

Corporate Responsibility Status Report 2012

About this report



› **Corporate Responsibility Report 2011**
<http://sustainability2011.commerzbank.com>

› **Annual Report 2011**
<http://annualreport2011.commerzbank.com>

› **Further information about sustainability can be found on our internet portal**
<http://sustainability.commerzbank.com>



› **Communication on Progress**
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This Status Report 2012 presents a brief summary of the main news from the field of corporate responsibility and the progress made in this area. The report is intended for all stakeholders of Commerzbank. It relates to Commerzbank AG in Germany, covering the activities from July 1, 2011 to June 30, 2012 and following on directly from the previous Corporate Responsibility Report. It also gives consideration to the main events after the end of this period. The key figures contained herein are for the calendar year 2011 and refer to Commerzbank AG in Germany.

This information has been obtained locally from the individual departments, while the environmental key data have been determined using the environmental management system and compiled by the Reputation and Sustainability Management department. At the same time, the given indicators correspond with the requirements of a Communication on Progress (COP), providing information on the status of implementation of the ten principles of the UN Global Compact. The tabular overview on page 29 provides information on the points at which relevant topics are discussed. Key information on the economic performance of Commerzbank can be found in the Annual Report 2011. To make the report reader-friendly, we have avoided gender-based repetition in the text.

The Corporate Responsibility Status Report 2012 is available in German and English in electronic format. The next report, scheduled for release in 2013, will appear in the more detailed long version.

All sustainability reports, together with additional and continuously updated information related to the issue of sustainability, can be found on our “Sustainability” internet portal at www.sustainability.commerzbank.com.

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Martin Blessing
Chairman of the Board of
Managing Directors

Ladies and gentlemen,

in this status report, we would like to give you an insight into how we continued to work toward our bank's sustainability against a backdrop of challenging macroeconomic conditions caused by the sovereign debt crisis.

In our Private Customers business, we paid even greater attention to the quality of the advice we provide to customers. Customer satisfaction, which is measured regularly, is now one of the elements by which all employees in a branch have their performance assessed.

All of the equities that we recommend are subject to a mandatory sustainability check, which includes clear screening criteria. Since August 2012 we have therefore stopped recommending any securities that reference basic foods. Moreover, since November 2011, we have ceased issuing any new exchange-listed investment products with basic foods commodity underlyings. As a consequence, we removed these commodities from the only of our Exchange Traded Funds (ETF) that referenced them.

In keeping with our bank's tradition, our Center of Competence Renewable Energies in Hamburg continued to support the advancement of the green economy, for example by funding offshore wind farms.

In summer 2011 we launched the Commerzbank mentoring program, the largest of its kind in the bank's history. So far, some 570 mentees – almost half of whom are women – have received guidance on their professional and personal development from 353 mentors.

As part of our Global Anti-Corruption Policy, we developed an additional integrity clause for the bank's contractors that lays down the clear principles of ethical conduct that we expect from all our suppliers and contractors.

These are just a few highlights to briefly illustrate the various aspects of our diverse activities. You will find all the key information, with the usual level of detail and the relevant figures, on the following pages.

I would also like to reiterate specifically that the entire Board of Managing Directors of Commerzbank is committed to continually expanding corporate responsibility to ensure we always act responsibly and sustainably. With this in mind, I would also like to take this opportunity to expressly underline the commitment of Commerzbank to the ten principles of the UN Global Compact and their further development.



Martin Blessing

Chairman of the Board of Managing Directors

Governance



› Governance

www.nachhaltigkeit.commerzbank.de > Governance

› Reputational Risk Management

www.nachhaltigkeit.commerzbank.de > Governance > Risikomanagement > Reputationsrisiko-Management

› Compliance

www.nachhaltigkeit.commerzbank.de > Governance > Compliance

Reputational Risk Management expanded

All financing arrangements, products, and customer relations in which sustainability aspects (environmental, ethical, or social) play a significant role are intensively reviewed, assessed, and where appropriate either rejected or accepted with conditions attached by the Reputational Risk Management department of Commerzbank. This includes sensitive areas such as weapons and armaments, nuclear power and the exploitation of commodities. In 2011, the Reputational Risk Management department received some 1,800 requests, which it analyzed and voted on in writing. Around 10 percent of them received a negative assessment owing to social, environmental, or ethical concerns.

During the year under review, the question of how Commerzbank should deal with agricultural commodities was a key focus of the Reputational Risk Management department's work. Following in-depth analysis of the opposing positions on the possible influence of derivatives on commodity prices, an internal "round table" was organized in October 2011, in which all relevant business units participated. The first significant outcome was the decision that, as a preventive measure, Commerzbank would stop issuing any listed products with basic foods-commodity underlyings. Another important step was the withdrawal of basic-food-commodity underlyings from our exchange-traded fund (WKN ETF090) in July 2012. Further activities are planned, with the aim of creating a comprehensive policy for the bank on this sensitive topic area.

To raise Commerzbank employees' awareness of issues relevant to reputation and sustainability, internal roadshows regularly take place in Germany and abroad. The roadshows are a way of familiarizing employees in Sales, Processing, Compliance, and Internal Audit with topics and processes related to

reputational risk management at Commerzbank, for example during the eastern European conference for local internal audit departments, which was held in Budapest in May 2011. In total, 15 roadshows took place in 2011, followed by a further five in the first half of 2012.

In addition, a reputational risk newsletter was launched, which is sent to the relevant market and back-office departments every quarter. The positive feedback confirms that the newsletter is a suitable tool for drawing attention to current topics in the bank and increasing employees' awareness of environmental, ethical, and social aspects of companies and projects.

Global Policy for Financial Institutions (policy for interbank business) updated

Working with the Financial Institutions & Cash Management units of the Mittelstandsbank, Group Compliance is laying the foundations on which our customers – whether large corporations or small and medium-sized enterprises – can maintain their international business relationships and seamlessly transact international payments. Because Commerzbank is a major bank present worldwide, many foreign banks turn to it as a reliable partner for their payments processing. Group Compliance cooperates with the Financial Institutions unit to ensure adherence to the global standards for the prevention of money laundering, terrorist financing, and fraud. To this end, the Global Policy for Financial Institutions was updated in July 2012. This document encompasses the entire customer acceptance process and the duties of care that apply in this context.

Global Anti-Corruption Policy introduced

Integrity and trust are the cornerstones of sustainable economic success at Commerzbank. That is why the resolute fight against corruption and bribery within our sphere of influence forms an integral part of our sense of values and business strategy. The objectives of the Global Anti-Corruption Policy, which we introduced in July 2011, are therefore to enshrine the anti-corruption principles applied by Commerzbank in its management and business strategy, to define the main areas of action and responsibilities, and thereby to lay the foundations for continually improving the action taken against corruption and bribery. This provides managers and employees worldwide with a consistent decision-making basis and enables them to be guided by Commerzbank's sense of values.

By taking an anti-corruption stance, Commerzbank is making a clear commitment to the UN Global Compact and its ten principles (which include tackling corruption). Integrity in day-to-day activities is therefore a central element of our corporate culture and is specifically enshrined in our core values (*ComWerte*) and our Business Conduct Guidelines. Commerzbank is also a corporate member of Transparency International Deutschland e. V.

Basic banking training: sustainability training module developed for all employees

Raising employees' awareness is a central element of acting responsibly at Commerzbank. Commerzbank can only fulfill its responsibilities if employees live up to the principle of sustainability in their day-to-day work. Since April 2011 new and existing bank employees have been able to complete an interactive e-learning program that provides them with an overview of Commerzbank as an employer and organization. A virtual journey including videos, interactive elements, and quizzes gives them a good insight into Commerzbank's strategy, group structure, key figures, history,

brand, health services, and development opportunities. The learning program's eleven modules include a "Sustainability" module, which offers employees an overview of the policies and sustainability activities of Commerzbank in the action areas governance, economy, environment, employees, and society.

"Commerzbank in dialogue" events continued

In 2010 Commerzbank launched the "Commerzbank in dialogue" initiative, a forum in which decision-makers from politics, business, and society can discuss current social and business policy challenges. In June 2011, for example, Norbert Röttgen, who was Germany's Environment Minister at the time, and Markus Beumer, member of the Board of Managing Directors of Commerzbank with responsibility for the Mittelstandsbank, met with representatives from the major energy suppliers and non-governmental organizations to debate the risks and opportunities of the *Energiewende* (switch to renewable energy sources) in Germany. This was followed by an event with the member of the Board of Managing Directors in charge of Human Resources, Ulrich Sieber, which looked at the effects of demographic change in Germany and included a presentation on the initiatives launched by Commerzbank to encourage a good work-life balance. In autumn 2011 Commerzbank's chief executive, Martin Blessing, participated in two dialogue events with economists and representatives from German and European politics to discuss the European sovereign debt crisis. The last event to be held in the period under review took place on June 27, 2012 in Berlin and was entitled "Revolution by mouse click – how the net is changing our society". Divisional Board Member Richard Lips discussed how the internet was changing society and business with guests from the worlds of politics and business.

"Political breakfast" in Berlin and Brussels on the *Energiewende*

Another initiative providing a platform for dialogue on issues of social and business policy is Commerzbank's "Political breakfast". As part of this event series, distinguished figures from politics, business, ministries,



› **UN Global Compact**
www.unglobalcompact.org

› **Business Conduct Guidelines**
www.commerzbank.com >
Group > Compliance > Business
Conduct Guidelines

› **Transparency International
Deutschland e. V.**
www.transparency.de/en

› **Commerzbank in dialogue**
www.commerzbank-im-
dialog.de/en

and embassies regularly meet in Commerzbank's liaison offices in Berlin and Brussels. "Energiewende and emissions trading: a conflict or a catalyst for change?", for example, was the topic up for discussion in Berlin in October 2011 and in Brussels in November 2011. The event focused on explaining the current situation as far as European and international emissions trading was concerned and on discussing the status of climate protection projects in Germany. The lecture by Ingo Ramming, co-head of Commodity Solutions at Commerzbank, emphasized the opportunities for climate protection opened up by boosting emissions trading.

The report was checked by the Global Reporting Initiative, the internationally recognized benchmark for sustainability reporting, and met the highest possible standard ("A").

The LACP's Vision Awards count among the most distinguished international communication prizes and are awarded in recognition of the best annual reports and sustainability reports each year. A panel of international experts judged the entries on the basis of criteria such as creativity, cover design, writing style, design, layout, transparency, and informativeness.



› Global Reporting Initiative
www.globalreporting.org

2011 Corporate Responsibility Report awarded Gold

Commerzbank's Corporate Responsibility Report for 2011, entitled *One Bank. One Partner. One Future.* received the gold award in the Corporate Responsibility Report category at the 2012 Vision Awards of the League of American Communications Professionals (LACP), scoring 97 out of 100 points. This high score meant the report came second in the global ranking of the best CR reports. The panel of judges praised the report, saying "The level of creativity exhibited in the report judged for Commerzbank AG is superb, which is supported by exceptional clarity in communicating this year's key messages."

Market & Customers

Mittelstandsbank

“Afrika kommt!” initiative continued

In October 2011, Tanaka Brian Mukura, a banker from Zimbabwe, started a nine-month internship at Commerzbank as part of a professional development initiative for young managers from countries in sub-Saharan Africa. The initiative, which is coordinated by the Deutsche Gesellschaft für Internationale Zusammenarbeit (German Society for International Cooperation, GIZ) and backed by leading German companies, took place this year for the second time. It aims to enhance the international management skills of highly qualified young African managers. The carefully selected participants attend various events, enabling them to improve their German skills, increase their management knowledge, and discuss current economic and social topics with academics and practitioners. At the core of the initiative is a nine-month internship in a German company. Tanaka Brian Mukura, a graduate economist and manager at Reserve Bank of Zimbabwe, got to know a number of departments at Commerzbank, including the Financial Institutions Africa team. “I thought it was great to get an insight into this segment of the bank, which works with more than 500 financial institutions in Africa,” concluded Mukura.

Best of European Business Award 2012

Commerzbank has won the Best of European Business (BEB) Award for its successful and enduring business strategy in Africa. The award, which was handed out by international strategy consultancy Roland Berger for the seventh time in March 2012, goes to German companies that implement innovative business models in Africa, are committed to sustainability, and work in partnership with African economies. This can certainly be said of Commerzbank: It is the number-one German-speaking bank for corporate business in Africa, where it has operated for the past 60 years,

and does business in 50 of the continent’s 54 countries. Six offices, stretching from Cairo to Johannesburg, look after Commerzbank’s customers there – more than 500 African banks. Commerzbank handles 11 percent of all euro payments originating in Africa. It won the Best of European Business Award 2012 for continually expanding business relations with Africa, among other reasons. Commerzbank’s business is enjoying double-digit growth, even in countries where it does not have a direct branch.

“UnternehmerPerspektiven”: eleventh study – *Commodities and Energy: Risks of Contested Resources*

German small and medium-sized enterprises (SMEs) are feeling the effects of rising commodity prices, with 67 percent reporting that price increases are having a negative impact on business. Three out of four companies require commodities or upstream products involving large amounts of commodities. This was the finding of the eleventh study of the “UnternehmerPerspektiven” initiative, which was entitled *Commodities and Energy: Risks of Contested Resources* and was published in October 2011. The largest German SME study asked 4,000 owners and managing directors of SMEs throughout Germany about their problems and solutions related to procuring and securing commodities and energy. “Over two-thirds of companies complained of difficulties resulting from rising commodity prices. However, the higher prices for energy – which are currently the subject of much discussion – are having a negative impact on only a third of companies’ balance sheets. There is a genuine commodities crisis among small and medium-sized enterprises,” explained Markus Beumer, member of the Board of Managing Directors of Commerzbank. “Besides price increases, the main problem is price fluctuations, which make business planning more difficult. Of the companies surveyed, 50 percent said this factor was having a negative effect on their business.”



› **Market & Customers**
www.nachhaltigkeit.commerzbank.de › Markt & Kunden

› **Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)**
www.giz.de/en

› **UnternehmerPerspektiven**
www.unternehmerperspektiven.de

As a result, there was great interest in the events related to the eleventh “UnternehmerPerspektiven” study, at which promising solutions to the problems of commodities and energy were discussed. The nine main branch events and 20 regional dialogue events were attended by a total of 4,000 guests.

**“UnternehmerPerspektiven”: twelfth study –
Good Debts, Bad Debts: Entrepreneurship in
Uncertain Times**

Discussions about saving the euro are currently focused on excessive government debt. By contrast, the “UnternehmerPerspektiven” initiative is taking a closer look at debt from the perspective of SMEs. How do businesspeople deal with debt? How can companies ensure they have sound finances? How is the European sovereign debt crisis impacting on SMEs’ business? SMEs are of the opinion that banks are now far more stable than in the financial crisis of 2008/2009. Here in Germany, increasing finance costs, more difficult access to loans, the consequences of the introduction of Basel III, and even unstable banking partners are less of a cause for concern than developments in the markets and in politics. “The different perspective that SMEs have shows that they believe the cause of the current crisis lies not so much in the mistakes made by the financial sector but in the high levels of national debt in Europe,” said Markus Beumer when the study was published in May 2012.

Euromoney Cash Management survey 2011

Commerzbank’s Mittelstandsbank was again designated “Best Domestic Cash Manager Germany” in a survey conducted by international trade journal *Euromoney*. More than 16,000 finance managers from over 110 countries were questioned. They rated the performance and quality of banks in relation to cash management at national, regional, and international level. The evaluation was published in the October 2011 issue of *Euromoney* and underpinned the results from 2010 when Commerzbank also came first.

Customer satisfaction

Quality management in the corporate customer business is making a substantial contribution to increasing customer satisfaction. A telephone survey of customers in the Mittelstandsbank segment is conducted at least once a year to establish satisfaction with Commerzbank and the full range of products and services. The most recent customer survey took place in early 2012. One of the findings of the survey, in which almost 6,000 companies took part, was that Commerzbank enjoys an excellent reputation among its corporate customers, with customers rating the bank’s reputation as very good overall. Approximately 90 percent of respondents appreciated Commerzbank’s interest in long-term customer relations, while four out of five customers cited the bank’s individual support for their business. Customers’ loyalty to Commerzbank had also improved significantly since the previous survey: 88 percent of respondents said they would definitely or probably continue to work with the bank. In addition, around three quarters of customers said they actively recommended Commerzbank to others. The high level of satisfaction was attributed, above all, to the good standard of advice, flexibility, and proactive and individual customer care. The reliability of customers’ account managers and the strategic advisory meetings also played a key role. When asked about their particular wishes for the future, the businesspeople primarily cited new suggestions, impetus, and ideas. As far as the assessment of products was concerned, customers were particularly impressed by Commerzbank’s payments processing, rating it as excellent or very good. To ensure a process of continuous improvement, we are of course aiming to cater to our customers’ requirements even better so that customer satisfaction continues to rise steadily.

The number of customer complaints in 2011 totaled 924, with the majority (71 percent) relating to account management. Of the complaints, 13 percent related to the integration of Dresdner Bank, in particular online banking, which was the focus of the work to unify the IT platforms of Commerzbank and Dresdner Bank. The customer requests were combined and implemented by the responsible units in the bank.



› **UnternehmerPerspektiven**
www.unternehmer-
perspektiven.de

› **Corporate Customer portal**
www.corporate-clients.
commerzbank.com

Center of Competence Renewable Energies (CoC RE)

Commerzbank has been promoting renewable energies for more than 25 years and, in 2003, brought together its expertise in this field in a competence center in Hamburg. This Center of Competence Renewable Energies (CoC RE) makes the bank one of the world's largest providers of funding for renewable energies. Besides serving companies in the renewable energies sector, the CoC RE's core business is project finance. This includes, for example, finance for wind farms and solar energy plants operated by institutional investors, municipal utility companies, energy conglomerates, and private investors.

Banks are playing a key role in the *Energiewende* as a green economy calls for a high level of investment throughout the renewable energies value chain, not only in wind farms and solar energy plants but also in transport and distribution networks and in storage solutions. New funding structures and partners are

needed to meet the complex investment needs. In addition to their traditional role as lenders, banks are increasingly also required to act as problem-solvers in relation to funding issues, for example by incorporating subsidies or creating new fund and investment structures for institutional investors, such as pension funds and insurance policies. Commerzbank is drawing on its expertise and making a constructive contribution to the development of this process.

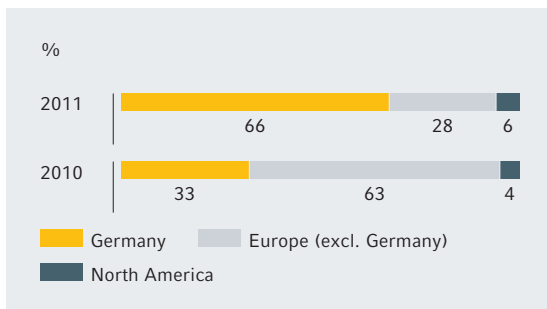
Commerzbank was able to maintain its pioneering role in funding renewable energies during the period under review. In 2011, the volume of the CoC RE's credit portfolio was approximately €5 billion, of which €3.5 billion was accounted for by project finance. Broken down by technology, 68 percent of the portfolio was allotted to wind energy, 26 percent to solar energy, and the remaining 6 percent to bio-energy, hydropower, and other technologies.

The output just from wind energy and solar power projects in Germany that Commerzbank funded in 2011 amounted to more than 480 megawatts. Based on this output, around 521,130 tonnes of CO₂ emissions were cut within one year. Overall, plants financed by Commerzbank helped to avoid 10,094,528 tonnes of CO₂ emissions within one year. This equates to approximately 10 percent of the total reduction in CO₂ emissions in Germany as a result of the use of renewable energy sources.

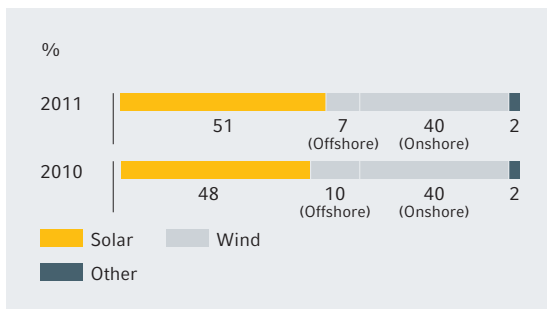


> Renewable energies
www.commerzbank.com/renewables

CoC RE new business by market



CoC RE new business by technology



Since the SolarLight product's launch in October 2010, 34 loans with a total volume of €44 million have been agreed. In 2011 alone, 23 loans with a total volume of almost €22 million were arranged.

As lead arranger, Commerzbank awarded European Offshore Wind Deal of the Year for "Meerwind" offshore wind farm

The banking syndicate that helped to finance the "Meerwind" offshore wind farm, for which Commerzbank was the lead arranger, has received the European Offshore Wind Deal of the Year accolade. This prize is awarded annually by *Project Finance* magazine. "Meerwind" is scheduled for completion in 2014 and will comprise 80 turbines generating an output of 288 megawatts at a site some 50 kilometers off Germany's North Sea coast. The investment volume of the offshore wind farm is €1.2 billion. A group of seven commercial lenders – Commerzbank, KfW IPEX-Bank, Bank of Tokyo-Mitsubishi, Dexia, Lloyds Banking Group, Santander, and Siemens Bank – will, together with Denmark's export credit agency EKF and the KfW banking group, make a total of €822 million available for the project.

Upon completion in early 2014, the wind farm is expected to supply some 400,000 households with clean electricity, saving around 1 million tonnes of CO₂ per year. Meerwind is the first German offshore wind farm to be entirely funded by private investors and the first to use a loan from KfW's new offshore wind energy program.

Advancement of wind power

Wind power lies at the core of the *Energiewende* in Germany and will play a key role in global energy supplies in the future. It accounts for the largest proportion of electricity generated from renewable sources and at comparatively low cost prices. To coincide with the 2012 Husum WindEnergy fair in September 2012, Commerzbank stated that, although global demand would be stagnant in the short term, wind energy

would remain a growing market worldwide over the next few years. Based on studies and internal analyses, Commerzbank expects average growth of 7 percent per year until 2015, this growth being measured by the amount of newly installed output per year. On the back of the stable conditions provided by the Renewable Energy Sources Act (EEG), it will be possible to build new turbines with an output of up to 3.5 gigawatts each year in Germany from 2014. Following the hesitations and delayed investments seen in recent years, Commerzbank predicts there will be a rapid process of catch-up for offshore wind farms too once the technical and financial hurdles have been surmounted.

Private Customers

Sustainability portfolio and sustainable investment process at Commerzbank

Commerzbank incorporated a comprehensive sustainability check into its investment process in 2011. This three-stage process results in a recommendation about which equities to include in the Commerzbank sustainability portfolio.

The first step is to exclude companies that breach UN conventions. These may be companies that violate human rights or are involved in manufacturing controversial weapons, such as anti-personnel mines or cluster bombs. The second step is a classic financial analysis based on the typical quantitative investment criteria of return, risk, and liquidity. In the third and final step, an external agency helps to prepare a worldwide media analysis (print and online) in order to ascertain which companies are economically sustainable, environmentally friendly, and socially responsible. This positive screening determines which equities go into the sustainability portfolio.

Commerzbank applied its decision on investment instruments in basic-foods commodities consistently and comprehensively, also in its Private Customers business. Since August 2012 the bank has ensured that no basic food underlyings are contained in any securities recommended. Beforehand Commerzbank's sample portfolios for clients contained 1-2 per cent basic foods underlyings as part of their agricultural commodity exposure.

Since September 2012 the only commodities included are industrial and precious metals and energy commodities. Commerzbank does not issue any listed products referencing basic foods commodities, nor does it actively market or recommend them – this of course also applies to third-party products. The Bank has also revised its fund recommendation list accordingly.

“Sustainability” sales initiative in Wealth Management

As part of the sustainability initiative in the Private Customers segment, the Wealth Management team ran a four-month series of customer events entitled “Sustainability – from a passing trend to the standard?” in autumn 2011. At the debates in Berlin, Bremen, Dortmund, Düsseldorf, Hanover, Mannheim, Nuremberg, and Offenbach, experts from PricewaterhouseCoopers and Commerzbank met with customers to discuss the added value of sustainability. The events were chaired by journalist Stefan Schulze-Hausmann, initiator of the German Sustainability Award. Feedback from customers showed that the panel discussions and the subsequent conversations succeeded in explaining the relevance of sustainability and its many facets in a clear manner, despite this supposedly being a complex topic.

New sales management process

In the year under review, a new sales management process was introduced in all Commerzbank branches. The overarching objective is to enable even greater focus on customer requirements.

One of the steps taken in this context was the implementation of the “KundenKompass” advisory tool, which is used at the start of every meeting with new and existing customers. Taking less than 15 minutes, it uses targeted questions about matters such as the customer’s current life and wealth situation to obtain information with which the advisor can tailor the subsequent advisory meeting to the customer’s individual needs. The KundenKompass therefore assists advisors by providing a way of opening a targeted customer meeting. The strategic realignment of sales management also included support for employees’ continuing professional development. Around 10,000 employees took part in the “top-class advice” sales training

course, which gave them the chance to consolidate their advisory skills, practice advising customers using the KundenKompass, and access a broad range of skills training.

In addition, 26 events were held to familiarize around 1,500 managers with the requirements of the new sales management process, which gives branch employees, and thereby their managers, a new focus. For example, team objectives are now defined instead of individual objectives for each employee. Every private customer advisor’s team objectives now include a customer satisfaction target, which has been a factor for the variable remuneration of senior managers in the Private Customers segment since June 2010. The new sales management process also gives advisors greater freedom as regards the length and structure of their customer meetings.

Customer satisfaction

The Private Customers segment uses the Net Promoter Score (NPS), an internationally accepted standard for measuring customer satisfaction. Every month, short telephone interviews are conducted in which customers are asked whether they would recommend their Commerzbank branch to others. The NPS has shown a highly positive trend over the reporting period, increasing by 29.4 percentage points in the Private Customers segment and by 21.2 percentage points in Wealth Management between July 2011 and July 2012.

Customers are also asked to say why they would or would not recommend their branch to others. This feedback is passed on to the branches without delay so that they can draw conclusions and respond promptly to customers’ concerns. To give customer satisfaction the necessary priority in the management of sales activities, it has been defined as a target forming an integral element of the variable pay of all sales staff. This creates opportunities and incentives to successively improve the quality of advice and to integrate customer feedback into day-to-day sales work to an ever greater degree.

Customer Advisory Council

For the Customer Advisory Council, 2012 was a chance to reflect on previous years as it marked the end of the first council's three-year term of office. During this period, members had shared their suggestions and ideas on the products and services of Commerzbank at six full meetings with the Board of Managing Directors, various face-to-face events, workshops, teleconferences, and written surveys. Careful monitoring of customer-relevant topics related to the integration was particularly important.

All of Commerzbank's private customers in Germany were eligible to apply to be their successors. In May 2012, 25 women and men from the private and business customers segments and Wealth Management were selected as a cross-section of our customer structure to represent the interests of customers for the next three years. The constituent meeting of the new Customer Advisory Council was held on June 15, 2012 and was chaired by Martin Zielke, the member of the Board of Managing Directors responsible for Private Customers. In the future, only one full meeting will be held per year with the aim of making the council's work even more efficient and flexible. As a consequence, there will be more dialogue with specialist managers at the bank, participation in themed workshops, and involvement in the early stages of the development of products and services.

Formed in 2009, the Customer Advisory Council was the first such committee at a German private bank and primarily focused on monitoring the integration of Dresdner Bank with Commerzbank. With 20 customers representing each bank, it was able to help tackle the customer-related challenges that arose during the merger. The council's members supported more than twelve of the bank's projects, demonstrating great personal commitment and contributing constructive ideas. Commerzbank also acted on numerous suggestions from the council, for example regarding the customer-oriented design of various communications media, optimization of credit procedures, improvement of the process when a customer's advisor changes, and simplification of online requests.

True to its motto "Listen. Talk. Improve.", the new Customer Advisory Council will continue to assist Commerzbank in designing products, processes, and services to be more customer-friendly and thereby permanently raising customer satisfaction. To this end, the 25 members have direct contact with the member of the Board of Managing Directors responsible for Private Customers, who continues to chair the council. The Customer Advisory Council can therefore fulfill its dual role of representing the interests of customers and advising the bank.



› Customer Advisory Council
www.commerzbank-kundenbeirat.de

Environment

Carbon Disclosure Leadership Index 2011

Scoring 77 out of 100 points, Commerzbank has been included in the Carbon Disclosure Leadership Index (CDLI) for the first time. The index is compiled by the Carbon Disclosure Project (CDP), a non-profit organization that aims to create greater transparency regarding companies' climate strategies. Every year, the CDP uses standardized questionnaires to ask companies about the opportunities and risks of climate change, about CO₂ emissions, and about their climate protection targets and activities. Many investors, brokers, asset managers, and analysts use the data that is collected. Worldwide, the CDP is supported by 655 institutional investors with a total investment volume of US\$ 78 trillion. The CDP uses the data it receives to create a ranking. Of the 250 companies that the CDP analyzes in Germany, the top 30 make it into the Carbon Disclosure Leadership Index (CDLI). With a score of 77 out of 100 points, Commerzbank was ranked 24th – placing it in a group of companies that meet the requirements for the highest level of quality as far as climate reporting is concerned. Commerzbank was praised for its “well-developed understanding at management level of business matters related to climate change” and “consideration of such risks and opportunities in its core business”.

“Klimagourmet” and “Green it” touring exhibitions improve employees' awareness of how their everyday lives affect the climate

Raising employees' awareness of climate change and environmental protection is a central element of our environmental activities. In August 2011, the “Klimagourmet” and “Green it” touring exhibitions were opened in the lobby of Commerzbank's headquarters in Frankfurt by Manuela Rottmann, who was the City of Frankfurt's councilor responsible for the environment at the time.

This was an opportunity for employees and visitors to find out about the environmental impact of their own lifestyles. The two initiatives were conceived and run by the City of Frankfurt as part of its climate protection concept. After opening at the headquarters in Frankfurt, the exhibitions toured various Commerzbank sites across Germany.

The “Klimagourmet” initiative enabled visitors to determine the carbon footprint of different foods, thereby illustrating the influence of transportation, seasonality, and the way in which food is grown on the CO₂ emissions for the food that they eat. The “Green it” exhibition provided information about the environmental costs of manufacturing and operating IT and communications equipment. Besides offering tips on using the equipment in a way that saves electricity and therefore protects the environment, the exhibition highlighted the vast quantities of raw materials that go into cellphones. Employees were called upon to hand in their old and unused cellphones for recycling.

Cellphone recycling campaign and donation to Plant-for-the-Planet

Cellphones contain a wealth of raw materials, and there are around 60 million of them lying around unused in Germany – i.e. approximately 1.5 per household. To coincide with the touring exhibitions, Commerzbank's environmental management therefore appealed to all employees to hand in any cellphones that they no longer required. Almost 800 employees responded. Recycling the old cellphones generated €2,500, which was donated to Plant-for-the-Planet, an initiative started by schoolchildren.



› **Environment**
www.nachhaltigkeit.commerzbank.de > Ökologie

› **Carbon Disclosure Project**
www.cdproject.net

› **Plant-for-the-Planet**
www.plant-for-the-planet.org

Plant-for-the-Planet was launched in 2007 in response to a class presentation by the then nine-year-old Felix Finkbeiner. Around 100,000 children in more than 100 countries are now involved. Following a motto of “Every tree is a symbol for climate justice,” the school-children plan to plant 1,000 billion trees worldwide. Commerzbank’s donation enabled the planting of 2,500 trees, which will absorb around 25 tonnes of CO₂ per year.

Carbon-neutral Annual General Meeting

One of Commerzbank’s objectives as part of its climate strategy is to gradually make the bank carbon neutral. Commerzbank therefore made its 2012 Annual General Meeting carbon neutral, as it had the previous year. The first step was to reduce avoidable CO₂ emissions. As attendee travel to and from the meeting accounts for 90 percent of the emissions, attendees were given a ticket for use on local public transport so that they would use less CO₂ on their journeys. Other savings were made in the catering, for example by using regional and seasonal ingredients instead of beef, the production of which generates a vast amount of CO₂. The provision of ecofriendly marketing materials demonstrated to shareholders how they can act in an environmentally responsible manner even when it comes to everyday objects.

The planning, realization, and follow-up of the Annual General Meeting generated a total of 725 tonnes of CO₂. These unavoidable CO₂ emissions were offset by purchasing and retiring high-quality emissions certificates from the climate protection project “ArBolivia + New Forests for Local Development” in Bolivia. ArBolivia is an initiative run by Bolivian smallholders, who replant degraded agricultural land on their farms with a mixture of indigenous trees appropriate to the local environment. This reforestation permanently absorbs

CO₂ from the atmosphere. As 15 percent of the territory covered by the project has been designated a nature reserve, it also encourages biodiversity in the region. The sale of valuable timber produced by the smallholders, the establishment of community businesses, and the introduction of sustainable forestry methods benefit the smallholders and support sustained economic development in the region. The project has been generating positive effects for the local people, biodiversity in the region, and the climate since 2007.

To permanently clear the atmosphere of the unavoidable CO₂ emissions resulting from the Annual General Meeting, more than 3,000 trees were planted in Bolivia’s Amazon region with the project’s support, reforesting almost two hectares of fallow heathland to create a mixed forest of indigenous trees. The CO₂ certificates for this area were retired on Commerzbank’s behalf. Independent organizations review and validate the project in accordance with CarbonFix and PlanVivio, two widely accepted standards for climate protection projects. This will ensure that the project will deliver the advantages described.

Earth Hour 2012

As part of its climate strategy, Commerzbank makes the public more aware of climate change in various ways. One of these was the WWF Earth Hour, in which the bank participated in March 2012. Under the initiative, which was launched in Sydney in 2007, members of the public, companies, and public-sector organizations are asked to switch off the lights for 60 minutes as a sign of support for environmental and climate protection. Global participation in the campaign has risen continuously in recent years, with the number of German towns and cities taking part doubling in 2012. Commerzbank switched off the lights at its group headquarters, the Gallileo and Posthochhaus buildings in Frankfurt, the representative office in Berlin, and the offices in London, having called on employees to also participate at home.



› **Carbon-neutral Annual General Meeting**
www.nachhaltigkeit.commerzbank.de > Ökologie > Klimastrategie > Klimaneutralität

› **Environmental policy**
www.nachhaltigkeit.commerzbank.de > Ökologie > Umweltpolitik

Group Environmental Committee

Chaired by Frank Annuscheit, member of the Commerzbank Board of Managing Directors, the Group Environmental Committee met twice during the period under review. All relevant units of the company and the general works council were represented. The Group Environmental Committee is a clearing house designed to ensure that environmental issues are brought together and interconnected throughout the bank. In August 2011, it approved the updated environmental policy, which was then approved by the Board of Managing Directors in November 2011. The Environmental Policy (in German only) can be found on the "Sustainability" portal under Ökologie > Umweltpolitik. The topics presented and discussed in the reporting period included the external certification audit of the environmental management system in the first quarter of 2012, collection of the first data from branches outside Germany, the purchase of green electricity until 2015, and the development of new products with an environmental benefit.

At the last meeting, held in May 2012, it was decided to draw up a new climate target with various individual action steps, participants, and consequences. A new climate target was needed as the target of reducing CO₂ by 30 percent – compared with the base year of 2007 – had been reached in 2011. All of the relevant key figures and potential savings were analyzed for this new climate target in order to identify further measures for reducing CO₂.

Direct and indirect greenhouse gas emissions (GHG emissions) at Commerzbank AG (Germany)

tonnes of CO ₂ equivalent	2010	2011
Scope 1: Direct GHG emissions		
Buildings energy supply	31,293	28,732
Natural gas ¹	30,728	28,086
Heating oil	565	637
Emergency generator diesel ²	–	9
Business trips (cars)	16,716	16,787
Bank vehicles ³	14,921	15,010
Pool vehicles	1,795	1,777
Scope 1 total	48,009	45,519
Scope 2: Indirect GHG emissions		
Energy supply	43,832	40,169
Electricity	30,699	26,882
District heating	13,133	13,287
Scope 2 total	43,832	40,169
Scope 3: Other indirect GHG emissions		
Paper consumption ⁴	6,123	5,874
Energy supply	8,451	7,749
Natural gas (upstream and downstream emissions)	8,346	7,629
Heating oil (upstream and downstream emissions)	105	118
Emergency generator diesel (upstream and downstream emissions)	–	2
Business travel	18,961	18,912
Air	5,502	6,021
Rail	1,414	1,402
Cars (upstream and downstream emissions)	7,591	7,623
Private cars	4,454	3,866
Water	449	407
Waste disposal ⁵	1,399	845
Scope 3 total	35,383	33,787
Total for Scopes 1 + 2 + 3	127,224	119,475

¹ The switch to district heating (see CR Report 2011) caused the proportion of natural gas to decline.

² An appropriate procedure for measuring the volume of consumption was implemented at the beginning of 2011. Emissions were therefore calculated for the first time in 2011 but it was not possible to fully verify them. Full verification is planned for 2012.

³ The business mileage proportion of journeys with bank vehicles was assumed at 56.3 percent of total mileage for 2011 and was taken into account on this basis using statistics from the Federal Motor Transport Authority and German Federal Statistical Office plus calculations from the German Institute for Economic Research.

⁴ Paper consumption excluding printing obtained from external contractors.

⁵ The rate of recycling increased from 83 percent (2010) to 96 percent (2011). Only waste from construction work at the headquarters and large-scale projects anywhere in Germany are included in construction waste.



 › German Association for Environmental Management and Sustainability in Financial Institutions (VfU)

www.vfu.de

Data collection

Commerzbank’s environmental management system has been certified in accordance with the ISO 14001 standard by Det Norske Veritas (DNV). The current certificate is valid until April 2013.

The CO₂ emissions were calculated in accordance with the standards laid down by the German Association for Environmental Management and Sustainability in Financial Institutions (VfU) in the 2010 Key Figures Update (version of April 2011). The data was then prepared in the same way as for the CR Report 2011. Since 2009, the consumption data, the method of data capture, and the calculated CO₂ emissions have been verified by DNV Zertifizierungs- und Umweltgutachter GmbH, a third-party verification organization. Verification since 2010 has been based on ISO 14064-3.

The environmental data collected relates to Commerzbank AG in Germany and will be successively expanded. The first data has now been collected from the foreign branches. To this end, environmental data was collected from all foreign branches (Amsterdam, Beijing, Brussels, Dubai, Hong Kong, London, Luxembourg, Madrid, Milan, New York, Paris, Prague, Shanghai, Singapore, Tianjin, Tokyo, Vienna, and Zurich) in 2011. Not all of the data is complete, and the aim is to continuously improve its quality.

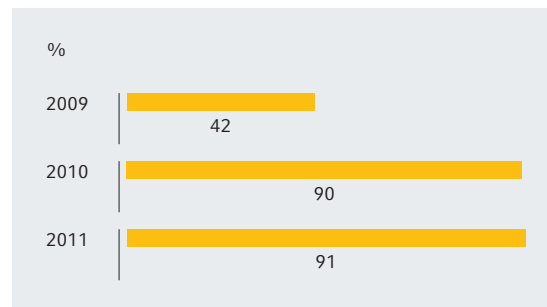
Greenhouse gas emissions

The focus of our environmental protection activities as a financial service provider is the optimization of resource consumption, the primary objective being to reduce CO₂ emissions as part of our climate strategy.

Commerzbank attained its climate target of lowering greenhouse gas emissions by 30 percent between 2007 and 2011 ahead of schedule. The Group Environmental Committee, which is chaired by Frank Annuscheit, member of the Commerzbank Board of Managing Directors, is currently working on a new reduction target.

The total volume of absolute greenhouse gas emissions also declined again during the period under review, falling from 127,224 tonnes of CO₂ (2010) to 119,475 tonnes of CO₂ (2011). In 2010 the switch to green energy sources had been the main reason for the reduction; the current CO₂ savings of around 6 percent are the result of lower energy consumption achieved with energy efficiency measures and branch consolidation.

Green electricity



Green electricity until 2015

In 2011, green electricity accounted for 91 percent of total electricity consumption and will remain at a high level over the coming years. There was a significant expansion in the use of green electricity derived from hydro generation. With the aim of promoting investment in new, additional power plants fueled by renewable energy, Commerzbank issued an invitation to tender for the supply of green electricity with an EECS certificate of origin from new hydroelectric power plants for the period 2013 to 2015. The invitation to tender specifically required that 100 percent of the electricity came from new plants (generating plants, power plants). Four hydropower plants in Norway and Sweden were chosen to supply the entire volume for 2013 to 2015.

Direct energy consumption at Commerzbank AG (Germany)

MWh	2009	2010	2011
Natural gas	173,467	151,368	138,357
Fuel oil (heavy, light)	2,600	2,100	2,367
Emergency generator diesel	–	–	33
Diesel (fuel) ¹	63,899	60,935	61,944
Petroleum (fuel) ¹	9,207	4,585	1,682
Total	249,173	218,988	204,383

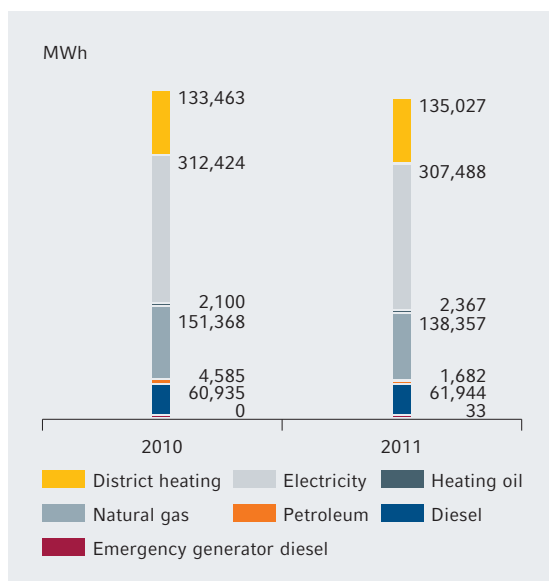
¹ The calculation of fuel consumption for the vehicles is based on the computed business mileage proportion for bank vehicles and the consumption for all pool vehicles. The business mileage proportion for bank vehicles in 2011 was 56.3 percent of total mileage.

Energy consumption (electricity and district heating) by Commerzbank AG (Germany)

MWh	2009	2010	2011
Electricity consumption	330,000	312,424	307,488
District heating consumption ¹	202,035	133,463	135,027
Total	532,035	445,887	442,515

¹ Under the VfU 2010 standard, the standard electricity mix for district heating is assumed to be the mix from a gas-fired power plant with combined heat and power.

Energy consumption by source of energy



Paper and toner consumption, together with the use of recycled paper at Commerzbank AG (Germany)

	2009	2010	2011
Paper consumption			
Virgin fiber paper, ECF ¹ (t)	1,971	2,259	1,182
Virgin fiber paper, FSC-certified (t)	1,300	1,999	2,872
Recycled paper (t)	1,888	836	833
Total consumption (t)	5,159	5,095	4,888
Recycled paper proportion (%)	36.6	16.4	17.0
Toner cartridge consumption² (t)	90	105	96
for printers (units)	67,994	79,904	73,513
for copiers (units)	1,127	603	615

¹ ECF manufacture using elemental chlorine-free or low-chlorine bleached wood pulp. Approx. 25 percent of ECF paper is PEPC-certified (288t).

² Cartridge including toner.

Change in paper consumption

In 2011, absolute paper consumption declined year on year, as did the absolute quantity of virgin fiber paper. Although CO₂ emissions from paper consumption make up a relatively small proportion of total emissions at 4.9 percent (2010: 4.8 percent), Commerzbank does not ignore their environmental footprint and considers the use of recycled and FSC-certified paper to be very important.

Back in October 2008 we defined a sustainable paper standard as part of our new brand image. It stipulates that only recycled paper with Blue Angel certification may be used for internal purposes and FSC-certified paper for external communications.

To further increase the proportion of paper consumption accounted for by recycled paper, various communications were posted on the intranet with the aim of increasing employees' awareness of the subject. They included information on efficient and economical use of paper, such as duplex printing.

Commerzbank also uses various options based on digital technology so that fewer hard copies are printed. Around 144,000 sheets of paper were saved alone as a result of electronic archiving of documents (e.g. contracts, invoices, itemized cellphone bills) in the period under review.

Waste at Commerzbank AG (Germany) by type of disposal

tonnes	2009	2010	2011
Waste for reuse/recycling	8,992	13,186 ¹	32,555 ¹
of which paper waste	8,447	6,144	9,618
Waste for incineration	1,518	2,407	1,006
Landfill ²	72	325	264
Hazardous waste ³	107	1	101
Total waste	10,689	15,919	33,925

¹ The increase in the volume of waste since 2010 was attributable to the inclusion of construction waste including a huge amount of recyclable construction and demolition waste in connection with the renovation of the Silver Tower (former headquarters of Dresdner Bank) and vastly improved reporting by waste disposal companies. The rate of recycling increased from 83 percent (2010) to 96 percent (2011).

² Only construction and demolition waste went to landfill.

³ Hazardous waste included hazardous waste from the renovation of the Silver Tower. The extensive renovation of the 166m-high Silver Tower, built in 1978, was completed on December 31, 2011. The building has been certified in accordance with the standards published by the German Sustainable Building Council (DGNB).



› German Sustainable Building Council (DGNB)
www.dgnb.de/en

Business travel at Commerzbank AG (Germany)

km	2009	2010	2011
Cars (AG, Germany)	107,167,637	100,915,370	99,210,057
Bank vehicles (AT Leasing)	79,659,853	76,128,161	76,581,976
Pool vehicles	9,964,635	9,160,274	9,064,911
Km accounted for as private	17,543,149	15,626,935	13,563,170
Air: Group	50,507,928	56,472,616	57,026,623
AG, Germany	33,194,096	43,811,958	47,267,014
Subsidiaries	17,313,832	12,660,658	9,759,609
Rail: Group	35,809,818	33,006,470	31,773,573
AG, Germany	30,749,891	29,566,676	29,325,573
Subsidiaries	5,059,927	3,439,794	2,448,000

Transportation

Making up approximately 30 percent of total CO₂ emissions in 2011, employee travel is one of the main sources of Commerzbank's greenhouse gas emissions. For this reason, environmentally efficient means of transport such as rail are preferred to air travel and we take low emission values into account when purchasing pool vehicles.

The bank's Business Travel Policy stipulates that air travel should largely be avoided for short journeys, that staff should investigate the possibility of car sharing, and that alternative technological options such as video and telephone conferencing should be used if possible. We publicize these options on our intranet.

Despite these efforts, the number of kilometers travelled by rail stagnated, while the kilometers travelled by air for business trips within Germany rose sharply year on year. The preference for air travel over rail travel can be attributed to lower costs and time savings.

Green IT

The basic idea and objective of green IT is to implement and operate information and communications technology using the least possible amount of energy and resources. Key action steps in the area of green IT, which were launched at the end of 2010, continued to be put into practice in the year under review. These predominantly comprised the replacement of hardware and systems with low-energy alternatives, such as virtualization, and avoidance of mixing warm and cold air in data centers, making them more efficient. The number of data centers was reduced by one in 2012. In addition, energy savings of up to a third were achieved just by replacing fat clients with thin clients. As part of this process, the computing power of the individual machines is transferred to the substantially more efficient center. There were also further reductions in the amount of cables and in the end devices per user. This process has already resulted in decreased consumption of energy and resources but is not yet complete and was continued in 2012.

Sustainable procurement

In September 2006 the bank launched a “Standard for Sustainable Procurement”, which is regularly updated and supplements the procurement guidelines.

In the period under review an even greater number of sustainability aspects were included in a range of procurement categories, including office supplies, paper, office machines, company vehicles, and travel, and in processes ranging from invitations to tender to the selection and validation of suppliers.

At the end of 2011, for example, the Travel Management department included environmental standards in the contract negotiations for the first time when it issued an invitation to tender for hotels. Providing data about environmental standards was voluntary at first, but has been mandatory since the start of 2012.

An electronic self-declaration questionnaire was issued to suppliers to check the quality of external service providers.

Employees

Integration

The integration of the workforces of Dresdner Bank and Commerzbank was completed in the year under review. With effect from July 1, 2011, a further 2,500 or so employees were transferred to their final target function. As before, good progress is being made with reducing the number of positions in connection with the integration. The elimination of positions agreed as part of the integration of Dresdner Bank continues to go to plan. We therefore expect that the interim target for reductions will be reached by the end of the year. In which case, there will be no need for compulsory redundancies under the agreements reached as part of the integration, which apply until 2013.

Commerzbank AG employees (Germany)

Headcount	2010	2011
Total number of Group employees	59,101	58,160
Total number of AG employees	39,695	39,081

As at December 31, 2011 Commerzbank AG employed 39,081 people, 614 employees fewer than at the end of 2010.

Employee turnover at Commerzbank AG (Germany) by reason for leaving

Headcount	2010	2011
Contract terminated by employee	668	820
Contract terminated by employer	12	15
Amicable agreement	607	468
(Early) retirement/partial retirement	119	99
Incapacity/death	1	31

The average period of service for Commerzbank employees is around 18 years. A fifth of employees have been with the bank for up to nine years, 38 percent for between ten and 19 years, and 43 percent for 20 years or more.

The rate of employee turnover in the year under review was 4.8 percent. This figure has fallen almost without interruption since 2000, when the figure stood at 9.4 percent for Commerzbank in its previous form. We keep a close eye on employee turnover and take action if necessary.

Employee survey 2011

Organizational development continued systematically, even once the integration was completed. The Commerzbank Monitor was an important part of this process, with almost 26,000 employees in Germany and abroad taking part in the employee survey "How I see the bank", which was conducted in autumn 2011. Among the strengths cited were the culture in the immediate working environment, the focus on performance and customers, and the good level of collaboration within teams. Employees also rated their line managers' leadership positively and praised the health services offered by the bank. Nonetheless, the Commerzbank Monitor also highlighted deficiencies. Employees were skeptical about Commerzbank's overall situation. They also said implementation of the bank's objectives and continuing professional development both needed to be improved. In mid-December 2011 more than 1,600 managers received detailed reports for their units and departments that will enable them to take targeted action in their areas of responsibility.

Mentoring program

In summer 2011 we launched the Commerzbank mentoring program, the largest of its kind in the bank's history. So far, some 570 mentees – almost half of whom are women – have received guidance on their professional and personal development from 353 mentors. The Board of Managing Directors and managers at levels one and two are available as mentors. The mentees are managers at levels two, three,



and four as well as employees pursuing a specialist or project management career path. Mentees are assigned a mentor who works in a different board area and is two management levels higher than them. It is planned to run the program regularly in order to establish mentoring as an ongoing process.

Talent management

Commerzbank supports its young professionals right from when they join the bank and offers attractive development options as part of specialist, manager, or project management career paths. Of the 39,081 people employed as at December 31, 2011, 2,343 were apprentices. The bank also employed 195 trainees, while an average of 334 students belonged to the Commerzbank study group. Around 850 people completed internships at Commerzbank as part of their studies during the year under review.

In 2011 we again hired around 1,000 apprentices and students pursuing integrated work/study courses. Commerzbank offers apprenticeships in banking, office communications, and real estate. We generally train more apprentices than we need for our own requirements, enabling us to offer apprenticeships to as many school-leavers as possible. In this way, we are investing in the future of the bank and fulfilling our corporate responsibility. During the year under review, we again hired more than two-thirds of all the interested apprentices after they had finished their training, offering them promising career opportunities in the bank.

Apprenticeships at Commerzbank AG (Germany)

	2010	2011
Total number of apprentices	2,299	2,343
Ratio of apprenticeships to other employees (%)	6.8	6.7
Hiring rate (%)	66.3	66.0

Commerzbank first responded to the way in which schoolchildren and students now use media in 2010 when it launched its Commerzbank-Career page on Facebook. In 2011, this “career fan page” made it into

the top ten in two independent studies and was ranked higher than any other page created by a financial institution. The Facebook page enables young talent who are interested in joining the bank to gain an insight into the many aspects of working for Commerzbank. It also provides guidance on the different entry options (apprenticeships, internships, trainee programs). Communicating with young people as “equals” is the key to the success of this page. A high number of “fans” and intensive dialogue between the target group and the bank show that we are focusing on the right topics and adopting the right tone. In 2011 Ulrich Sieber, member of the Board of Managing Directors in charge of Human Resources, also used the Commerzbank-Career page to explain the various careers available at the bank. Commerzbank’s “fans” on social networks total almost 30,000. We are one of the five most active DAX companies when it comes to social media-based HR activities.

In addition to this social media activities Commerzbank also reaches out to young talent directly. In the year under review, we offered job application training in schools and enabled schoolchildren to take on the role of entrepreneurs in case studies. The bank was also involved in cross-sectoral talent management programs, for example Start-Stiftung, “business@school”, and the “Joblinge” initiative.

The success of these activities was underpinned by Commerzbank’s third-place ranking among Germany’s top-500 employers in the independent Career’s Best Recruiter study 2011. The bank in fact came first in the banking/financial services sector and was awarded the golden seal in recognition of the outstanding quality of its recruitment.

Diversity

We specifically promote the diversity of our employees because this diversity supports our success as a business and embodies our corporate values. The constituent meeting of the Global Diversity Council was held in March 2012, putting the groupwide imple-



> **Career**
www.commerzbank.com
 > Careers

> **Diversity**
www.commerzbank.com
 > Careers > Equal Opportunities

mentation of diversity activities on a more solid and broader footing. By mid-2012, regional councils had also been set up in Germany, western Europe, eastern Europe, Asia, New York, and London. They will implement strategic requirements and run local projects.

Besides the activities taking place as part of the project launched in 2010 to support “Women in leadership positions”, three innovative new programs were introduced across the bank in March 2012:

- “Keep in Touch” enables employment on a minimal part-time basis during parental leave, which employees should use for continuing professional development.
- The “Guaranteed Return after Parental Leave” program allows employees to return to their same job after a short, limited period of parental leave.
- “Management Experience” gives employees the chance to try out a role at the next highest level by deputizing for a manager.

The Board of Managing Directors, all level-one managers, and more than 1,300 managers at levels two to four have attended our diversity workshops so far. Participation has been mandatory for all managers in the bank since the year under review. “Career days” were offered for the first time in 2011, also as part of the project. Around 500 women took part in these networking events for the banking industry, which provided a forum for dialogue with experienced managers.

Proportion of female employees at Commerzbank AG (Germany) by employee structure

%	2010	2011
Proportion of women in overall workforce	50	50
Proportion of women at management levels (MLs) 1-4 in total	23	23
ML 4 – head of group	29	29
ML 3 – head of department	13	14
ML 2 – head of unit	11	12
ML 1 – head of division	5	9

All segments of the bank have set themselves individual targets for the proportion of women at all four management levels, which they must achieve by 2015. The segment targets are combined to create a group-wide target for the bank as a whole, according to which 30 percent of leadership positions must be held by women by the end of 2015.

In August 2011 Commerzbank opened its own after-school daycare center in Frankfurt am Main. It currently looks after 15 elementary schoolchildren – whose parents work for the bank – from when lessons have finished until 7 p.m. The plan is to increase capacity to up to 80 children in the next few years. The center is run by the certified pme-Familienservice, which already offers around 260 full-time places in crèches and kindergartens across Germany for the children of Commerzbank employees.

In 2011 the non-profit Hertie Foundation awarded us the “Work and Family” audit certificate for the fourth time in recognition of our family-friendly activities. Commerzbank won its sixth TOTAL E-QUALITY award for its diversity-oriented HR policy in August 2012. In explaining its decision, the panel of judges emphasized that the bank was setting a benchmark with its successful equal opportunities activities.

In June 2012, 200 employees, managers, and guests celebrated the tenth anniversary of the gay and lesbian employee network ARCO. The various speeches given made it clear that employees who do not have to keep their private lives secret from their colleagues stay motivated and perform well. Commerzbank recognized this a long time ago: “In recent years, we have succeeded in establishing a culture in which everyone is appreciated,” reported Albert Reicherzer, head of the Group Human Resources division. Most employees had been shown respect and cooperativeness and felt that they were treated fairly, irrespective of their sexual orientation. The most recent employee survey also confirmed this.



Health management

Commerzbank uses a variety of measures to protect and improve health in the workplace. In this way we are increasing our employees' well-being, motivation, and ability to perform.

In 2011, for example, we launched the interactive training course "Healthy at Commerzbank" to make employees more aware of their health. The program, which can be completed on the intranet, also offers practical tips on health in the workplace, stress management, exercise, nutrition, and prevention of addiction.

Psychological stress was also actively tackled again in 2011. The bank's general works council and health management team set up the HORIZONT network for people affected by burnout in August. The aim of the network, to which the people affected can contribute, is to provide a platform for dialogue and information. It is also in close contact with the works council and health management team.

Exercise is key to well-being and is promoted by the bank's largest network, inhouse sports. Commerzbank has 160 inhouse sports groups across Germany. They offer all of the common types of sport and have a total of around 17,000 members. The sports groups are managed by three members of the Board of Managing Directors and additional sectoral managers; all in all, around 1,000 employees help to run inhouse sport on a voluntary basis. In September 2011 Commerzbank held its first Germany-wide sports tournament, ComGames, in which around 800 sportswomen and men from across the country competed against one another. The competitions were held in eight disciplines, including soccer, athletics, and volleyball.

Ideas management

We continued to develop our ideas management system in the reporting year. Based on the "ComIdee" IT platform, it enables all employees to submit suggestions for improving processes in the bank. In 2011, 2,824 employees submitted a total of 4,404 ideas, a year-on-year increase of around 10 percent.

In addition, the "WikIdee" platform went live in September 2011. Employees can use it to work interactively on overarching problems, such as those affecting processes, technical applications, and customer care methods. Ideas are rated, thereby creating a ranking that highlights important topics and possible innovations, but also critical aspects. Commerzbank employees submitted around 1,400 ideas, 4,883 comments, and 38,693 votes in 2011. Ideas that are taken further are then transferred from "WikIdee" to "ComIdee". The success of our ideas management system meant it again won an award from the international Ideas America organization. "WikIdee" is the first platform of its kind in the financial sector. After deduction of all costs, the benefits achieved through ideas management in 2011 amounted to around €3.42 million (based on an average usage period of five years).

Society



› **Commerzbank Foundation Center**
www.commerzbank.com
> Our responsibility
> Foundation Center

› **Internship for the Environment**
www.praktikum-fuer-die-umwelt.de

› **Environment Week**
www.woche-der-umwelt.de

› **MMK Museum für Moderne Kunst Frankfurt am Main**
www.mmk-frankfurt.de/en

Commerzbank AG's Donation Policy approved

In June 2012 Commerzbank introduced a Donation Policy that sets out the framework for approving and making donations. The new policy provides guidance for all employees. In particular, donations must not conflict with Commerzbank's Business Conduct Guidelines, the compliance principles (e.g. the Global Anti-Fraud Policy and the Anti-Corruption Policy), and specially defined exclusion criteria. Donations that might cause a conflict of interests must also be avoided. Commerzbank also forbids donations to recipients such as associations and sects monitored by the Federal Office for the Protection of the Constitution and organizations for which the German Central Institute for Social Issues (DZI) has issued a warning.

Endowment capital of the Foundation Center

€ million	2010	2011
Commerzbank Foundation	58	58
Jürgen Ponto Foundation	11.8	11.8
Dresden Cultural Foundation of Dresdner Bank	7.7	7.7
Social foundations	20.2	20.3
Total	97.7	97.8

Breakdown of funding provided by the Foundation Center

€	2010	2011
Commerzbank Foundation	1,463,000	1,417,000
Jürgen Ponto Foundation	198,000	243,000
Dresden Cultural Foundation of Dresdner Bank	318,000	242,000
Social foundations	408,500	493,000
Total	2,387,500	2,395,000

Germany's president welcomes "Internship for the Environment"

"Internship for the Environment", a joint project of Commerzbank and Europarc Deutschland, the umbrella organization for Germany's national parks and nature reserves, was showcased to more than 12,000 guests from politics, business, academia, society, and the media during Environment Week in June 2012 in Berlin. It was the fourth time that the federal president Joachim Gauck and the Deutsche Bundesstiftung Umwelt (German Foundation for the Environment) had invited around 200 companies, institutions, research organizations, associations, and initiatives to the president's official residence, Schloss Bellevue, to present their environmental and conservation projects. An independent panel of judges selected "Internship for the Environment" from among more than 550 applicants. The interns spoke in-depth about the project, which has been recognized by UNESCO.

New MMK Foundation set up in Frankfurt

The MMK Museum für Moderne Kunst's (MMK Museum for Modern Art) new foundation was entered in the City of Frankfurt's Golden Book of Foundations on June 1, 2012. The foundation's assets of €1 million are the result of a donation from Commerzbank in 2010. Among other things, the MMK Foundation will support restoration work, cultural education projects, exhibitions, collection presentations, and research projects of the MMK. The City of Frankfurt has maintained a Golden Book of Foundations for more than 80 years as a sign of appreciation for the work of local foundations. Hosts Petra Roth, who was mayor at the time, and Professor Felix Semmelroth, the city's councilor for culture, the MMK's director Dr. Susanne Gaensheimer and Martin Blessing, Chairman of the Commerzbank Board of Managing Directors, entered their names in the Golden Book at the ceremony in the *Römer*, Frankfurt's city hall.

Prize of the Berlin-Brandenburg Academy of Sciences and Humanities awarded

Sponsored by the Commerzbank Foundation, the prize of the Berlin-Brandenburg Academy of Sciences and Humanities went to Professor Armin Falk in 2011. The respected economist received the accolade, which comes with prize money of €30,000, at a ceremony in the academy's building on Gendarmenmarkt square in Berlin on October 21, 2011. Günter Stock, the academy's president, highlighted the interdisciplinarity of the findings from experimental economic research, social psychology, the neurosciences, and genetics that Falk combines in his work. Falk's research is based on an approach that seeks to find a psychological explanation for economic behavior. This prize for outstanding academic achievements in law and economics is awarded every other year and aims to encourage new academic talent.

Commerzbank Foundation supports selected exhibitions and museums

The Commerzbank Foundation expresses its commitment to art and culture by sponsoring selected museums and exhibitions. In 2011, for example, it helped the Hamburger Kunsthalle to put on the retrospective "Max Liebermann. Pioneer of Modern Art", which featured 100 exhibits. It was the second time that the Foundation had supported an exhibition of works by the famous German painter and printmaker in Hamburg, following on from "In Max Liebermann's Garden" in 2004.

In 2012 the Foundation sponsored an extensive retrospective of Claes Oldenburg, a leading figure in US pop art, at the Museum Ludwig in Cologne. This year the Foundation also donated €25,000 to "Learning to Learn", an innovative education project in the new library and media center at Frankfurt's Städel Museum.

Donation of €10,000 to the Stiftung Deutsche Schlaganfall-Hilfe

In 2011 the Commerzbank Foundation again supported Stiftung Deutsche Schlaganfall-Hilfe (German Stroke Foundation), a cause to which it has been committed for almost 20 years. The latest donation of €10,000 went toward the association's exemplary care and information network for children who have had a stroke. The network ensures affected families receive the best possible support and have a forum where they can support each other through dialogue. With help from stroke "pilots", parents can also obtain important specialist medical information. The care network's members include the Neurological Rehabilitation Center Friedehorst, the Pediatric Psychology Clinic at Bremen University, and Münster University Hospital.

Dresden Cultural Foundation of Dresdner Bank turns 20

The Dresden Cultural Foundation of Dresdner Bank celebrated its 20th anniversary in the year under review. On October 18, 2011 representatives from the Foundation, leading figures from culture and business in Dresden, and recipients of donations from the Foundation gathered in Dresden's Societaestheater to look back on two decades of cultural, arts, and academic sponsorship as well as occasional support for urban development projects. Three young movie-makers from Dresden depicted the 20 years in words and pictures. Their movie was created as part of a sponsorship project of the Dresden Cultural Foundation of Dresdner Bank and received its premiere during the anniversary celebrations.

Since its establishment in 1991 the Foundation has strived to identify social changes and incorporate them into its work – with the aim of raising the profile of Dresden, capital of Saxony, as a modern center for the arts. Martin Blessing, chairman of the Foundation's board of trustees, said of this approach: "Let us preserve what has proven its worth so that we pave the way for the future, and let us support the present so that we make the past understandable."



› Dresden Cultural Foundation
of Dresdner Bank
www.kulturstiftung-dresden.de



› Jürgen Ponto Foundation
www.juergen-ponto-stiftung.de

Jürgen Ponto Foundation supports “Focus on Young Art”

For many years the Jürgen Ponto Foundation has been steadfast in its pursuit of a strategy of providing individual support for young artists. This strategy is also the basis of the Foundation’s “Focus on Young Art” sponsorship program, which fosters young talent in the fine arts in their home regions. Every year, the Foundation provides exhibition spaces in different regions with funds so that they can showcase the works of up to four local artists. In this way, the Foundation is contributing to the development of an art scene away from the usual cultural centers. On June 18, 2011 the Foundation opened its first exhibition in the Lindenau Museum in Altenburg, Thuringia. It featured works by up-and-coming artists Claudia Neuhaus, Anke Stiller (both born in 1980), Wieland Payer (1981), and Robert Seidel (1977).

“Unternehmer packen an”

Under the banner of “SMEs as role models”, Commerzbank’s Mittelstandsbank segment launched the project “Unternehmer packen an” (business gets down to business) in 2011. Employees teamed up with their corporate customers to renovate playgrounds, kindergartens, and elementary schools as a way of supporting children in their region. The first event was held in Aschaffenburg in mid-May, when Commerzbank staff and the managing directors of 15 companies in the region helped with the Christopherus Kindergarten’s move to a new building. Similar projects went ahead in Dresden, Minden, Weiden, and Münster. A total of 62 companies joined in at Commerzbank’s request.

“Commerzbank Cup”: promoting regional causes through soccer

In 2011 Commerzbank branches in Dortmund, Essen, Bielefeld, Hanover, and Munich invited company teams in their regions to participate in mini soccer tournaments. The entry fees paid by the teams, which added up to €28,750, went toward regional sports aid projects for children. The donation from the largest Commerzbank-Cup tournament, held at FC Schalke 04’s grounds, was given to the “Culture meets football” project run by the club’s “Schalke hilft” charity, which is dedicated to promoting sport among children from socially deprived families. The 23 teams that took up the invitation from Commerzbank Essen raised over €6,000, which Commerzbank increased to €8,000. A total of 86 teams took part in the tournaments.

New department for Corporate Citizenship activities

The bank has set up a new Corporate Citizenship department to manage its social responsibility activities. It focuses on educational projects and initiatives as well as support for corporate volunteering. The department also oversees Commerzbank’s art collection, the endowment fund in the Stifterverband für die Deutsche Wissenschaft (German Benefactors’ Association for Science and Learning), and the bank’s donations. It also advises other departments on designing and implementing projects of social relevance.

UN Global Compact

Communication on Progress (COP)

The ten principles of the UN Global Compact	Examples for implementation
Human rights	
1. Businesses should support and respect the protection of internationally proclaimed human rights	p. 6, 12/13; CR Report 2011 p. 70/71, 130-133; AR 2011 p. 65
2. Businesses should make sure that they are not complicit in human rights abuses	p. 6, 12/13; CR Report 2011 p. 70/71, 130-133; AR 2011 p. 65
Labour	
3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	p. 22-25; CR Report 2011 p. 123, 132, 133
4. Businesses should uphold the elimination of all forms of forced and compulsory labor	p. 6; CR Report 2011 p. 70/71, 131, 133
5. Businesses should uphold the effective abolition of child labor	p. 6; CR Report 2011 p. 70/71, 131, 133
6. Businesses should uphold the elimination of discrimination in respect of employment and occupation	p. 23/24; CR Report 2011 p. 32-37, 127, 132; AR 2011 p. 141; HR 2011 p. 28-31, 41
Environment	
7. Businesses should support a precautionary approach to environmental challenges	p. 11/12, 15-21; CR Report 2011 p. 16/17, 24/25, 46-53, 103, 114/115; AR 2011 p. 64-67
8. Businesses should undertake initiatives to promote greater environmental responsibility	p. 11/12, 15-21; CR Report 2011 p. 16/17, 24/25, 46-53, 108, 111/112, 118/119; AR 2011 p. 64-67
9. Businesses should encourage the development and diffusion of environmentally friendly technologies	p. 11/12, 15-21; CR Report 2011 p. 16/17, 24/25, 38-47, 50-53, 112; AR 2011 p. 64-67
Anti-Corruption	
10. Businesses should work against corruption in all its forms, including extortion and bribery	p. 7, 26; CR Report 2011 p. 65-68, 135/136



› **UN Global Compact**
www.unglobalcompact.org

› **German Global Compact Network**
www.globalcompact.de

› **Corporate Responsibility Report 2011**
http://sustainability2011.commerzbank.com

› **Annual Report 2011**
http://annualreport2011.commerzbank.com

› **Human Resources Report 2011**
http://www.menschenbewegen-zukunft-gestalten.de/en

Key/Remarks

p. x	page of the Corporate Responsibility Status Report 2012
CR Report 2011 p. x	page of the Corporate Responsibility Report 2011
AR 2011 p. x	page of the Annual Report 2011
HR 2011 p. x	page of the Human Resources Report 2011

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