

Corporate Social Responsibility Report

2018-2019



Commerce Bank
Member FDIC

President's Letter

At Commerce, our core values shape the way we live and work.

Because we take a long-term view, we make decisions today that will sustain us well into the future. Because we value collaboration, we see diversity and inclusion as an imperative and seize opportunities to build teams that reflect all sides of an issue. Because we value integrity, we recognize our first duty is to conduct business in ways that merit trust and confidence, and that adhere to the highest standards of governance and ethics. Because we value relationships, our customers are our primary focus.

These values are also reflected in our approach to corporate social responsibility. At Commerce, this means looking for ways to serve our customers, shareholders, communities and team members without harming our planet and the natural resources we all depend on. It also means giving back to our communities and fostering growth and opportunity where we live and work. We take seriously our responsibility to be a part of the solution to the shared challenges we all face.



That's why we have long been committed to investing in the success and sustainability of the communities that we and our customers call home. We believe the enduring success of our business relies on the strength and vitality of the communities we serve. This belief, along with

our core values, shapes how we do business and drives us to make a positive difference in our communities, create an engaging, diverse workplace and provide opportunities for our team members to thrive and do their best work.

Throughout this report, you will see examples of our accomplishments – from how we are championing diversity and inclusion across our organization, to the many ways we are demonstrating our commitment as a forward-thinking and philanthropic corporate citizen.

We are on a journey and striving to take the steps necessary to build a better and brighter future for Commerce, for our customers and for our communities. Thank you for joining us and for your continued trust in our company.

A stylized, handwritten signature in black ink, appearing to read 'John Kemper'.

John Kemper
Commerce Bancshares, Inc.
President and CEO

About This Report

At Commerce Bank, we believe our success is defined not only by our ability to help people meet their financial challenges, but also by the mark we leave on the world at large. That is why we make ongoing investments in ideas, programs and technology that serve our customers, strengthen our communities and support a healthy environment.

As a socially responsible corporate citizen, we continuously seek opportunities to make a difference. Our community involvement, diversity and inclusion initiatives, and

sustainability efforts are all products of a culture formed 150 years ago to be a force for good in our region and our industry. The common denominator behind all these investments is our commitment to meeting people where they are, learning about their needs and building strong and lasting relationships.

In this Corporate Social Responsibility Report, we highlight our efforts to be a valued and trusted financial partner across our footprint, while enriching the lives of our customers, neighbors, shareholders and employees.

Who We Are

Even life's finest hours can include moments of financial complexity. That is why we at Commerce are here. We help people and businesses solve financial challenges so they can return their attention to the things that matter most. We do this through a rare combination of high-touch, personal service and innovative product solutions that ensure Commerce customers are able to bank when, where and how they prefer.

Our ability to deliver on our promises to our customers, team members, shareholders and communities is rooted in our culture, which we believe is our greatest asset. It begins with the core values we share. Add in the tools we use to work together, combined with the programs through which we engage and the ways we communicate with each other, and the result is a culture that we live and strengthen every day in all that we do.

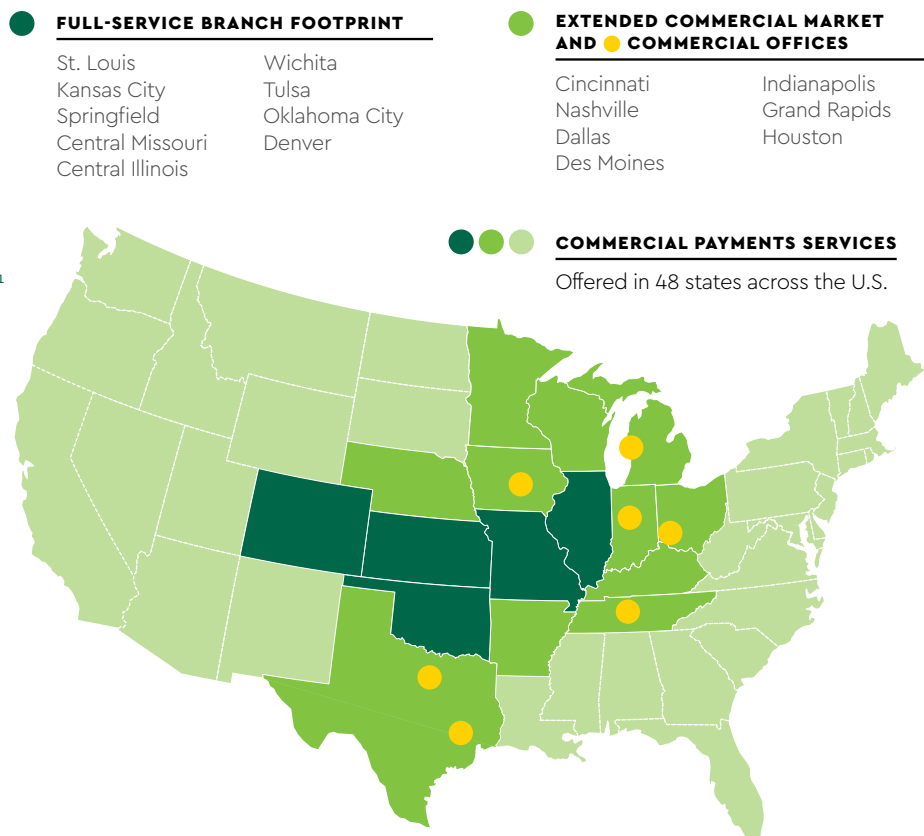


Through our branch network and online platforms, we support people, businesses and communities throughout the Central Midwest. Our expanding footprint also includes

commercial offices in Texas, Ohio, Tennessee, Michigan, Iowa and Indiana, and national healthcare and payments processing partnerships.

- \$25.9** billion in assets
- \$20.3** billion in total deposits
- \$52.9** billion in total Trust assets
- 44th** largest U.S. bank based on asset size¹
- 250** thousand mobile customers
- \$14.5** billion total loans²
- \$8.8** billion commercial card volume³
- 4.7** stars Apple® App Store rating⁴

Data as of September 30, 2019, unless otherwise noted.
 1. S&P Global Market Intelligence ranking as of June 30, 2019.
 2. Includes loans held for sale.
 3. As of December 31, 2018.
 4. As of October 15, 2019.





Building strong communities.

A bank is a product of the community it serves, a partnership of its customers, employees and shareholders. When the community succeeds, the bank succeeds.

This is a core belief at Commerce Bank. It is why we are committed to bringing value to our customers, supporting our region's economy and working with others to make our communities better places to live.

Often, that means providing financial support in the form of charitable contributions. Just as often, it means taking

a hands-on role ourselves. We look to our leadership, employees and local boards of directors to help identify important community needs and priorities. Then, through board leadership and thousands of volunteer hours, we work to leverage our bank's stability, expertise and creativity in ways that help produce successful results.

Commerce supports a wide range of charitable organizations, all focused on improving the lives of people in the communities where we are located. As our efforts attest, we believe everyone should have access to economic opportunities, affordable housing, education and the arts. Working alongside our community partners, we are helping to build a strong future for the communities we serve.

In 2018, the Commerce Bancshares Foundation made 710 grants totaling

\$1,662,487.



Types of Organizations Supported



Arts and Culture



Community Development



Museums



Education



Housing



Emergency Assistance



Youth Programs



Each year, Commerce supports many organizations, including the ones highlighted here, through special event sponsorships, grants from the Commerce Bancshares Foundation, in-kind contributions or assistance from bank team members through volunteer activities and service on boards of directors.



Denver market

KidTek prepares students for academic, career and personal success by increasing tech literacy at Colorado's highest-needs K-12 schools.



Bloomington, Illinois market

Through hands-on exhibits, classes and programs that stimulate visitors' imagination, curiosity and wonder, Children's Discovery Museum aims to inspire the love of learning through the power of play.



Joplin, Missouri market

The Aspire Scholarship Program seeks to break the cycle of poverty in Jasper and Newton counties by providing scholarships to qualified, low-income single parents pursuing career-oriented education full time at a college, university or technical school.



Springfield, Missouri market

Least of These, Inc., the only full-service food pantry in Christian County, provides food, clothing, job search assistance and other resources to local families facing food insecurity and other challenges.



Dallas market

Be the Difference Foundation's mission is to create awareness about ovarian cancer and improve the lives of all people affected by it through education, support and research.



Hutchinson, Kansas market

The Boys & Girls Clubs of Hutchinson provide educational, recreational, cultural and social activities aimed at enabling young people, especially those most in need of help, to realize their full potential as productive, caring and responsible citizens.

United Way Campaigns

Commerce takes an active role in the United Way campaigns in our markets. Team members rally support for our donation campaigns by developing and leading kick-off events, creative fundraisers and volunteer days, while many of our leaders participate on United Way boards and committees in their communities.

Commerce Bank Volunteer Fair

An annual Volunteer Fair hosted by Commerce provides Kansas City team members an opportunity to learn about and meet with local nonprofit organizations seeking volunteers. Participating organizations have included:

- Lead to Read
- Ability KC
- KC Pet Project
- Kansas City Community Gardens
- The Nelson-Atkins Museum of Art
- Gilda's Club Kansas City
- ArtsKC
- Ronald McDonald House Charities of Kansas City
- ReDiscover
- Goodwill of Western Missouri and Eastern Kansas
- Giving the Basics
- Truman Heritage Habitat for Humanity
- Big Brothers Big Sisters Kansas City
- And many more



Focus on Community Development

For more than 25 years, Commerce Bank has maintained an Outstanding rating from regulators for our Community Reinvestment Act (CRA) Compliance. Through regular outreach, we keep our fingers on the pulse of the communities we serve, which enables us to keep current community needs in mind as we develop new products

and services. Our CRA commitments are reflected in our extensive banking center and ATM network, our mobile and online banking services and the wide range of affordable products available to community members.

Community Service Award

Established in 1997, Commerce Bank's Community Service Award program celebrates St. Louis-area volunteers who exhibit extraordinary commitment to improving their communities and making a difference in the lives of area residents. The bank awards a grant in these honorees' names to the nonprofit organization of their choice.

While traditionally awarded to individuals, our 2018 Community Service Award was presented to all volunteers of the Assistance League of St. Louis. A national nonprofit organization chartered locally in 1990, the Assistance League is comprised of women and men who manage a variety of programs benefiting underserved populations in the St. Louis metropolitan area. With no paid staff, the St. Louis chapter returns 80% of the funds it raises to the community through nine philanthropic programs, including Operation School Bell, which provides uniforms, hygiene products and other supplies to more than 7,000 students each year, and Operation Hug, whose teddy bears provide comfort to children and seniors in traumatic and stressful situations.

With more than 500 volunteers who tallied 80,000 volunteer hours last year, Assistance League of St. Louis is one of the largest chapters of its kind in the country. The Assistance League celebrates the power of volunteers to evoke positive change in their communities. And Commerce celebrates the volunteers of the Assistance League.



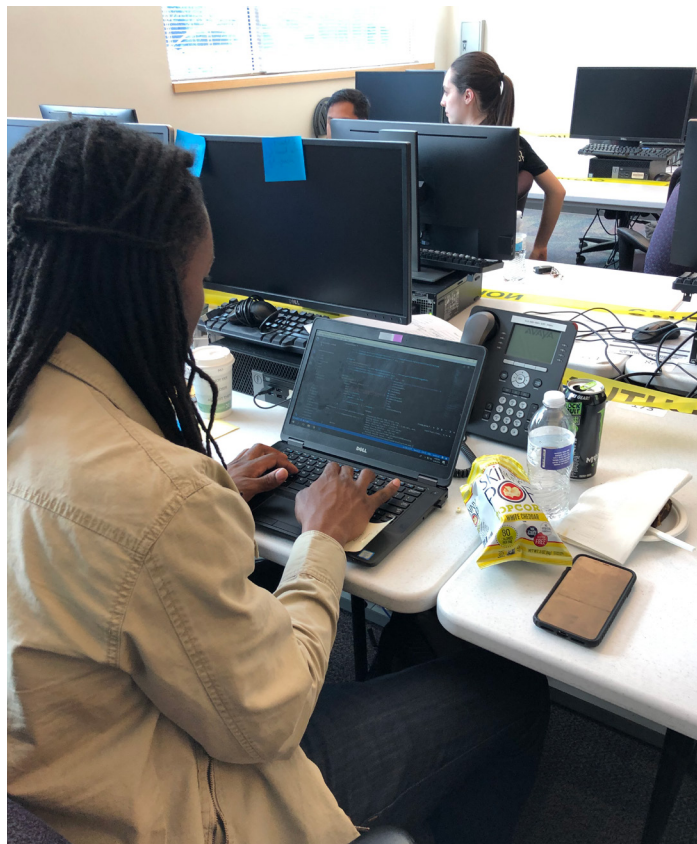
Innovation at Its Best: Investing in Ideas for a Greater Cause

Throughout our history, innovation has been central to Commerce's growth and success. An innovative mindset is crucial for solving the current and emerging challenges facing our customers and communities. No matter their role, all employees are encouraged to innovate.

Hackathon results in online tool for families caught in the wage gap

A new online tool developed by Commerce is helping low-income Kansas City families make better financial decisions as they work to break the cycle of poverty.

The tool's development grew out of a Hackathon event hosted by Commerce's IT department twice each year. At each Hackathon, cross-functional groups from IT, retail and commercial banking and other departments explore creative ways to address wide-ranging issues. Teams have 48 hours to build out and present their prototype. If selected, they are connected to a Commerce executive who helps champion its development and implementation.



Addressing the wage gap

The issue this particular Commerce Hackathon team grappled with is the wage gap — the difference between minimum wage and a living wage, and how it impacts eligibility for public assistance.

For many of the nation's poor, it takes a giant financial leap to leave poverty, given the difference between the incomes at which they qualify for public assistance and the incomes they need to purchase child care, quality housing, nutritious food and other necessities in the private market.

The wage gap problem is also felt at social service agencies, some of which say that the funds they once offered to families for emergency use are now needed to plug holes in families' regular monthly budgets. Among

them is [Amethyst Place](#), a Kansas City-based nonprofit that provides housing and other services to women recovering from drug and alcohol addiction and their children.

Amethyst Place often works with mothers who accept better-paying jobs — only to find themselves deeper in poverty because they have become ineligible for other public assistance. Commerce sought to translate Amethyst Place's ad hoc spreadsheets into an online tool that could empower individuals and families, like those supported by Amethyst Place, to review their income and benefits to make informed decisions regarding the impact of income changes. Though not a perfect calculation, this could help families and their social worker partners flag and avoid scenarios that would likely result in a family falling off the "benefits cliff" — a societal phenomenon that particularly impacts single-parent families with children under the age of 18.

“I didn't realize that my small raise meant I would lose all of my child care assistance.”

A finance calculator for public benefit eligibility

These, in a nutshell, are the challenges the Hackathon team set out to solve. If the team could develop a tool that safety net providers could use to help families understand the connection between wage changes and public benefit eligibility, they could protect families from financial harm inadvertently caused by accepting higher wages or more hours.

Working with Amethyst Place, Commerce developed an online finance calculator, which was later donated to a local Kansas City university for hosting, that allows users to enter data on family composition, income and expenses in order to dynamically link these factors to changes in public benefits. The tool calculates how changes will impact their public benefits so they can make decisions that are best for their family.

This Commerce innovation has another goal as well. It allows us to open a bold, sometimes uncomfortable, evidence-based conversation about what it takes to lift families out of poverty.

Our hope is that this tool helps advance understanding of the very difficult challenges our communities' low-income families face. Helping families focus on what matters most? Challenge Accepted.®





Bringing Agile to Kansas City Nonprofits

If you're familiar with Agile, you may know it's often associated with software development and technology companies. But Agile is a process that can be applied to all types of organizations — and to a variety of problems and projects. It is primarily known as a product innovation tool, but Agile can also help organizations improve customer satisfaction, increase collaboration and get to market more quickly. It is a mindset, set of principles and toolbox Commerce has adopted companywide, where teams have set up Agile in the way that works best for them and their work.

Having lived the benefits of Agile firsthand, Commerce wanted to bring the framework to Kansas City-area nonprofit organizations in an effort to help them increase team effectiveness and productivity — without working extra hours.

In a truly Agile “test and iterate” approach, Commerce hosted its first Agile session for nonprofit teams in Kansas City this summer, sharing the methodology and best practices to help the organizations deliver on their mission early and often, create a culture of continuous learning and improvement and achieve results that increase customer satisfaction and employee engagement.

Commerce Donates Wichita Branch to Community Service Organizations

As consumer preferences evolve and customers shift toward mobile, online and other digital banking options, the traffic at some of our branches is changing.

Commerce is adapting to these changes in innovative ways, as we balance our customers' banking needs with our desire to make the best use of our resources and give back to the communities we serve.

In Wichita, this led us to donate and repurpose the Commerce branch building at 21st Street and Grove late last year. Now known as Founders' Grove, the building today serves as home to three local community service organizations, where young people, entrepreneurs and established business leaders come together to develop and grow business in Wichita. Its new occupants include:



- **Create Campaign, Inc.**, a nonprofit that supports local urban entrepreneurs seeking to develop, launch and grow businesses.
- **Heartland Black Chamber of Commerce**, a nonprofit that offers programs and networking opportunities for minorities, women and disadvantaged business entrepreneurs.
- **Camp Destination Innovation**, a STEM- and entrepreneurship-focused career development camp that teaches entrepreneurial and life skills to Wichita-area teens.

Commerce executives collaborated with Wichita City Councilman Brandon Johnson to create a vision for the building's future. “Great things happen when corporations, cities and service organizations come together to serve the community, and we're excited to see how this partnership will help develop our citizens,” said Johnson.



Commerce Bank

CONNECT

New Commerce Bank Connect™ Is No Ordinary Bank

Since opening our doors in 1865, we have provided customers with solutions to their financial challenges so they can focus on what matters most to them.

Today, that includes solutions that allow customers to bank when, where and how they want.

Exhibit one is Commerce Bank Connect™, the new approach to banking we introduced in St. Louis' bustling Central West End neighborhood that offers both digital solutions and human connections.

Commerce Bank Connect™ differs from traditional branches in multiple ways. First, it is open 24/7, allowing customers to bank in a secure, convenient indoor space they can access with their bank cards. The advanced ATM installed in its vestibule can complete just about every kind of transaction a teller might do, from opening new accounts to accepting cash for deposit. For more complex matters, private banking-by-appointment meetings can be arranged with our financial advisors in the branch's lounge or video conference center. Because the location will also

serve as a testing ground for new technology, customers may be among the first to experience some of our latest convenience-banking innovations.

In keeping with Commerce's commitment to the communities we serve, the branch is also designed to be a community resource. Open space is available for community-focused special events and activities, as well as financial education seminars.

In short, Commerce Bank Connect™ is a new way we are seeking to connect with customers and the community. Our goal is to serve THEIR needs on THEIR terms.

Commerce Bank Connect™ hosts Coffee with a Cause

Women of Commerce Bank came together at Commerce Bank Connect™ this summer to network, enjoy coffee and learn from two St. Louis leaders who are using innovative approaches to empower the next generation of women.

The “Coffee with a Cause” participants were members of RISE, a Commerce employee resource group that promotes the advancement, retention and recruitment of women at our bank.

Courtney Berg, executive director for Girls on the Run, spoke about the Girls on the Run curriculum, which combines training for a 5K run with lessons that inspire girls to become independent thinkers, enhance their problem-solving skills and make healthy decisions.

Participants also heard from Marian Middle School President Mary Elizabeth Grimes, who shared her experiences in leading the only all-girls private middle school in the St. Louis area that serves urban youth in a faith-based environment.

Commerce Team Members in the Community

Financial literacy

Commerce participates in programs that support financial literacy and provide consumers of all ages with the knowledge and resources they need to make informed financial decisions. Through organizations like Junior Achievement and programs like Money Smart Week, we are able to share our expertise in this area and help our communities thrive.

Mad City Money

This year, Commerce Bank volunteers in Kansas City transformed themselves into merchants and service providers for Mad City Money, a hands-on simulation that teaches high school sophomores from underserved neighborhoods how to manage food, housing, transportation and other expenses on a budget.

Mad City Money introduces students to financial challenges they will face in the real world — complete with jobs, salaries, spouses, student loan debt, credit card debt and health insurance payments. Students make choices on housing, transportation, food, household necessities, clothing, day care and other wants and needs on a budget they create for themselves. Commerce volunteers also provide guidance to help the students complete the simulation successfully — staying within their budgets and saving at least \$100 of their monthly income.



Speakers at Coffee with a Cause presented their innovative approaches to empower the next generation of women.



Commerce team members volunteered for the Junior Achievement program at Flynn Park Elementary in the University City School District in St. Louis County.

Mad City Money allows participants to make mistakes and experience the consequences of their decisions in a realistic, but safe, environment. The simulation provides students real-world examples that connect the decisions they make to the economic consequences of those decisions. More importantly, students learn the link between postsecondary education and the potential for lifelong success.

Employee Volunteerism and Board Membership

From festivals to food drives, Commerce team members are active participants in the communities where we live and work. We're willing to captain a cardboard boat, flip burgers for hungry athletes or ride a bike in a Santa costume — as long as it supports a good cause.

While Commerce-sponsored volunteer opportunities are popular among employees, our teams often plan

philanthropic activities on their own. Thanks to all their efforts, our bank is infused with a spirit of participation and service.

Board membership

Leaders at Commerce Bank help nonprofits move their missions forward by serving as board members. Commerce representatives support a variety of causes, but their service is concentrated in the following areas:

- Education
- Community development and housing
- Economic development
- Child and family support
- Health care
- Environmental sustainability
- Arts and culture



Left: Participants in Commerce Bank's Advanced Leadership Development Program assembled bikes to donate to the Boys and Girls Club.

Top right: Team members in St. Louis participate in Pedal the Cause, an annual cycling challenge founded in 2009 that provides critical funding for cancer research at Siteman Cancer Center and Siteman Kids at St. Louis Children's Hospital.

Bottom right: Commerce team members participate in Good Shepherd Dodgeball, an event benefitting Good Shepherd Children & Family Services, an agency of Catholic Charities that serves moms, babies, kids and families through foster care, adoption, pregnancy support and a maternity shelter.





Investing in a sustainable future.

When it comes to keeping our planet healthy and clean, we believe we are all on the same big team.

From our branches and headquarters, to our operations centers and offices throughout the Midwest, we pay close attention to the impact our business has on the environment. We aim to be as efficient as possible, measuring our consumption and waste each year to ensure we remain mindful stewards of the Earth's resources.



Meet the Green Team

Commerce grows a little greener every year, thanks in great part to the work of our Green Team, a group of employees tasked with identifying and implementing sustainable practices throughout our business.

Each Green Team member is a champion of recycling and environmental awareness, leading their floors or teams to consume resources in ways that don't limit their future availability. That involves:

- Ensuring our offices have appropriate recycling bins
- Posting information that communicates what can — and can't — be recycled
- Leading Commerce in the Earth Day Green Challenge
- Identifying incremental ways for Commerce to become even greener

What Being Green Means at Commerce

Our sustainability efforts are wide-ranging and include:

- Tracking utility consumption, paper usage, recycling and other metrics to measure progress.
- Implementing energy-saving technologies and other sustainability practices. By the end of 2019, we will have installed solar energy systems at 22 Commerce locations. All new construction projects now incorporate LEED sustainable building practices.
- Completing a comprehensive energy analysis and plan for our data center, resulting in the elimination of multiple servers and air-conditioning units.
- Working toward a goal of using 100% Green Seal-certified cleaning companies and cleaning supplies.
- Designating all Commerce facilities and vehicles as "smoke-free."
- Providing centralized recycling bins for paper, plastic and aluminum cans and implementing an initiative to make our recycling efforts consistent across all locations.

2018 Recycling Metrics (companywide)

Paper (shredded and recycled)



Aluminum cans



Plastic bottles



Celebrating the Earth Through Friendly Competition

For the fourth year in a row, the Commerce Bank Green Team called on employees to reduce, reuse and recycle in our Green Week Challenge.

Team members shared details of their efforts throughout the week on Bonfyre, an employee-driven digital community app. Winners were selected based on their overall environmental impact, as well as Bonfyre participation and engagement. This year's winners included:

- Teams from the Bolivar, Missouri, and Springfield, Missouri (Battlefield Drive), branches, which kicked off #DitchIt campaigns to use less paper, increase reuse and encourage customers to go paperless, among other sustainability initiatives.
- Leah Huey, ACH specialist in Kansas City, who committed to composting food scraps, plants, flowers and food-soiled paper, when allowed.
- The mailroom team in our St. Louis headquarters, for creative coffee grounds recycling (pictured below). Instead of dumping the grounds into the trash, the team saved them, dried them out, mixed them with common household items and created tablets that can clean any household sink. Items only used once or typically thrown out can often be recycled in unique or creative ways.



Finding a Sustainable Approach to Powering Our Future

At Commerce, we envision a world where our operations are one day powered by a clean, renewable energy supply that leaves no mark on our carbon footprint.

A first step toward achieving this goal may lie in virtual power purchase agreements (VPPAs). With a VPPA, a company like ours agrees to purchase power at a negotiated price from a wind or solar developer over a predetermined number of years.

With VPPAs, everybody wins. Companies benefit from low-cost, fixed-price power. Solar- and wind-energy developers benefit from the long-term revenue certainty they need to undertake new projects. The electric power grid gains additional sources of renewable energy. And the air benefits from fewer emissions.

Members of our corporate services team continue to explore VPPAs as well as other strategies and technologies with the potential to help us meet our long-term sustainability goals. We are committed to making decisions today that will sustain us for generations to come.

Below: The St. Louis credit department team removed invasive bush honeysuckle from the St. Vincent Greenway to promote teamwork and celebrate Earth Day.



A Partnership to Accelerate Climate Action

Finding solutions to the challenges facing our planet will take a team effort. Fortunately, one of the nation's top research universities is leading the St. Louis area's efforts to mitigate and address climate change.

Washington University in St. Louis has joined 16 other premier research universities that comprise the University Climate Change Coalition (UC3), a network of North American institutions that are leveraging their institutional strengths by exchanging best practices and research agendas to accelerate development of local climate solutions.

As part of its UC3 commitment, Washington University convened a cross-sector climate change forum where leading St. Louis organizations gathered to discuss best practices and opportunities to collaborate for a greener, cleaner region.

Commerce had a seat at this table. We were one of nearly 30 government, nonprofit, corporate and public sector leaders that shared our current efforts and identified ways we might work together to accelerate climate action in the St. Louis region.

A key outcome of the forum was the release of a shared proclamation in which participating organizations agreed to endorse regional greenhouse gas reduction targets. The goal: reducing greenhouse gas emissions to 28% below 2005 levels by 2025 and 80% below 2005 levels by 2050.



UC³

University Climate
Change Coalition



Our differences make the difference.

Powered by Teams

At Commerce, we believe in the power of collaboration. By working together, we are able to connect our diverse skills and perspectives to innovate new solutions that meet unique customer needs. We are dedicated to fostering an inclusive and supportive environment where all 4,900 of our team members feel their voices are heard.

2019 Engagement and Enablement

We believe team members who are highly engaged and enabled are more likely to be committed to our organization and motivated to do their best work. To ensure we are providing the support our team members need, we measure employee engagement and enablement every year through a confidential survey. In 2019, we were proud to have once again maintained industry-leading scores.

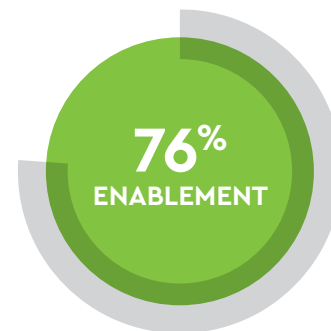
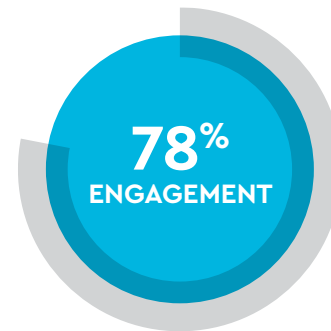
Forbes names Commerce a Best Mid-size Employer

Of the 500 companies named to Forbes' 2019 list of America's Best Mid-size Employers, Commerce had the 13th highest ranking of banking and financial services companies listed. We also ranked seventh among all employers headquartered in Missouri. Rankings are based on anonymous feedback from team members gathered by the research firm Statista. We are honored by the recognition and see it as a marker of our commitment to creating a positive environment for our team members.

Inviting Diverse Perspectives

We believe our bank is made stronger by employing people who represent diverse perspectives, backgrounds and experience. For that reason, we strive to foster an inclusive environment where all team members feel empowered to speak and be heard. From how we recruit employees to how we engage with them, we have programs dedicated to increasing representation at all levels of our bank and fostering an inclusive environment for all perspectives.

Engagement and Enablement



Inclusion and Diversity: What's it all about?

At Commerce, our people are our most valuable, sustainable resource and our greatest competitive advantage.

Inclusion & Diversity, therefore, is more than a department in our bank. It represents our commitment to celebrating the unique differences that make each team member who they are. It is also a commitment to appreciating the commonalities that bring us together and moving forward in ways that allow every team member to be comfortable bringing the best version of themselves to work and feeling support at every level of the organization.



Employee Resource Groups

In support of the diverse makeup of today's labor force, Commerce offers a variety of resource groups, mentoring programs and networking opportunities to help employees feel connected to our bank and each other. They include:

EMERGE

EMERGE is a group that focuses on creating a culture that attracts, develops and engages young professionals. With chapters throughout the Commerce network, more than 450 EMERGE members participate in everything from webinars on internal resume management, to volunteer opportunities in the community. It includes an internal mentorship program that pairs minorities and women with executive mentors for one-on-one mentoring and development.



RISE

RISE is a business resource group created to support personal and professional growth among women at Commerce. With nearly 800 members, RISE seeks to empower women as leaders, mentors, coaches and role models, while enhancing personal and professional relationships and improving our bank's ability to attract, develop and retain top talent.



Inclusion & Diversity Council

Members of Commerce's regional Inclusion & Diversity councils plan and implement efforts that celebrate the diversity of the bank's team members and fuel the continuous evolution of the bank's approach to inclusion.

Our Commitment to Inclusion Takes Three Steps Forward

In July 2019, John Kemper, president and CEO, signed the CEO Action for Diversity and Inclusion™ pledge, thereby committing to combat unconscious bias and promote open dialogue in our workplace.

Research shows unconscious bias is a roadblock to inclusion and a sense of belonging in the workplace.

At Commerce, we believe our people are our most valuable resource and our greatest competitive advantage. As such, our commitment to fostering an inclusive culture where we value diverse talents and perspectives is vital to the engagement, innovation and productivity that position us to anticipate and proactively adapt to our customers' changing needs. By honoring this commitment in how we work together and how we do business, **we enable team members to reach their full potential**, and, in doing so, maximize value for all of our stakeholders.

- John Kemper
President
and CEO



Inclusion also suffers when people are not able to engage in open dialogue.

The CEO Action for Diversity & Inclusion™ aims to rally the business community to advance diversity and workplace inclusion by committing to taking actions that address these and other diversity and inclusion issues. Supported by leaders from more than 700 companies, it is the largest CEO-driven inclusion effort of its kind.

For its part, Commerce committed to taking three actions:



LAUNCHING A THREE-PART ONLINE TRAINING MODULE SERIES.

The series will focus on Diversity, Inclusion and You; Unconscious Bias; and Building Inclusive Leaders. Each course in the series is designed to help individuals better understand how their behavior and actions contribute to inclusion.



PRODUCING MONTHLY VIDEOS.

Called This Month in Diversity, these informative five-minute videos provide quick tips and ideas for creating a more inclusive workplace, and recognize and celebrate annual heritage-related events.



PARTICIPATE IN IDEA EXCHANGES.

In support of our pledge to embrace candid conversations, the bank is participating in idea exchanges with other companies that are also striving to become more inclusive. Through this collaboration, we are seeking to learn what works — and what doesn't — from companies facing similar challenges.

To learn more, visit the [CEO Action for Diversity & Inclusion website](#).

Award-Winning Commerce Leadership

Molly Hyland

People who knew Molly Hyland in the 1980s often associated her with her father, Robert Hyland, the civic leader and radio pioneer who led KMOX for four decades. People who know Molly today see something more.

Molly's leadership and dedication to her community not only earned her a name for herself, but also earned her a spot in the St. Louis Business Journal's Most Influential Business Women Class of 2019.

Molly is senior vice president and director of community relations and government relations for Commerce. Her many civic responsibilities include her service on the Steering Committee of the St. Louis Mosaic Project and the Public Policy Committee for the St. Louis Regional Chamber. She serves on the boards of the Saint Louis Symphony Orchestra, the St. Louis Zoo Association and FOCUS St. Louis, among others.

Each year the St. Louis Business Journal recognizes 25 women who demonstrate high levels of achievement and leadership in their careers and their communities. Read more about this recognition [here](#).

Molly is a strategic leader, forward-thinker and trusted advisor who has made significant contributions at Commerce and in the local community. **This recognition is a true testament to her leadership and commitment to progress.**



- **Bob Holmes**
*Chairman and CEO,
Commerce Bank
of St. Louis*

Everybody brings something to our organization. And when they're able to bring their entire self, they're more productive, they're happier and they're more engaged in the organization. When our team members feel this way, they lean into asking themselves, what can I do to help the organization move forward?

- **Derrick Nelson**
*Inclusion
& Diversity
Manager*



Derrick Nelson

Fighting to resolve injustices in the workplace is nothing new to Derrick Nelson, Inclusion & Diversity manager. It's something he's done throughout his career. Derrick's work in inclusion & diversity has earned him an ACE Award from the Kansas City Chamber of Commerce.

The ACE Award is presented each year at the Greater Kansas City Chamber of Commerce's POWER of Diversity Breakfast. The premier celebration of the metro area's diverse business community, the event recognizes diverse members of the workforce as well as companies and organizations that have demonstrated a commitment to diversity and inclusion.

This ACE Award honors up-and-coming, senior-level leaders who advocate for the expansion of their company's inclusion & diversity efforts.

Tiffany Charles

Since moving to St. Louis in 2005, Tiffany Charles, marketing manager for Commerce Trust Company, has been an agent of change.

Her ability to make a positive impact on the organizations she serves has earned her a place in the St. Louis Business Journal's 2019 Class of Diverse Business Leaders. In addition to her work at Commerce Trust, Tiffany serves as board president of St. Vincent Home for Children, is a board member for the Central Institute for the Deaf and is a member of the Steering Committee for the Regional Business Council's Young Professionals Network, among other community service roles.

Each year, the St. Louis Business Journal draws from a pool of leaders from across the St. Louis area to create its 20-member Diverse Business Leaders Class. The publication recognizes that inclusion and diversity are critical for maintaining a business's competitive advantage. Read more about this recognition [here](#).

Tiffany has not only demonstrated exceptional leadership skills here at Commerce, but is also **a great role model for how we all might pull up and empower others**. We are pleased to see her recognized for her support of diversity and inclusion in both the workplace and the larger community.

- John Handy
President and
CEO, Commerce
Trust Company



Commerce Takes Part in First-Ever PRIDE Theme Night at Kauffman Stadium

The Kansas City Royals celebrated inclusion and diversity with its first-ever PRIDE Night on September 4, 2019. Members of our Kansas City Inclusion & Diversity Council, along with our PrideFest volunteers, shared in the baseball team's history-making moment by attending the game in their Commerce Bank in the Community T-shirts created for KC PrideFest earlier this year.

I'm proud to be a part of the Commerce Bank family that comes together for events like this one. **It means a lot for a Major League Baseball team to celebrate inclusion** among all its fans.

- Derrick Nelson
Inclusion & Diversity Manager



Lunch and Learn with Commerce

In summer 2019, the Inclusion & Diversity councils in Kansas City and St. Louis launched "Lunch and Learns," informal opportunities for team members to enjoy lunch while expanding their understanding of new and engaging topics.

Inaugural events which took place during PRIDE month featured panel discussions about the evolution of PRIDE and LGBTQIA+ authenticity in the workplace.



“It’s important that we share our stories, so people see the reality of our experiences and our lives. I’ve had many team members reach out to me and **thank me for sharing my story and opening their minds** to LGBTQIA+ issues in the workplace. I was impressed by the number of allies who attended. The room was packed for each session. This was a wonderful experience.”

- Lacy Haden Peaches

*Product Manager,
Commercial
Payments and
"Lunch and
Learn"
Panelist*



In Their Words

We asked Commerce team members to share stories that highlight our individual differences and illustrate how they embrace diversity inside and outside of Commerce. Here are two examples.

Six things we love about local cultural festivals

Cultural festivals build community by bringing people together to learn about each other’s customs and traditions. Commerce team members who volunteered at St. Louis’ Festival of Nations and Kansas City’s Ethnic Enrichment Festival and Fiesta Hispana share six reasons these events make great group outings. Read more [here](#).



Soul and Sound: Etoy Morgan shares her story

Before becoming a business analyst for Commerce Bank, Etoy Morgan was a young woman trying to navigate the stresses of a career, family and personal life. She remembers going to her grandmother, a Jamaican immigrant, for advice. What her grandmother told her echoed the lyrics of reggae icon Bob Marley: “Don’t worry. Everything will be all right.”

In honor of Black History Month earlier this year, Etoy shared her story and the influential figures who shaped her into who she is today. Read Etoy’s story [here](#).





We act with integrity.

As a financial institution, we take our role as stewards of sensitive information very seriously. We believe that sound corporate governance, risk mitigation and security practices are vital to operating as an ethical and socially responsible business. Our corporate governance standards help ensure compliance with laws and regulations, and we proactively address potential sources of risk to help prevent issues. We work diligently to mitigate risk in order to continually earn the trust and confidence of our customers, vendors and shareholders. Ultimately, our sense of responsibility helps ensure a better experience for our customers. You can review our Corporate Governance Guidelines, Code of Ethics and Governance Committees' charters on our website.

Customer Complaint Oversight

Customer complaints are a valuable source of feedback for our business practices. Complaints from across the bank

are collected and reviewed by a cross-functional team. The information helps us identify areas we can improve to prevent similar issues from negatively affecting the customer experience.

Anonymous Reporting

If a Commerce employee observes unethical, illegal or unsafe behavior, they can report it through a secure, anonymous 24-hour phone line maintained by a third-party vendor. It is important to us that employees feel safe should they need to report behavior that does not comply with our ethics standards.

Enterprise Risk Management

Our Risk Management policy helps guide our business decisions while maintaining appropriate risk appetite and tolerance. Strategic objectives across the bank must reflect and align with our established risk management framework.





Committed to security.

Customer Education

We believe customers are a first line of defense against security risks. Customers are educated on security concerns so that they are better able to identify and avoid fraud and identity theft. They are encouraged to report phishing or other fraud concerns to the bank.

Protecting Customers' Privacy

The security of our customers' information is a top priority. We continually improve our security policies, standards, reviews and testing to help ensure customers' personal information and accounts are protected.

Defense Against Fraud

Today, security threats are ever-increasing in number and sophistication. Getting ahead of emerging fraud schemes is a priority for us. We regularly evaluate, adjust and implement our technologies and programs to ensure the highest level of security possible. As a result, we continue to receive satisfactory reviews and compliance assessments by bank regulators.





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