



# Modern Slavery and Human Trafficking Statement 2020



August 2021

# Introduction

**This statement is made by Commerzbank AG (the “Bank”) pursuant to Section 54 of the United Kingdom’s Modern Slavery Act 2015. It constitutes the Bank’s Modern Slavery Act statement for the financial year ending 31 December 2020. This statement details the actions the Bank has taken during the year and continues to take to mitigate the risks of slavery and human trafficking being facilitated through the Bank’s business, operations and supply chains. Commerzbank Finance Limited is covered by this statement.**

To tackle Modern Slavery and Human Trafficking (‘MS&HT’) across all levels of our own organisation, and amongst our clients, suppliers and investments, throughout 2020, the Bank has embedded:

- **a strong culture and clear strategy to fight MS&HT;**
- **risk-based ‘detect and disrupt’ financial crime compliance controls which encapsulate MS&HT risk typologies;**
- **proactive monitoring and reporting mechanisms;**
- **targeted awareness raising and training initiatives.**

The Bank has a number of proactive initiatives already in place and is committed to doing more by continually reviewing and enhancing our systems and controls, to ensure we stay on top of the ever-changing MS&HT risk in our society.

In this document we have set out our current suite of MS&HT detection and prevention controls, and outlined the additional steps we plan to take to further strengthen our MS&HT risk mitigation framework.

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**Inside this year statement:**



# Our Commitment to MS&HT



Commerzbank regards itself as a fair and conscious bank, which is a reliable and long-term partner for its clients. We are committed to the highest ethical values, to integrity and fairness, and to complying with all prevailing legislations, directives and market standards. This is the basis on which we build trust with our private and corporate customers, institutional clients, partners and stakeholders. Commerzbank is committed to its corporate responsibility and for the sustainable orientation of its business activities. Environmental, social and ethical aspects have a crucial role in the way we manage our company.

Commerzbank's position on human rights is consistent with and follows internationally accepted human rights and corporate responsibility standards, including:

- the Universal Declaration of Human Rights
- the International Covenant on Civil and Political Rights
- the International Covenant on Economic, Social and Cultural Rights
- the International Labour Standards of the International Labour Organisation
- the OECD's framework 'Due Diligence for Responsible Corporate Lending and Securities Underwriting'
- the OECD's guidelines for Multinational Enterprises
- United Nations Guiding Principles for Business and Human Rights

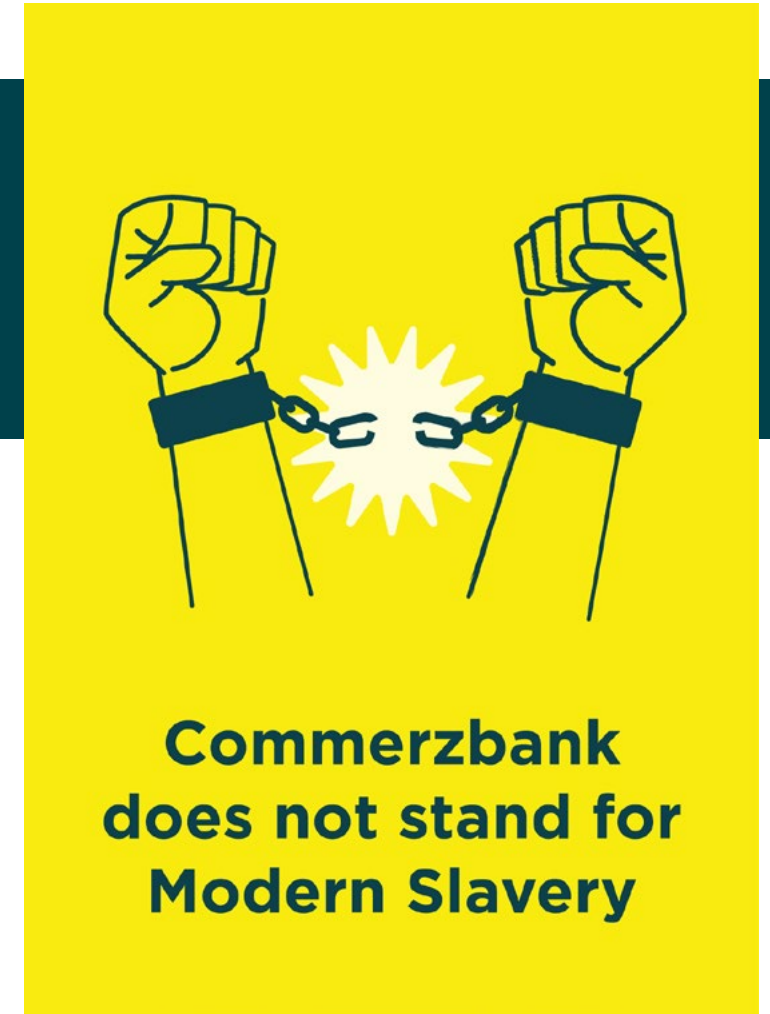


**We respect human and personal rights in our company and in all locations around the world.**

**We also expect the same from our clients and business partners.**

Additionally, by participating in the UN Global Compact, Commerzbank has committed itself to:

- supporting and respecting the protection of the internationally proclaimed human rights,
- ensuring not to be complicit in human rights abuses,
- safeguarding the freedom of association and the effective recognition of the right to collective bargaining,
- standing up for the elimination of all forms of forced labour,
- standing up for the abolition of child labour, and
- promoting the elimination of discrimination in regard to employment and occupation.



# Our Business and Clients



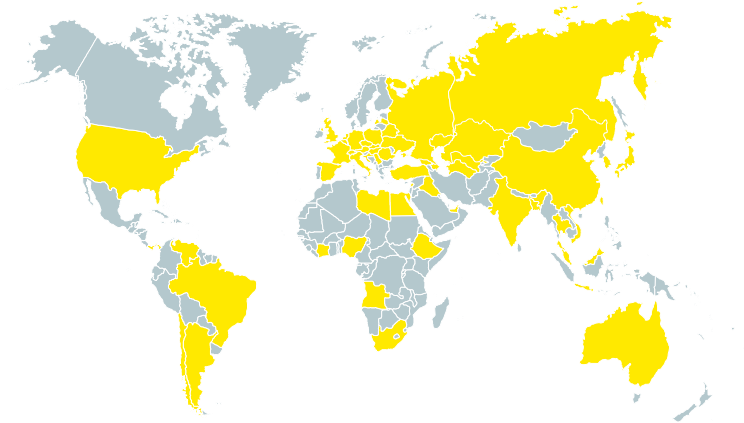
Commerzbank is the leading bank for the German Mittelstand (German Medium Sized Companies). The Bank is a strong partner for approximately 30,000 corporate client groups and approximately 11 million private and small-business customers in Germany. The Bank's two Business Segments – Private and Small-Business Customers and Corporate Clients – offer a comprehensive portfolio of financial services.

Commerzbank transacts approximately 30 percent of Germany's foreign trade and is present internationally in almost 40 countries in the Corporate Clients' business. The Bank focuses on the German Mittelstand, large corporates, and institutional clients. As part of its international business, Commerzbank supports clients with German connectivity and companies operating in selected future-oriented industries. Following the integration of Comdirect, private and small-business customers benefit from the services offered by one of Germany's most advanced online banks combined with personal advisory support on site. The Bank serves approximately 11.6 million private and small-business customers nationwide and over 70,000 corporate, multinationals, financial service providers and institutional clients worldwide.

As a financial institution and provider of capital, we have an important role in tackling MS&HT. Commerzbank does not want to become linked through our business relationships to any form of modern slavery. Commerzbank expressly stands up for its corporate responsibility and for the sustainable orientation of its business activities. For this reason, Commerzbank implements a variety of measures in various areas and carefully considers the economic, ecological and social consequences of how we do business with our clients. Our client due diligence and screen controls therefore encapsulate MS&HT considerations and risk assessments.

## Our client MS&HT controls include:

- Our pre and post client onboarding '**Know Your Client' due diligence** includes open source research including Factiva and Dow Jones screening. This involves looking for references to potential slavery issues such as poor labour practices.
- **Local adverse media screening** "top ups" covering MS&HT are applied to pre-onboarding and rolling reviews for all London Branch clients. Positive string search will pick up terms like "slave" are escalated to Financial Crime Compliance for review.
- **Risk based enhanced due diligence reviews** of high risk customer files cover MS&HT red flags.
- Publication of a MS&HT statement is a standard agenda item discussed on '**Compliance2Compliance' due diligence calls** held with high risk clients. Commerzbank is proactive in engaging in MS&HT discussions with our clients.
- Where material issues, relating to any topic, are identified pre or post onboarding, clients are escalated to the **Regional Customer Governance Committee London ('RCGC')** to assess the Bank's appetite for a client/transaction. MS&HT risks (e.g. slavery related adverse news against a counterparty) are raised and discussed by senior management (including the UK MLRO) during compliance governance meetings.



Outside Germany, the Bank is represented through:

20

operational  
foreign branches

30

representative  
offices

7

material  
subsidiaries

on all continents; in the Corporate Clients' business, the Bank is present internationally in almost 40 countries

# Products and Services



Commerzbank is a leading corporate bank in Germany and Europe, and a leading capital markets house. We look to support our clients short and long-term goals with carefully tailored trade, financing, banking, and risk management solutions. We also provide deep knowledge and expertise across key industry sectors in Germany.

Commerzbank recognises the provision of certain financial products and services may be linked to adverse human rights impacts more so than others. MS&HT risks may be particularly heightened in a jurisdiction that experiences political instability, weak governance, corruption, or repression of minority groups or in high-risk MS&HT industries/sectors such as agriculture, construction, forestry, domestic labour etc.

Oversight and risk mitigation of social risks associated with clients, products and services, including MS&HT risks, are governed as part of Commerzbank's reputation risk management framework and processes. We have developed clear Financial Crime Risk Appetite Statements based on regulatory guidance, industry trends and statistical risk data which governs our appetite to engage with high-risk clients, countries, or products/services.

## Our Products and Services:

### Transaction Banking

- Corporate Account
- Cash Management
- Trade Finance
- Electronic Banking

### Corporate Financing

- Working Capital Financing
- Sureties & Guarantees
- Capital Expenditure & Structured Finance
- Capital Markets Financing



### Investment Solutions

- Investment Management
- Pensions Management
- Equities & Liquidity Management
- Risk Management

### Corporate Finance Advisory

- Advisory Services
- M&A Advisory

## The New Product Process ('NPP')

The New Product Process ('NPP') is a Commerzbank Group wide approach which covers the setup and approval for new products and changes to existing products. The objective of the NPP is to identify, analyse and assess the embedded risks of any new activities including the impact on the overall risk profile and on the risk appetite of the Bank. Various departments are required to review and vote on each NPP request via the Bank's NPP tool, this includes Financial Crime Compliance.

For example, where a London nexus exists, the London Compliance Policy and Advisory team are required to assess the financial crime risks (including MS&HT risks) posed by each new product or change in product.

Each Support Units' (i.e Compliance, Tax, Reputational Risk, Finance etc.) risk rating and overall assessment of NPPs may result in process amendments, changes in the IT environment, reporting requirements and any other risk-based controls/set conditions we see fit to manage any identified risks. Senior management approval and oversight is also part of the end-to-end NPP process.

# Our Workforce



**Commerzbank respects the human rights and personal freedoms of its workforce. We expect the same from our employees and contractors.**

As part of the new hire onboarding process, reference and background checks are completed for all new joiners. The checks vary for different employees, depending on them being a conduct or certified staff and their role in the Bank. 'Human Trafficking' is one of the key words for Adverse Media Search and there are also sources included that check that within the Global Sanctions Enforcement Check. The checks are carried out to ensure we hire the right employees and also to safeguard the organisation from potential MS&HT risks. In the London Branch, this proactive check is carried out by a third party vendor. Human Resources in London also complete a monthly Compliance Control Governance Check attesting that Know Your Employee checks (which covers MS&HT screening) have been successfully completed for all new hires.

In terms of fair remuneration, we work closely with McLagan to ensure our salary benchmarking is fair and in line with market practices.

We also have clearly defined processes in place, including our pulse check surveys, whistleblowing channels, staff forums etc., for colleagues to raise and resolve grievances connected directly with their employment, and have implemented fair and consistent consequence management where the conduct or performance of staff fails to meet expected standards.



**At Commerzbank we  
work to create an ethical  
and fair workplace.**



# Our Suppliers



Responsible sourcing is integral to the way we do business. All colleagues engaged in sourcing follow the defined procurement process and undertake sourcing in line with the requirements of our **Procurement Guidelines**.

Commerzbank's main supply base generally fall into one of the following categories: Facilities Management, Technology Infrastructure, Software & Services, Banking Operations, Professional Services, Marketing and Human Resources.

## To address and manage supplier MS&HT risk, at Commerzbank:

- All sourcing activity is undertaken in line with the Bank Procurement Guideline which sets out the responsibilities of all stakeholders in the procurement process and which is also embedded in the Bank [Code of Conduct](#).
- Commerzbank has developed clear [standards for sustainable procurement](#) and is committed to ensuring that its supply chains are free from MS&HT.
- All suppliers are asked to ensure that they and their own suppliers and service providers comply with these procurement standards which include internationally accepted human rights standards.
- Adherence to such social standards by the Bank's suppliers is an integral part of the Bank's purchasing and procurement guidelines.
- The Bank undertakes due diligence in respect of its supply chains when considering taking on new suppliers including:
  - potential new suppliers completing a questionnaire detailing their actions in regard to MS&HT and providing details of their relevant policies, MS&HT statement
  - Dow Jones and Google searches for adverse media including MS&HT
  - assessment of any MS&HT findings and formal approval to proceed with the new business relationship by London Financial Crime Compliance
- The Bank undertakes due diligence in respect of its supply chains on an ongoing basis including:
  - daily screening for adverse media including MS&HT
  - assessment of any MS&HT findings and formal approval to continue the current business relationship by London Financial Crime Compliance
- Instances of identified non-compliance by suppliers will be assessed on a case by case basis and can lead to the termination of the business relationship.

## Our expectations of our suppliers

Commerzbank expects its business partners to observe and comply with the following human rights and personal rights. Compliance with social standards by suppliers and service providers represents an integral component of the standard for sustainable procurement.

### Free choice of work

Suppliers and service providers should not force anyone to work and shouldn't permit any form of forced labour.

### Ban on child labour

Suppliers and service providers should not employ children younger than the minimum age specified by the International Labour Organisation or by national laws. The maximum specified minimum age applies.

### Ban on illegal employment

Suppliers and service providers should not permit illegal employment. Commerzbank expects VAT and income tax, as well as social insurance, to be paid according to the applicable statutory provisions.

### Ban on discrimination

Suppliers and service providers must commit to equal opportunities and the equal treatment of their employees. Nobody should be discriminated against or disadvantaged on grounds of skin color, race, national origin, language, disability, sexual orientation, gender, pregnancy, age, religion, political orientation or other reasons.

### Remuneration for work

Suppliers and service providers must pay fair wages and additional payments, which fulfil all applicable laws and which correspond to the applicable local and industry-specific practices.

### Working time

Suppliers and service providers must guarantee that their employees do not exceed the locally applicable, statutorily specified maximum working hours.

### Freedom of association

Suppliers and service providers must respect their employees rights to freedom of association and collective bargaining and must ensure employees active in trade unions or employee organisations are not discriminated against or preferred in any form.

### Treatment with respect

Commerzbank expects suppliers and service providers to respect the dignity, private sphere and personal rights of their employees and to provide a workplace that does not affect the physical or intellectual integrity of a person. Sexual harassment or abuse, intimidation, mobbing and corporal punishment must not be tolerated.

### Health and safety

Suppliers and service providers are responsible for the health and safety of their employees. Commerzbank expects suppliers and service providers to guarantee a safe and healthy working environment and to act to prevent accidents and occupational illnesses through preventive measures.

# Policies and Procedures

Commerzbank is committed to combating financial crime and has implemented policies and procedures designed to detect and prevent the Bank from being used for improper purposes including anti-corruption, anti-money laundering, sanctions and know your client processes and controls.

A number of our internal Global and Local Group policies and procedures in place reflect our MS&HT commitments and control. For example:

- Our **Enhanced Due Diligence ('EDD') & Anti-Money Laundering ('AML') Advisory Procedures** includes a risk analysis matrix which covers the MS&HT topic.
- **The Client Lifecycle Management ('CLM') Global Screening Procedures** defines the AME screening categories including Social/Labour red flags.
- Supply risk and human resource risk is covered by our **Global Risk Manual**, which is an overarching document that describes how various risk types across the Bank are addressed in relation to risk strategy, risk control and risk management.
- In the **Standard for Sustainable Procurement Guideline**, we set out the 'Guidelines on Corporate Responsibility', which transforms the "ComWerte" into instructions for operative business and defines our stance on human rights and MS&HT risk in our supply chain. This documents sets guidelines on how to make purchasing of goods and services sustainable.

## Our Culture and Code of Conduct

ComWerte

The cornerstone of Commerzbank's corporate responsibility and values-oriented corporate culture is formed by the principles known as "ComWerte": Customer orientation, Performance, Integrity, Team spirit and Courage. Through these values our aim is to ensure and encourage responsible actions throughout the company and at all levels. This is the basis of the trust placed in us as well as a prerequisite for sustainable economic success. In order to achieve this objective, Commerzbank has drawn up the "Guidelines on Corporate Responsibility", which transforms the "Com-Werte" into instructions for operative business. The Bank's Code of Conduct, which is globally binding for all its employees, sets out the Bank's values and its expectations of staff and includes a clear commitment to human rights.

# Governance



**Responsible Corporate Governance is part of Commerzbank's self-image. The Commerzbank Aktiengesellschaft Board of Managing Directors are responsible for independently managing the Bank in the Bank's best interest. In doing so, the Board considers the interests of shareholders, customers, employees and other stakeholders, with the objective of sustainable value creation.**

On an operational level, a cross-functional MS&HT Working Group, driven by the London Branch, involving relevant stakeholders from local and global departments was created in Q1 2021. The aim of the working group is to define, centralize and manage MS&HT risks, roles, responsibilities and initiatives. The working group includes representatives from Compliance, Legal, SMR Office, London Risk Function, Reputational Risk, Credit Risk, Global Standards AML, Global Risk Models, Procurement, Communications and Human Resources.

From a second line of defence perspective, the London Risk Function assess MS&HT as part of credit and market risk strategies. Their objective is to prevent the UK branch engaging with clients that might be involved in MS&HT. Legal ('GM-L'), are another second line of defence function, who scan regulatory bulletins including proposed changes to the MSA to ensure the Bank remains up to date with its MS&HT legal and regulatory obligations.

From a programme oversight and management perspective, in Q2 2021 a dedicated SME and programme lead has been assigned as the 'Primary Responsible Party' for the MS&HT topic for the London Branch in accordance with the Bank's MaRisk framework. The UK MS&HT programme lead, who sits within Financial Crime Compliance is responsible for designing and implementing risk-based MS&HT risk prevention and mitigation controls; including creating effective training, raising awareness via communication, developing policies and procedures, assessing the Bank's risk exposure to MS&HT, driving system enhancements, etc.

From a Global perspective, the Global Standards AML function launched a MS&HT legislative review in Q1 2021 to establish which global jurisdictions have MS&HT laws and regulations, in order to determine the suitable Global approach to be taken to prevent MS&HT.

Furthermore, obligations/changes in legislation or regulatory requirements are tracked and discussed at the branch-wide London Regulatory Forum on a monthly basis. Additionally, all relevant MS&HT activities, risks, horizon scanning, projects etc. are tracked at the monthly Compliance Committee London ('CCL') to ensure all London Branch's senior management have clear oversight of the topic.

From a third line of defence perspective, the Bank's Internal Audit function commenced an independent review of MS&HT controls in Q1 2021 as part of the AML/Sanctions London Branch Audit.



# Monitoring and Investigation



Commerzbank recognises the important role it can play in combatting MS&HT through its approach to tackling financial crime. The Bank has a number of established financial crime controls in place to detect suspicious behaviour and financial crime activity which extends to MS&HT. Using these pre-existing financial crime controls, Commerzbank is able to identify relationships where behaviors and account activities indicate possible connections to MS&HT. Where material issues are identified and Commerzbank's client or business partner fails to adequately address the issue, Commerzbank reserves the right to discontinue the relationship.

Clients and counterparties with an MS&HT nexus, escalated internally (e.g. via internal SARs, via the Transaction Monitoring team, or via Head Office) and externally (e.g. law enforcement, other banks) are subject to investigation by the London Compliance Investigation team. Additionally, transactional analysis of client activity (i.e. via transaction monitoring) by EDD/Investigation team considers red flags from a MS&HT perspective. Commerzbank London Branch will proactively investigate any intelligence leads referred by JMLIT (i.e. JMLIT Section 7 Requests) which focus on MS&HT activities on an ad-hoc basis. Ad-hoc feedback can also be given on cases with suspected MS&HT touchpoints directly into NCA MS&HT taskforce.

Commerzbank strives to continually develop the systems, tools and processes to proactively monitor and detect MS&HT risks across the Bank. We are currently in conversation with third party vendors to identify if and how our transaction monitoring systems can be enhanced to detect MS&HT typologies more explicitly.

## How do we monitor and investigate MS&HT?

### Global AML/CTF Red Flag Repository

At Commerzbank, GM-CO GFCP Global Risk Models (GRMO) has the Global Functional Lead with regard to automated transaction monitoring and customer risk rating methodologies. GRMO maintains a global red flag repository containing publicly available red flags derived from local regulations in the HUB locations (SGP, LON, NY) and Frankfurt (BaFin, FIU), supranational organisations (i.e. FATF) and institution specific insights (i.e. FCU, Monitoring and Investigations) across all types of typologies (i.e. Transaction Monitoring, KYC, Sanctions, etc.). The repository is updated on an annual base as is the coverage gap analysis and a respective coverage gap analysis is performed to assess the relevance of the red flags and how they are captured within the automated transaction monitoring detection model to identify potential gaps and/or new typologies. The control is incorporated into the written framework as an annex to the Global AML/CTF Monitoring Policy and underlying procedures such as the SAM-R Tuning Procedure and the Coverage Gap Analysis Procedure are applicable on a group level and considered group minimum standard. MS&HT is included in the Global AML/CTF Red Flag Repository and a risk topic considered in the Coverage Gap Analysis.

### Adverse Media Entities Negative News Screening

All Commerzbank clients and Business Partners are subject to daily negative news screening. In order to meet our obligations under the 6MLD as well as MS&HT requirements, it is deemed necessary to expand the scope of our AME screening categories to include "Social/Labour AME" categories. Compliance are alerted of any discrimination/workforce rights issues and human rights issues.

### Detection Model Review

Detection model validation takes place annually as part of Actimize tuning exercise. 'Below the line', 'in line' and 'above line' testing provides the justification for adjusting the thresholds. Coverage Gap Analysis includes the description of products coverage through various detection models in Actimize. The control is incorporated into the written framework within our Global AML/CTF Monitoring Policy and underlying SAM-R Tuning Procedures. MS&HT is covered in this review process.

# Training and Awareness Raising



All employees in the UK receive mandatory compliance training which includes Commerzbank's Code of Conduct and MS&HT. The topic is covered in both our Financial Crime Induction Training and Markets & Financial Crime Refresher Compliance Training. Training is closely monitored to ensure it is completed by all employees and conducting in line with our Compliance Training policy and framework.

99%

Completion of our mandatory eLearning on anti-money laundering, which contains materials on human trafficking

Commerzbank is committed to raising awareness amongst its staff of modern slavery and human trafficking risks. In the UK the Bank organises events for staff including external expert speakers to provide insights on real life modern slavery case studies and to help staff identify danger signs.

Commerzbank continues to raise awareness in the industry about slavery and human trafficking with

experts from Commerzbank delivering talks at industry events or through public private partnerships and looking for ways to expand cooperation through working with NGOs and industry associations.

In October 2019, then CI Regional Board Member and London CEO and Regional Chief Operating Officer issued a London Branch wide communication to raise awareness of MS&HT, highlighting the impact MS&HT has on society and in today's world. The communication highlighted the Bank's zero tolerance approach to all forms of financial crime and set out senior managements commitment to tackling MS&HT.

In December 2019, to mark UK Anti-Slavery Day, a Superintendent was invited to share his insight into the human trafficking organised crime world, human traffickers' modus operandi and how the finance industry can help fight this phenomenon.

In November 2020, a branch-wide event was held by the London Branch with guest speakers CEO of Stop The Traffik, and CEO of Traffik Analysis Hub. The event served as a forum for all London Branch employees to discuss and learn more about MS&HT trends, risks and red flags.

Commerzbank also regularly reports on the development and improvements in the field of human rights in its UN Global Compact progress report, which is published in the Bank's report on corporate responsibility.

Commerzbank remains committed to the fight against MS&HT and will continue to explore new ways and innovative approaches to raise further awareness on this topic.

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In 2020 we had no reported incidents of human rights breaches, slavery or trafficking incidents reported through our Whistleblowing Hotline

66 The Bank strongly encourages a speak up culture and promotes diversity, inclusivity and empowerment amongst its employees.

## Reporting MS&HT

Commerzbank has existing internal reporting channels and tools by which issues, such as MS&HT and all other predicate offences of money laundering can be escalated.

The Global Whistleblowing Policy defines the various options for submitting Whistleblowing reports, the protection of whistleblowers and describes the general steps and responsibilities connected to whistleblowing.

The Internal Suspicious Activity Reporting Guidance also covers process to escalate financial crimes, MS&HT is a predicate offense to money laundering and thus covered.

# External Engagement and Collaborations



Commerzbank AG UK is a member of the Joint Money Laundering Intelligence Taskforce (the “JMLIT”), a partnership between UK law enforcement and the financial sector. JMLIT was formed to exchange and analyse information relating to money laundering and economic threats. Through JMLIT’s Expert Working Group on Human Trafficking and Organised Immigration Crime, Commerzbank takes part in a cross-sector sharing of knowledge and intelligence, including red flag typologies, relating to modern slavery and human trafficking.

Similarly, Commerzbank AG Germany is a member of the Anti Financial Crime Alliance (the “AFCA”), a public-private partnership for financial crime information sharing launched in 2019 by BaFIN, Germany’s Federal Financial Supervisory Authority, together with the Financial Intelligence Unit (the “FIU”) and the Federal Criminal Police Office (Bundeskriminalamt), Commerzbank AG and 14 financial institutions. Through strategic exchange of information AFCA aims at strengthening the fight against money laundering and terrorist financing under the FIU’s leadership. Commerzbank AG is leading Working Group II, where the disruption of slavery and child sexual abuse is a strategic objective under sub-stream 3.



The London Compliance Investigations Team partook in a pilot project to support **Stop The Traffik**, an anti-human trafficking initiative founded in 2006, to enhance their MS&HT intelligence sharing platform. Stop The Traffik and its technology partner, IBM, have created an international data hub to facilitate the sharing of information about human trafficking across all industries and sectors. The **Traffik Analysis Hub** (TAHub) is a partnership that includes financial institutions, NGO’s, Law enforcement and Intelligence agencies that provide data to a central hub (“TA Hub”). That data is then used to produce shared intelligence on slavery and human trafficking hotspots, patterns and, where possible, entities suspected of MS&HT related activity. Commerzbank AG London, Frankfurt and New York participated in a trial of the Hub for a month in August 2020 to assess the value the initiative may have to the organisation and its abilities to detect instances of MS&HT.



In 2020, Commerzbank partook in an industry benchmarking initiative by **Independent Anti-Slavery Commissioner, Themis and The Tribe Freedom Foundation**, findings of which were presented in the ‘2020 *Modern Slavery & Human Trafficking: An Agenda for Action across the Financial Services Sector Report*’. This call to action project was aimed at i) increasing awareness and understanding within the financial services sector of the scale and nature of MS&HT in the UK and globally; and ii) encourage cultural change and action at the most senior levels within the Financial Sector.



**During 2021, we will continue building upon our public and private sector partnerships to enhance our ability to collectively tackle MS&HT.**

# Looking forward

- › In the financial year leading up to the end of December 2021, Commerzbank aims to deepen our subject matter expertise and involvement with wider networks through the creation of our MS&HT working group. One of the aims of this particular working group is to identify clear governance and programme ownership of the MS&HT topic and explore opportunities for cross-function/departmental collaboration across the Bank to strength and create MS&HT prevention and detection controls both in the first and second line of defence.
- › We will continue to strengthen how we assess and manage risk in our supply chain, for example by updating our integrity clauses in third party contracts with suppliers and vendors to reflect our MS&HT expectation more explicitly.
- › To increase our proactive prevention of MS&HT, we will attend and speak at industry events and banking forums to raise awareness of, and encourage collective action on MS&HT.
- › Internally, we will continue to develop appropriate and targeted MS&HT training and awareness raising initiatives for all employees.
- › And finally, we will continue to invest and engage in MS&HT discussions with our clients and supply chains to ensure Commerzbank not only avoids facilitating acts of MS&HT, but also proactively detects and prevent such crimes against humanity.

# Approval



This statement is made pursuant to the Modern Slavery Act 2015 and constitutes Commerzbank AG's Modern Slavery and Human Trafficking Statement. It relates primarily to Commerzbank's UK business operations, activity, and clients. Where necessary and appropriate Global/Bank-wide controls have been included in the statement as some UK activity is driven, supported by, or similar to Global/Head Office systems, controls and activity.

This statement was approved by the Bank's Board of Managing Directors on 2nd August 2021 and has been signed on behalf of the Bank by Marcus Chromik and Michael Kotzbauer.

**Marcus Chromik**  
**Member of Managing Board**  
**of Directors**  
Date: 2nd August 2021

**Michael Kotzbauer**  
**Member of Managing Board**  
**of Directors**  
Date: 2nd August 2021



**Any queries or comments can be shared by writing to:**  
Group Chief Executive's Office  
Commerzbank London Branch  
30 Gresham St,  
London EC2V 7PG,  
United Kingdom

# Appendix A: List of Abbreviations



Abbreviation	Meaning
2LoD	Second Line of Defence
AFCA	Anti Financial Crime Alliance
AME	Adverse Media about Entities
AML	Anti-Money Laundering
CB	Commerzbank
CCG	Compliance Control Governance
CEO	Chief executive officer
CI	Corporates International
CLM	Client Lifecycle Management
ComCo	Compliance Committee London
CTF	Counter Terrorist Financing
DD	Due Diligence
EDD	Enhanced Due Diligence
FATF	Financial Action Task Force
FCC	Financial Crime Compliance
FCU	Financial Crime Unit
FIU	Financial Intelligence Unit

Abbreviation	Meaning
GM-CO	Compliance
GM-L	Legal
GRMO	Global Risk Models
GSEC	Global Sanctions Enforcement Check
HR	Human Resources
HT	Human Trafficking
JMLIT	Joint Money Laundering Intelligence Taskforce
KYC	Know Your Clients
KYE	Know Your Employee
LON	London
LRF	London Risk Function
MLRO	Money Laundering Reporting Officer
MS	Modern Slavery
MS&HT	Modern Slavery and Human Trafficking
MSA	Modern Slavery Act
NCA	National Crime Agency
NGO	Non-Governmental Organisation

Abbreviation	Meaning
NPP	New Product Process
NY	New York
OECD	Organisation for Economic Co-operation and Development
ORP	Operationally Responsible Party
PRP	Primary Responsible Party
RCGC	Regional Customer Governance Committee London
RFP	Request For Proposal
SAR	Suspicious Activity Reporting
SGP	Singapore
SIP	Special Interest Persons
SMR	Senior Managers Regime
TAHub	Traffic Analysis Hub
UK	United Kingdom
UN	United Nations
WG	Working Group



**COMMERZBANK**