

Combined separate non-financial report

Section	Content	Concerns in accordance with the CSR-RUG
About this report	<ul style="list-style-type: none"> Statutory requirements and background 	
1. Taking responsibility	<ul style="list-style-type: none"> Introduction Relevant milestones in 2022 External assessment of our sustainability performance 	
2. Anchoring sustainability in our strategy Governance structures expanded Key issues analysed Pursuing net zero target	<ul style="list-style-type: none"> Establishment and management of our sustainability strategy Focus topics for sustainability management Our road to net zero emissions 	<ul style="list-style-type: none"> Environmental protection Respect for human rights
3. Responsible management Making our stance clear Evaluating environmental and social criteria Reducing financed emissions Incorporating EU taxonomy Managing climate and biodiversity risks	<ul style="list-style-type: none"> Guidelines provided via the ESG framework Sustainability as part of risk management Science-based emissions reductions Classification under the EU taxonomy Materiality of climate and biodiversity risks 	<ul style="list-style-type: none"> Environmental protection Respect for human rights
4. Supporting the customer transformation Sustainable financing Sustainable investments and capital market products Ensuring data security Maintaining dialogue	<ul style="list-style-type: none"> Sustainability as an opportunity for the Bank Financing the energy transition Supporting the customer transformation Defending against cybercrime Focus on customers 	<ul style="list-style-type: none"> Treatment of customers
5. Leading by example Reducing operational emissions Embodying collegiality Promoting diversity and equal opportunity Ensuring integrity and compliance Working for the good of society	<ul style="list-style-type: none"> Climate protection in our own company Our responsibility as an employer Women in management positions Acting according to ethical values Social commitment 	<ul style="list-style-type: none"> Environmental protection Social responsibility Treatment of employees Respect for human rights Anti-corruption

About this report

This combined non-financial report for Commerzbank Aktiengesellschaft and the Commerzbank Group¹ has been prepared in accordance with the requirements of the German Act on Strengthening Corporate Non-Financial Reporting (CSR-Richtlinie-Umsetzungsgesetz, CSR-RUG). Alongside the parent company, it covers in particular the material subsidiaries Commerz Real AG, mBank S.A. and Commerzbank Finance & Covered Bond S.A.

As required by law, we provide information in this report on environmental protection, treatment of employees, social responsibility, respect for human rights and the fight against corruption and bribery. As customer focus is another key factor in our success, we also report on the treatment of customers. To identify the topics to report on, we conducted a new materiality analysis of non-financial issues that are key to understanding the

business performance and situation of Commerzbank and that are significantly impacted by our business activities (see section “Key topics analysed”). The description of the business model can be found in the “Structure and organisation” section of the (Group) management report.

The directives stipulated by Commerzbank Aktiengesellschaft apply to the entire Group because it is defined as the “global functional lead”. If relevant arrangements at the subsidiaries differ from these policies, these arrangements are explained in this report. Commerzbank Finance & Covered Bond S.A., which as at the end of 2022 had just ten remaining employees and was exclusively managing a run-off portfolio, did not have any additional information to contribute on material non-financial issues in 2022.

We are not aware of any material risks resulting from the application of the net method either from the Bank’s own business activities or in connection with business relations, products or services that would be highly likely to have a severe negative impact on the non-financial aspects, now or in the future. Further

¹ Unless stated otherwise, the information in this report relates to the Group.

25	Declaration on corporate governance pursuant to Art. 315d in conjunction with Art. 289f of the German Commercial Code (HGB)
36	Details pursuant to Art. 315 of the German Commercial Code (HGB)
42	Non-financial report

information on our risk management can be found in the Group risk report.

In the interests of providing focused information to the recipients of our financial reporting, we have refrained from using a reporting framework. Nevertheless, this non-financial report is guided by the standards of the Global Reporting Initiative (GRI) where relevant for the defined issues. Detailed information on the sustainability work of Commerzbank Aktiengesellschaft is also presented in the GRI sustainability reporting, which is available online. We have opted for integrated reporting and therefore follow the requirements of the Task Force on Climate-related Financial Disclosures (TCFD) in this non-financial report (see table “TCFD recommendations in the non-financial report” on page 72). We joined this organisation in 2020. We have also included information required by the EU Taxonomy Regulation. Apart from the description of the business model, references to further information in the management report and elsewhere do not form part of this non-financial report. The United Nations Sustainable Development Goals (SDGs) also form a basis for our sustainability efforts. In this report, we show how our activities support the achievement of global sustainability goals. By financing renewable energy, for example, we are contributing towards SDG 7, which seeks to ensure access to affordable and clean energy. A detailed overview of our contribution to target achievement can also be found in the sustainability section of Commerzbank’s website.

This non-financial report was subject to a limited assurance engagement performed by the auditing firm KPMG in accordance with ISAE 3000 (Revised). The report on the engagement can be found in the Group’s Annual Report under “Further information”.

1. Taking responsibility

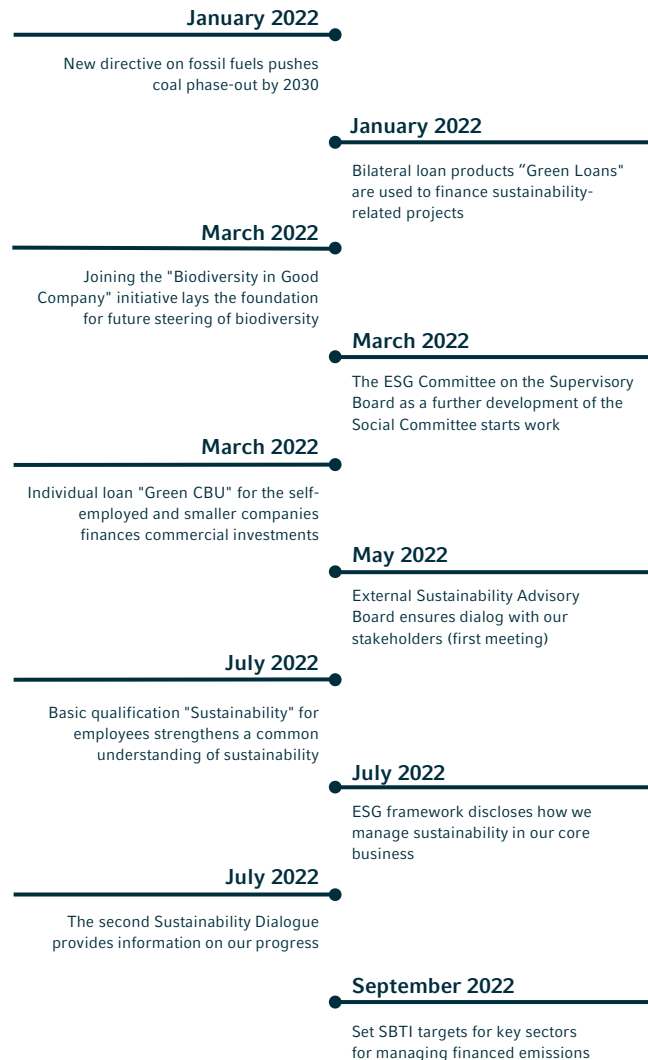
Our net zero commitment – i.e. the promise to reduce our carbon footprint to net zero – is a key example of how we as a financial intermediary drive sustainability. We follow binding rules for dealing with environmental and social risks, which we continuously review and adapt as necessary. We have a clear stance on controversial topics such as fossil fuels, arms and mining. In the ESG framework that was published in 2022, we disclose all the key building blocks of our sustainability strategy and transparently explain how we manage sustainability in our core business. A transparent and fair approach towards our customers is one of the keys to doing business sustainably. Treating our employees responsibly – even and especially at times of great upheaval and economic challenges – is another.

In the following, we explain in detail how we specifically fulfil our responsibility towards the environment and society and towards our customers and workforce, what successes we achieved in the year under review (see chart “Milestones in 2022”) and what we are still working on. We outline what matters to us and what we stand for. In order to make our progress in the individual areas visible, we regularly collect strategic KPIs (key performance indicators) and other key figures.

Our sustainability rating and ranking results and our inclusion in the relevant indices also demonstrate that we are on the right track. In 2022, major rating agencies for sustainability gave Commerzbank Aktiengesellschaft ratings that were mainly above the sector average. For example, Sustainalytics gives us a “medium risk” rating. In addition, we continue to be listed in sustainability indices such as FTSE4Good. An overview of the ratings and our awards can be found in our Sustainability Factsheet, which is published online and constantly updated.

Our subsidiaries also perform well in this respect: MSCI ESG rated mBank as “A” during the year under review, while Sustainalytics assessed mBank’s risk profile as “low”. mBank is also listed in the WIG-ESG index of the Warsaw Stock Exchange. Commerz Real was awarded the Scope Special Innovation Award in 2022.

Milestones in 2022



The objectives for us are to achieve the United Nations Sustainable Development Goals (SDGs) and the Paris climate target of limiting global warming to well below 2°C. To this end, we are constantly expanding our range of innovative, environmentally friendly products and our sustainable solutions for customers. We are also steadily driving forward the sustainable transformation of our banking operations. Our sustainability strategy is grounded in our commitment to combating climate change, to which our net zero targets will make a significant contribution. In addition, we are increasingly addressing issues that are moving into the focus of the sustainability debate, such as biodiversity protection and a resource-conserving circular economy. We will have to find strategic solutions to these issues in conjunction with our customers.

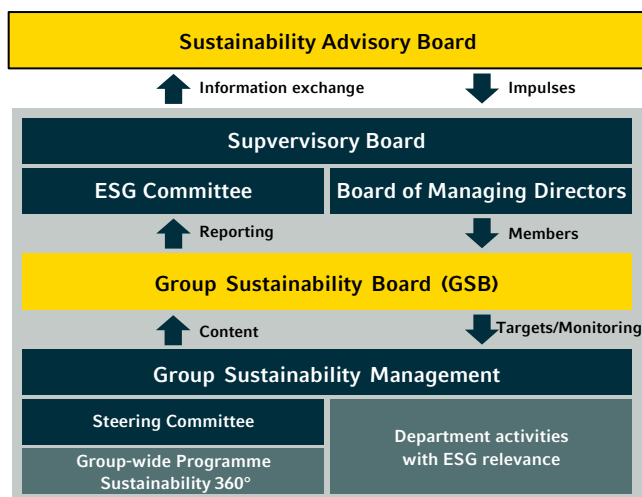


2. Anchoring sustainability in our strategy

The transformation into a sustainable economy affects our customers and ourselves in equal measure. We want to play an active role in shaping this change. Sustainability is therefore a cornerstone of our "Strategy 2024", alongside customer focus, digitalisation and profitability.

Our commitment to sustainable transformation is also made clear by our voluntary undertakings. For example, we were one of the first signatories of the Net-Zero Banking Alliance of the United Nations Environment Programme Finance Initiative (UNEP FI). In 2022, we also joined the Biodiversity in Good Company initiative, underlining our determination to make an active contribution to protecting biodiversity and species diversity. An overview of all memberships can be found online.

Governance structures expanded



Among other matters, the Supervisory Board advises and monitors the Board of Managing Directors with regard to sustainability issues. This includes, for example, checking this non-financial report. To reflect the growing importance of sustainability for the Bank, the Supervisory Board resolved to turn the Social Welfare Committee into the Environmental, Social and Governance Committee. It normally meets four times per year. In particular, it assists the Supervisory Board, in addition to the Audit Committee, in assessing whether the management is ensuring the economically viable and sustainable performance of the Bank while also observing the principles of responsible corporate governance, fulfilling the Bank's social responsibility and at the same time conserving natural environmental resources. The ESG Committee also advises the Board of Managing Directors on ESG issues.

As part of the optimisation of the remuneration system for the Board of Managing Directors, the Supervisory Board has now also linked Commerzbank's sustainability strategy to the variable remuneration of members of the Board of Managing Directors in a binding manner by adding an explicit ESG sub-target within the Group target, accounting for 20% of Group target achievement. The Group target itself accounts for the majority (60%) of variable remuneration for members of the Board of Managing Directors. This means that from the 2023 financial year, ESG targets will also be explicitly embedded in the variable remuneration system for all members of the Board of Managing Directors via the Group target. They complement any other ESG targets within the department and individual targets that may have already been in place in previous years. Alongside other ESG criteria, the Bank's sustainability targets are also embedded in our employee remuneration system as target criteria. They account for 25% of the qualitative targets, which together with target achievement in the quantitative element determine the level of variable

remuneration in the remuneration model for non-pay-scale employees.

The Board of Managing Directors develops the Commerzbank Group's strategy, discusses it with the Supervisory Board and ensures it is implemented. Sustainability issues are included in the annual strategy process for the overall bank strategy and are discussed as required in meetings of the Board of Managing Directors. Each member of the Board of Managing Directors is responsible for implementing sustainability measures within their own divisional remit. The central sustainability management function reports to the Chairman of the Board of Managing Directors and regularly informs him about progress on sustainability issues and activities.

A cross-divisional decision-making and escalation body for sustainability, including matters relating to climate and other environmental risks, enables the sustainable orientation of the business model to be managed holistically. With this Group Sustainability Board, we have firmly embedded the wide-ranging issue of sustainability within the Bank's organisation. The Group Sustainability Board sets the Bank's strategic sustainability targets and monitors the measures for their implementation and management. In addition, the divisions and segments report regularly on the progress of their sustainability activities and the implementation of regulatory sustainability requirements. The Group Sustainability Board is chaired by the Chairman of the Board of Managing Directors. The Board also includes other members of the Board of Managing Directors and heads of divisions.

The Group Sustainability Board enables a holistic governance of the Bank's sustainable orientation

By making Group Sustainability Management the overarching sustainability area within the strategy unit, Commerzbank is underlining the strategic priority of this topic. It is responsible for the ongoing development of the sustainability strategy and comprehensive governance. At the same time, Group Sustainability Management manages the "Sustainability 360°" Group-wide programme and thereby coordinates the sustainability work of Commerzbank in an overarching way. It also ensures the implementation of strategic sustainability initiatives such as the Principles for Responsible Banking of the United Nations Environment Programme Finance Initiative (UNEP FI).

The three lines of defence concept for ESG risks was refined during 2022. ESG risks are considered a type of horizontal risk and as such are managed by various control units across the Bank. Group Sustainability Management also acts the second line of defence for social (S) and governance (G) risks, serving as a central point of oversight. Environmental (E) risks are dealt with within the risk control function. A Chief Environmental Risk Officer