of securing a standardised level of quality across the group. The bank’s endeavours in this area have paid off. In 2009, for example, Commerzbank became the first private bank to be awarded the “Arbeitsschutz mit System” certificate by the Employer’s Liability Insurance Association. Although there have been small fluctuations, the proportion of accidents has also remained at a low level in overall terms for many years and is below the quotas set by the Federal Statistical Office and the Employer’s Liability Insurance Association.

### Health-related campaigns and training courses

In order to create an even greater degree of awareness on the part of employees of how to remain fit and healthy and avoid accidents Commerzbank has, for example, significantly expanded provision of information in this area dur-

### Number of workplace accidents

	2005		2006		2007		2008	
	m	f	m	f	m	f	m	f
Workplace accidents (involving more than 3 days of inability to work)	47	93	54	105	54	92	62	99
of which accidents at work	11	25	14	26	11	26	10	32

➤ [www.land-of-ideas.org](http://www.land-of-ideas.org)

➤ [www.ideen-machen-zukunft.net](http://www.ideen-machen-zukunft.net)

ing the reporting period. Workplace-specific and practical everyday information on health and safety and work and on health protection topics has been made available on the Intranet. The quality of this provision has drawn the praise of the Employer's Liability Insurance Association within the scope of its certification process. In 2009, the topic of health and safety at work was also integrated as a permanent component of management training. Commerzbank has instigated a large number of campaigns, such as the "Five a day" healthy eating initiative or the "Cycle to work" project in order to encourage its staff to adopt a healthy lifestyle and has provided an average of 3,000 hours of training annually over the past four years. In order to maintain employees' mental health as well as their physical well being, the bank has also implemented the "Im Lot" (work/life balance) project (see page 36 of the

report). It further offers its staff financial support for attendance at a professional stress management seminar. One of the means of establishing healthy working conditions is via appropriate company agreements. One example of such a company agreement is the "addiction prevention" action plan from 2007, which provides a clear five-stage approach including assistance for those affected. In 2009, Commerzbank also launched the first integration project on the topic of health undertaken in conjunction with Dresdner Bank in the form of the "Health Fund 2009", a comprehensive workshop programme delivered in cooperation with external partners. Topics covered range from back exercises to time and life planning and extend to peer counselling.

#### **Outlook: expansion and integration**

Against the background of the growing challenges occasioned by demographic change, Commerzbank has accorded a high degree of priority to expanding its health arrangements. The overriding aim is to use an expansion of regional provision and structures to reach a larger number of employees in an even better way. A further aim is to carry out an audit of health management in 2010.

#### **The challenge of demographic change**

Falling birth rates and increasing ageing of workforces are creating major challenges for companies. Commerzbank recognised the necessity of undertaking active measures to counter this demographic trend at an early stage and has identified initial fields of action.

Companies in Germany are well equipped to tackle demographic change in terms of acquiring young staff or adapting to the needs of older customers. They are not, however, as well equipped when it comes to their own employees. The main results of the current study being conducted by the "UnternehmerPerspektiven" initiative for German SME's, which goes under the title of "Ending the obsession with youth: corporate strategies for demographic change" reveal that only 44 % of companies offer targeted continuing training measures for older employees (see page 18 of the report). This is a further topic which Commerzbank has specifically addressed. It has instigated permanent monitoring of demographic development within the bank, identified core fields of action and put measures in place. In order to retain the employability skills of its employees, the bank offers, for example, a large number of health promotion activities such as company sport for staff of all ages and information events such as the event on the topic of demographics which formed part of the "ForumDiversity". Since 2008, Commerzbank has also been positioning itself more strongly as an attractive employer for talented young professionals and is, for example, seeking active contact with institutes of higher education (see page 38 of the report).

### In line with the market and appropriate: compensation at Commerzbank

Commerzbank seeks to enable its employees to share in the company's success and to provide motivation and incentives via a transparent, appropriate and performance and results based system of compensation. This combines a basic salary in line with the market, a performance-related bonus and company benefits.

### Transparent evaluation of targets and performance

In order to establish fair and transparent compensation practice, we seek to define requirements in a clear manner and to evaluate the performance of every employee and the degree to which targets have been met using clearly verifiable criteria. Structured evaluations of targets and performance based on detailed guidelines form the main management instrument for this process. Employees attend regular meetings with line managers and are provided with individual feedback on their own performance and development potential. This is supplemented by specific target agreements for particularly important task areas. These task areas are derived from strategic corporate goals and the results expectations of the individual divisions.

### New compensation model with an emphasis on sustainability

In the wake of the integration of Dresdner Bank, an initial transitional model was put in place for the business year 2009 harmonising the compensation systems of the two banks. This model enables additional workload within the scope of the integration process to be remunerated in a performance-related and flat-rate way in the form of so-

### Salary structure at Commerzbank AG: gender ratio within the individual salary categories covered by collective bargaining agreement

in %	2006		2007		2008	
	m	f	m	f	m	f
> SG 1-3	41	59	22	78	17	83
> SG 4-6	22	78	23	77	23	77
> SG 7-9	34	66	33	67	33	67
> Non-tariff	70	30	69	31	69	31

SG: salary group for employees covered by collective bargaining agreement.  
Non-tariff: salary group for employees not covered by collective bargaining agreement

called stabilising payments. This transitional model will be replaced as early as 2010 by a new compensation model developed in conjunction with employee representative committees which places even greater emphasis on the topics of sustainability and long-term agreement. This model will offer sufficient performance incentives even in times when market conditions are difficult. The bank has also cooperated with the relevant staff representation bodies in monitoring the compensation models which apply to salaries covered by a collective bargaining agreement, foreign units and subsidiaries. Overall compensation significantly reduced in 2009. Members of the Board of Managing Directors and managers have been subjected to the largest decreases.

### "ComMap": a career navigation system

The ComMap job evaluation system was introduced at the beginning of 2009 and establishes a flexible model for the planning of individual development pathways as well as

### Company benefits at Commerzbank AG

€ in thousands	2005	2006	2007	2008
Expenditure for pensions	151,373.5	169,197.5	144,871.3	161,728.1
Employer's share of contribution to BVV retirement fund*	37,561.8	37,138.7	38,599.1	37,700.4
Lunch allowances (in-house cafeterias/luncheon vouchers)	9,349.4	10,400.5	9,311.4	9,450.0
Jubilee payments (incl. provisions)	19,663.4	5,985.6	1,079.7	5,752.8
Reimbursement of banking commissions and fees	12,503.1	12,788.6	12,998.1	12,658.2
Employee stock	2,288.6	1,107.4	4,191.9	2,862.1
Vacation allowance (in Germany and abroad)	498.7	660.8	504.1	457.3
Company parties and other company events	2,498.0	2,649.2	3,021.8	1,944.6
Other (e.g. company funding of childcare, subsidies for company sport, healthcare services)	3,940.7	3,636.2	3,868.8	3,949.9
<b>Total</b>	<b>246,837.5</b>	<b>243,564.5</b>	<b>218,446.2</b>	<b>236,503.4</b>

\* Every new member of staff is registered with the BVV retirement fund (occupational pension scheme for the financial industry). The bank and the employee each pay half of the monthly contribution, which is based on individual salary. The employee's share is paid as deferred compensation directly from gross salary, thus reducing taxable income.



**Commerzbank AG staff according to type of contract**

	2006		2007		2008	
	Persons	%	Persons	%	Persons	%
Unlimited contract or permanent employment	20,707	93	20,871	92	21,589	92
Fixed term or agency contract	1,577	7	1,711	8	1,758	8

constituting a solid basis for market-based compensation of employees not covered by collective bargaining agreement. Precisely defined job criteria which have been evaluated in line with the market ensure comparability of various functions across the whole of the bank. This model is closely interlinked with Commerzbank's continuing training provision and also supports needs-based human resources planning for management staff.

**Attractive company benefits**

In addition to a basic salary and performance-related pay, Commerzbank also offers its employees a comprehensive package of attractive company benefits such as a company pension or subsidies for company parties and sports provision. Employees very much appreciate these additional benefits. This makes them an important staff loyalty instrument.

**Cooperation in a spirit of partnership including co-determination**

Commerzbank attaches great importance to taking the interests of its employees into account when making all important corporate decisions. Many company agreements document the extensive cooperation which has taken place with employee representation bodies. These include agreements relating to the protection of non-smokers (2008), addiction prevention (2007) and assessment of staff potential (2006). Commerzbank engages in regular and constructive dialogue conducted in a spirit of partnership with employee representatives on all topics where staff co-determination is a relevant issue. This particularly includes issues occurring within the wake of the integration process.

**Constructive cooperation within the scope of the integration process**

The integration of Dresdner bank into the new Commerzbank has been the greatest challenge facing the company since 2008. This requires the cutting of around 9,000 full-time positions, 2,500 of these abroad. In order to enable the interests of colleagues from both banks to inform the

decision-making process, a new Full Work's Council and an extended Group Work's Council were established from the existing councils at Commerzbank and Dresdner Bank in May 2009. These councils will convene in this form until new elections of local employee representatives take place in March 2010. Agreement on extended protection from job redundancies for national location and at Head Office represented the achievement of a first successful milestone in cooperation with management. No layoffs will be made for operational reasons to the end of 2011. This grace period will be extended by a further year to the end of 2012 if a total of 3,780 full-time positions have been eliminated by the end of 2012 and will be extended for a further twelve months to the end of 2013 if the bank succeeds in eliminating 4,860 full-time positions by the end of 2012. In order to conduct job cutting measures in as socially responsible a way as possible, a social plan has been drawn up to provide a fair solution for all those involved.

**Regular information on change**

Commerzbank uses a range of channels to keep employees informed of important company changes on a regular basis. These include a quarterly employee magazine, the Intranet – which is a particularly important tool in this regard and features forums and chat rooms – and Comnet TV, which broadcasts a dedicated news programme on integration topics. The company also uses employee payslips to send out important written communications and holds regular telephone conferences to notify staff of important changes.

**Active integration of persons with disabilities**

Commerzbank depends on the exceptional performance of its employees, including its 850 or so disabled staff. Notwithstanding this, the bank failed to meet the minimum statutory quota for disabled or equivalent employees by around 3.7 % in 2008 and is for this reason seeking to improve integration performance further. The new Commerzbank has a total of 46 disabled representatives to support this process. The representatives meet at least once a year. In 2009, for example, they revised the integration agreement for the better integration of disabled persons into the working environment.

**Number of disabled employees at Commerzbank AG**

	2005	2006	2007	2008
Quota positions filled	856	856	871	856
Quota positions not filled	280	253	235	260
Total number of quota positions	1,136	1,109	1,106	1,116

# Society

Commerzbank's commitment to society has a long history. Over one hundred years ago, one of the founders of Commerzbank left two million German marks to his hometown of Kiel for charitable purposes. The bank's first charitable foundation was set up in 1945 by Amandus de la Roy, a former Member of the Board of Managing Directors. The Commerzbank Foundation, which is endowed with 53 million euro, can also look back on almost 40 years of tradition. Commerzbank has always felt itself to be a member of society and particularly focuses its commitment in the areas of education, social issues, art and culture as well as sport. In overall terms, the social involvement of the private economy, and that displayed by Commerzbank too, is growing in significance, particularly against the background of decreasing state spending in many social and cultural areas. The social activities which Commerzbank pursues are in harmony with and support the bank's business objectives. One way in which they do this is by improving education and therefore increasing the attractiveness of the regions in which Commerzbank maintains a presence. These activities also assist in intensifying dialogue with our stakeholders and strengthen the bank's regional roots via such means as the involvement of our employees in various initiatives and projects.

The main challenge over the course of the next few years will be to integrate the Dresdner Bank projects into Commerzbank's social involvement. A number of measures indicating the future direction of travel have already been put in place in this regard, such as continuation of the Dresdner Bank "Grünes Band" competition, the longest standing sponsorship award for up-and-coming sporting talent in Germany. The aim is to bring together the Commerzbank Foundation and the Dresdner Bank foundations under one organisational roof by 2010 in the form of a newly established Foundation Centre.

## Employee commitment to working for the common good

Our employees work energetically in the regions to help maintain contact and dialogue with our stakeholders and establish a relationship based on trust. Commerzbank views the voluntary commitment of its workers as an essential part of its corporate responsibility. The bank is

proud of the fact that many of its employees commit themselves to working for the common good, either in projects instigated by the bank or acting on their own initiative, and supports or funds this commitment in various ways. Each member of staff, for example, can be released from work duties to take part in charitable activities related to Commerzbank's social initiatives and projects. Commerzbank also supports employees who commit their free time to such activities by granting additional special leave, for example. In future, the bank aims to expand its employee commitment programmes still further and plans to incorporate them into management training as part of the "volunteering" concept whilst also driving forwards networking with such projects as the CAMPUS OF EXCELLENCE or the Hansenberg boarding school.

## Employee commitment programmes at Commerzbank

Commerzbank employees can become involved in a range of Commerzbank projects and initiatives on a voluntary basis. This includes, for example, the opportunity to propose studies or practical projects for the "training academy" which forms part of the CAMPUS OF EXCELLENCE (see page 44 of the report). Staff then provide support for the up-and-coming young talent when the academy is staged. Commerzbank employees are also able to offer their know-how to the Schloss Hansenberg boarding school, which was co-founded by Dresdner Bank in 2003 and has been officially supported by Commerzbank since 2009. The Hansenberg boarding school follows a model unique in Germany. It offers higher secondary school leaving certificate education to students who display both outstanding ability and a particularly high degree of social commitment and also trains young people to become responsible personalities. The school is a public institution and takes no account of the financial situation of parents in determining admissions. Attendance is free of charge. Both CEO Martin Blessing and Board Member Ulrich Sieber visited Schloss Hansenberg in 2009 and took part in discussion sessions during which they responded to questions posed by students. Ulrich Sieber also gave a specialist presentation on the credit sector and the financial and economic crisis. Commerzbank employees help out with various special projects at the school such as business simulations, competitions or project days.

➤ [www.dosb.de/de/dasgrueneband/](http://www.dosb.de/de/dasgrueneband/)

➤ [www.campus-of-excellence.com](http://www.campus-of-excellence.com)

➤ [www.hansenberg.de/index\\_en.php](http://www.hansenberg.de/index_en.php)

### Making a difference by working as a team

Commerzbank also often uses charitable projects as team-building exercises and takes advantage of the opportunity to strengthen team spirit and motivation in an environment far removed from normal everyday working life in meeting rooms and in front of a computer screen. In 2007, for example, around 90 employees from Commerzbank and Eurohypo got together with a group of external construction engineers to spend a day redesigning an adventure playground at a Frankfurt primary school. This also provided the chance to make a conscious acquaintance with the project and communication structures within the newly constituted teams. The materials for the project were supplied by Commerzbank.

### Voluntary commitment by employees in their free time

Commerzbank also supports staff who engage in voluntary work in their free time by releasing them from their duties, providing special leave or offering an opportunity to work part-time. Peter Benesch, for example, devotes about 40 hours a week to working in a public youth sports centre on the outskirts of Frankfurt. The centre forms part of the "Sport prevents violence" concept and provides sports and fitness facilities which have been very well received by the young people of the area. Peter Benesch has been awarded the City of Frankfurt Integration Prize in recognition of the commitment he has shown.

### The work of the Commerzbank foundations

Commerzbank uses its foundations to support selected institutions and initiatives which make a sustainable contribution to the well being of society in cultural, social or scientific terms. The aim of the funding strategy is to document the corporate responsibility of the bank. In future, all foundations will be brought under the organisational roof of a Commerzbank Foundation Centre. The intention is that the joint public presence of the foundations and a strengthening of communication measures will raise awareness of foundation work conducted by Commerzbank in future, both within the group and amongst the general public.

### Commerzbank's charitable foundations

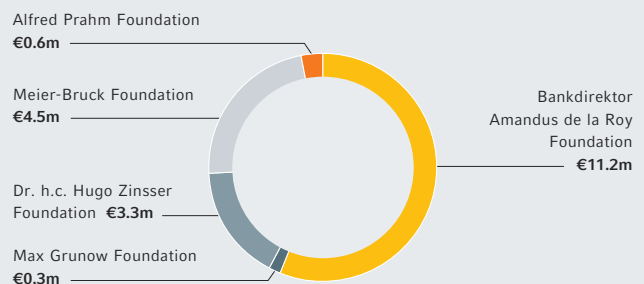
Commerzbank's social foundations will be attached to the new Foundation Centre. Commerzbank is closely associated with five legally independent charitable foundations of this kind. All foundations concentrate on providing

### Guide dog – a four-legged friend

Commerzbank's Hamburg charitable foundations support employees and pensioners of the bank who are in need through no fault of their own. Support may also be provided to close family members. The Amandus de la Roy Foundation, for example, assisted a young family in acquiring and training a guide dog for its two daughters. The girls are suffering from an incurable metabolic disorder, a rare genetic disease which leads to serious metabolic problems in the central nervous system, the liver and the spleen. The illness also causes deterioration of all motor skills and brings the danger of epileptic fits and shortage of breath when it reaches an advanced stage. Patients require 24-hour care. The family decided to obtain a guide dog, which can be used to provide support for the everyday activities of family life. These so-called companion dogs are specially trained to be reliable social partners. They accompany patients in their everyday lives and provide a sense of closeness, security and reassurance. The capacity of these dogs to react quickly and sensitively to feelings and situations which impact negatively on patients is of considerable help to family members and carers, particularly in the case of serious illnesses.

financial support for Commerzbank employees and pensioners who find themselves in need through no fault of their own, particularly in the case of serious illness. Close family members can also be given assistance. The oldest Commerzbank social foundation is the Amandus de la Roy Foundation, set up in 1945 and funded from the estate of the former Board member of the same name. Further social foundations include the Meier-Bruck Foundation and the Alfred Prahm Foundation. The Max Grunow Foundation pursues a different funding aim by concentrating exclusively on providing financial support for needy Commerzbank trainees in Berlin.

### Endowment capital of the social foundations 2009



### Broadly-based overall social commitment: the Commerzbank Foundation

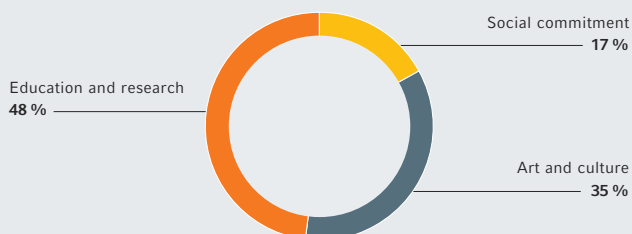
The Commerzbank Foundation has an endowment capital of 53 million euros and is the most significant of all foundations operated by Commerzbank. It was founded in 1970 on the occasion of the bank's centenary. In 2008, the Commerzbank Foundation committed funds of approximately 1.5 million euros. 17 % of this was devoted to social purposes (2007: 10 %), 35 % was spent funding art and culture (2007: 19 %) and 48 % was given over to education and research (2007: 71 %). In future, the Commerzbank Foundation will focus its activities in a more thematic manner and will concentrate on projects in the field of education.

#### Endowment capital of the foundations 2009

Endowment capital in € m	
Commerzbank Foundation	53.0
Jürgen Ponto Foundation	6.4
Dresdner Bank Dresden Cultural Foundation	7.2
Dresdner Bank Foundation Fund	10.0
<b>Total</b>	<b>76.6</b>
Endowment capital of social foundations	19.9
<b>Endowment capital</b>	<b>96.5</b>

The Commerzbank Foundation operates strictly as a funding body. It does not develop its own themed approaches or implement any projects of its own. It mainly supports centralised institutions which operate at a national level such as the famine relief foundation Deutsche Welthungerhilfe, the campaign group Kinder in Not ("Children in Need") or the Deutsche Stiftung Musikleben, a German foundation dedicated to music.

#### Distribution of funding by the Commerzbank Foundation 2008



Since the Commerzbank Foundation was established in 1970, total donations have been €21.3m.

Within the scope of its main focus on education, the Commerzbank Foundation funds endowed professorships at various institutes of higher education. In 2004, it founded the Chair for Organ Music and Improvisation at the Weimar School of Music, the first endowed professorship in music in Germany. In 2000, it endowed a chair at the Bucerius Law School in Hamburg to focus on basic legal principles and to explain the significance of jurisprudence for the organisation and development of modern societies and in 2006 created a professorship at the Frankfurt School of Finance & Management to concentrate on the topic of financing for small and medium-sized businesses (see page 43 of the report).

### Commerzbank Foundation supports high-end culture in Frankfurt

The International Commerzbank Chamber Music Award, which was instigated in 2008, represents an outstanding example of the commitment of the Commerzbank Foundation in the field of culture (see page 43 of the report). The Commerzbank Foundation also acts as the main sponsor of the Städel Museum in Frankfurt where it is funding two exceptional exhibition projects. A donation made by the Commerzbank Foundation in 2007 helped enable a major exhibition to be staged on the work of Renaissance artist Lucas Cranach. 100 masterpieces by the influential artist were assembled from all the most important national and international museums and collections. A similarly impressive exhibition on Sandro Botticelli and the Florentine patronage of the de Medici family has been taking place since November 2009.

### Long-term and professional: Commerzbank sponsoring

Commerzbank is involved in the fields of sports and educational sponsoring and has established a number of selected long-term strategic partnerships in these areas. This selection is aligned towards both corporate and brand vision. In the field of education, Commerzbank is primarily engaged in funding environmental educational projects and in providing support within the scope of cooperation agreements with institutes of higher education. The main focus of the bank's sports sponsoring activities is on promoting general and top-level sport and on encouraging up-and-coming talent. The majority of measures are implemented within the framework of our cooperation with the German Foot-

- > [www.welthungerhilfe.com](http://www.welthungerhilfe.com)
- > [www.kinder-in-not.de](http://www.kinder-in-not.de)
- > [www.dsm-hamburg.de](http://www.dsm-hamburg.de)
- > [www.hfm-weimar.de](http://www.hfm-weimar.de)

- > [www.law-school.de/home.html](http://www.law-school.de/home.html)
- > [www.frankfurt-school.de/content.en](http://www.frankfurt-school.de/content.en)
- > [www.commerzbank-kammermusikpreis.de/e\\_index.html](http://www.commerzbank-kammermusikpreis.de/e_index.html)
- > [www.fussball.commerzbank.de](http://www.fussball.commerzbank.de)

ball Association (DFB). We display our close connection to the Rhine-Main Region by location sponsoring, such as our acquisition of the naming rights to the Commerzbank-Arena in Frankfurt. One current major challenge is the integration of the Dresdner Bank sponsoring activities into Commerzbank's sponsorship strategy.

#### **Grünes Band and triathlon: successful integration**

The integration of Dresdner Bank has brought high-quality sports sponsorship projects to the new Commerzbank. The bank will, for example, take on future responsibility for the "Grünes Band", the longest standing sponsorship award for up-and-coming sporting talent in Germany, and will work in conjunction with the German Olympic Committee in awarding prizes to 50 sports club a year to recognise particular success with young sportspeople. Winners receive 5,000 euros each, and around 1,000 clubs a year enter the competition to win this much coveted award. The selection is made by a high-profile jury. Members in 2009 included Olympic fencing champion Britta Heidemann and Normann Stadler, twice Ironman World Champion and captain of the new Commerzbank Triathlon Team. Three special prizes are also awarded for preventative measures against doping. In future, the "Grünes Band" will replace the Commerzbank "Volunteers in Sport" project.

The bank's new triathlon team represents a further successful aspect of the integration of Commerzbank and Dresdner Bank. Although Commerzbank previously had top triathlete Timo Bracht under contract as an individual competitor, he has been a member of the team taken over by Dresdner Kleinwort team since 2009, a team which also includes Normann Stadler, his main rival up until now. This means that the two best German Ironman athletes will be competing together for the new Commerzbank – a symbolic joining of forces which represents a success for the integration of the two banks. Commitment in this area will initially continue until 2011 and will be supported by a strict anti-doping programme. The Dresdner Kleinwort sponsorship of the traditional "Frankfurt Marathon", the oldest city marathon in Germany, has also successfully been incorporated into the sponsorship activities of the new Commerzbank.

#### **Awareness through education: the Internship for the Environment**

One example of a long-term and successful Commerzbank sponsorship project in the field of education is the "Internship for the Environment", which was instigated in 1990. The project is organised by "Europarc Germany", the umbrella organisation for nature and natural parks, and financed by Commerzbank. Every year, around 50 students are given the opportunity to gain practical experience in educational and public relations work in a selected nature reserve. The aim is to raise social awareness of ecological topics by supporting the protected areas and by engaging the participants themselves to act as multipliers. In 2009, training standards were unified. Since this time, each training cohort has been assigned a particular topic, such as "the ecological footprint". The aim is then for results to be developed from a range of different perspectives within the framework of the internship. In addition to this, two new training centres have been included in the programme. Over the last 20 years, more than 1,100 student have completed an internship for the environment. This has led to the development of a large number of innovative concepts, some of which have been the object of long-term implementation by the national parks (see page 46 of the report). In 2007, the internship for the environment was designated a "Decade Project" by the "UN Decade of Education for Sustainable Development".

The CAMPUS OF EXCELLENCE platform, which was founded in 2005 and facilitates the networking of up-and-coming young talent and exchange with stakeholders from politics, trade and industry, is a further important example of a Commerzbank educational project (see page 44 of the report).



# Commerzbank CR programme

Objective	Measures	Target date	Performance highlights 2007 – 2009
<b>Strategy</b>			
<b>CR strategy</b> Development and implementation of a business-wide CR strategy for the new Commerzbank	Development of various CR strategy components for a business-wide CR strategy	December 2010	Components already in place. The process has been delayed by the integration of Dresdner Bank. The target date has been put back from 2008 to 2010
	Gradual intensification of CR reporting to include significant group companies	Ongoing	Corporate Responsibility Report 2009 already includes comdirect, Eurohypo and BRE Bank
	Implementation of the reputation risk management concept	Ongoing	Reputation risk concept initially established at the start of 2008 focusing mainly on corporate customer and interbank business. Since then gradual expansion to other divisions and implementation of sector guidelines (e.g. for armaments)
	Standardisation of reputation risk management systems of Commerzbank and Dresdner Bank	December 2009	Operational consolidation in September 2009
<b>Stakeholder dialogue</b>			
<b>Strategy</b> Exchange of views with relevant stakeholder groups and integration of results into our decision-making processes	Regular and structured exchange with various non-governmental organisations (NGO's) and bodies on topics relevant to sustainability	Ongoing	NRO Bank Dialog Forum on such issues as weapons and armaments and biofuels. Committee work e.g. with the Association for Environmental Management in Banks, Savings Banks and Insurance Companies (VfU). Climate Change Finance Forum, Rhine-Main Environmental Forum
	Involvement of NGO's in the development of sector-specific guidelines	Ongoing	Adoption of sector guidelines for armaments business within the Commerzbank group in October 2008
	Introduction of an IT-supported tool for the analysis of NGO and media reporting	September 2008	The tool was introduced in 2008
<b>Communication</b> Systematisation and intensification of stakeholder dialogue	Establishment of a Commerzbank Customer Advisory Council for ongoing dialogue between customers and bank management with the aim of aligning services within the retail banking segment even more closely to customer needs	March 2009	Initial measures instigated by the Customer Council have already been implemented
	Regular telephone conferences for staff and management for ongoing internal exchange of views	Ongoing	Telephone conferences between Members of the Board of Managing Directors and staff within their division on business figures
	Regular CR reporting via various communication pathways in accordance with internationally recognise standards	Ongoing	UN Global Compact Communication on Progress 2008, Corporate Responsibility Report 2007 in accordance with the Global Reporting Initiative Guidelines and the principles of the UN Global Compact, regularly updated website
<b>Employee survey</b> Group-wide survey of the picture of opinion of employees and derivation of measures to improve employee satisfaction	Annual company-wide employee survey to measure employee satisfaction and a major employee survey every three years including a detailed analysis of strengths and weaknesses	Ongoing	Small employee survey and large employee survey conducted in 2007 and 2008 respectively
	Quarterly employee "Pulse Check" surveys and "Integration Monitor" to accompany the integration process both at Commerzbank and at Dresdner Bank	Ongoing	First survey wave launched in November 2008, since then quarterly follow-up surveys
<b>Market &amp; customers</b>			
<b>Compliance</b> Implementation of uniform compliance standards in all banking divisions	Adaptation and implementation of the Business Conduct Guidelines to ensure integrity at the new Commerzbank	Ongoing	The first version of the Business Conduct Guidelines was published in February 2007 and constitutes binding stipulations
	Conducting groundwork for senior management on regulatory developments, topics relating to the work which takes place with associations, ongoing regulatory procedures at a national and super-national level, and the early identification of any resultant measures which need to be implemented for Commerzbank	August 2008	Introduction of a Regulatory Affairs Committee (for Germany, UK, USA, Asia and Australia)
	Enhancement of group-wide processes for money laundering prevention	June 2008 Ongoing	Process optimisation has been concluded and certified by an auditing firm, ongoing adaptation to new statutory standards, expansion of scope of application of the standards to the Dresdner Bank group units
	Introduction of a group-wide whistle blowing system for the anonymous receipt and processing of information relating to acts of economic crime in connection with business operations	Mid-2010 (start roll-out)	Adoption of the company agreement on whistle blowing for Commerzbank AG in June 2008
	Development and introduction of a "Global Monitoring Standard" in the area of money laundering prevention for all relevant group units	November 2009	Start roll-out
	Adoption of group-wide guidelines on dealing with conflicts of interest	November 2007	Guidelines have been adopted and implemented

Objective	Measures	Target date	Performance highlights 2007 – 2009
<b>Market &amp; customers</b> (continued)			
<b>Compliance</b> (continued)	Raising employee awareness of and updating of training provision on compliance topics	Ongoing	Roll-out of four new web-based training modules on the topics of fraud prevention, money laundering prevention, securities compliance, sanctions/embargos in ten languages, implementation on an ongoing basis of conventional training courses in business units operating in areas where risks are particularly high
<b>Core business</b> Stronger sustainable alignment of core business	Introduction of new sustainable and innovative products and services	Ongoing	Introduction of the "climate:coach", which analyses the energy intensity and efficiency of business processes, in February 2009
	Integration and expansion of emissions trading in the range of products and services offered by the new Commerzbank	Ongoing	Integration of one of the leading providers of emissions trading (Dresdner Kleinwort) into the new Commerzbank
	Expansion of corporate and project financing along the whole of the renewable energies value-added chain	Ongoing	Further internationalisation, especially in the growth markets of Europe and North America
<b>Environmental and climate protection</b>			
<b>Environmental Management</b> Implementation of an environmental management system	Development and implementation of an environmental management system (EMS) for Commerzbank AG covering all locations in Germany	2008	Start September 2008
	External certification of the EMS	February 2009	Certification of the EMS in accordance with DIN ISO 14001 by Det Norske Veritas
	Integration of the EMS of Dresdner Bank into the Commerzbank EMS and successful recertification	July 2009	Successful reaudit by an external certifying body. The certificate applies to all locations of the the new Commerzbank AG in Germany (including Dresdner Bank)
	Information and awareness measures for employees and communication on environmental topics	Ongoing	Including a flyer on environmental protection included with the payslip of all Commerzbank staff in December 2008; information and involvement programme on the occasion of World Environment Day in June 2009 under the motto "Environmental protection matters to us all"
	Instigation of a Group Environmental Committee	December 2009	Board of Managing Directors resolution on the matter
<b>Climate protection</b> Development and implementation of a group-wide climate strategy	Instigation of the „Round Table Climate“ Committee, development of a climate strategy and adoption by the Board of Managing Directors	July 2009	Constituent meeting in December 2008. Adoption of a Climate Strategy by the Board of Managing Directors
	CO <sub>2</sub> reduction of 30 % by 2011 (base year 2007)	December 2011	
	Electricity supply to the whole of the new Commerzbank entirely converted to green energy (including Dresdner Bank)	from 2010	Electricity supply to Commerzbank Head Office entirely converted to certified green energy since 2008, proportion across the whole of the bank in Germany in 2008 59 %.
<b>Sustainable procurement</b> Introduction of a uniform paper standard	Introduction of paper guidelines	October 2008	Stipulation of recycled paper ("Blue Angel" certified) as a binding standard for in-house purposes; use of FSC certified paper for external communication in the wake of the brand relaunch (e.g. flyers, brochures, business cards)
<b>Sustainable internal product range</b> Expansion of the range of sustainable products	Introduction of the Piazza procurement portal, a central web-based ordering platform featuring a selected basket of goods aligned to sustainable procurement standards and to the ethical guidelines	October 2007	Portal is in use
	Introduction of new products in Commerzbank's central procurement portal	Ongoing	Introduction of products certified with the "Blue Angel" ecological seal, provision of ballpoint pens containing 80 % sustainable and compostable raw materials ("bio-pen")
<b>Employees</b>			
<b>Corporate culture and values</b> Creation of an interlinking and binding corporate culture	Ongoing information and implementation of workshops on the five corporate values (ComWerte) and expansion to cover employees of the former Dresdner Bank	Ongoing	Participation of around 24,000 employees in over 2,000 ComWerte workshops since June 2007, introduction of the ComWerte wiki to provide a forum for internal web debate since February 2008, presentation of the documentary film "What we stand for. ComWerte – the film" in February 2009
<b>Work-life balance</b> Provision of measures for a better work-life balance and for the creation of a family-friendly working environment	Ongoing expansion of childcare for employees at further main branches	Ongoing	Provision of emergency childcare at 17 locations across the country at the end of 2008 via "Kids & Co.", expansion of provision to Dresdner Bank employees in June 2009. Nationwide advisory services and local childcare placement provision offered by Family Services. Regular crèche and kindergarten childcare (200 full-time places, mainly in Frankfurt) for parents at the new Commerzbank
	Expansion of advisory and event provision for care of close family members	June 2008 Ongoing	Introduction of "Care" skills training following the implementation of the Care Act in June 2008, expansion of provision to include Dresdner Bank employees

Objective	Measures	Target date	Performance highlights 2007 – 2009
<b>Employees (continued)</b>			
<b>Work-life balance</b> (continued)	Information for female employees on maternity leave, employees of both sexes on parental leave, staff on long-term sickness and employees doing military or civilian service	Ongoing	Publication of the "Comeback-Info" brochure in March 2008, scope of application extending to all employees of the new Commerzbank, development of a Diversity Portal to be accessible to all employees of the new Commerzbank from 2010
<b>Diversity management</b> Creation of a multi-faceted corporate culture by fostering the diversity of the workforce	Expansion of information and continuing training provision on the topic of diversity, providing support for diversity networks	Ongoing	Implementation of a large number of workshops and events, such as those staged within the scope of the "Forum Diversity" on the topics of "Cultural diversity" and "Generations (demographics)", e.g. Lunch & Learn "Demographic change – challenge and opportunity"; support for the networks arco (gay/lesbian network), Courage (working women) and Focus on Fathers (working fathers)
	Advancement of working women	Ongoing	Provision of a large number of events for working women, such as the conference "Successful career women – the rules of success", cross-mentoring programme, the women's network Courage
<b>Talent management</b>	Stronger positioning as an attractive employer for talented young professionals	Ongoing	New version of the programme for up-and-coming young talent "NewCom", continuation "Career-Ship" and "management meets campus"
<b>Health management</b> Promoting and maintaining the health of employees	Implementation of workshops and events on health-related topics, such as healthy eating, exercise and prevention of stress and addiction	Ongoing	Provision of a "Health Fund 2009" with workshops and health days, integration of company sport, activities related to prevention of a pandemic, expansion of addiction prevention provision, e.g. deployment of company addiction support workers
	"Im Lot" (work/life balance) project	Ongoing	Implementation of workshops, interviews, health survey and analysis of results. Measures derived will be implemented from the autumn of 2010 e.g. in the form of training measures for employees and management staff in order to expand health expertise and via the establishment of an Employee Council
<b>Society</b>			
<b>Social commitment</b> Acceptance of responsibility as part of society via focused commitment in the fields of education, culture and sport	Organisational amalgamation of the Commerzbank and Dresdner Bank Foundations under the roof of an organisational Foundation Centre	December 2010	Stipulation that the future focus of funding support will be on "education" in 2008
	Sponsoring of the International Commerzbank Chamber Music Award	September 2010	First International Chamber Music Award, stipulation that the instrument category for the second International Chamber Music Award to be awarded in 2010 will be piano trio/piano quartet
	Funding of the excellence initiative CAMPUS OF EXCELLENCE	Ongoing	Core modules from the "job factory", "training academy" and "summer school" and symposia, lecture series and workshops as part of the Alumni Network
	Funding of the environmental educational project "Internship for the environment"	Ongoing	Designated as an "Official Project of the UN Decade of Education for Sustainable Development" by UNESCO 2007/2008, more than 1,100 interns have completed a practical placement during the past 20 years, inclusion of two further training centres
	Expansion of programmes and deployment opportunities in the field of voluntary work by employees	Ongoing	Ongoing employee commitment in various Commerzbank initiatives such as CAMPUS OF EXCELLENCE, the Hansenberg boarding school and the Frankfurt School of Finance & Management
	Premium partner of the German Football Association (DFB) in general and top-level sport	August 2008	Support for the men's and women's national teams, funding young people in the field of general sport, support for the training campaign which enabled a total of 130,000 full-time and volunteer coaches, support workers and youth workers to gain training licences or club management licences by the end of 2008
	National sponsor of the FIFA 2011 Women's World Cup in Germany	Ongoing	Contract concluded in March 2009
	Consolidation of the sponsoring activities of Commerzbank and Dresdner Bank (including Dresdner Kleinwort)	Ongoing	"Grünes Band", Frankfurt Marathon, amalgamation of Timo Bracht, the triathlete supported by Commerzbank, and the triathlon team funded by Dresdner Kleinwort, adding Normann Stadler to the team
	Funding general financial education in society	June 2009	Publication of the brochure "The crisis on the financial markets – how it came about and what we should do now" in June 2009, reprinted several times due to great demand

# GRI Content Index

Our corporate responsibility reporting is based on the internationally recognised guidelines laid down in the “Global Reporting Initiative” (GRI, [www.globalreporting.org](http://www.globalreporting.org)) including the “Sector Supplements” for financial sector service companies. The purpose of adopting this approach is to make the current status of our performance more clearly understandable and checkable for the reader. Reporting takes place in accordance with the third and most recent Version of the GRI Guidelines, known as “G3”. The report has been checked by the GRI and fulfils “Application Level A”, the highest such level. The GRI Content Index provides greater clarity by presenting an abbreviated version of the GRI indicators used. The page references

indicate where the relevant information is to be found within the report. For reasons of space, we have not presented a number of supplementary indicators and have also not included core indicators which are not relevant to us as a provider of financial services. Commerzbank has also committed itself to complying with the ten principles of the United Nations Global Compact. The following index provides a reference to the presentation of the relevant information in the left-hand column. This means that the Corporate Responsibility Report 2009 also serves as a Communication on Progress (COP) a formal report on the fulfilment of the ten principles of the UN Global Compact.

UN Global Compact	GRI indicator	Page	Degree of fulfilment
	<b>1. Strategy and analysis</b>		
	1.1 Statement from the most senior decision-maker	pp. 2-4	↑
	1.2 Key impacts, risks and opportunities	pp. 2-3, 58, 61	↑
	<b>2. Organisational profile</b>		
	2.1 Name of the organisation	Cover 2, Cover 3	↑
	2.2 Brands, products and/or services	pp. 5, 7, 64-65	↑
	2.3 Organisational structure including main departments, various branches, subsidiaries and joint ventures	pp. 49-51 Annual Report, Cover 4	↑
	2.4 Headquarter location	Cover 3	↑
	2.5 Countries in operation	Annual Report, Cover 5-6	↑
	2.6 Nature of ownership and legal form	Cover 3, p. 5 Annual Report, p. 25	↑
	2.7 Markets served	Annual Report, Cover 5-6, pp. 52 ff.	↑
	2.8 Scale of the organisation	pp. 6, 76 Annual Report, pp. 185 ff.	↑
	2.9 Significant changes regarding size, structure or ownership	pp. 5-7	↑
	2.10 Awards received	p. 10 (Comenius EduMedia seal), 17 (awards received by the Mittelstandsbank), 35 (fair opportunities, good atmosphere), 68 (European Energy Trophy), 80 (Ideas are the Future), 87 (World Decade of Education for Sustainable Development)	↑
	<b>3. Report parameters</b>		
	3.1 Reporting period	Cover 2	↑
	3.2 Date of most recent report	Cover 2, p. 2	↑
	3.3 Reporting cycle	Cover 2	↑
	3.4 Contact point for questions	Cover 3	↑
	3.5 Process for defining report content	Cover 2, p. 59	↑
	3.6 Boundary of the report	Cover 2	↑
	3.7 Limitations on the scope or boundary of the report	Cover 2	↑
	3.8 Joint ventures, subsidiaries and outsourced operations	Cover 2	↑
	3.9 Data measurement techniques	Cover 2	↑
	3.10 Effects of re-statement of information provided in earlier reports	Cover 2	↑ The sections “Progress in the reporting period” and “Review and outlook” have been revised for this report and restructured to form the section “CR Programme” and a “CR Roadmap”. Material content and objectives have been transferred to ensure comparability.
	3.11 Significant changes in the scope, boundary or measurement methods		↑ In the present report, Commerzbank provides a transparent and comparable presentation of consumption in the areas of energy, materials and mobility in the form of CO <sub>2</sub> equivalents for the first time. For further changes, see 3.6, 3.7, and 3.10.
	3.12 GRI Content Index	pp. 91-93	↑
	3.13 External assurance		↑ Although the report has not been checked by external parties, both the Environmental Management System and the data contained in the 2008 Annual Report have been verified.
	<b>4. Governance, Commitments and Engagement</b>		
	4.1 Governance structure	p. 58 Annual Report, pp. 12 ff., 28 ff.	↑
	4.2 Indication whether chairperson is also managing director		x The functions of the Chairman of the Board of Managing Directors and those of the Chairman of the Supervisory Board are strictly separated according to German law.
	4.3 Independent members on the board		↑ By its very definition, this indicator only applies to organisations which do not have a Supervisory Board and is therefore not relevant to Commerzbank.
	4.4 Mechanisms for shareholders and employees to provide recommendations to the board		↑ Shareholders have a regular opportunity to direct recommendations to the Board of Managing Directors at the AGM. In addition to this, shareholders and investors may establish personal contact with Board members at road shows and on “Investors’ days” and may also submit written recommendations via the Investor Relations Department. Opportunities for employees to submit recommendations to members of the Board of Managing Directors include the annual employee surveys and the internal ideas management system ComIdee. Staff are also free simply to contact Board members by e-mail with their recommendations.
	4.5 Linkage between executive compensation and organisation’s performance	p. 82 Annual Report, pp. 28 ff.	↑
	4.6 Processes to avoid conflicts of interest at the board	pp. 61, 64	↑
	4.7 Expertise of board members on sustainability topics	pp. 2-3, 55, 58	↑
	4.8 Statements of mission, codes of conduct and principles	pp. 23-24 (Climate Strategy), 54 (ComWerte), 55 (Corporate Responsibility Guidelines), 57 (Human Rights), 61 (Corporate Governance), 67 (Environmental Guidelines)	↑

UN Global Compact	GRI indicator	Page	Degree of fulfilment
	4.9 Procedures for board governance on the management of sustainability performance	pp. 55, 58	↑
	4.10 Processes for evaluation of the board's sustainability performance	pp. 55, 88-90	→ The Supervisory Board monitors the efficiency of the activities of the Board of Managing Directors on an ongoing basis. This includes monitoring performance in the field of sustainability. In addition to this, a compensation model is currently being drawn up which will place an even greater emphasis on the topics of sustainability and a long-term approach.
7	4.11 Precautionary approach	pp. 7, 58-59, 61-62 Annual Report, pp. 124 ff.	↑
	4.12 External charters, principles or other initiatives	p. 10 (EU Financial Markets Directive MiFID), 16-17 (Export Finance), 24 (Communication on Climate Protection), 56-57 (CR Roadmap/UN Global Compact), 65 (Global Liquidity Programme)	↑
	4.13 Memberships in associations	p. 25 (Finance Forum: Climate Change), 44 (CAMPUS OF EXCELLENCE), 48 (Basics of handling money), 68 (external commitments to environmental and climate protection), 84 (employee commitment programmes), 85 (foundation commitment)	↑
	4.14 Stakeholder groups	pp. 59-60	↑
	4.15 Stakeholder identification and selection	pp. 59, 60	↑
	4.16 Approaches to stakeholder engagement	pp. 18-19 (UnternehmerPerspektiven), 21-22 (Schellnhuber interview), 28 (networking with research, policymakers, trade and industry), 59-60 (transparent stakeholder dialogues), 68 (integration of employees into environmental and climate protection)	↑
	4.17 Topics and concerns raised by stakeholders	pp. 33-34 (Sieber interview), 59-60 (transparent stakeholder dialogues), 76-77 (A route to employee satisfaction), 83 (Cooperation in a spirit of partnership including co-determination)	↑
<b>Financial Service Sector Supplement FS55</b>			
	FS1 Policies with specific environmental and social components applied to business lines (sup)	pp. 23-24, 55, 67-69	↑
	FS2 Procedures for assessing and screening environmental and social risks in business lines (sup)	pp. 16-17, 23-24, 55, 58, 61-62, 67	↑
	FS3 Processes for monitoring clients' implementation of environmental and social requirements included in agreements or transaction (sup)	pp. 16-17, 55, 58, 61-62, 63	↑
	FS4 Processes for improving staff competency to implement the environmental and social policies and procedures (sup)	pp. 24, 55, 67-69, 73, 74, 75	↑
	FS5 Interactions with clients and/or business partners regarding environmental and social risks and opportunities (sup)	pp. 18-19, 21-22, 24, 25, 28, 59-60, 62, 63	↑
	FS6 Division of business lines by region, size and sector (sup)	Annual Report, pp. 60-67, 70-75, 81-91, 92-100, 101-105	↑
	FS7 Volume of products and services designed to deliver a specific social benefit broken down by purpose (sup)	pp. 18, 19, 41-42, 43, 44-45, 48, 49-51, 65, 66, 86-87	↑
	FS8 Volume of products and services designed to deliver a specific environmental benefit broken down by purpose (sup)	pp. 19, 25, 26-28, 29-31	↑
	FS9 Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures (sup)	p. 67	↑ The Environmental Management System is audited once a year.
	FS10 Percentage and number of companies held in the portfolio with which interaction has taken place on environmental or social issues (sup)		↑ Interaction on environmental and social issues has taken place with all (100 %) of the companies held in the portfolio.
	FS11 Percentage of assets subject to positive and negative environmental or social screening (sup)		N.R. This indicator is not yet currently being surveyed, although the long-term plan is to investigate doing so.
	FS12 Voting policy applied to environmental or social issues for shares over which the reporting organisation holds the right to vote or to advise on voting (sup)		→ Environmental or social topics always play a part in decisions taken where Commerzbank holds the right to vote.
	FS13 Access to company services for economically disadvantaged persons or sparsely populated regions (sup)	pp. 19, 65-66	↑ The new Commerzbank has the most extensive branch network of any German bank.
	FS14 Initiatives to improve access to services for the disadvantaged (sup)	pp. 19, 48, 64	↑ Buildings and technology at Commerzbank branches are made accessible when renovation works take place.
	FS15 Guidelines for fair design and sales of financial products and services (sup)	pp. 10, 61, 63, 65	↑
	FS16 Contribution to the general financial education according to stakeholder groups (sup)	pp. 10, 12, 14-15, 28, 48, 49, 50, 62, 65	↑
<b>Economic Performance Indicators</b>			
1,4,6,7	Disclosure on management approach	pp. 4-7, 9-10	↑
	EC1 Direct economic value generated and distributed	pp. 4, 6 Annual Report, pp. 185 ff.	↑
7	EC2 Financial implications due to climate change	pp. 23-24	↑
	EC3 Coverage of the organisation's defined benefit plan	p. 82	↑
	EC4 Financial government assistance		N.R. Financial government assistance cannot be communicated due to data protection stipulations.
	EC6 Locally-based suppliers	pp. 68-69	↑
6	EC7 Local hiring		↑ Commerzbank employs 96.7 % German nationals, 1.8 % other EU nationals and 1.5 % non-EU citizens.
	EC8 Infrastructure investments and services for public benefit	pp. 41-42, 84-87	↑
<b>Environmental Performance Indicators</b>			
7,8,9	Disclosure on management approach	pp. 23-24, 67-68, 68-69, 71-75	↑
8	EN1 Volume of materials used	pp. 72-73	↑
8,9	EN2 Recycled materials	pp. 73-74	↑ Recycled paper as a proportion of total paper was 22 % in 2007 and 19 % in 2008.
8	EN3 Direct primary energy consumption	pp. 70, 71-72	↑
8	EN4 Indirect primary energy consumption	pp. 70, 71-75	↑
8,9	EN5 Energy conservation (ad)	pp. 72	↑
8,9	EN6 Initiatives for energy-efficiency and renewable energy (ad)	pp. 19, 24, 72	↑
8,9	EN7 Initiatives for reducing indirect energy consumption (ad)	pp. 24, 73-74, 75	↑
8	EN8 Total water withdrawal		↑ Total water consumption at Commerzbank was 355,000 m³ in 2007 and 360,280 m³ in 2008. Commerzbank draws its water from a total of 280 local municipal utility companies.



UN Global Compact	GRI indicator	Page	Degree of fulfilment
8,9	EN10 Water recycled and reused (ad)		↑ The total amounts of water recycled and reused by Commerzbank in 2007 and 2008 were 44,589 m³ and 46,410 m³ respectively.
8	EN11 Land assets in or adjacent to protected areas		↑ No premises used by Commerzbank are in or adjacent to protected areas.
8	EN13 Habitats protected or restored (ad)	pp. 46-47, 87	↑ Commerzbank protects natural habitats via various projects, such as within the scope of the "Internship for the environment", the aims of which include protecting habitats and creating awareness for environmental and climate protection. In addition to this, the CO₂ emissions caused by selected projects are compensated for by the purchase of recognised emissions reduction certificates.
8	EN16 Greenhouse gas emissions	pp. 70-71	↑
8	EN17 Other greenhouse gas emissions	pp. 70-75	↑
7,8,9	EN18 Initiatives to reduce greenhouse gas emissions (ad)	pp. 71, 72, 72-73, 75	↑
8	EN22 Waste by type and disposal method	p. 74	↑
7,8,9	EN26 Initiatives to mitigate environmental impacts	pp. 23-24	↑
8	EN28 Sanctions for non-compliance with environmental regulations		↑ No sanctions for non-compliance with environmental regulations were imposed.
8	EN29 Environmental impacts of transport (ad)	pp. 74-75	→
<b>Social Performance Indicators: Labour Practices and Decent Work</b>			
1,3,6	Disclosure on management approach	pp. 54, 55, 56-57, 57, 76, 77-78, 78-80, 80-81, 82, 83	↑
	LA1 Workforce by employment type and region	pp. 76, 79, 80, 83	↑
6	LA2 Employee turnover	p. 77	→ The long-term aim is to survey employee turnover by age group, gender and region.
	LA3 Benefits to full-time employees (ad)	p. 82	→
1,3	LA4 Employees with collective bargaining agreements	pp. 76, 79	↑
3	LA5 Minimum notice period(s) regarding operational changes	p. 83	↑
1	LA6 Workforce represented in joint health and safety committees (ad)		↑ 100 % of Commerzbank staff are represented via joint health and safety committees.
1	LA7 Occupational diseases, lost days and number of fatalities	pp. 80-81	→ The long-term aim is to include injuries and occupational diseases in the internal survey of data.
1	LA8 Training on serious diseases	pp. 36, 80-81	↑
1	LA9 Trade union agreements on health and safety (ad)	pp. 80-81	↑ Agreements on topics related to health and safety have been concluded with the Staff Council. Some Staff Council members are also trade union members.
	LA10 Training per employee	p. 78	↑
	LA11 Programmes for knowledge management and lifelong learning (ad)	p. 80	→
	LA12 Regular performance and career development review (ad)	p. 78	↑
1,6	LA13 Composition of governance bodies	pp. 78, 79	↑
1,6	LA14 Gender pay disparity	p. 82	↑
<b>Social Performance Indicators: Human Rights</b>			
1,2,3,4,5,6	Disclosure on management approach	pp. 55, 56-57, 57, 63, 78, 81, 83	↑
1,2,3,4,5,6	HR1 Investment agreements	pp. 16-17, 57, 58	↑
1,2,3,4,5,6	HR2 Supplier screening on human rights	pp. 57, 68-69	↑
1,2,6	HR4 Incidents of discrimination		↑ Commerzbank has instigated a wide range of measures to avoid discrimination within the scope of its Diversity Management system. These measures are explicitly collated into a Code of Conduct which is binding for all employees. For the protection of staff, specific data cannot be disclosed.
1,2,3	HR5 Freedom of association and collective bargaining	pp. 56-57	↑ Commerzbank takes full account of its employees' rights in respect of freedom of association and collective bargaining. We are not aware of any cases in which compliance with these rights is or was in jeopardy.
1,2,5	HR6 Child labour	pp. 56-57	↑
1,2,4	HR7 Forced labour	pp. 56-57	↑
<b>Social Performance Indicators: Society</b>			
10	Disclosure on management approach	pp. 60, 61-62	↑
	S01 Impacts on communities	p. 18 (Succession planning), 23-24 (Climate Strategy), 65 (Supporting trade in developing countries), 66 (Stakes in microfinance banks), 83 (Constructive cooperation within the scope of the integration process), 84 (Employee commitment to working for the common good)	↑
10	S02 Corruption risks		↑ Around 95 % of business units are included.
10	S03 Anti-corruption training	p. 62	↑
10	S04 Actions taken in response to incidents of corruption		↑ One case of corruption in the construction sector occurred during the reporting period. In general terms, a "zero-tolerance principle" applies to corruption. The "Gift Policy" is already in place. Our "Anti Fraud Policy" is scheduled to enter into force in the 2 <sup>nd</sup> quarter of 2010.
1 to 10	S05 Lobbying	p. 60	↑
	S08 Sanctions for non-compliance with laws and regulations		N.R. Not reported due to internal rules and guidelines. A decision will be taken at a later stage on the possibility of reporting on this indicator in future.
<b>Social Performance Indicators: Product Responsibility</b>			
1,8	Disclosure on management approach	pp. 5, 7, 9-10, 11, 12-13, 61, 64	↑
8	PR3 Product information	p. 10	↑ Commerzbank fully complies with statutory stipulations regarding the provision of information on product risks. It also commits on an ongoing basis to comprehensive and transparent customer advisory services.
	PR5 Customer satisfaction (ad)	pp. 11, 12-13, 16, 49	↑
	PR6 Marketing communication standards	pp. 10, 61, 65, 86-87	↑ Commerzbank complies with all national and international laws relating to advertising and sponsoring.
	PR9 Sanctions for non-compliance with product and service related regulations		N.R. Not reported due to internal rules and guidelines. A decision will be taken at a later stage on the possibility of reporting on this indicator in future.

## Status

↑	completely covered
→	partially covered
↓	not covered
x	not relevant
N.R.	not reported (due to legal or regulatory provisions, data not collected or internal rules and guidelines)

## References

p. x	Page number in Commerzbank Corporate Responsibility Report 2009
Annual Report, p. x	Page number in 2008 Annual Report
Indicators	Core indicators
No indicator	additional indicators (optional)
(ad)	"Sector Supplements" for Financial Service Sector companies (optional)
(sup)	

# Glossary

## CO<sub>2</sub> equivalent

The CO<sub>2</sub> equivalent (or CO<sub>2</sub>e for short) is a measure for the uniform calculation of greenhouse gases. Each greenhouse gas is converted according to its global warming effect. The global warming potential of carbon dioxide forms the basic unit of measurement. Methane gas emissions, for example, are multiplied by a factor of 25 due to the fact that the effect of methane on the climate is 25 times greater.

## Compliance

Compliance refers to the adherence to national and international laws and guidelines as well as to voluntary codes within a company. Dedicated Compliance Departments are responsible for checking that companies act in accordance with relevant guidelines on such matters as insider trading, money laundering and conflicts of interest.

## Corporate Governance

Corporate governance establishes guidelines for transparent corporate management and supervision. The recommendations of the German Corporate Governance Code create transparency and confidence that a company is being managed in a responsible manner. In particular, they afford protection to the shareholders of a company.

## Corporate responsibility (CR)

Corporate responsibility describes the extent to which a firm is aware of – and lives up to – its responsibilities in those areas where its activities have an impact on society, its employees, the environment and the business landscape. In other words, corporate responsibility embodies a corporate philosophy based on transparency, ethical behaviour and respect for various stakeholders. It is an umbrella term, encompassing sustainability, corporate governance and corporate commitment to society.

## Demographic change

Demographic change describes changes in the age structure within a population. Falling birth rates and high life expectancy are leading to ageing populations in many industrialised and other countries. This has an impact on all areas of society, for example on the labour market and social insurance.

## Diversity

Diversity is the recognition and embracing of differences of gender, ethnic origin, language, religious and cultural values, age, family circumstances, social status, sexual orientation, abilities or disabilities.

## Emissions trading

Emissions trading was established in the Kyoto Protocol to act as a flexible instrument for the cost-effective reduction of greenhouse gas emissions. The leading world emissions trading system is the European Union Emission Trading Scheme (EU ETS), which was launched on 1 January 2005. The system issues certificates to companies which give them the right to emit certain levels of CO<sub>2</sub>. If a company emits a lower amount of CO<sub>2</sub>, it may sell certificates. If the opposite is the case, it is required to purchase additional certificates. The first trading period covers the period from 2005 to 2007. The second trading period extends from 2008 to 2012.

## Forest Stewardship Council (FSC)

The Forest Stewardship Council is an international charitable organisation which promotes responsible forestry. It has developed criteria aimed at preventing uncontrolled deforestation, environmental pollution and breaches of human rights.

## Green House Gas Protocol (GHG Protocol)

The Green House Gas Protocol is an instrument for the calculation and control of greenhouse gas emissions recognised the world over. It has been jointly developed by the World Business Council for Sustainable Development and the World Resources Institute.

## Global Reporting Initiative (GRI)

The Global Reporting Initiative issues the GRI Guidelines. These guidelines are internationally recognised and contain a large number of indicators relating to the economic, ecological and social performance of companies. These indicators should be taken into account when preparing Sustainability or Corporate Responsibility Reports.

## Insider trading

Insider trading refers to the exploitation of insider information when issuing or triggering a securities order. An insider is a person in possession of price-sensitive information about a security or its issuer before this information becomes public. Insider trading is a criminal offence in Germany under Article 14 of the Securities Trading Act.

**Issue Management**

Issue Management refers to the process of recognising, evaluating and actively managing topics which are considered to be relevant by the stakeholders of a company and may therefore influence the company's reputation. Issue Management includes target group analyses, active participation in debate and the instigation of internal company processes which enable critical issues to be addressed in a responsible way.

**Markets in Financial Instruments Directive (MiFID)**

The Markets in Financial Instruments Directive, or the Financial Markets Directive for short, is a Directive of the European Union and is intended to harmonise the financial markets in the European internal market. It aims to provide increased competition among European financial services companies and greater investor protection and affects almost all of a bank's business activities.

**Non-governmental organisation (NGO)**

NGOs are non-profit making institutions independent of government which actively pursue social, ecological and economic interests. Examples of NGO's include environmental and social associations and trade unions.

**OECD Common Approaches**

The Common Approaches of the Organisation for Economic Co-operation and Development (OECD) contain guidelines for monitoring environmental and social matters when issuing state credit insurance for export and project finance. They have been binding on all OECD member countries since 2004 and are regularly updated.

**Public Affairs**

The term Public Affairs describes the advisory activities pursued by companies and associations in the forefront of political decision-making. Its aims are to present companies' perspectives to policymakers and make sure that the companies remain up-to-date on the development of general economic conditions.

**Public Private Partnership**

The term Public Private Partnership refers to cooperation agreements between the private economy and the public sector in the form of such bodies as national government, federal state governments and local governments. Companies support the public sector in the pursuit of common goals by providing capital, expertise or services.

**Reputation**

Reputation is generally understood to mean the sum total of all the views and perceptions of a business, and the esteem in which it is held by its stakeholders in terms of its products, services and people. Reputation is a measure of how well a company serves the purpose for which it was created and the extent to which it takes account of social values and standards in the pursuit of this purpose.

**Stakeholders**

Stakeholders are all groups with a direct or indirect relationship with or interest in a company. Alongside shareholders, stakeholders also include, for example, employees, customers, suppliers, the media, non-governmental organisations (NGO's), society, policymakers and science and research.

**Sustainability**

Sustainability is a holistic concept, based on an environmentally compatible, socially just and economically effective approach to development. This means using available resources carefully, responsibly and efficiently for the sake of current and future generations.

**UN Global Compact**

The UN Global Compact is a voluntary pact between companies, organisations and the UN under which members sign up to ten principles from the fields of human rights, labour standards, environmental protection and anti-corruption. They act together in committing to the establishment and implementation of the principles within their own companies. The UN Global Compact is the largest multi-stakeholder network in the field of corporate responsibility and now boasts more than 5,000 member companies.

**VfU**

The Association for Environmental Management in Banks, Savings Banks and Insurance Companies (VfU) offers financial services providers which commit to sustainable development a forum for a professional exchange of views and information and for the development of new strategies and instruments. The internationally established VfU Standard, for example, facilitates an ecological comparison between banks, savings banks and insurance companies.

# Contact & imprint

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The manufacture of this report was climate-neutral. The greenhouse gas emissions required to produce and distribute this report, totalling 14.6 tonnes of CO<sub>2</sub> equivalents, were compensated for by additional high-value climate protection efforts in Turkey related to the wind energy project in Izmir.

This report is also available in German  
Both language versions are available online at

<http://sustainability2009.commerzbank.com>

## **Disclaimer**

### **Reservation regarding forward-looking statements**

This report contains forward-looking statements on Commerzbank's business and earnings performance, which are based upon our current plans, estimates, forecasts and expectations. The statements entail risks and uncertainties, as there are a variety of factors which influence our business and to a great extent lie beyond our sphere of influence. Above all, these include the economic situation, the state of the financial markets worldwide and possible loan losses. Actual results and developments may, therefore, diverge considerably from our current assumptions, which, for this reason, are valid only at the time of publication. We undertake no obligation to revise our forward-looking statements in the light of either new information or unexpected events.



