

Report according to the Global Reporting Initiative Guidelines

For 2015, Commerzbank is reporting on its sustainability performance for the first time in accordance with the "core option" of the G4 Guidelines published by the Global Reporting Initiative (GRI), including the specific Sector Disclosures for financial service providers. The disclosures included in the report were selected based on a materiality analysis conducted during the reporting year. This report also serves as our annual Communication on Progress regarding our implementation of the ten principles of the UN Global Compact (UNGC).

This report was available to the GRI for rendering the GRI Materiality Disclosures Service. GRI confirmed that the G4 Materiality Disclosures (G4-17 to G4-27) were correctly located.



Materiality Disclosures
Commerzbank AG

Jul 2016
Service

General Standard Disclosures

close all open all

▼ Strategy and analysis

Nr.	Index	UNGC
-----	-------	------

G4-1	Statement from the most senior decision-maker	1-10
-------------	--	------

Dear Sir or Madam,

In September 2015, the United Nations adopted 17 global Sustainability Development Goals (SDGs). They outline what politics, civil society and business must achieve together to ensure that our world is able to develop sustainably in the long term. The objective is to bring global growth, the equalisation of living standards, equal opportunity, a responsible use of natural resources and the protection of human rights into harmony with each other.

Commerzbank is also doing its part to make the SDGs a reality – both at the Bank and beyond. As an employer, we assume responsibility for the well-being of our employees. The health management programme, for example, provides Commerzbank employees with a wide range of support, from nutrition counselling to stress management seminars. It represents an effective contribution towards achieving Goal 3: "Good health and well-being". With our diversity management, which has received multiple awards, we are working on Goal 5: "Gender equality". We are achieving other goals together with partners from civil society. For Goal 4: "Quality education", for example, we are making a committed effort through our education mentor programme and by participating in the business@school initiative.

Sustainability aspects in our core business represent another key component for us. Through our activities, we are contributing especially to Goal 13: "Climate action". Commerzbank was already one of the pioneers in financing renewable energy as early as the 1980s. In addition, we are pursuing an overarching business strategy on this issue of significance to the German economy with our Energiewende@Commerzbank project. However, the banking operations themselves are also doing their part here, as Commerzbank has been completely climate neutral since the beginning of 2015.

Even before the SDGs were adopted, Commerzbank geared itself towards international frameworks. As a result, we have been expressly committed to the ten principles of the United Nations Global Compact for human rights, labour rights, environmental protection and fighting corruption since 2006. This GRI report represents our progress report for financial year 2015.

Commerzbank will continue to actively confront the challenges associated with sustainable development in future as well. Within the scope of a materiality analysis, we spelled out in 2015 exactly what that means for us. The following GRI report will provide you with an understanding of the results of that analysis.

Yours faithfully,

Martin Zielke
Chairman of the Board of Managing Directors, Commerzbank AG

More details on the implementation of the Sustainable Development Goals at Commerzbank are available online on the [sustainability website](#).

G4-2 Key impacts, risks, and opportunities concerning sustainability

Commerzbank is aware of the current challenges – such as population growth, the overuse of renewable resources and the depletion of non-renewable resources – and the Bank's resulting responsibility. We aim to rise to the global challenges in our role as a responsible partner for sustainable development. To do so, we keep an eye on relevant megatrends, analyse current developments and evaluate them in terms of potential opportunities and risks.

Our goal at all times is to reduce potentially negative impacts of our financial services. Above and beyond that, we develop, market and sell products and financial services that have the potential to be effective vehicles for promoting sustainable development. Products for funding Germany's energy transition and green bonds are part of our efforts, as are sustainability-oriented funds and advisory services for our customers.

Our actions are always based on dealing fairly and competently with customers, investors and employees. We intend to offer our private and corporate customers only those banking and capital market services that they need, while ensuring that the applicable laws, regulations and internal rules are observed. Integrity is especially important. It is only by acting with integrity that we can create a foundation for the trust our customers, business partners and investors place in us. This trust is our most important capital. That is why all Commerzbank employees have to take responsibility for their actions. We firmly believe that in this way we will be able to contribute to safeguarding the future and growing the value of our company.

▼ Organisational profile

Nr.	Index	UNGC
-----	-------	------

G4-3 Name of the organisation

Commerzbank AG

G4-4 Primary brands, products, and services

Commerzbank is Germany's second-largest bank. Via the Private Customers, Mittelstandsbank, Corporates & Markets and Central & Eastern Europe segments, it offers its private and corporate customers and institutional investors a comprehensive portfolio of banking and capital market services. Commerzbank finances over 30 per cent of the German export business and is the undisputed market leader in the field of Mittelstand (SME) financing. The comdirect and Polish mBank subsidiaries give it two of the world's most innovative online banks.

G4-5 Location of the organisation's headquarters

Commerzbank AG's headquarters are located in Frankfurt am Main, Germany.

G4-6 Countries with significant operations

Commerzbank has locations spanning more than 50 countries. Its core markets are Germany and Poland. Outside Germany, the Bank has 6 material subsidiaries, 23 operational foreign branches and 37 representative offices and is represented in all major financial centres, such as London, New York, Tokyo, Hong Kong and Singapore. However, the focus of the Bank's international activities is on Europe. A map of the locations can be found on cover page U5 of the [Annual Report 2015](#).

G4-7 Nature of ownership and legal form

Commerzbank is a public limited company (AG) under German law.

On 31 December 2015, approximately 50 per cent of all Commerzbank shares were held by our major shareholders – the Federal Republic of Germany, Capital Group and BlackRock – and private shareholders, who are mainly resident in Germany. Approximately 50 per cent of all Commerzbank shares were in the hands of institutional investors. Capital Group and BlackRock both moved below the 5 per cent reporting threshold in 2015. The free float, less the government's holding, stood at roughly 75 per cent.

[Shareholder structure](#) (PDF, 62 kB)

G4-8 Markets served

Commerzbank is one of Germany's leading banks for private and corporate customers, and an internationally active universal bank with locations spanning more than 50 countries. In 2015, we served a total of around 16 million private customers and 1 million business and corporate customers around the world. With around

G4-9 Scale of the organisation

In financial year 2015, the Commerzbank Group generated gross income of almost 9.8 billion Euro, with a headcount averaging around 51,300 employees. Operating profit for 2015 came to 1,909 million Euro, representing a significant increase of 1.2 billion Euro compared with the previous year, which had been adversely affected by provisions for litigation and recourse risks. Consolidated profit attributable to Commerzbank shareholders for the period under review came to 1,062 million Euro. Total assets as at 31 December 2015 were 532.6 billion Euro, 4.6 per cent below the figure for year-end 2014.

[Key performance indicators](#) (PDF, 25 kB)

G4-10 Employees by employment type, gender and region

6

At the end of 2015, 33,351 people were employed at Commerzbank AG. This is a decline of 1,092 employees year on year. The majority have permanent employment contracts, and around 27 per cent work part-time. Commerzbank offers employees various part-time models and options, such as limited-period "trial part-time working" and job sharing. This is where one position is divided between two part-time employees. Staff also has the opportunity to make working hours more flexible through telework, annual working hours accounts and sabbaticals. For this reason, we concluded a works agreement that allows time to be "saved" and used for extended career breaks. This is implemented through special part-time working agreements that can be tailored to individual requirements.

[Employees at Commerzbank AG](#) (PDF, 34 kB)

[Total workforce at Commerzbank AG by type of employment](#) (PDF, 34 kB)

[Employment split \(full time/part time\) at Commerzbank AG by gender](#) (PDF, 25 kB)

[Workforce at Commerzbank AG by type of contract and gender](#) (PDF, 21 kB)

[Total workforce at Commerzbank AG by gender](#) (PDF, 21 kB)

[Employees at Commerzbank AG by place of work and gender](#) (PDF, 21 kB)

G4-11 Percentage of employees covered by collective bargaining agreements

3

At Commerzbank, the committees representing the interests of our employees are the central works council, the central youth and trainee representative council (GJAV), the central representative council of severely disabled persons (GSBV), over 20 local works councils, youth and trainee representative councils (JAV), representative councils of severely disabled persons (SBV) and the company spokesperson committee on behalf of the executives. The interest groups cover all Commerzbank employees with the exception of the Board of Managing Directors, which is not represented. The salaries of employees covered by collective bargaining agreements are governed by the national collective bargaining agreement for the private banking sector. The salaries of the lowest-paid group of employees are also well above the statutory minimum wage.

G4-12 Description of the supply chain

The core product categories for the procurement of suppliers and service providers at Commerzbank are the infrastructure for data processing (for example network technology, computing centres and telecommunications), market data, services (for example advisory services, external HR services and mobility services) and buildings, logistics and insurance (e.g. construction works, operational management of buildings and banking technology).

The corporate responsibility of Commerzbank does not stop at our internal processes and activities, but rather extends across the entire value chain. Sustainability criteria therefore play a key role in deciding on external suppliers and service providers. With its [sustainable procurement standard](#), Commerzbank provides binding guidelines for all parties involved in the purchase of goods and services. The objective is to systematically foster sustainable development in the procurement process. Commerzbank requires that all suppliers and service providers adhere to the applicable laws and generally accepted standards. Commerzbank suppliers and service providers must sign the integrity clause of Commerzbank, ensuring that they conduct their business activities with integrity, which includes the observance of human and personal rights, as well as compliance with social and environmental standards. All Commerzbank suppliers and service providers agree to observe the specified requirements and to impose compliance with the corresponding requirements on their own suppliers and service providers. Material sustainability aspects are part of the annual meetings with our main suppliers.

G4-13 Significant changes during the reporting period

Important staffing and business policy events are presented in detail on pages 60 to 61 of the [Annual Report 2015](#). These include the reduction of the Bank's non-strategic commercial real estate portfolio and ship portfolio. Commerzbank concluded agreements with investors at the beginning of July 2015 for the sale of two commercial real estate (CRE) portfolios. A European portfolio with a nominal volume of 2.2 billion Euro was sold to a consortium of J.P. Morgan and Lone Star, while a German portfolio with a nominal volume of around 0.7 billion Euro was sold to the investor Oaktree. The German commercial real estate finance portfolio sold consisted mainly of non-performing loans. The European portfolio covered Austria, Belgium, Cyprus, the Czech Republic, Denmark, Finland, Hungary, Luxembourg, the Netherlands, Romania, Slovakia, Sweden, Switzerland and Turkey. It included both problem loans and performing loans. The sales have greatly reduced the complexity of the Non-Core Assets (NCA) CRE portfolio. In mid-July 2015, Commerzbank signed an agreement to sell its ship restructuring platform Hanseatic Ship Asset Management GmbH (HSAM GmbH) to a joint venture comprising KKR Special Situations Group of Kohlberg Kravis Roberts & Co. L.P. (USA) and Borealis Maritime Ltd (UK). The sales proceeds amounted to some 233 million Euro. The sale of HSAM GmbH improves the risk profile in the NCA segment.

At the end of April 2015, the Board of Managing Directors of Commerzbank Aktiengesellschaft decided, with the approval of the Supervisory Board, to increase the share capital. The gross issue proceeds totalled around 1.4 billion Euro. With the successful conclusion of the capital measure, we have taken the Common Equity Tier 1 ratio to the level now demanded by the capital market sooner than anticipated.

G4-14 Implementation of the precautionary principle

We have defined areas of action for sustainability management at Commerzbank, describing the primary challenges and establishing a framework for how we respond to them. These areas are Sustainable Corporate Governance, Markets & Customers and Environment & Society. We want to take every opportunity to avoid risks to our business and seize the potential to steer the business in a future-oriented direction.

The tasks of Reputational Risk Management include checking all funding, products and customer relationships where sustainability aspects are particularly important. We focus on socially, ethically and ecologically sensitive topics, such as armament goods, energy production and the exploitation of raw materials. Reputational Risk Management determines conditions and limits of Commerzbank's business activity by formulating requirements and rejecting transactions, products or customer relationships that do not meet specified conditions. The department reviewed more than 5,400 individual cases in 2015.

Once a year, Commerzbank also systematically performs a Group-wide risk analysis in all business units, which serves as the foundation for the Bank's compliance programme. Our compliance efforts focus on defending against money laundering, funding terrorism, insider trading, fraud, corruption and other criminal activity within the scope of our business operations. For example, we have implemented measures for preventing transfer fraud, which enable us to detect attempted fraud at an early stage and minimise losses.

G4-15 External initiatives that the organisation endorses as well as significant memberships in industry and business associations

G4-16 Commerzbank takes its responsibilities as a financial service provider very seriously, as evidenced by its membership in respected initiatives and associations:

- German Association of Environmental Management (BAUM) (member since 1987)
- German Association for Environmental Management and Sustainability in Financial Institutions (VFU) (member since 2006)
- Environment and Sustainability Network (NeUN) – previously the Rhine-Main Green Office and Building Network (NGB) (member since 2006)
- Rhine-Main Environmental Forum (member since 2009)
- German Sustainable Building Council (DGNB) (member since 2010)
- UPJ – German network of socially aware businesses and non-profit organisations (member since 2013)
- Sustainability working group of the Association of German Banks (founding member, since 2013)
- [Roundtable on Sustainable Palm Oil](#) (member since 2014)
- [Green Bond Principles](#) (member since 2014)
- Coalition for Transparent Business (Commerzbank Prague, member since 2014)

Commerzbank is involved in the development of new standards through these memberships.

We are also members and/or signatories of the following initiatives:

- CDP – previously the Carbon Disclosure Project (since 2002)
- [UN Global Compact](#) (since 2006)
- VFU's Finance Forum: Climate Change – previously in the Federal Ministry of Education and Research (since 2007)
- Germany's Diversity Charter (signed 2008)
- DAX 30 declaration regarding women in management positions (2011 signatory)
- The German Sustainability Code (2013 signatory)
- [World Bank's Carbon Pricing Leadership Coalition](#) (since June 2015)

▼ Identified Material Aspects and Boundaries

Nr.	Index	UNGC
-----	-------	------

G4-17 Entities included in the consolidated financial statements

For a list of all entities included in the scope of consolidation for the [Annual Report 2015](#), please see pages 296-302, 316, 318-319, 320-324. This GRI report refers to Commerzbank AG in Germany, with the exception of the financial performance indicators, which are collected at Group level and are taken from Commerzbank's Annual Report 2015. Additional exceptions are marked as such.

G4-18 Process for defining the report content

In reporting year 2015, Commerzbank identified those issues that are material to the company both today and in future as part of a multistep materiality analysis. Thirteen sustainability issues were evaluated from an external and internal perspective in terms of their relevance and contribution to the Bank's long-term business success and sustainable development. We proceeded as follows:

- To identify the sustainability issues, we drew on studies, standards and ratings of importance to the company and the sector, analysed them and came up with 13 sustainability issues on this basis.
- The 13 sustainability issues as well as the method we used to conduct the materiality analysis were subsequently coordinated at an in-house workshop and approved.
- We determined the external relevance of the issues through an internet-based media analysis for the period from November 2014 to October 2015. To confirm the findings of this analysis, we also surveyed external stakeholders as part of an online evaluation on the future relevance of these 13 sustainability issues.
- The internal prioritisation process was completed at a workshop with managers from the various divisions. They evaluated the potential impact of sustainability activities on the following business-critical aspects: strengthening the image and brand, strengthening employee motivation, reducing costs and risks, customer acquisition and loyalty.
- The materiality matrix created from the results of this workshop was then discussed with the managers present and subsequently adopted as the valid representation of the material sustainability issues of Commerzbank.
- Based on the findings of the materiality analysis, we decided on which of the less relevant issues to exclude from the report.
- In the final step, we assigned the respective GRI aspects to the relevant issues and assessed whether the largest potential for making an impact was internal or external.

[Materiality matrix of Commerzbank AG \(PDF, 34 kB\)](#)

G4-19 Material Aspects identified, G4-20 Aspect Boundaries within the organization and and G4-21 Aspect Boundaries outside the organisation

[Material aspects and aspect boundaries \(PDF, 24 kB\)](#)

G4-22 Restatements of information provided in previous reports

This report is the first one to be prepared in accordance with GRI G4, which has shifted the report's contents. Through footnotes, we indicate additional restatements of figures reported in the past.

G4-23 Significant changes in the Scope and Aspect Boundaries

This report is the first one to be prepared in accordance with GRI G4.

▼ Stakeholder Engagement

Nr.	Index	UNGC
-----	-------	------

G4-24 Stakeholder groups engaged

Corporate social responsibility involves seeking regular dialogue with internal and external stakeholders. In this dialogue, Commerzbank endeavours to meet the expectations and needs of its stakeholders, to incorporate them in its corporate strategy and to present its own points of view. We maintain a close dialogue with the following stakeholder groups:

- Customers
- Employees
- Suppliers
- Society
- Media
- Politicians
- Non-governmental organisations
- Academic and research institutions
- Capital markets

G4-25 Identification and selection of stakeholders

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

G4-26 Approach to stakeholder engagement and frequency

In its [Corporate Responsibility Guidelines](#), Commerzbank commits itself to open and constructive [dialogue with its stakeholder groups](#). This exchange is of great importance, especially considering the loss of public trust in the wake of the financial crisis. We believe it is our job to actively shape this dialogue with stakeholders and leverage the outcome in the interest of our corporate responsibility. To this end, we discuss the potential impact of our business activities on people and the environment, for example, with non-governmental organisations (NGOs) on a regular basis.

Another example is the [customer advisory council](#). Headed by the member of the Board of Managing Directors responsible for Private Customers, the customer advisory council comprises 25 voluntary members who represent our customers in the Private Customers segment. All new members were appointed to the council in 2015 with a three-year term. The customer advisory council has the freedom to influence and help shape those aspects that affect the Bank's customers, such as how the Bank advises its customers, in addition to products and services. It fields a wide range of questions and discusses various issues in a direct dialogue with bank experts.

In terms of our employees' involvement in the company's operations, we not only rely on staff surveys, such as the Commerzbank Monitor, but also on our [WikIdee ideas management platform](#), which has received multiple awards. All employees are able to submit suggestions and join in discussions on this online platform. More than 3,100 ideas were submitted last year.

For the purposes of political dialogue, Commerzbank maintains liaison offices in Berlin and Brussels. Commerzbank has been listed in the [EU's transparency register](#) since 2010 and reports on activities, active persons and annual contributions as part of its political opinion-forming efforts.

In the "Commerzbank in Dialogue" event series, we engage in discussion with various interest groups on urgent social, business and financial policy topics. As a part of this initiative, events on topics such as the "Digitalisation of banks: between innovation and responsibility" and "Consumer model" were held in the reporting period. Through the Political Breakfast initiative, we promote dialogue on social and business policy topics. During a week when parliament is in session, guest speakers report on and discuss specific issues in front of representatives from politics, academia and business. Last year, the agenda included topics such as financial market regulation, the energy transition, foreign policy and innovation. We have also been organising what is known as "mittags.werkstatt" since 2014. This series of talks addressed residential real estate loans, among other topics, in 2015.

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

Details about stakeholder communications can be found on page 33 of the [Annual Report 2015](#). Information on the inclusion of stakeholders in the materiality analysis is available under G4-18.

G4-27 Key topics and concerns raised through stakeholder engagement and response

At the suggestion of the customer advisory council, the digital budget book provided for online banking as a personal financial analysis tool. By recording income and expenses, not to mention its automatic categorisation process, the digital budget book provides an overview of individual spending behaviour, which reveals areas that may harbour potential for savings. Members of the customer advisory council took part in pilot testing in January 2015. Since April 2015, the digital budget book has been available on the online banking platform to all customers.

The exchange of ideas and information with Non-governmental organisations (NGOs) is important to us for discussing the potential impact of our business activities on people and the environment. In addition, Commerzbank evaluates related studies on a regular basis. The findings are included in our decisions on business policy. In financial year 2015, coal was a particularly significant matter in light of the UN Climate Change Conference in Paris. Commerzbank currently revised its [guidelines governing coal-related transactions](#) and published them in July, 2016.

Politicians aim to promote digital business in Germany and the EU to ensure growth and competitiveness. During the reporting period, they turned specifically to banks to help them achieve this. In addition to adapting the Bank's own products and services to the needs of start-up companies, for example through the introduction of start-up hubs that support the new digital Mittelstand, Commerzbank has established an incubator for start-ups with growth potential from the financial technology – or fintech – industry. The main incubator supports start-ups by providing them with customer access, expertise and growth capital, as well as office space and IT infrastructure upon request. During the reporting period, the main incubator invested in three additional start-ups and participated in an invitation to tender by the Ministry of Economics, Energy, Transport and Regional Development for the State of Hesse aimed at promoting fintech locations in Frankfurt am Main. Through its "Between the Tower" event series, the main incubator also fosters the creation of a fintech ecosystem at a number of locations in Germany. With its Start-up Garage, comdirect also launched a programme in 2015 to promote fintechs.

In March 2015, Commerzbank agreed settlements with various US authorities regarding serious violations of US sanctions and anti-money laundering provisions. Part of the settlements involved paying fines of around 1.5 billion US Dollar (roughly 1.2 billion Euro). They also required Commerzbank to put in place a comprehensive programme called ARC (Achieving a Robust Compliance Framework) to ensure employees keep within the law and regulations. To do this, Commerzbank extensively reinforced its compliance function and almost doubled the number of compliance staff in 2015. In addition to the ARC programme, by way of "tone from the top" the members of the Board of Managing Directors regularly stress that the Bank takes its comprehensive compliance obligations seriously and expects every single employee to do the same.

A total of ten Supervisory Board meetings took place in 2015, of which four were held as conference calls. In addition, the employee representatives and the shareholders met respectively for an all-day strategy meeting. All of the regular meetings focused on the Bank's current business situation, which in each case was discussed in detail with the Board of Managing Directors. In particular, all members of the Supervisory Board dealt with the status of the proceedings and the negotiations with US authorities regarding investigations into the Bank's violations of US sanctions and the Bank's inadequate money laundering prevention from the perspective of the US. The Supervisory Board commissioned an external law firm to determine whether claims for damages can be made against members of the Board of Managing Directors in connection with the Bank's violations of the US sanctions mentioned above. After comprehensively examining the matter, the law firm commissioned by the Supervisory Board reached the conclusion in April 2016 that there are no recourse claims that may be made in court against members of the Board of Managing Directors which are likely to be successful.

▼ Report Profile

Nr.	Index	UNGC
-----	-------	------

G4-28 Reporting period

All figures in this GRI report relate to the period from 1 January 2015 to 31 December 2015. Information outside this reporting period is marked with the respective date. The editorial deadline was 30 June 2016.

G4-29 Date of most recent previous report

The last [GRI report prepared in accordance with GRI G3](#) was published in October 2015. The last [magazine on corporate responsibility](#), which takes a closer editorial look at key sustainability management topics at the Bank, was also published in October 2015.

G4-30 Reporting cycle

Until 2015, Commerzbank published a detailed corporate responsibility report every two years as well as a status report (UN Global Compact Communication on Progress) in the years in between. Since 2015, the present GRI report is updated annually. Commerzbank plans to continue publishing a magazine on corporate responsibility once every two years. The magazine takes a closer editorial look at key sustainability management topics at the Bank.

G4-31 Contact point for questions regarding the report

Thekla Wießner
 Group Communications
 Corporate Responsibility
 ✉ sustainability@commerzbank.com
 Tel.: +49 69 136-44552
 Fax: +49 69 136-56928

G4-32 „In accordance“ option with GRI and Content Index chosen

The present GRI report also constitutes the GRI index. This report was compiled for the first time in accordance with the G4 Guidelines published by the Global Reporting Initiative (GRI), including the specific Sector Disclosures for financial service providers. The "in accordance" criteria of the Core option was chosen.

G4-33 External verification of the report

The consumption data, the data collection mode and the calculation of CO2 emissions have been externally verified by the company DNV GL Business Assurance Zertifizierung und Umweltgutachter GmbH since 2009 as part of our environmental management system in accordance with ISO 14001 and since 2016 as part of our energy management system in accordance with ISO 50001. An external verification of the full GRI report has not been performed.

▼ Governance

Nr.	Index	UNGC
-----	-------	------

G4-34 Governance structure, incl. committees of the highest governance body

The Board of Managing Directors of Commerzbank is responsible for independently managing the Bank in the Bank's best interest. In doing so, it must take into account the interests of shareholders, customers, employees and other stakeholders, with the objective of sustainable value creation. It develops the company's strategy, discusses it with the Supervisory Board and ensures its implementation. The Supervisory Board advises and supervises the Board of Managing Directors in its management of the Bank. It appoints and dismisses members of the Board of Managing Directors and, together with the Board of Managing Directors, ensures that there is long-term succession planning.

To ensure that it can perform its duties efficiently, the Supervisory Board has formed seven committees from its members. The current composition of the committees is shown on page 22 of the [Annual Report 2015](#). Additional information can be found in the Annual Report 2015 in the report of the Supervisory Board on pages 14 to 19 and in the corporate governance report on pages 29 to 33.

At Commerzbank, Group Communications is responsible for managing the topic of corporate responsibility:

- The Corporate Responsibility department is responsible for the coordination and strategic focus of the Bank's economic, environmental and social sustainability performance. The department is also in charge of the corporate social commitments of Commerzbank AG. It maintains a dialogue with stakeholders and is responsible for internal and external communications on corporate responsibility.
- The Reputational Risk Management department analyses transactions and products, above all to check whether they are compatible with our sustainability principles. It also works closely with the Bank's traditional risk management functions and liaises with non-governmental organisations on relevant issues.
- The Foundation Centre coordinates the activities of the various Commerzbank foundations: the Commerzbank Foundation, the Jürgen Ponto Foundation, the Dresden Cultural Foundation of Dresdner Bank and the six charitable foundations.

[Organisational structure of CR \(PDF, 38 kB\)](#)

G4-41 Process for avoiding conflicts of interest

Conflicts of interests may arise whenever business interests are at stake. We make every effort to avoid such conflicts and have taken corresponding precautionary measures. Our processes have been designed with the best possible preservation of our customers' interests in mind. Chinese walls as well as the technical and physical separation of functions ensure confidentiality. When conflicts do arise, we solve them by analysing the situation and finding the best possible balance between conflicting interests to the benefit of all involved. Should this not be possible, we ensure the necessary transparency while taking the utmost care to comply honestly and openly with market standards and internal policies. This may mean passing up a business opportunity if doubts arise.

Members of Commerzbank's Supervisory Board are required pursuant to Art. 3 para. 6 of the Rules of Procedure of the Supervisory Board to disclose potential conflicts of interest to the Chairman of the Supervisory Board or their deputy, who will in turn consult with the Presiding Committee and disclose the conflict of interest to the Supervisory Board. No member of the Supervisory Board declared a conflict of interest during the year under review.

G4-51 Remuneration policies for the highest governance body and senior executives

Commerzbank is committed to ensuring an ethical foundation for management remuneration policies. The evaluation of management and their remuneration packages also reflect the ethical dimension of managers' actions in addition to business parameters. The fundamental principle is to design transparent remuneration systems and to avoid false incentives. In this regard, every member of senior management at Commerzbank is obliged to act responsibly, ethically and in accordance with the applicable statutory and regulatory requirements within their remit.

The equity capital regulations of the EU for financial institutions also affect the remuneration systems. In Germany, this is being implemented in the German Remuneration Ordinance for Institutions (InstitutsVergV) that modifies and/or tightens the existing rules. The aim is to align the remuneration systems of the European financial institutions with the long-term successes and risks of the corporation. In December 2014, the Supervisory Board of Commerzbank AG therefore ratified a new remuneration system for the members of the Board of Managing Directors. The core elements of the remuneration system are a fixed basic annual salary plus variable remuneration with a uniform target amount. The variable remuneration component combines EVA target achievement by the Commerzbank Group and target achievement by the department for which the member of the Board of Managing Directors in question is responsible, along with the achievement of individual performance targets (EVA = economic value added). The Supervisory Board may resolve to reduce or cancel the variable remuneration if it proves necessary to do so to take account of the Bank's risk-bearing capacity or ability to ensure that it can maintain or rebuild sufficient capital or liquidity resources over the long term or to safeguard its ability to meet the capital buffer requirements of the German Banking Act (KWG). The Supervisory Board must also cancel the variable remuneration if the member of the Board of Managing Directors in question has committed a serious breach of duty during the financial year or in the period thereafter up to the determination of the target achievement.

In addition to fixed remuneration and attendance fees, the members of the Supervisory Board received variable remuneration for financial year 2015 that was pegged to the dividend paid to shareholders. A new remuneration system was adopted at the Annual General Meeting 2016 for the members of the Supervisory Board. The new system provides for strictly fixed remuneration and the reimbursement of attendance fees; there will no longer be variable remuneration that is pegged to the dividend.

Additional information on the remuneration of the Board of Managing Directors and the Supervisory Board can be found in the remuneration report presented in the [Annual Report 2015](#) on pages 34 to 38 and 46 to 47.

G4-54 Ratio of the highest annual total compensation to the median annual total compensation

We do not believe disclosing this ratio serves an informative or meaningful purpose in terms of evaluating the appropriateness of our remuneration structures. We publish the remuneration of employees in a [separate report](#) on the Commerzbank website. Information on the remuneration of the Board of Managing Directors and the Supervisory Board can be found in the [Annual Report 2015](#) on pages 34 to 38 and 46 to 47, as well as under the general core indicator G4-51.

▼ Ethics and Integrity

Nr.	Index	UNGC
-----	-------	------

G4-56 Values, principles, standards and norms of behavior 10

Commerzbank's efforts to make its business operations sustainable go beyond simply complying with applicable laws and external regulations. It has also made voluntary commitments, such as to the [UN Global Compact](#), and introduced various internal policies that provide the Bank's employees with clear guidance on how to conduct themselves.

In autumn 2015, the Board of Managing Directors put forward an updated version of the binding Code of Conduct. This sets out a framework for proper and ethically irreproachable behaviour in daily work, and makes clear what Commerzbank and its Board of Managing Directors expect from all of the Group's employees: that they not only comply with laws, regulations and internal guidelines, but also stay within our guiding principles.

Additional guidelines relate to the management of not only the bank's economic performance, but also its non-financial performance. The main guidelines are the:

- ComWerte corporate values (performance, respect and partnership, market orientation, team spirit, integrity)
- Corporate Responsibility Guidelines (which refer to six different areas: legal compliance and transparency, embedding the values in our core business, employee awareness, stakeholder dialogue, recognition of the United Nations Global Compact and continuous improvement)
- Policies and positioning on sustainability-relevant issues
- Commerzbank environmental guidelines
- Procurement guidelines, which include ethical guidelines and the sustainable procurement standard

The wording of the guidelines for responsible conduct can be found on the [sustainability website](#).

Specific Standard Disclosures

close all open all

▼ Economic

Nr.	Index	UNGC
-----	-------	------

DMA Management approach 7

The financial market and sovereign debt crisis has fundamentally changed the banking environment. Commerzbank is taking a systematic response: we are further reducing risks, optimising our capital base, continuing our stringent cost management approach and investing in the earnings power of the core bank by adapting our business model to the needs of our customers and the real economy. Commerzbank firmly believes that long-term economic success is also dependent on the careful use of natural resources and a healthy social environment. We therefore strive to manage our business in a sustainable way. We want to take advantage of every opportunity to avoid risks to our business and seize the potential to steer the business in a future-oriented direction. Commerzbank, as part of society, sees its task also in positively influencing its environment. We work for the common good through numerous cooperation and sponsorship programmes, the support of voluntary staff involvement and the activities of various foundations.

G4-EC1 Direct economic value created and distributed

The Commerzbank Group's operating profit for 2015 came to 1,909 million Euro, representing a significant increase of 1.2 billion Euro compared with the previous year, which had been adversely affected by provisions for litigation and recourse risks. Consolidated profit attributable to Commerzbank shareholders for the period under review came to 1,062 million Euro. Tax expense for the reporting period was 618 million Euro, compared with 256 million Euro the previous year. At 7,157 million Euro, administrative expenses in the period under review were 3.3 per cent higher year on year. Personnel expenses, at 3,900 million Euro, were only slightly above the level from the previous year. A detailed income statement is provided on page 149 of the [Annual Report 2015](#) and the notes mentioned in that document.

Investments in the community are also made through the Bank's various foundations: the Commerzbank Foundation, the Jürgen Ponto Foundation, the Dresden Cultural Foundation of Dresdner Bank and six charitable foundations. The endowment capital of each and their financial assistance are shown in the tables linked in the following. The [Commerzbank Foundation Centre](#) represents the organisational framework for the various foundations. In 2015, Commerzbank's expenses for the Foundation Centre amounted to some 1.6 million Euro for personnel, workplace, office and other material costs.

[Endowment capital Foundation Centre \(PDF, 33 kB\)](#)

[Sponsorship volume Foundation Centre \(PDF, 22 kB\)](#)

G4-EC2 Financial implications and other risks and opportunities due to climate change 7

The risks resulting from climate change form an integral part of Commerzbank's risk strategy and overall risk management. The risk management system includes climate change issues in its analysis and assessment of country- and sector-specific risks. Environmental risks are also assessed and evaluated using a qualitative approach as part of reputational risk management. Please see the item "Management approach" under Product Responsibility and indicator G4 F58 for more information.

Since January 2015, Commerzbank's operations have been climate neutral in Germany. We compensate for unavoidable carbon emissions by investing in environmental projects financed through high-quality CO2 certificates. Additional details on climate neutrality and criteria for selecting projects as well as decommissioning certificates for previous certificate purchases are available on the [sustainability website](#).

G4-EC7 Infrastructure investments and services provided

As part of our efforts towards the common good, some 450 Commerzbank employees took part in the [Malteser Social Day](#) in 2015 for the fourth year in a row, supporting 43 social projects in 17 towns and cities throughout Germany. Many of the projects focused on the refugee crisis. Other relief campaigns were geared towards children, the homeless and senior citizens. Commerzbank releases employees from their work to take part in the Malteser Social Day and pays the associated costs.

The [educational mentoring programme](#) of Commerzbank, established in 2013, focuses on young people who find it difficult to complete their basic education, are unable to find an apprenticeship or are in danger of breaking off their training. In 2015, the programme was carried out with 54 participants in seven German states.

Since as early as 1990, Commerzbank has been offering an [environmental internship](#) to students with an interest in this area. Every year, up to 70 students from various faculties now complete an internship of several months' duration in one of 25 German national parks, nature reserves or biosphere reserves. The Bank provides financial resources and administrative services. Since the idea emerged more than 25 years ago, the programme, which has received a number of awards, has enabled more than 1,400 interns to complete an open-air semester. Right on time for its 25th anniversary, the environmental internship was named an official project of the UN Decade on Biodiversity 2015/2016.

As far as Commerzbank is concerned, a commitment to foundations forms an integral part of its corporate social responsibility. The Bank's various foundations are pooled in organisational terms under the Commerzbank Foundation Centre. Decisions on which projects to support are taken by the individual foundation's board of trustees in accordance with the objectives of the foundation concerned. The joint goal of the foundations is to enable social developments in science, education, art and culture as well as in different areas of society. The funding priorities of the foundations are as follows:

- The [Commerzbank Foundation](#) focuses on supporting science, culture and social projects across Germany. With its re-establishment in December 2015, the Commerzbank Foundation is now a foundation under civil law and continues the tradition of the dependent company foundation established in 1970.
- The [Jürgen Ponto Foundation](#) promotes up-and-coming talents in the areas of music, literature and the fine and performing arts.
- By contrast, the [Dresden Cultural Foundation](#) of Dresdner Bank is committed to the cultural and scientific development of Dresden.
- Commerzbank's commitment to foundations is rounded off by the work of the six [charitable foundations](#) that provide financial support to employees and retired members of the Bank who are in distress through no fault of their own.

▼ Environmental

Nr.	Index	UNGC
-----	-------	------

DMA	Management approach	7-9
------------	----------------------------	-----

Operational environmental protection and the systematic reduction of resource consumption at the Bank are key components of our sustainability concept. In order to reduce Commerzbank's environmental footprint, we continued working on the various measures as part of our climate strategy and on continuously refining our certified environmental management system in 2015. We also developed an energy management system in accordance with ISO 50001 in 2015 and revised the [sustainable procurement standard](#). The environmental, social and governance criteria set forth in the standard reflect Commerzbank's expectations regarding the corporate responsibility of its service providers and suppliers. In this way, Commerzbank actively influences the sustainability focus of suppliers and service providers through its procurement decisions.

Commerzbank regards environmental protection as a managerial responsibility. All managers – top-down, beginning with the Board of Managing Directors – are therefore accountable for the implementation of the environmental targets we have agreed. Environmental and energy management falls within the remit of the Group's Organisation & Security unit, which reports directly to the Board of Managing Directors. Operational environmental protection is also closely connected to many other departments to ensure that Commerzbank's environmental policy is applicable to all business activities of the Bank. As part of the Group Operating Committee, the Group Environmental Committee – with Frank Annuscheit, member of the Commerzbank Board of Managing Directors, as its chairman – regularly defines and adopts standards and strategies for environmental protection regarding the Bank's operations. All divisions, including sales units, are represented on the committee.

As part of our [climate strategy](#), we have made a commitment to reduce Commerzbank AG's CO2 emissions in Germany by a total of 70 per cent by 2020 compared with the base year of 2007. We have been implementing a variety of measures, in particular in terms of energy use and mobility, to achieve this target. This is primarily a question of avoiding greenhouse gas emissions or, in cases where this is not possible, of reducing them systematically. These efforts resulted in a 66.9 per cent reduction in CO2 emission in 2015 compared to 2007. Since 2015, we have been offsetting the remaining emissions that prove difficult to avoid. Commerzbank AG's operations are therefore [climate neutral](#) in Germany. The climate strategy and its implementation were recognised as part of the DQS sustainability conference, with Commerzbank receiving the German Award for Excellence 2015 in the carbon footprint category. The Bank also scored 100 out of 100 possible points in the [CDP Climate Disclosure Ranking](#) 2015, making us Sector Leader Financials for climate disclosure in the Germany/Austria/Switzerland region.

Commerzbank AG's [environmental management system](#) in Germany, which was introduced in 2008, has been certified by DNV GL Business Assurance Zertifizierung und Umweltgutachter GmbH in accordance with the ISO 14001 standard. The energy management system established in 2015 in accordance with the standard ISO 50001 has also been certified by DNV GL since May 2016. As in the previous year, all employees in Germany were covered in the reporting period.

Commerzbank has defined clear rules for conducting business in an environmentally responsible way. The [environmental guidelines](#) were last updated in October 2015, approved by the full Board of Managing Directors and made available to Commerzbank's key service providers and suppliers.

G4-EN1 and G4-EN2	Materials used by weight or volume and percentage of materials used that are recycled input materials	7, 8
--------------------------	--	------

The reported quantity of paper decreased slightly year on year by 0.2 per cent in 2015, as the Bank succeeded in reducing its consumption of copying paper and paper for bank statement printers. However, the amount of virgin fibre paper rose by 3.7 per cent, as the share of recycled paper dropped simultaneously from 15.9 per cent to 12.5 per cent. The standard used for purchasing copying paper stipulates that pure white paper, which we use for documents designated for external needs, should correspond to the PEFC standard*. Recycled paper with the Blue Angel eco-label should be used for in-house purposes.
*PEFC = Programme for the Endorsement of Forest Certification Schemes

[Paper and toner consumption](#) (PDF, 33 kB)

G4-EN3	Energy consumption within the organisation	7, 8
---------------	---	------

Direct consumption of fossil fuels fell by around 5.5 per cent year on year, due primarily to decreased consumption of vehicle fuel. Oil heating appliances are gradually being replaced by more environmentally friendly systems and now account for only a very low percentage of our total energy consumption.

[Direct energy consumption](#) (PDF, 25 kB)

Energy consumption in terms of electricity decreased slightly. The Bank achieved a considerable reduction in district heat in 2015. Total indirect energy consumption fell by 3.0 per cent year on year. Commerzbank's approximately 1,100 buildings in Germany have been supplied completely with green electricity since January 2013. Our energy suppliers duly enter the guarantees of origin for our green electricity in the register of guarantees of origin, which excludes the possibility that a guarantee of origin could be sold to the consumer more than once. These comprise EECS* guarantees of origin from hydroelectric plants that are not older than seven years.

* EECS = European Energy Certificate System

[Energy consumption](#) (PDF, 33 kB)

G4-EN6	Reduction of energy consumption	8, 9
---------------	--	------

As part of a series of long-term tests and pilot projects, we are experimenting with LEDs for lighting our indoor spaces. In addition to the strength of the light and the colour rendering, which are crucial factors in our employees' performance, we are also measuring the electricity used. At the same time, we are switching the lighting of secondary areas, such as underground car parks and lifts, to LEDs at the Bank's locations, carrying out both large and small conversion projects. In 2015, the building in Frankfurt known as Galileo, which is leased and used entirely by Commerzbank, received 83 points in the Leadership in Energy and Environmental Design (LEED) building certification programme – and thereby attained the platinum rating level. Smart electricity meters are another way of increasing efficiency in energy management that the Bank hopes will result in energy savings of around 5 per cent. Initially, some 200 smart meters will be installed in buildings with unusually high energy consumption figures.

G4-EN8	Total water withdrawal by source	7, 8
---------------	---	------

Commerzbank uses almost only drinking water in its buildings. Our water consumption totalled 533,429 m3 (2014: 581,841 m3) in 2015. The decline of more than 8.3 per cent is the result of the more efficient use of well water at the Leopoldstraße location in Munich. The regulations there governing the use of technology (air conditioning system) have been adapted and/or supplemented. A monthly check of the quantities consumed is performed at all larger locations.

G4-EN15, G4-EN16 and G4-EN17	Direct greenhouse gas (GHG) emissions (Scope 1), energy indirect greenhouse gas (GHG) emissions (Scope 2) and other indirect greenhouse gas (GHG) emissions (Scope 3)	7, 8
-------------------------------------	--	------

Commerzbank measures its CO2 emissions in accordance with the standard developed by the German Association for Environmental Management and Sustainability in Financial Institutions (VfU). In our reporting on greenhouse gas emissions, we distinguish between Scope 1 (all direct GHG emissions), Scope 2 (indirect GHG emissions from consumption of purchased energy) and Scope 3 (all other indirect emissions from services rendered by third parties, as well as upstream and downstream processes) in accordance with the Greenhouse Gas (GHG) Protocol. The emissions are calculated as CO2 equivalents, which means that apart from CO2, other greenhouse gases, such as CH4 and N2O, are also accounted for in the calculation, and their detrimental effect on the climate (the greenhouse gas potential) is converted into the CO2 reference value. The consumption data, the data collection mode and the calculation of CO2 emissions have been [verified](#) since 2009 by the external company DNV GL Business Assurance Zertifizierung und Umweltgutachter GmbH.

The 4.4 per cent year-on-year total increase in greenhouse gas emissions by around 5,133 tons of CO2 is primarily due to an amended version of the VfU emissions calculator used to determine greenhouse gas performance. The emissions figure for district heat alone was raised by more than 97 per cent. Overall, this adjustment more than offset decreases in consumption, affecting mainly indirect greenhouse gas emissions from energy supply. These emissions rose from 6,940 tons of CO2

in 2014 to 10,883 tons of CO2 in 2015. Around 54 per cent of all business travel was done by car.

[Direct and indirect greenhouse gas emissions](#) (PDF, 28 kB)

[Business travel](#) (PDF, 36 kB)

[Carbon footprint by scope](#) (PDF, 62 kB)

G4-EN18	Greenhouse gas (GHG) emissions intensity	8
	Greenhouse gas emissions intensity (PDF, 26 kB)	
G4-EN19	Reduction of greenhouse gas (GHG) emissions	8, 9
	<p>With a 66.9 per cent CO2 reduction by the end of 2015, Commerzbank has already almost completely met its second climate target, set in 2013, of reducing CO2 emissions by 70 per cent on the basis of 2007 levels by 2020. Even though we succeeded in reducing our consumption of district heat in 2015 by 9.4 per cent year on year, indirect greenhouse gas emissions from energy supply rose from 6,940 tons of CO2 in 2014 to 10,883 tons in 2015. This is due solely to the adjustment of CO2 conversion factors in the VfU emissions calculator. Since the start of 2015, Commerzbank has been climate neutral, thanks to its programme aimed at compensating for all unavoidable CO2 emissions from business operations, including staff commuting to and from work. Please see indicator G4-EN30 for more information about the further reduction of emissions for business travel and vehicles.</p> <p>Reduction of CO2 emissions 2007-2015 (PDF, 62 kB)</p>	
G4-EN23	Total weight of waste by type and disposal method	8
	<p>Waste resulting from our business activities has a major impact on our ecological footprint. In 2015, more than 97 per cent of Commerzbank AG's waste was reused and/or recycled. Paper used in banking operations accounted for more than half (62.6 per cent) of the total amount. Since April 2012, we have used a single nationwide service provider for waste disposal.</p> <p>Waste by type of disposal (PDF, 26 kB)</p> <p>Waste by category (PDF, 26 kB)</p>	
G4-EN27	Mitigation of environmental impacts of products and services	7-9
	<p>The environmental initiatives that we target as part of our banking business focus on the financing of companies and projects concerned with the expansion of renewable energies, increases in energy efficiency and the reduction of CO2 emissions. For details, please see indicator G4-EC2, the item "Management approach/Product portfolio" under Product Responsibility and Indicator G4-FS8.</p>	
G4-EN29	Fines and sanctions for non-compliance with environmental regulations	8
	No material fines for non-compliance with environmental regulations were imposed in the reporting period.	
G4-EN30	Significant environmental impacts of transporting products	8
	<p>Our travel guidelines state that domestic air travel should be avoided whenever possible. They also require employees to use public transport as their first preference, look into travel-sharing opportunities and, where feasible, use alternatives such as video and telephone conferencing. This approach is making progress thanks to a project currently underway at the Bank which targets digital and user-friendly integrated communication and collaboration at the workplace using modern communication technology. The project also underscores the responsibility of managers to set a good example in this matter.</p> <p>Since March 2015, new guidelines for Bank vehicles have been in place. The new guidelines place a greater focus on environmental aspects. A scheme involving bonuses and penalties, combined with the approval to order electric vehicles, creates clear incentives for a more environmentally conscious selection of company cars to be leased. In 2015, the average CO2 emissions of newly ordered vehicles amounted to 121 gram per kilometre (2014: 128 gram per kilometre).</p> <p>A new standard for Commerzbank's roughly 450 pool vehicles was introduced in 2014. The standard calls for existing vehicles to be successively replaced by significantly more efficient ones with lower CO2 emissions and to reduce average CO2 emissions to below 100 gram of CO2 per kilometre in future. Compared to 2014, average emissions for diesel vehicles have already decreased by 6.1 per cent to 108 gram of CO2 per kilometre and by 17.2 per cent for petrol vehicles to 96 gram of CO2 per kilometre in 2015. Furthermore, employees are now able to use electric cars as pool vehicles for business trips at select locations.</p> <p>We also provide our employees with special bicycle offers for a climate-friendly alternative to driving or public transport. In addition to a bike lease option, they include 60 company bicycles at six locations.</p> <p>The number of employee trips by rail and the rate of BahnCard usage by employees have been steadily rising in recent years. Business trips with Deutsche Bahn are powered by 100 per cent green electricity, making an additional contribution to environmental and climate protection. The CO2 emissions for trips by rail nonetheless rose year on year, as the upstream and downstream emissions for train travel with green electricity were taken into account in the VfU emissions calculator for the first time.</p>	
G4-EN31	Environmental protection expenditures and investments	7-9
	<p>Operational environmental protection is associated with making investments. Annual expenses incurred in connection with centralised environmental management are about 525,000 Euro, not including additional costs associated with the procurement of environmentally friendly materials. Waste disposal costs rose from around 687,000 Euro in 2014 to 695,000 Euro in 2015. The sourcing of green electricity led to additional costs of 700,000 Euro in 2015.</p>	
G4-EN32	Percentage of new suppliers that were screened using environmental criteria	8
	<p>Commerzbank's procurement processes are handled by the central Corporate Procurement office. This allows us to ensure standardised sustainability standards. As part of its tenders, Commerzbank uses an electronic self-disclosure form for suppliers, which contains a section on corporate sustainability. Suppliers are asked, for example, whether they possess certification in accordance with an environmental or energy management system. Compliance with sustainability criteria is addressed in annual meetings with the most important service providers. Since 2015, an "integrity, environment and social responsibility" clause has also been included in new contracts. This clause also requires environmental standards to be imposed on subcontractors.</p>	
▼ Social: Labor Practices and Decent Work		
Nr.	Index	UNGC
DMA	Management approach	1, 6
	<p>The basis for long-term corporate success is dealing with employees fairly and as partners. For Commerzbank, this also means that we focus on training and motivating staff in the course of our HR work. We want to offer them an environment where they enjoy working and can do so successfully, allowing them to contribute to the company's long-term success. In the interest of an approach based on partnership, Commerzbank regularly surveys its employees, which enables us to recognise their needs and integrate them into the company's development.</p> <p>To retain employees on a long-term basis and to effectively use their qualifications to the benefit of our company, we aim to identify and develop our employees' skills at an early stage. Commerzbank's talent management subsequently pursues a holistic approach. It starts with the hiring and development of trainees and extends to support for university graduates in attaining their initial target positions and personnel development for specialist staff and managers.</p> <p>Diversity is another key principle, and the Global Diversity Council is the central strategic entity. The involvement of all divisions and support from regional councils makes it possible to take country-specific needs and differences into account. By 2015, Commerzbank's individual divisions had defined their own specific hiring goals for women in management positions. A target ratio of 30 per cent for the Bank as a whole by the end of 2015 was then determined based on these goals. At 29.1 per cent, the Bank did not succeed in meeting this target entirely. Nonetheless, we should be pleased with what we have achieved so far and will continue to strive for our target. In implementing the German Federal Act on Gender Equality, the Board of Managing Directors decided on a conservative target with a deadline of 30 June 2017 in order to ensure the company's freedom to act. In light of a placement ratio for women of 18.4 per cent in the first management tier at the end of 2015, with a target ratio of 8.6 per cent as announced by the Bank, it is clear that Commerzbank has continued to actively promote women in leadership positions, regardless of statutory requirements.</p> <p>Additional focal points of our HR work are occupational health and safety and promoting good health. Since 2013, we have been continuously expanding our occupational health, safety and prevention efforts through a circular model to assess risks. Our aim is to systematically identify, prevent and reduce physical and psychological stress factors in the workplace. We provide various services and measures relating to nutrition, stress management, addiction prevention and exercise. In February 2013, Commerzbank's health management system was the first to be TÜV-Süd certified throughout Germany. This recognises Commerzbank's systematic and sustainable approach to maintaining the health of its employees.</p> <p>Productive cooperation with employee interest groups is important to us. Numerous company agreements document our close cooperation with employee representatives. Commerzbank engages in regular and constructive dialogue conducted in a spirit of partnership with employee representatives on all co-determination-related issues. The representative council for employees with severe disabilities is dedicated to ensuring that people with and without disabilities are treated as equals at Commerzbank. In addition to practical support and technical changes in the workplace, our employees are made more aware of dealing with disabilities and illness on a day-to-day basis.</p>	

The rate of employee turnover in the year under review was 3.2 per cent. This amounts to a year-on-year decrease of 1.6 per cent. The drop is due in particular to the increased employee turnover rate prior to this resulting from the higher number of amicable solutions reached following the conclusion of new reconciliations of interests and social compensation plans at the end of 2013.

The reasons behind employees' decisions to leave the Bank of their own accord are systematically collected through the leaver's management survey. The survey consists of two parts: an online questionnaire and a personal interview. It provides the Bank with greater insight into the reasons behind an employee's decision to leave and with specific pointers and ideas for optimising its attractiveness as an employer. Around 40 per cent of those surveyed last year indicated that they gave notice due to personal reasons. For the remaining approximately 60 per cent, the reasons given for leaving were related in some way to the company. The following were cited as decisive factors in giving notice: 1. career opportunities, 2. remuneration and additional benefits and 3. current job/task. Employees sometimes cite limited career opportunities within the Bank as a reason for leaving. Some feel that their performance is not appropriately remunerated.

[Employee turnover by age](#) (PDF, 35 kB)

[New hires by age](#) (PDF, 24 kB)

[Employee turnover by gender](#) (PDF, 35 kB)

[New hires by gender](#) (PDF, 24 kB)

[Employee turnover by region](#) (PDF, 25 kB)

[New hires by region](#) (PDF, 25 kB)

[Employee turnover by reason for leaving](#) (PDF, 25 kB)

The average length of service of employees with Commerzbank AG (Germany) is around 19 years; 22.1 per cent have worked for the Bank for up to 9 years, 29.6 per cent for between 10 and 19 years, and 48.3 per cent for 20 years or more.

G4-LA5 Percentage of total workforce represented in health and safety committees

All of Commerzbank's employees are represented on the health and safety committee. A central health and safety committee covering Commerzbank Group Germany is based in Frankfurt am Main; it is responsible for the head office, branches and subsidiaries. The responsibilities and the composition of this committee are specified by the German Health & Safety at Work Act (ASiG). All groups and divisions have representatives on the health and safety committee and work together in a spirit of partnership. Furthermore, additional health and safety committees have been established at the larger Group companies, where they specifically address the particular circumstances of the respective entities.

There is also an Employee Council on Health, which comprises 45 employees from Commerzbank AG. They discuss key health issues with the member of the Board of Managing Directors responsible for HR and the chairman of the central works council. A new council is appointed every four years through a Bank-wide call for applications and a subsequent selection process. The current council was created in December 2015.

G4-LA6 Injuries, occupational diseases, lost days, and work-related fatalities

The rate of absence due to illness at Commerzbank amounted to 4.5 per cent in 2015, which does not include persons on long-term sick leave. The rate of reportable workplace and commuting accidents at Commerzbank in Germany was 5.5 per 1,000 employees in 2015 (2014: 6.1) and was again at a low level below the target levels specified by the employers' liability insurance association. There were no fatalities due to accidents in the reporting year.

[Number of workplace accidents by region and gender](#) (PDF, 25 kB)

G4-LA8 Health and safety topics covered in formal agreements with trade unions

A number of company agreements on the issues of fairness at the workplace, addiction prevention, corporate return-to-work management and workstations govern work practices aimed at promoting employee health at the Bank. Commerzbank has had a company agreement in place since 2013 to assess risks. Another employee survey was conducted in 2015 within the scope of this agreement. The findings provide the basis for developing and implementing relevant measures together with employees and managers.

G4-LA9 Average hours of training

6

In 2015, 4,782 on-site seminars were conducted over 98,302 attendee days. Including media for learning on one's own, we invested a total of 768,337 hours in training and educating Commerzbank AG employees. The average number of hours per employee and year therefore amounted to 17.56 hours. We do not report the hours itemised by employee category. This type of data is not available because it is not relevant to the management of professional education at Commerzbank. At Commerzbank, professional education is offered based on needs and demand.

[Average number of hours spent on training and development](#) (PDF, 36 kB)

Of the 33,490 people employed by Commerzbank AG in Germany as at 31 December 2015, 1,316 were in vocational training (1,035 were apprentices and 281 were students of dual degree programmes). In the reporting period, we hired 355 apprentices and students pursuing integrated work/study courses. They are completing apprenticeships in banking, office management and real estate. During the year under review, we hired 393 of the apprentices and students of dual degree programmes (55 per cent) who applied after they had finished their training, offering them promising career opportunities at the Bank. As at 31 December 2015, the Bank also employed another 129 people as trainees and 437 students who belonged to the Commerzbank study group (325 who worked as part of a regular schedule and 112 in a block period). Around 105 people completed internships at Commerzbank as part of their studies.

[Apprenticeships](#) (PDF, 25 kB)

G4-LA10 Programs that support the continued employability of employees

We pool all offerings under the Commerzbank Academy and facilitate lifelong learning with a system and prospects. Employees are given the power to more actively shape their further personal and professional development and, together with their superiors, take the reins to make this a reality. The Academy offers some 1,800 courses, ranging from basic knowledge for newcomers all the way to highly specialised training for employees in all departments and divisions. Three equal career paths with clearly structured qualification and development opportunities are available to employees. They are the paths to becoming a specialist, a manager or a project officer.

G4-LA11 Percentage of employees receiving regular performance and career development reviews

6

Through the Competence Dialogue, we ensure uniform Bank-wide standards for training and development. The process requires employees to first assess their own technical and personal skills. Managers then appraise the skills of their employees. This creates the basis for a regular skills dialogue and enables all employees to boost their professional fitness in line with their specific needs. Employees therefore have the opportunity to actively shape their professional futures together with their manager. In the reporting year, almost 29,500 employees in total participated in the Competence Dialogue. Information on the number of participants as broken down by gender and employee category is not available because it is considered immaterial with regard to an employee's development. Training and development are carried out at Commerzbank based on needs and demand.

G4-LA12 Composition of governance bodies and breakdown of employees by aspects of diversity

6

We increased the percentage of women in management positions within the Commerzbank Group from 28.2 per cent in 2014 to 29.1 per cent in 2015. Measures to encourage this, both for new recruits and for women who already work for the Bank, have been further pursued according to plan. All bank segments have conducted at least one career day, for example. The internal mentoring programme has been included in standard operations since 2013, though only executive and board mentoring was conducted in 2015 with a total of 54 mentees, as management mentoring was put on hold for an evaluation. Additional measures for promoting women at the Bank include workshops as part of the Diversity Forum, programmes such as Keep in Touch (10-20 per cent part-time work for up to twelve months after the birth of a child) and a guaranteed return to work after parental leave. The Management Experience programme offers staff the opportunity to try out being a manager or a project manager in temporarily vacant positions. The Bank-wide Women in Management Positions project, originally scheduled to last until the end of 2015, has been extended for 2016. We are continuing our efforts to achieve our goal of raising the proportion of women in management positions to 30 per cent. Information on the composition of the Board of Managing Directors and the Supervisory Board can be found in the [Annual Report 2015](#) on page 32.

[Proportion of female employees by management level](#) (PDF, 36 kB)

For many years, we have been making it easier for our staff to [combine family life with a career](#) by providing company-sponsored childcare and extensive support for those employees caring for relatives. This is based on our innovative care-related company agreement for the head office, which has been extended indefinitely. The Bank offers approximately 320 childcare places throughout Germany. Commerzbank's emergency and holiday care was used by a total of 892 children on 5,282 days in 2015. The institution responsible – Kids & Co – celebrated its tenth anniversary in the reporting period.

The employee networks that held presentations at the third Diversity Day at the head office in July 2015 are firmly established. Around 1,000 employees are involved with Arco (LGBT), Courage (women), Focus Fathers, Horizont (burnout), Kulturwerk, Cross Culture (intercultural) and Network Care. These networks organise their own events and projects to raise awareness of their existence and what they do. In addition to the in-house fathers' network, Commerzbank collaborated with Väter gGmbH to initiate a company-wide fathers' network at a number of locations, which organises talks, workshops and father-and-child weekends.

At the beginning of 2015, a study was conducted on fathers with the objective of developing to a greater extent family-friendly measures for men as well. The study was compiled by Väter gGmbH and Frankfurter Agentur für Innovation und Forschung on behalf of Commerzbank. It explores the factors that motivate fathers to be involved with family life in addition to their careers, and how they can effectively combine both. The study also provides information about how the Bank's offerings

are being received and what form of personalised support for fathers at Commerzbank might take.

The study involved a survey of 754 Commerzbank male employees in Germany who were on parental leave in the last five years. Support for fathers will continue to become more important in future, as 94 per cent of those surveyed expect men to take greater advantage of the offerings for fathers moving forward. Since 2003, the percentage of fathers at Commerzbank who take paternity leave has increased from 0.1 per cent to 16.9 per cent in 2015. The average parental leave in 2015 was 9 months for women and 2.2 months for men.

[Workforce by age and gender](#) (PDF, 25 kB)

In 2015, the Bank was obliged to provide 1,661 positions for severely disabled employees. With a total of 1,791 positions filled by severely disabled employees, Commerzbank exceeded this requirement. This represents 5.4 per cent of all jobs at Commerzbank. In 2015, Commerzbank received the Total E-Quality Award for Equal Opportunities at the Workplace for the seventh time in a row.

G4-LA13 Ratio of basic salary and remuneration of women to men 6

An overview of the salary structure at Commerzbank is best presented via pay-scale brackets, as individual salary details are protected as confidential information and there are corresponding restrictions on disclosing such information, including for statistical analysis by gender or other diversity criteria. The following graph shows a breakdown for Germany of the number of employees in each pay-scale bracket by gender:

[Salary structure of Commerzbank AG](#) (PDF, 25 kB)

G4-LA14 Percentage of new suppliers that were screened using labor practices criteria

Providing sustainability-relevant information is an integral part of the standard tender procedure. For quality assurance purposes, we distribute electronic self-disclosure forms for suppliers, which include questions relating to sustainability criteria. Since 2015, an "integrity, environment and social responsibility" clause has also been part of new contracts.

▼ Social: Human Rights

Nr. Index UNGC

DMA Management approach 2-6

Commerzbank is committed to respecting human rights. Commerzbank has based its detailed policy on human rights on internationally accepted human rights standards, including the Universal Declaration of Human Rights and the international labour standards of the International Labour Organization (ILO). As a company domiciled in Germany, Commerzbank is bound by the Organization for Economic Cooperation and Development's (OECD) Guidelines for Multinational Enterprises and takes further guidance from the United Nations Guiding Principles on Business and Human Rights.

Commerzbank has participated in the [UN Global Compact](#) since 2006 and undertakes:

- to support and respect the protection of international human rights,
- to ensure that it does not become complicit in human rights violations,
- to uphold the freedom of association and the effective recognition of the right to collective bargaining,
- to promote the elimination of all forms of forced and compulsory labour,
- to work towards the effective abolition of child labour, and
- to strive to eliminate discrimination in respect of employment and occupation.

The vast majority of Commerzbank employees work in member states of the European Union (some 97 per cent as at the end of 2015). These countries have already enshrined the human rights standards of the UN and the ILO in their laws, and Commerzbank implements these national legal requirements as a matter of course. Furthermore, through its binding [Code of Conduct](#), the Bank requires its employees worldwide to respect human rights. The policy clearly sets forth the existing rules governing conduct and provides employees with binding guidance on how to act with integrity – including with respect to human rights. The Code of Conduct applies without exception to all Commerzbank employees. The right to freedom of thought, conscience and religion is guaranteed at Commerzbank as part of the Diversity Charter. In addition, comprehensive [diversity management](#) promotes the individuality and diversity of employees.

When selecting service providers and suppliers, Commerzbank also contributes to respecting and promoting human rights within the scope of the opportunities available to it. Commerzbank's Code of Conduct includes the binding provision that the Bank expects its business partners to respect human and personal rights as well. Suppliers' compliance with social standards is an integral part of Commerzbank's [sustainable procurement standard](#). All suppliers and service providers who do business with Commerzbank guarantee that they will observe the social requirements specified by this set of rules and agree to impose compliance with the corresponding requirements on their own suppliers and service providers. Compliance with social standards is the focus of annual meetings with Commerzbank's main suppliers. Reputational Risk Management also performs ad hoc analyses during the process of selecting suppliers. Suppliers are researched, analysed and evaluated as part of case-by-case decisions. The findings can result in the rejection of a business transaction or opportunity or even the termination of business relations.

G4-HR1 Significant investment agreements and contracts that include human rights clauses or screening 2

Commerzbank also takes care that customer transactions do not violate human rights. The Compliance division in particular examines whether the Bank and its business partners comply with all national and international laws and guidelines. Among other things, Compliance staff ensure compliance with embargoes and sanctions on regimes that violate human rights and are responsible for preventing money laundering and funding for terrorism.

Commerzbank also works towards complying with human rights through its reputational risk management. Within the context of these efforts, business transactions and business relationships where human rights play a significant role are thoroughly researched, analysed and evaluated using a sophisticated system (e.g. the mining industry, the exploitation of raw materials and the cotton sector). The findings can result in the rejection of a business transaction or opportunity or even the termination of business relations. In financial year 2015, the Reputational Risk department assessed some 5,400 transactions, products and customer relationships in which sustainability considerations played a key role (2014: 5,000). This marks a slight increase in the number of assessments. Requests that are incompatible with our understanding of corporate responsibility received a negative evaluation due to social, environmental or ethical concerns.

G4-HR3 Incidents of discrimination and corrective actions taken 6

The Bank experiences very few cases of discrimination, as many of the cases that do arise are generally dealt with immediately at the local office concerned. Cases that cannot be easily dealt with are handled by the head office. It is not possible to give a precise figure for the total number of cases because discrimination comes under the broader issue of bullying at the workplace. However, it is estimated that the total number of discrimination reports handled by the head office each year is in the single digits. Staff who feel discriminated against or bullied can make use of the Employee Assistance Programme (EAP). In 2015, there were a total of 43 contacts for the overarching topic of bullying, discrimination and sexual harassment (2014: 71 contacts), which corresponds to 1.5 per cent of the approximately 3,000 total EAP contacts in 2015.

Please see the section titled Working environment and conditions, indicator G4-LA9 for more information.

G4-HR4 Operations and suppliers identified in which the right to exercise freedom of association may be violated or at risk, and measures taken 3

Employee/employer cooperation at Commerzbank is based on a critical, yet trust-based partnership. Company agreements reached by the employer and employee representatives take account of the Bank's aims as well as the employees' wider needs. This will continue to apply in the future. The Bank is not aware of any instances in which Commerzbank's business activities or units did not respect freedom of association or the right to collective bargaining. We also expect our suppliers to respect freedom of association and have included this in the [sustainable procurement standard](#).

G4-HR5 and G4-HR6 Operations and suppliers having significant risk for incidents of child labor, and measures taken and operations and suppliers having significant risk for incidents of forced or compulsory labor, and measures taken 4, 5

As a participant of the UN Global Compact (UNGC), Commerzbank is committed to the elimination of all forms of forced and compulsory labour and to the abolition of child labour. For the Bank as a financial service provider itself, child labour, forced labour and compulsory labour among its employees are ruled out. Commerzbank also requires its suppliers to prevent child, forced and compulsory labour, and has stated this in the [sustainable procurement standard](#).

G4-HR10 Percentage of new suppliers that were screened using human rights criteria 2

Providing sustainability-relevant information is an integral part of the standard tender procedure. For quality assurance purposes, we distribute electronic self-disclosure forms for suppliers, which include questions relating to sustainability criteria. Since 2015, an "integrity, environment and social responsibility" clause has also been included in new contracts.

G4-HR11 Significant human rights impacts in the supply chain 2

As part of supplier management, questions relating to sustainability are a criterion of the annual assessment of key suppliers. In the event of violations of the [sustainable procurement standard](#), suppliers are specifically notified of the need for improvement. In the reporting year, no contracts with suppliers were terminated due to the failure to observe human rights.

Social: Society		
Nr.	Index	UNGC
DMA	Management approach	1, 10
	<p>Commerzbank, as part of society, sees its task also in positively influencing its environment. The Bank primarily lives up to this responsibility through its role as an employer and the positive impact of its financial services on the economy. We also work for the common good through numerous cooperation and sponsorship programmes, the support of voluntary staff involvement and the activities of nine foundations (please see indicator G4-EC7 under Category: Economic). Working in partnership with politicians and associations, we also help to responsibly shape the parameters within which we operate.</p> <p>We consider acting properly and in accordance with the law in all areas of business to be the necessary foundation of our corporate responsibility. Commerzbank takes extensive precautions to ensure that customers and employees do not fall victim to fraudulent activities. We also protect our products and processes against improper use. For us, resolving dubious matters and taking a zero-tolerance approach to all attempts at financial crime, irrespective of the person concerned, are top priorities.</p> <p>Because we are committed to being a fair player in the marketplace and to fighting corruption, Commerzbank observes the OECD Guidelines for Multinational Enterprises. We have also signed up to the ten principles of the UN Global Compact (which include fighting corruption). These external standards are supplemented by a wide range of internal policies. Together, they form the framework of our compliance management. In autumn 2015, the Board of Managing Directors put forward an updated version of the binding Code of Conduct. This sets out a framework for proper and ethically irreproachable behaviour in daily work which is based on our internal ComWerte value system.</p> <p>As business processes constantly evolve and new legal requirements come into force, we never stop optimising and refining our compliance-relevant processes. Commerzbank's Compliance division, which fell within the direct remit of the CFO during the reporting year, has extensive rights to issue instructions and escalate decision-making, as well as to obtain information and conduct investigations. The Group division exchanges information and views regularly with an independent network of compliance departments and employees in other units, both in Germany and abroad.</p>	
G4-S01 and G4-FS13	Percentage of operations with implemented local community engagement, impact assessments, and development programs and access points in low-populated or economically disadvantaged areas by type	1
	The range of high-quality financial services that we offer to people throughout Germany is something that we consider to be an important contribution by the Bank to the country's infrastructure. We have one of the most extensive branch networks of all private banks in Germany. The job cuts, which have become necessary in recent years, have not resulted in Commerzbank reducing its presence on the ground or in closing branches. The Bank's business operations do not result in significant negative impacts on local communities, such as significant environmental damage.	
G4-FS14	Initiatives to improve access to financial services for disadvantaged people	
	<p>To make Commerzbank offers available to all social groups, we place great emphasis on designing our branches to be fully accessible. At the end of 2015, 65 per cent of our branches met these requirements. In future, we will consider optimal access for all groups of users when refurbishing branches and installing automatic teller machines. Personal consultation in sign language has been a part of Commerzbank's services for many years. Telephone banking has been accessible 24/7 since 2013. In addition, around 97 per cent of all Commerzbank automatic teller machines have been fitted with a "read out" function for visually impaired clients since 2015.</p> <p>Commerzbank also created the opportunity in 2015 for customers and interested parties to engage in online dialogue with the company. Enquiries concerning products, services and banking are answered seven days a week through text, voice and video chat. Online banking customers can purchase products and commission services, while new customers are transferred to an online proof-of-identity process when buying products.</p>	
G4-S03	Percentage of operations assessed for risks related to corruption and risks identified	10
	Potential compliance risks are assessed and mitigated on the basis of a risk analysis. It is conducted once a year for the entire Group, covering all Group companies, branch offices and other affiliated or dependent enterprises in Germany or abroad that are considered to be relevant to compliance. The analysis also encompasses fraud risk – including corruption – and evaluates the units' activities for monitoring such risk. The Bank regularly reviews the preventive measures derived from the risk analysis and supplements them if necessary. This review also takes account of information obtained in the course of regular dialogue with internal anti-fraud networks as well as other companies and experts. Commerzbank analyses identified and suspected cases in order to improve its preventive measures and to rule out the possibility of future risk – particularly corruption risk – to the greatest possible extent.	
G4-S04	Communication and training on anti-corruption	10
	The compliance training programme that all employees have to complete every year – from managers to new hires just starting their careers – is one of the cornerstones of fraud prevention. The web-based training (WBT) draws employees' attention to compliance issues and raises their risk awareness. Corruption is one of the main topics covered by the programme. The target groups for training are derived from the job descriptions in the different units. More than 40,000 employees of the Commerzbank Group regularly receive such training on issues such as fraud and corruption prevention. In addition, the members of the Board of Managing Directors of Commerzbank completed special compliance training in 2015.	
G4-S05	Confirmed incidents of corruption and actions taken	10
	<p>No cases of corruption are known to have occurred at Commerzbank in 2015. Commerzbank explicitly does not tolerate corruption or other criminal acts by employees. We take a zero-tolerance approach to any offences that are discovered. Any employee who is found verifiably guilty of such offences must bear the consequences under criminal, labour and civil law.</p> <p>In order to protect our customers' assets as well as those of the Bank, we have implemented extensive measures to prevent, detect and respond appropriately to financial crime. In addition to the introduction of binding rules of conduct (such as rules on accepting and giving gifts) and the performance of reliability checks when hiring new employees, a variety of monitoring and control measures have been implemented to protect the Bank and its customers against financial crime.</p> <p>By means of an integrity clause, Commerzbank contractually requires its partners and service providers to comply with all the applicable laws and regulations, including anti-corruption laws.</p> <p>To detect financial crime, we use internal reports in addition to external information from customers, business partners and other third parties regarding possible criminal activity. We have implemented a web-based whistle-blowing platform for this purpose.</p>	
G4-S06	Total value of political contributions	10
	Commerzbank's donation policy provides a clear framework for donations. According to the policy, donations must not be in conflict in particular with Commerzbank's ethical standards of business and conduct, compliance principles (such as the Global Anti-Fraud Policy and the Global Anti-Corruption Policy) or any specifically defined exclusion criteria. Donations that might cause a conflict of interest are to be avoided. Commerzbank forbids donations to recipients such as associations and cults monitored by the Bundesamt für Verfassungsschutz (BfV) and organisations about which the German Central Institute for Social Issues (DZI) has issued a warning. Commerzbank does not give any money to political parties, affiliated institutions or politicians.	
G4-S08	Fines and sanctions for non-compliance with laws and regulations	
	<p>In March 2015, Commerzbank agreed settlements with various US authorities regarding serious violations of US sanctions and anti-money laundering provisions. These settlements involved paying fines of around 1.5 billion US Dollar (roughly 1.2 billion Euro) – see G4-27 for more details. In February 2015, the Cologne public prosecutor's office also searched Commerzbank's premises in Frankfurt am Main. The search was carried out as part of investigations into seven employees of Commerzbank International S.A. Luxembourg (CISAL), a subsidiary of Commerzbank, in connection with allegations that these employees and unknown employees of Commerzbank had helped customers evade tax and acted as accessories to tax evasion. The investigation into Commerzbank was discontinued in December 2015 due to insufficient grounds for suspicion. The investigation into CISAL ended with the imposition of a fine on 4 December 2015; the proceedings against the employees were discontinued on payment of a fine or due to insufficient grounds for suspicion.</p> <p>The Annual Report 2015 contains information on additional legal proceedings on pages 232 to 233 and 269.</p>	

Social: Product Responsibility		
Nr.	Index	UNGC
DMA	Product and Service Labeling	1-10
	<p>Commerzbank provides its customers with complete and accurate information about the opportunities and risks of financial products. We also keep a record of our advisors' meetings with customers. The "Kundenkompass" (Customer Compass) makes it possible to analyse private and business customers' financial and personal circumstances within a few minutes and find solutions tailored specifically to their individual wishes and goals. In addition to the Customer Compass, specialist software called "EVA-Anlageberatung" guides our advisors through customer meetings. This computer application produces a record of the advice provided and sends it to the customer along with all the relevant product information. The customer is able to follow all of the steps in the advisory process on the computer screen. Our CohaHyp service offers supplier-independent advice on real estate finance. As part of this service, we use a vast database to compare the conditions offered by 250 banks. By also giving customers the option of signing up to competitors' products directly with us, we offer more than just market transparency.</p> <p>We measure customer satisfaction among our private customers with the Net Promoter Score (NPS), an internationally recognised standard. Every month, around</p>	

11,000 customers are asked in a short telephone interview whether they recommend their Commerzbank branch to others. A survey of customers in the Mittelstandsbank segment is conducted at least once a year to gauge satisfaction with Commerzbank and its products and services. The most recent customer survey took place between September and November 2015 and canvassed some 7,000 companies.

Commerzbank aims to make a contribution towards general financial education, especially at school level, and has initiated and supported various projects to that end:

- **business@school:** This Boston Consulting Group (BCG) project aims to bring business issues to life in a vivid and practical way. It gives sixth-form students the opportunity to deal with business and economics in greater depth over the course of a year. In the 2015/2016 school year, 27 Commerzbank employees volunteered as school advisors. Senior managers also take part voluntarily as judges for the regional heats and European final.
- **Commerzbank meets school:** The bank's "target school" concept allows students to get an early glimpse into the world of work to help them decide on a choice of career. Selected Commerzbank managers and employees take on the role of "target school captains" by providing job application workshops, leading exercises involving case studies and giving presentations on specialist subjects at the schools taking part.

G4-PR3 Principles/ procedures for product and service information and labelling

Commerzbank provides its customers with complete and accurate information about the opportunities and risks of financial products. We also keep a record of our advisors' meetings with customers and provide customers with all the relevant product information.

G4-PR5 Results of surveys measuring customer satisfaction

The willingness among our private customers to recommend Commerzbank rose again significantly in 2015, with an average level of 51 per cent for the year. Every month, the net promoter score, which reflects customers' willingness to recommend the Bank with respect to their branch, was well above the target of 30 per cent. The restructuring of complaint management also helped boost customer satisfaction: branches were given more leeway to resolve complaints, and processes for clients were simplified. This is a way of demonstrating fairness and competence to customers, even on the few occasions they are not satisfied.

In 2015, we once again achieved a slight year-on-year increase in the already high levels of satisfaction among our business customers at more than 96 per cent. From our customers' perspective, the quality of the advice we provided was our key strength in the reporting year.

DMA Customer Privacy

The divisional head of GS-OS Physical Security & Data Protection is responsible for data protection at Commerzbank. Employees of the Data Protection department, who answer to the GS-OS divisional head, monitor compliance with statutory data protection regulations, guidelines and procedural directives. Technical and organisational measures ensure that personal data and customer information is protected in line with statutory requirements. As well as controlling access to data processing centres, these measures entail:

- Authentication using methods such as passwords and access controls via authorisation systems
- Control of data transfer through means such as encryption of the data transfer platforms
- Input control by logging instances of access to data
- Order control by monitoring and managing contractors as part of outsourcing agreements
- Controlling availability through business continuity management measures
- Ensuring separation of data by storing databases for different purposes separately

G4-PR8 Substantiated complaints regarding breaches of customer privacy

In 2015, 82 complaints were submitted in relation to the protection of customer data. Most of these cases involved claims that such data had been used without authorisation or that third parties had gained knowledge of it. Of the complaints submitted, around 70 per cent were categorised as well-founded. Some complaints were brought to the data protection regulatory authorities. These complaints also partly concerned cases where customer data had been used without authorisation or where third parties had gained knowledge of it.

G4-PR9 Significant fines concerning the provision and use of products and services

Please see G4-S08. The [Annual Report 2015](#) contains information on additional legal proceedings on pages 232 to 233 and 269.

DMA Management approach: Product portfolio

The growing significance of sustainability means numerous opportunities for us as a bank. The energy transition in Germany and CO2 reduction targets call for new technologies and products that require large investments. At the same time, interest in sustainable investment opportunities is growing. We are therefore developing products and services that meet the changing demand for funding, new prospects for returns and customer needs while providing social and environmental benefits at the same time.

The tasks of Reputational Risk Management include checking all transactions, products and customer relationships where sustainability aspects are particularly important. Sustainability risks of particular relevance to our business have been addressed in specific guidelines. In addition, we have adopted official positions on controversial business areas. The exact wording of these positions and directives can be found on Commerzbank's [sustainability website](#). We focus on ethically, socially and ecologically sensitive topics, such as armament goods, energy production and the exploitation of raw materials. In doing so, Reputational Risk Management determines conditions and guidelines for Commerzbank's business activities by formulating requirements and rejecting certain business opportunities or customer relationships that are not compatible with our understanding of corporate responsibility.

In financial year 2015, the department assessed some 5,400 transactions, products and customer relationships in which sustainability considerations played a key role (2014: 5,000). This marks a slight increase in the number of assessments. The department's activities focused on optimising reputational risk processes in the Mittelstandsbank, Private Customer and Corporates & Markets segments. Requests that received a negative evaluation due to social, environmental or ethical concerns came from the areas of palm oil, nuclear power, and oil and gas, for example.

[Requests for assessments \(PDF, 30 kB\)](#)

Checks for reputational risk are performed not only when concluding new business transactions, but also when approving extensions or in light of certain events. Reputational Risk Management is a department within the Group Communications division and is therefore the responsibility of the Chairman of the Board of Managing Directors. In 2015, numerous interviews and training programmes took place again to sensitise staff in the relevant market units in particular to reputation-related topics. We also added a module on reputational risk management to our digital sales training programme in the Private Customers segment over the course of 2015.

The rating of our business customers is also a statement about the sustainability of their business development. Furthermore, environmental risk is a subject of loan assessment. Experts from outside the Bank are brought into the decision-making process on a case-by-base basis to help obtain a fair assessment of the risks if environmental aspects are of major significance for a given corporation. Around 90 per cent of our cash-flow-oriented project finance and structured finance is transacted in Europe. In these cases, we carry out due diligence to ensure that national environmental regulations are observed. Only in exceptional cases does Commerzbank finance projects in developing countries. If we do finance such projects, we work with either supranational bodies, such as the International Finance Corporation (IFC), or national export credit insurance agencies. As a result, the standards of the supranational institutions or national export credit insurance agencies (OECD Common Approaches) automatically apply.

Commerzbank realises that banks can exercise influence outside their own organisations as far as sustainability is concerned, which is why it actively addresses sustainability issues with its business customers, for example as part of its membership in the Bremen Cotton Exchange, the Roundtable on Sustainable Palm Oil and other associations. We do so as the need arises to clear up grey areas bilaterally or to coordinate the conditions for banking services. As part of the [Energiewende@Commerzbank](#) project, we provided interested Mittelstandsbank customers with certified advice regarding energy, in cooperation with various bodies of the TÜV, as well as finance for their investments using public funds. This advisory service on energy efficiency is now an established part of the Mittelstandsbank portfolio. We also use the [sustainable procurement standard](#) to raise our suppliers' awareness for social and environmental issues.

G4-F56 Percentage of the portfolio for business lines by specific region, size (e.g. micro/sme/large) and by sector

Commerzbank has one of the most extensive branch networks of any private bank in Germany. Our nearly 12 million private customers are served by 10,000 advisors at 1,050 branches. In our Private Customers segment, we also advise high-net-worth individuals and small enterprises as business customers. The Mittelstandsbank segment includes SMEs with annual revenue between Euro 2.5 million and Euro 500 million, as well as major enterprises with annual revenue of more than Euro 500 million. The overwhelming majority of total lending to our customers in the Mittelstand Germany and Large Corporates & International Group divisions is posted in Germany. The rest is primarily attributable to Western Europe as well as Asia and Eastern Europe.

[Product usage private customers \(PDF, 30 kB\)](#)

[Product usage wealth management \(PDF, 30 kB\)](#)

[Product usage business customers \(PDF, 43 kB\)](#)

[Breakdown of Mittelstandsbank product and service portfolio \(PDF, 43 kB\)](#)

G4-F57 Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose

It is not easy to clearly separate products and services designed to deliver a specific social benefit from other products and services because the social benefit depends largely on the customer's motives for buying the product or service, which are beyond the scope of any analysis that Commerzbank is capable of performing. Nevertheless, the Bank does have a range of products and services, particularly in the Private Customers segment, that include a social benefit component, as

demonstrated by the following examples:

Commerzbank's home loan business totalled around 2.6 billion Euro in 2015, while personal pension products and protection against risk have greatly increased in significance in recent years. Riester pension products and the home-based Wohn-Riester product, which allows customers to include residential property they use themselves in the state-backed government pension plan, are intended to help people avoid poverty in their old age.

In the insurance business, agreements on Riester products worth a total of around 174 million Euro were signed in 2015. Commerzbank's provision scheme also includes private disability, nursing care and life insurance. In the area of pension provision, Commerzbank offers products with an environmental focus, such as fund-linked insurance products with correspondingly focused funds like Allianz RCM Global Sustainability.

The Commerzbank Global Equities - Catholic Values fund, launched in 2015, allows investors to participate in the performance of an international equity portfolio with an investment strategy based on the sustainability criteria of the Roman Catholic Church. The basis of this portfolio comprises more than 700 stocks from the MSCI World Index, which are included in the Catholic Value Custom Index.

Private high-net-worth customers and institutional investors are able to take advantage of a customised Commerzbank sustainable asset management service, which invests solely in securities that have been awarded "Prime Status" by the oekom research rating agency. Investments in traditional funds that are listed on the stock exchange are optional and made only if these funds are based on accepted sustainability indices. Institutional investors such as churches, charities and foundations in particular place great value on accounting for the sustainability aspects of their investments. Commerzbank is there to provide support.

We also offer other sustainable investments through strategic partnerships with selected investment companies. These include direct participations, bonds and stock or pension funds invested in socio-ecological areas – such as climate protection, solar and wind energy – or targeted investments in industries that exclude controversial products, such as tobacco and arms.

G4-FS8 Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose

7-9

The energy transition ("Energiewende") initiated by the German federal government also poses numerous challenges for Commerzbank customers. The Bank-wide [Energiewende@Commerzbank project](#) is our contribution to making this forward-looking social project a success and helping our customers fulfil the tasks related to the energy transition. Commerzbank has been playing a crucial role since as early as the mid-1980s, especially by financing renewable energy projects. In 2015, the loan portfolio of its [Competence Centre Energy](#) totalled around 5.1 billion Euro, compared with 4.6 billion Euro the previous year. Commerzbank has financed approximately 17 per cent of the total wind power generated in Germany. In the reporting year, the arranging capacity was expanded to some 1.2 billion Euro in the Competence Centre's core business, namely the financing of wind farms and solar parks.

The combined wind, solar and bio-energy systems funded by Commerzbank up to the end of 2015 helped to avoid annual emissions of 12 million tons of CO2. This corresponds to about 10 per cent of all CO2 emissions saved in Germany in 2015 by using electricity from renewable sources.

[Financing of renewable energies by technology \(PDF, 43 kB\)](#)

Commerzbank has also been a member of the Green Bond Principles of the International Capital Market Association since July 2014. These guidelines define a voluntary standard for the process of issuing green bonds. The aim is to promote standardisation, integrity and transparency in the green bond market. Green bonds enable investors to support sustainable projects by providing funding. As demand for socially responsible investments increases in the coming years, this fledgling market segment will grow further. In 2015, Commerzbank was the organising host of a green bond workshop at the Euromoney Germany Conference in Berlin. It has also had its own page on the site of financial information service provider Bloomberg since 2015. The page is dedicated to green bonds and tracks the price developments of various green bond issuers. In this way, Commerzbank creates greater market transparency for all interested parties. In September 2015, Commerzbank played a leading role as joint bookrunner in assisting with the issuance of a 10-year green bond of over 1 billion Euro in the form of a social covered bond issued by Kutxabank.

Commerzbank is also one of the leading players in emissions trading in Europe. In 2015, Commerzbank joined the World Bank's [Carbon Pricing Leadership Coalition \(CPLC\)](#). The purpose of coming together in this way is to put a price on carbon emissions globally that reflects the cost of the damage caused by greenhouse gases – and thereby create incentives for reducing carbon emissions. Numerous governments, non-governmental organisations and companies are joining forces to support this aim. The German Federal Government also climbed on board with the CPLC in 2015.

DMA Audit

Reputational risk management is part of our overall risk strategy and is subject to regular internal and external checks, such as those conducted by the internal audit function and auditors, as well as by national and international regulatory authorities.

DMA Asset management

Commerzbank has so far had no voting policies on environmental or social issues for companies in its investment portfolio because such matters form part of the core responsibilities of the senior management of the company concerned and are therefore not normally submitted to the Annual General Meeting unless this is specifically demanded by the Board of Managing Directors (see also Art. 119 of the German Stock Corporation Act [AktG]).

G4-FS11 Percentage of assets subject to positive and negative environmental or social screening

1-10

All of Commerzbank's investment recommendations are run through a "sustainability filter" to ensure that we do not invest in companies that violate the generally accepted principles of the United Nations.

At the beginning of 2016, Commerzbank also included the sustainability assessment of oekom research in its [equity ratings](#) for private customers. As this information is available on Commerzbank's online banking platform as well, we are unable to determine how many customers use it in making their investment decisions and what the percentage of assets screened using sustainability criteria is.

Commerzbank ceased proprietary trading in its investment banking activities in 2004, which means that there is no explicit ESG audit for the Bank's own investments, which consist solely of those for liquidity reserves in accordance with Basel III. As intended by lawmakers, the focus is on the high degree of bonds' market liquidity. We therefore invest only in bonds from central governments (e.g. federal bonds) and regional states (e.g. German federal states), agencies (e.g. KfW, ESM, EFSF, EIB, etc.) and in covered bonds.

To make the report reader-friendly, we have avoided gender-based repetition in the text.