

Sustainability@Commerzbank

Corporate Responsibility Newsletter

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Responsible lending – more than just a claim

For banks, responsibility is also a top priority in the lending business. In corporate banking, Commerzbank has an entire framework of positions and guidelines on critical environmental and social issues. In retail banking, however, the focus is on "responsible lending".

This is the term given to a holistic advisory approach, with products geared to customers' needs combined with fair and transparent terms and conditions. At the same time, our customers receive support with all questions and issues, especially in connection with the repayment of loans. This is particularly important in private real estate financing, which currently represents a portfolio of nearly 64 billion euros – following new lending totalling around 12 billion euros in 2016.

Responsible lending thus means comprehensive advice for our lending customers and a thorough assessment of creditworthiness in every case in order to create an individualised solution with a suitable amortisation structure. That means exploring individual customers' financing requests across various parameters and possible structures and accurately capturing their personal financial situation across a wide range of details in terms of income and expenditures as well as assets and liabilities. And we go a step further with customers, with a forward-looking assessment of their ability to service the loan. This means examining various scenarios in order to understand a customer's own assessments and to discuss them in terms of possible risks. This requires very clear questions and equally clear answers.

We see the legal requirements under consumer lending laws and the regulatory guidelines as opportunities. For example we have adopted the provisions of the Mortgage Credit Directive with regard to the concrete definition of advice as

opposed to discussions purely for information or explanatory purposes in order to improve our interactions with customers.

Thanks to time-tested lending decision regulations and conservative valuations, Commerzbank has achieved repayment quotas of over 99% in private mortgage lending in recent years. Moreover, the Bank has made it one of its targets to stay as close as possible to that quota. That is part of our responsibility towards our customers.

And for customers who nevertheless have difficulty meeting payment obligations, there are special units in the risk division that deal with early warning signs. Part of their role is to identify customers showing the first signs of financial problems long before they are in existential difficulty, and work with them to agree on measures which will ideally result in a smooth repayment process.

Private mortgage lending is a cornerstone of Commerzbank's business today, and has steadily increased in importance in recent years. Acting responsibly towards customers is therefore much more than just a slogan for Commerzbank: it is reality.

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In a nutshell: Sustainability initiatives at Commerzbank

Out of the lecture hall and into the wilderness

The 2017 outdoor semester of the Commerzbank environmental internship is underway with 70 students from Germany and abroad. In keeping with tradition, the participants got started with an orientation week in the Bavarian Forest National Park just after Easter. Through workshops and excursions dedicated to special topics, the interns underwent intensive preparation at the Falkenstein wilderness camp for their work in the conservation areas. At present 13 national parks, six nature parks and six biosphere reserves have partnerships with the initiative. The goal of the Commerzbank environmental internship is to raise awareness among students for sustainable development and to map out career paths in nature conservation and environmental protection. The initiative has earned many accolades, including its selection as a UN Decade Project on Biological Diversity in 2015/2016. [▶ more \(german only\)](#)

Sustainable investments – profiting in more than one way

In a special campaign, Commerzbank is making five carefully selected sustainable funds available via online banking with no front-end load. With this opportunity, Commerzbank is offering its customers new ways of participating in the growing market for responsible investments with attractive returns. [▶ more \(german only\)](#)

Frankfurt Declaration signed

In a joint declaration of the financial sector, about 40 banks, corporations, universities and non-governmental organisations – including Commerzbank – have committed themselves to building sustainable financial sector infrastructures. The declaration was initiated by the Deutsche Börse. The launch conference "Accelerating Sustainable Finance" featured discussions on issues related to the financial system's future viability and new ideas for sustainable business models. These topics will be explored by the initiative participants over the coming months. [▶ more](#)

Commerzbank Foundation supports Schauspiel Frankfurt

A new initiative supported by the Commerzbank Foundation: "All our futures" by Schauspiel Frankfurt. The three-year project, based on partnerships with schools, clubs and the organisations funding youth facilities, is dedicated to the question, "How do we want to live?" 220 pupils from various secondary schools in three participating Frankfurt districts are involved. The project is receiving support from a group of municipal, regional and federal sponsors. [▶ more \(german only\)](#)

Commerzbank joins

business energy efficiency network

Commerzbank has joined forces with 14 other Frankfurt-based companies to become part of the Energy Efficiency Network Initiative. Established by the German federal government in cooperation with industrial associations, the goal of the agreement is to reduce primary energy use in Germany to 50 percent below the 2008 level by 2050. Along with energy saving measures, the project aims to foster an intensive exchange of ideas and experiences among the participating companies, with the support of independent energy consultants. [▶ more \(german only\)](#)

Climate data for the Wuppertal Institute

The "Aktionstage Nachhaltigkeit", staged by the German Council for Sustainable Development and European Sustainability Week will take place from 30 May to 5 June 2017. Commerzbank was taking part again, and this year wanted to offer a hands-on sense of what sustainability is all about. In cooperation with the consumer goods manufacturer Henkel AG and the Wuppertal Institute for Climate, Environment and Energy, it was offering employees a tool to calculate their carbon footprint. It enables them to perform a quick calculation of their own footprint based on their heating, washing and mobility habits. The data and results will then be transmitted to the Wuppertal Institute in anonymous form to be used in research on sustainable consumption. For every footprint calculated for one of its employees, Commerzbank will plant a tree. [▶ more \(german only\)](#)

Germany's first green building celebrates anniversary

The Commerzbank Tower at Kaiserplatz in Frankfurt marked its 20th birthday in May. After three years of construction, the first employees moved into the Bank's new headquarters in 1997. Still the city's tallest office building today, at 259 metres, the Commerzbank Tower was also a trendsetter in terms of sustainability. For example the water cooling in the sub-ceilings and natural ventilation through the integrated gardens make air conditioning almost completely superfluous. Moreover, the building – like all other Commerzbank locations in Germany – has drawn 100% of its electric power from renewable sources since 2008. An unmistakable landmark on the Frankfurt skyline, it is regarded as a shining example of environmentally friendly, energy-saving architecture. In 2009 it was the inaugural winner of the city of Frankfurt's newly established Green Building Award. [▶ more](#)