



2023 | **Focusing on what matters most.**
CORPORATE RESPONSIBILITY REPORT

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Letter from our CEO

Over the past year, Commerce demonstrated resilience and strength, staying true to the values and culture we've built over nearly 160 years. We have a long history of being there for our customers and communities in both good and challenging times, and are committed to cultivating an engaged team. At Commerce, we strive to create a positive impact within our company and throughout our communities, guided by our purpose: to help others focus on what matters most.

Together, we have sharpened our focus in important areas, channeling our resources effectively and leveraging our strengths for the most significant impact. I am proud to share our latest Corporate Responsibility Report, which showcases these efforts and our dedication to building a solid future for all of our stakeholders.

This report features our contributions across key areas including community support, customer service innovation, team member engagement, robust governance, environmental sustainability and inclusion. In 2023, we made significant strides in the following areas:

- We deepened our roots in the **communities** we serve, leading and supporting initiatives that address pressing needs and reinforced our commitment to building strong communities.
- We advanced our digital offerings, ensuring our **customers** have the tools and resources they need to manage their finances and reach their goals with greater confidence and ease.
- We further invested in fostering a supportive and dynamic work environment for our **team members**, one where everyone feels valued and empowered to contribute their best.

- We continue to strengthen our **governance** policies and programs to ensure our actions and decisions align with our hard-earned reputation as a trusted company, underscoring our commitment to ethical practices and transparency.
- From innovative projects like our temporary shipping container branch to our ongoing green initiatives, we've taken decisive steps to lessen our **environmental** impact, promote sustainability and preserve our resources.
- **Inclusion at Commerce** focused on embracing diverse perspectives and fostering an inclusive culture across all aspects of our business, including our communities, customers, team members and suppliers.

These efforts reflect the positive impact we've made and serve as a reminder of the work still to be done. Looking ahead, we will continue to seek opportunities to make a difference in our communities, and to shape a brighter, more sustainable future.



John Kemper
President and Chief Executive Officer
Commerce Bancshares, Inc.

About this Report

It's important to us that we follow through on our corporate responsibility (CR) commitments to generate meaningful impact. Each year we conduct a review of our efforts. We then leverage best practices to publish a report about the results and progress of our initiatives. The 2023 Corporate Responsibility Report, Focusing on What Matters Most, builds upon the Commerce Bancshares' 2023 Annual Report to shareholders. The report assesses the results of our efforts in several key areas: community, customer and team member engagement; corporate governance; environmental sustainability; and creating an inclusive experience. It captures specific progress we've made in the past year as well as data and metrics to help quantify the value of our CR initiatives. All data in this report is as of December 31, 2023, unless otherwise noted.

Navigating challenges together

About Us

At Commerce, we recognize that the journey to life's most rewarding moments often includes financial hurdles. Our purpose is clear: to deeply understand the financial challenges our customers face and embrace these challenges as if they were our own. For nearly 160 years, in times of calm and crisis alike, we have stood by individuals, businesses, and communities, offering innovative solutions and support to help navigate their financial landscapes successfully. Through a combination of personal service and cutting-edge innovations, we are ensuring our customers have the flexibility to bank on their terms. Ultimately, we are helping each other to become more resilient and adaptable to thrive in every circumstance.

CONSUMER BANKING

Commerce Bank's consumer banking segment serves more than 810,000 households with 141 branches and 272 ATM locations in its retail network, along with online and mobile banking. The bank's consumer services include checking, savings, installment loans, personal mortgages, and debit and credit cards.

COMMERCIAL BANKING

Commerce Bank serves more than 12,500 customers nationally through its commercial banking and payments solutions. The bank's commercial services include corporate lending, merchant and commercial card products, payments and treasury solutions, leasing and international services, as well as business and government deposit, investment and cash management.

WEALTH MANAGEMENT

Commerce Bank provides investment management, financial planning, trust and private banking services to individuals and institutions through Commerce Trust, a division of Commerce Bank, in addition to Commerce Family Office, an operating unit of Commerce Trust. Commerce also offers investments and insurance through Commerce Financial Advisors, a division of Commerce Trust. Securities and advisory services from Commerce Financial Advisors are offered through LPL Financial (LPL), a registered investment advisor and broker-dealer (member FINRA/SIPC).

Corporate overview

Commerce Bancshares, Inc. (NASDAQ: CBSH) is a regional bank holding company offering a full line of banking loan and deposit services, including payments solutions, investment management and securities brokerage. Commerce Bank is a subsidiary of Commerce Bancshares, Inc., and leverages nearly 160 years of proven strength and experience to help individuals and businesses solve financial challenges. In addition to offering payments solutions across the U.S., Commerce Bank currently operates banking facilities across the Midwest, including the St. Louis and Kansas City metropolitan areas, Springfield, Central Missouri, Central Illinois, Wichita, Tulsa, Oklahoma City and Denver. It also maintains commercial offices in Dallas, Houston, Cincinnati, Nashville, Des Moines, Indianapolis and Grand Rapids and wealth offices in Dallas, Houston and Naples. Commerce delivers high-touch service and sophisticated financial solutions at regional branches, commercial and wealth offices and through innovative digital solutions.

\$31.7
BILLION

Total Assets

Ranked **41st**
Among U.S. Banks¹

\$7.0
BILLION

Market
Capitalization

Ranked **19th**
Among U.S. Banks¹

17.9%

Return on Average
Common Equity YTD

Ranked **7th**
Among U.S. Banks²

\$41.2
BILLION

Trust Assets
Under Management

Ranked **20th**
Among U.S. Banks¹

Sources: S&P Global Market Intelligence, and company reports and filings as of December 31, 2023

1. Regulated U.S. depositories, which includes commercial banks, bank holding companies and credit unions, as of September 30, 2023

2. Based on the top 50 publicly traded U.S. banks by total assets, as of September 30, 2023

\$25.4
BILLION

Total Deposits

\$17.2
BILLION

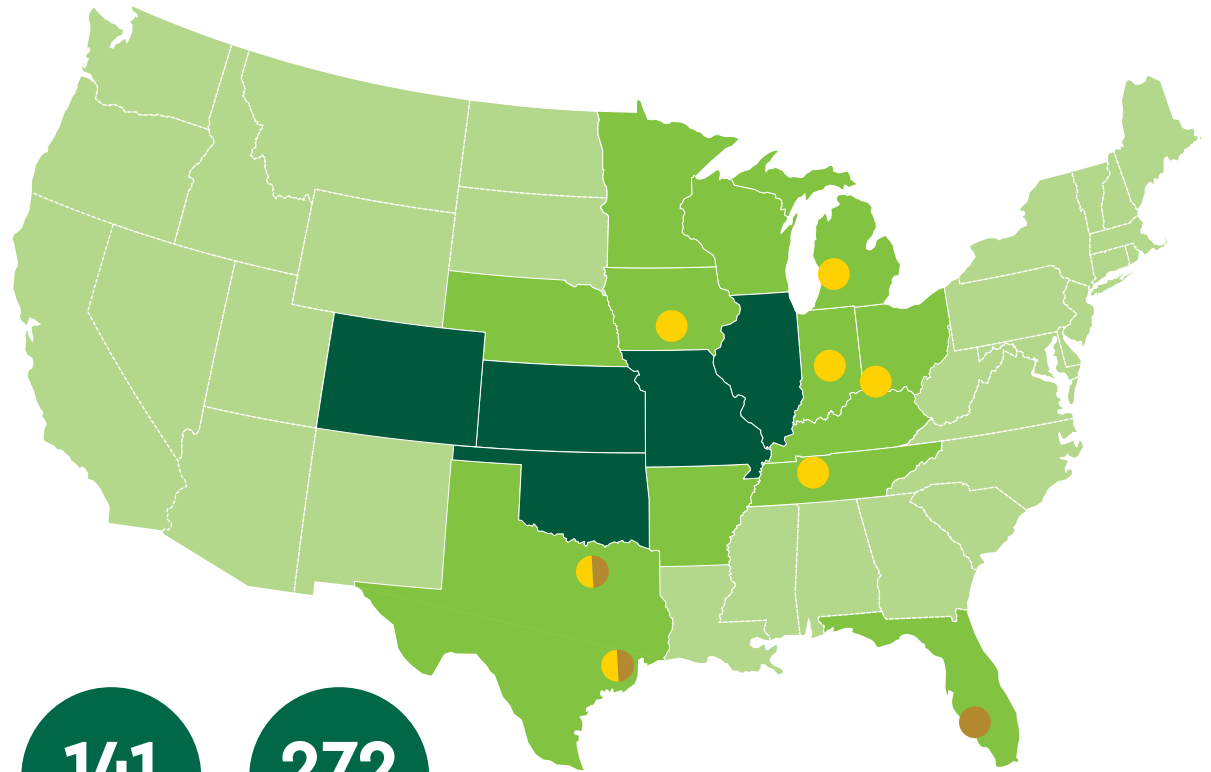
Total Loans

a2

Baseline Credit Assessment²

4,718

Full-Time Equivalent Employees



141
BRANCHES

272
ATMs

Core Banking Footprint

■ COMMERCIAL, CONSUMER, WEALTH MANAGEMENT

St. Louis • Kansas City • Springfield
Central Missouri • Central Illinois
Wichita • Tulsa • Oklahoma City
Denver

● COMMERCIAL OFFICES

Cincinnati • Nashville • Dallas
Des Moines • Indianapolis
Grand Rapids • Houston¹

● WEALTH MANAGEMENT OFFICES

Dallas • Houston¹ • Naples¹

U.S. PRESENCE

■ Extended Market Area

■ Commercial Payments Services
Offered in 48 states across the U.S.

1. Locations outside the core banking footprint that accept deposits

2. Commerce is two ratings above the U.S. banking industry median rating of baa1, "Moody's Sector Profile: Banks," November 30, 2023

How we do business

Mission Statement

We take the time to understand our customers' financial challenges and accept them as our own. We do this by getting to know our customers and providing sophisticated advice along with capital and industry-leading solutions personalized for them.

Purpose

We help our customers focus on what matters most. Nearly 160 years of working with our customers has taught us that life is complex, and the best moments in life come with financial challenges. We help our customers plan for the big stuff as well as handle life's surprises — so they can get back to what matters most. Challenge Accepted.®

Our Values

- **Take a long-term view:** At Commerce, we look beyond short-term gain and invest in our people, products and technology for the long-term.
- **We collaborate as one team:** We celebrate our colleagues' diverse talents and perspectives and use them to make us stronger.
- **We act with integrity:** We are committed to doing what's right, not just what's most profitable. We adhere to high standards of governance and ethics.
- **We are customer-focused:** We build long-term, valuable relationships with our customers.
- **We strive for excellence:** We continuously measure and improve our performance.

OUR PROMISE TO OUR STAKEHOLDERS

We're a bank you can trust to do the right thing for our customers, our team members, our shareholders and the communities we serve.



Customers

We will invest the time to understand your needs, aspirations and challenges. With our knowledge and experience, we will offer personalized solutions, fresh ideas and innovative technology.



Team Members

We will remain true to our core values as we foster a culture our team will be proud of, and a workplace where teammates can be their authentic selves. We will invest in our team, and the communities where they live.



Shareholders

We will take a long-term view to build a socially responsible franchise that will deliver superior risk-adjusted returns throughout the economic cycle.

Our commitment to our stakeholders

At Commerce, 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. As a socially responsible corporate citizen, we continuously seek opportunities to make a difference. We're committed to furthering initiatives that serve our customers, strengthen our communities, and support a healthy environment. Our work in these areas is guided by our mission, our purpose and our values.

Stakeholder engagement

We maintain an array of channels to continuously engage our stakeholders, including our customers, team members, community members and investors. We believe it is important to continually gather their feedback, which helps inform our business practices and approach to key issues related to our business, industry and communities.

Helpful links:

- [Annual Report](#)
- [Proxy](#)
- [Corporate Responsibility](#)
- [CRA Public Evaluation](#)
- [Culture at Commerce](#)
- [Corporate Governance](#)
- [Code of Ethics](#)
- [Security Overview](#)
- [Privacy Statement](#)

For more information, visit the About Us page on commercebank.com.

2023 Awards and recognition



Forbes World's Best Banks

5 consecutive years



Forbes America's Best Banks in Each State

Missouri



Forbes America's Best Midsize Employers

6 consecutive years



Newsweek's America's Greatest Workplaces for Parents and Families List

2023



Newsweek's America's Greatest Workplaces List

2023



Community Reinvestment Act Outstanding Rating

28 consecutive years



U.S. News & World Report's Best Companies to Work For in the Banks Industry

2023-2024 List

2023 Highlights



\$1.9 million in philanthropic investment

by Commerce Bancshares Foundation



520 nonprofit organizations

supported by Commerce team members serving in leadership roles



550+ metric tons

of paper shredded and recycled



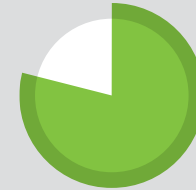
89% Customer Relationship Score



100% Team Members

completed required Code of Ethics Training in 2023

TEAM MEMBER SURVEY RESULTS



81% Engagement



79% Enablement



84% Sense of Belonging



BUILDING STRONG COMMUNITIES



Making a positive impact for all

We are dedicated to driving positive change and contributing meaningfully to the neighborhoods and communities where we live and work, in both prosperous and challenging times.

For us, it's more than just a responsibility — it's a heartfelt commitment to ensure our customers, neighbors and teammates thrive and prosper over time. Even through the challenges that have touched us all recently, we've found ways to deepen bonds and ignite new friendships, collaborating with those around us. During the past year, our team members have poured their time, passion and skills into our communities. Their efforts included volunteering for charitable organizations and helping others to improve their financial skills. Through philanthropic efforts, we're supporting causes and organizations that create a lasting impact. Leading with compassion, we are working together to be a force for good in the places we call home.

Shaping a better future with philanthropy

Each year, we welcome the chance to elevate and improve our hometowns by reimagining what's possible through philanthropic and service activities. Across our markets, we work directly with local leaders, tailoring our support to meet the specific needs of our neighbors. Our contributions are diverse, ranging from sponsoring local events to providing grants through the Commerce Bancshares Foundation, along with offering in-kind donations.

We couldn't do the work we do without the collaboration of our partners. Through them, we learn more about the challenges facing local businesses and communities. Together we are finding new ways to lift those who need assistance through donations, education or volunteering our time. When we share resources, tools and our collective knowledge, we are helping others to remain resilient in an ever-changing world.

In 2023, the Commerce Bancshares Foundation contributed \$1,914,453 through 669 grant payments to our community nonprofit partners.

Philanthropic investment by Commerce Bancshares Foundation

2022
710 PAYMENTS

**\$1,889,813 in
grant payments**

2023
669 PAYMENTS

**\$1,914,453 in
grant payments**

While the Commerce Bancshares Foundation makes its impact through philanthropic donations, Commerce is constantly innovating and creating additional opportunities to further demonstrate our dedication to the people and organizations we serve.



Here are some organizations the Commerce Bancshares Foundation supported in 2023:

- **FosterAdopt Connect** is known for its impactful work in supporting foster families and children who have been neglected or abused. For more than 20 years, their dedicated team of foster care professionals has worked to support children and families navigating the child welfare system in Missouri and Kansas. Last year, Commerce donated to support the organization's mission in both Kansas City and Cape Girardeau.
 - **Ronald McDonald House Charities of Mid-Missouri** provides a supportive home away from home for families with sick or injured children receiving medical care. Commerce has supported the organization's goal to ensure families can stay close to their children during hospital stays, promoting better health outcomes and providing a sense of normalcy during medical crises.
 - **Lifelong Access** supports individuals with developmental disabilities and their families, offering a wide range of services aimed at promoting personal growth, independence and inclusion within the community. The organization is committed to creating opportunities for personal achievement and fostering an inclusive community where all members are valued and respected.
 - **Care Beyond the Boulevard** provides medical care and support to unhoused and underserved populations in Kansas City. Often overlooked by the traditional healthcare system, these individuals receive direct access to quality medical services, allowing them to walk into Care Beyond the Boulevard locations and receive the care they need.
- Commerce partnered with Care Beyond the Boulevard's Downtown Service Center location to help purchase the necessary equipment for oral surgery. This support allowed a volunteer oral surgeon to provide advanced dental services, which the organization previously couldn't offer due to a lack of equipment. Commerce's support aligns with the Downtown Service Center's mission to provide various homeless services in one location. In addition to offering healthcare, the Center also operates a "free restaurant" that serves sit-down lunches and dinners to-go.
- **Lebanon Missouri Main Street** is a community-driven initiative aimed at revitalizing and promoting the downtown area of Lebanon, Missouri. As part of the Main Street America program, it focuses on revitalizing older and historic commercial districts to foster vibrant economic communities. Commerce's grants will help support business development and boost economic activity for local business owners.
 - **Investing in the power of learning**, we fund multiple programs throughout our footprint that provide opportunities for higher education. Below are just a few examples of how we support higher education in our markets:
 - **Garden City Community College** received funding for its Presidential Endowed Scholarship.
 - **Fort Hays State University** received support for multiple scholarship awards and funding for teacher awards throughout the year.
 - **Kansas State University** received support for the university's Diversity Awards.

- **Joplin Regional Medical School Alliance** serves rural communities and recently completed an expansion of its medical and dental school with a multi-year capital campaign.

Community Reinvestment Act

Through our ongoing dedication to the Community Reinvestment Act (CRA), we are committed to meeting the credit needs of all our customers, including those that reside in low- and moderate-income (LMI) neighborhoods and small businesses. By investing in affordable housing, community services, neighborhood revitalization and economic development, we are helping to build thriving and sustainable communities. For 28 years, Commerce has achieved an Outstanding CRA rating, reflecting our unwavering commitment to community development. Community development efforts boost customer loyalty, employee morale and brand recognition. Ultimately, we regard community reinvestment as a critical component of our corporate social responsibility and a strategic approach to business, benefitting both our company and the community.

Paving the way to homeownership

Owning a home is widely regarded as a cornerstone of the American dream, symbolizing financial stability and achievement, and for most American families is the primary driver of personal wealth. However, for many people, owning a home remains elusive. We are dedicated to creating pathways for homeownership in underserved communities, making a meaningful difference in tackling the housing crisis that significantly impacts marginalized communities.

Expanding access to homeownership with Neighborhood Connection®

Our Neighborhood Connection® mortgage loan products provide affordable financing options for borrowers in LMI census tracts in Kansas City, St. Louis, Wichita, Houston and most recently Denver. In 2023, Commerce expanded the loan program to include Denver, furthering its commitment to providing affordable home financing in underserved geographies. The program's offerings, including the Neighborhood Connection® Budget Booster® loan, are designed to empower individuals in purchasing homes as well as with debt consolidation, credit improvement, home improvement financing, and support in maintaining inherited homes. Key to the program's success are the Commerce Community Home Loan Originators, who offer personalized guidance through the loan process, contributing to a customer satisfaction rating of 91% in 2023.



COMMUNITY REINVESTMENT



HOME MORTGAGE LENDING

\$200.7 million loans to LMI borrowers, LMI geographies, minority borrowers and/or majority-minority geographies



SMALL BUSINESS LENDING

\$177.0 million lending to small businesses with revenues less than \$1 million



COMMUNITY DEVELOPMENT LENDING

\$1.3 billion in community development lending (CDL), supporting affordable housing development and small business growth and lending to nonprofits that support LMI communities

Commerce also introduced a dedicated servicing representative to act as the main contact for Neighborhood Connection® borrowers, ensuring borrowers have accessible, reliable assistance for any payment- or service-related inquiries. Over the last four years, the Neighborhood Connection® initiative has successfully funded 960 loans, including 692 first-time homebuyers in LMI neighborhoods and offering \$1.8 million in financial assistance through grants.

THE IMPACT OF NEIGHBORHOOD CONNECTION LOANS



First-time homebuyers:	692
Loans originated:	\$113.5 million
Grants:	\$1.8 million

Expanding affordable housing through investments

For over three decades, Commerce has proudly invested in equity funds supporting the development of affordable housing across the Midwest, including significant contributions to initiatives in both Kansas City and St. Louis. These funds are dedicated to leveraging corporate investment and maximizing tax incentives to create LMI housing solutions, allowing greater access to affordable neighborhoods across the Midwest. Our goal is to provide affordable housing in communities through effective public-private collaboration and exceptional asset management.

Team members' volunteer initiatives lift up others

Commerce team members understand that true community engagement means being actively involved with the people and organizations we serve. In 2023, team members in Kansas City and St. Louis addressed the needs of our communities through a series of volunteer activities and community programs. The intent of these efforts is to educate individuals and organizations on how to maximize opportunities for growth and success.

Our team took part in a quarterly education and networking series aimed at the nonprofit community, sharing insights from a best practices survey with St. Louis nonprofit organizations. This survey highlighted the current opportunities and challenges facing nonprofit organizations, encouraging a dialogue on how to navigate these trends.

Our team is actively working toward making a tangible difference in the communities we serve.

Agility in education through innovative collaboration

In a world where adaptability and speed are key, the principle of agility is essential not just in banking but also in educational initiatives. This concept of being swift and adaptable was brought to life in a unique collaboration aimed at enhancing the University of Missouri-Kansas City's (UMKC) approach to integrating digital methods into humanities research.

The Agile approach, known for its ability to deliver value quickly, adapt to change and foster continuous collaboration, is applied every day by Commerce team members. It's an essential component of best practices when developing and implementing programs for banking customers.

As part of its commitment to community and educational development, Commerce team members introduced Agile principles to a UMKC working group. This group was developing a program to equip students with the skills to share stories and histories in compelling ways.



Commerce team members moderated training sessions with a team of UMKC faculty and staff using Agile principles. It soon became the cornerstone of their efforts, dramatically impacting the way the team works with each other.

The collaboration led to a breakthrough as Agile training equipped the UMKC team with strategies for more efficient alignment, collaboration and execution to realize their vision. The innovative thinking by team members exemplifies how Commerce's investment in education and community initiatives helps to build a stronger, more connected society.

Commerce believes its role in advancing innovation and community engagement goes beyond traditional banking services. Commerce team members serve on advisory boards for various UMKC entities, and our IT team partners with computer science classes to provide real-world learning opportunities. Additionally, we developed a customized Bloch School leadership program for our executives as well as provided funding for several other programs. In honor of our long-standing relationship, UMKC awarded Commerce the UMKC Trustees' annual Community Partnership Award in 2023.

Stepping forward and making a difference in our community

For us, volunteering is about consistently stepping forward as committed participants in our communities. The Commerce team is always on the lookout for dynamic ways to uplift our neighborhoods. Every year, we encourage our team members to make the most of their paid Volunteer Day Off by choosing to help a local charity that matters to them. Additionally, many Commerce leaders champion community causes by serving on the boards of nonprofit organizations.



Hands-on helping: team members in action

Over the past year, Commerce team members have exemplified our commitment to community engagement through impactful volunteer efforts:

- In the Southwest Region of Commerce's banking footprint, volunteer opportunities with the United Way of the Plains, The Salvation Army, and the Kansas Humane Society in the Kansas Community Market highlight our wide-ranging involvement in the region.
- Similarly, in the Central Missouri and Illinois Regions, our teams have actively collaborated with the Central MO Humane Society and The Food Bank for Central & Northeast Missouri, among others, to deliver on our promise of making a significant difference.



- Our team members in Kansas City and St. Louis have engaged directly with local organizations to dedicate their time and skills to community service and helping those in need, from serving meals at a Ronald McDonald House to assisting at the APA Adoption Center.

These volunteer activities not only strengthen our ties with the communities we serve, but also reflect our commitment to compassion, teamwork and social responsibility.

**Finding purpose in service:
Minnie's Food Pantry**

A group of Commerce team members embraced the holiday spirit of giving and volunteered at Minnie's Food Pantry in Plano, Texas, at the end of 2023. Minnie's Food Pantry not only works to alleviate immediate hunger, but also offers long-term solutions for food security, emphasizing the availability of fresh fruits and vegetables to low-income families.

Minnie's Food Pantry is part of a unique program where families can earn vouchers to shop by engaging in empowerment classes on various topics including budgeting, financial literacy, health and wellness, job skills training and more. During their visit, the Commerce team worked in the warehouse, sorting and pricing items for a boutique designed to resemble a typical small store.

Over the years, the pantry has expanded significantly to a 28,000-square-foot facility with four locations across three states, providing over 15 million healthy meals to families in need.

**Connecting for a cause:
Commerce Volunteer Fairs**

The Commerce Volunteer Fairs in Kansas City and St. Louis are Commerce's way of connecting staff with local nonprofits that need help. This yearly event provides a range of volunteer opportunities for team members, from one-off projects to regular commitments, making it easy for teams to get involved together.

In Kansas City, team members met with many organizations, including Junior Achievement of Greater Kansas City, Children's Mercy and Rose Brooks. The Volunteer Fair not only serves as a bridge connecting our team members with meaningful volunteer work, but also incorporates a charitable collection drive. To incentivize donations, attendees entered a raffle by bringing needed items.

In the St. Louis area, Commerce's volunteer fair brought together team members and numerous nonprofit organizations. This initiative provided a platform for team members to connect with causes they are passionate about, ranging from environmental conservation with Forest Releaf to supporting international communities through the International Institute of St. Louis.

Through the Volunteer Fairs, Commerce helps build stronger community ties and encourages its team members to contribute in meaningful ways.



Inspiring the next generation of leaders

Year after year, Commerce collaborates with the KC STEM Alliance to bridge the gender gap in STEM fields. This is achieved through meaningful events like the Girls in Tech Hour of Code. Each year, we welcome approximately 100 middle and high school girls from local schools, offering them a day of empowerment and learning. The event begins with breakfast, followed by insights from one of our leading female directors. A panelist discussion with our female technical staff provides the attendees with real-world perspectives on tech careers, followed by an engaging hour of coding.

We also support the Innovator Awards, a competition celebrating the exceptional creativity, market potential and passion of students' ideas. With the help of mentors from the business community and local entrepreneurs, the top 10 innovators are identified in a competition judged by the KC STEM Alliance partner, Startland Education. The winners are announced in a vibrant showcase featuring a roving drum line by the Startland team and sponsored by Commerce. Through these initiatives, our hope is to inspire future generations to discover and pursue their interests and abilities in STEM.

Additionally, Commerce partners with Junior Achievement (JA) to teach financial education in schools. JA plays a pivotal role in providing financial education to students from kindergarten to high school. Their programs are designed to prepare youth for employment and entrepreneurship by building essential skills. JA's initiatives include hands-on activities that introduce students to personal finance, career exploration and development of business ideas. Our commitment to fostering financial education among youth aligns with JA's mission to inspire and prepare them for successful financial futures.

KEEPING OUR COMMUNITY WARM, ONE HAT AT A TIME

Commerce team members came together last winter and collected new hats, gloves, scarves and socks for the Veterans Community Project.

In addition to warm outerwear, blankets were collected and donated to a local pet shelter.



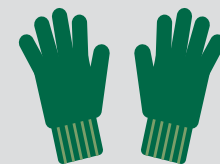
196
hats



234
socks



127
scarves



335
gloves

Honoring our veterans with coins

In a heartfelt effort to strengthen our connection to the communities we serve, Commerce team members distributed military challenge coins at bank branches around Veterans Day. The effort recognized and honored our team members and customers who have served in the military.

Challenge coins are symbolic tokens that represent camaraderie, achievement and membership within the military community, serving as a gesture of appreciation for veterans' service and sacrifice. In addition to the presentation of challenge coins, Commerce conducted financial education sessions for veterans in several markets, including Kansas City and St. Louis.

Additionally, the Commerce Bancshares Foundation donated \$10,000 to the Veterans Community Project (VCP). This nonprofit organization, founded by combat veterans, is on a mission to end veteran homelessness. With its innovative tiny house village, VCP provides on-site, needs-based services designed to assist veterans in regaining their independence and laying the groundwork for a stable, promising future.

Through this effort, Commerce proudly gives back to those who have given so much for our country.





Supporting our four-legged friends

Commerce's third annual #DriveUpPups promotion once again captured the hearts of customers and their furry friends, turning a simple visit to the bank into an opportunity for community support and social media fun.

From July through September, the campaign invited dog owners to swing by their local Commerce Bank drive-thru, treat their pups, snap a photo and share it online, turning these adorable moments into a force for good. With every photo tagged #DriveUpPups and @CommerceBank, Commerce pledged \$10 to animal welfare organizations. At the end of the campaign, the bank donated \$10,000 across nine local nonprofits.

The campaign continued its collaboration with Bar K, a dog-centric bar, restaurant and park, offering special events in Kansas City and St. Louis where pet owners could have a professional photo taken with their dogs.

The response to the 2023 campaign was overwhelming, with over 12,200 social media engagements and a reach of more than 365,000 people.

In 2023, our effort expanded its paw print, benefiting nine charities, including four new shelters joining the #DriveUpPups family. Organizations who received donations include Central Missouri Humane Society, Kansas Humane Society, Humane Society of Southwest Missouri, KC Pet Project, Southeast Missouri Pets, Tulsa SPCA, Friends of the Animal Shelter of St. Joseph, Northeast Missouri Humane Society and Tower Grove Park in St. Louis.

The mission of Commerce's #DriveUpPups is to give back to its communities, but the campaign also reflects the personal connections formed between Commerce team members and their four-legged customers.



Driving change through community engagement

At the heart of our approach is the understanding that relationships drive our success, especially when it comes to working with the communities we serve. In 2024, we plan to build on the great work our team members and community partners have already done. Strengthening connections with the community is key to building trust, working well together, and reaching our shared goals. We believe in finding practical ways to work together and to create strong links in our communities to effect real change.



SUPPORTING OUR CUSTOMERS

Innovating the path to financial well-being

No matter the economic climate, our mission is to be there for our customers, helping them navigate through any financial challenges. At the heart of what we do is listening closely to our customers' needs, making sure we're always within reach for them and delivering the right mix of products, advice and insights to secure their long-term success. It's all about building strong, supportive relationships and truly understanding what our customers need to succeed. This approach has deeply resonated with our customers, as shown by our steady customer relationship score of 89% as of December 2023.

4.7
★★★★★
Rating on
iOS Platform

4.6
★★★★★
Rating on
Google Play
Store

89%
Customer
Relationship
Score

Protecting your personal financial information

At Commerce, we take the security of our customers' account and personal information very seriously. We continue to invest in improving and evolving security tools that help protect personal banking information.

Commerce takes measures to help ensure that customer information is protected. We guard against unauthorized access to customer information, and we are committed to taking the appropriate action to protect against fraud.

As a general business practice, we do not ask for sensitive personal information by unsolicited email, unsolicited phone calls or text messages.

Learn more about the security practices we follow to protect your information on our [Security Center](#) at [commercebank.com](#).

Elevating the online banking experience

Improving our digital banking experience enables our customers to easily manage everything from daily transactions to complex financial planning, whether they're at home or on the move. Throughout 2023, we continued to invest in our digital platforms, with 23 releases updating online and mobile banking applications to deliver new and improved features and functionality. Customers reap significant benefits from these improvements in terms of convenience, efficiency and security.

We improved our digital capabilities and added new self-service capabilities, including external account-to-account transfers and the ability for credit card customers to easily view credit scores. Through Zelle, Commerce customers now have access to a fast, convenient and easy way to send and receive money with people and small businesses using only their email address or U.S. mobile phone number.



In 2023, we focused on customer feedback to guide and prioritize online banking improvements. A notable enhancement — ranking as one of the top 10 features asked for by our customers — was the ability to update one's primary and account addresses within the Commerce's Bank Mobile App's contact information page.

These improvements resulted in a more seamless, user-centric banking experience, catering to the evolving needs and expectations of today's digital-savvy customers.

Saving made simple with My Savings Accelerator

In today's economic landscape, where saving for an emergency remains a widespread challenge, Commerce has stepped forward with My Savings Accelerator. This innovative initiative addresses the critical need for tools that help individuals set aside funds effortlessly and achieve their financial goals with confidence. Studies reveal that a significant portion of the population struggles to save even \$500 for unforeseen expenses, a concern that My Savings Accelerator can help address directly.

My Savings Accelerator offers two key features — Round Up and SmartSave — to help transform everyday banking transactions into opportunities for savings. The Round Up feature encourages incremental saving by rounding up debit card purchases to the nearest dollar and depositing the difference in the customer's savings account. Meanwhile, SmartSave leverages predictive technology to analyze spending patterns, identifying surplus funds that can be automatically transferred to savings, all while incorporating safeguards to maintain financial stability.

Through these automated saving solutions, Commerce makes saving a seamless part of daily transactions while offering customers flexibility in managing their finances.

Creating meaningful connections with customers

In recent years, the demand for mobile banking apps has surged significantly as customers increasingly seek more convenient and efficient ways to manage their finances. In 2023, we expanded the Commerce Bank CONNECT® app experience to provide our customers a way to make personal connections with our bankers anytime and anywhere through their smartphone. Customers leverage this innovative service to engage with their banker of choice, who can provide education on new solutions, help with problem resolution, and guide them toward their financial goals.

As with any of our services, customer feedback helps us provide an overall improved customer experience with the Commerce Bank CONNECT® app.



With the CONNECT app, I have a personal banker at my fingertips ready to help and assist.



The CONNECT service is a great addition to the Commerce Bank experience!

Improving financial flexibility for customers

At Commerce, we understand the struggles that our customers sometimes face when managing their finances. To better serve them during life's unpredictable moments, we provide customers with a grace period for overdrafts. This gives customers additional time to manage their accounts and rectify any potential overdraft situations.

Supporting financial health in the workplace

Commerce's Workplace Banking program marks a significant advance in financial wellness, demonstrating how companies can enhance their employees' financial health. The program goes beyond traditional banking and focuses on financial education, providing employees with tailored resources and tools for managing their finances effectively.

At the heart of Workplace Banking are the financial resources, education and advice extended to employees. One of those resources is My Milestones by Commerce™, a platform offering employees a personalized and engaging way to access financial education. The platform is customized to align with the branding of participating organizations. This thoughtful design promotes trust and engagement among employees, motivating them to improve their financial knowledge.

Workplace Banking focuses on providing a broad range of financial education, covering everything from simple budgeting to complex estate planning. This approach emphasizes the importance of knowledge, planning and connection with relevant solutions to solve customers' needs. It's another example of Commerce's dedication to the financial wellness of individuals.

“

My Milestones makes planning for life and finances less scary.

“

Loved the life stories that explained what needs to be done and why!

The effectiveness of Workplace Banking is also evident in the enthusiastic feedback from participants. Success stories and testimonials highlight the program's impact on enhancing financial education and wellness.

As Workplace Banking continues to grow, it has the potential to reshape employee benefits. Each relationship built and every employee who benefits from financial education contributes to a wider culture of smart financial choices and well-being. We are not only helping businesses offer valuable resources to their teams, but also promoting financial education within our communities.

Deepening customer connections with a consultative approach

Our role as a trusted advisor is central to all our relationships, building strong connections that benefit everyone involved. It enables open communication and effective collaboration and ensures we work together to achieve mutual goals — all while navigating financial challenges and opportunities with confidence.

At Commerce, we implement a consultative, customer-centric approach, addressing every area of a customer's business to provide the most comprehensive support for overall financial health. By understanding the unique challenges and opportunities in each segment of their business, we can provide tailored advice and solutions, contributing to a customer's long-term success.

As business needs shift or as we innovate and introduce new solutions, we're always ready to engage in additional discussions. Our analysis and discovery processes are not a one-off conversation; rather, they are the beginning of a continuous dialogue.



Whether we're consulting with a new customer or a potential one, we try to understand their business from the inside out. This tailored approach establishes opportunities for our customers to create efficiencies, reduce operational costs and mitigate fraud. By taking the time to analyze and appreciate the intricacies of a customer's business, we are better positioned to offer valuable insights and solutions that will help drive success for their business.

Innovating payments solutions with PreferPay®

There are moments when individuals may urgently need access to funds. More than five years ago, we worked with our business customers to develop a program to increase the convenience and speed of payments to customers with and without bank accounts. PreferPay® allows our business customers to quickly distribute funds to their customers in as little as 30 minutes. Recipients with bank

accounts can choose whether their payment will be sent to their debit card or a deposit account, or by check. For those customers without bank accounts, PreferPay® can quickly route electronic payments to a prepaid debit card.

Building on this foundation, we've significantly extended the capabilities of PreferPay® to serve a wide range of industries. Today, PreferPay® remains a versatile solution for business-to-consumer (or employee) payments, streamlining transactions in sectors like insurance, healthcare, government, property management and retail.

Many customers have shared stories of how PreferPay® has simplified their B2C payments process. By automating the life cycle management of their payments, quicker funding is delivered, and operational costs are reduced, both of which enhance client satisfaction — a necessity in today's competitive environment. To learn more, visit our [website](#).



Learn how our commercial products help our customers:

[PreferPay®](#)

[Syndicate Loan](#)

[CommercePayments® AP Card](#)

[CommercePayments® Prepaid Expense Cards](#)

Streamlining business finances with new technology

In 2023, Commerce introduced an innovative integrated receivables product — a game-changing solution designed to bolster business health by streamlining cash flow. This set of tools represents a significant advancement, turning complex manual tasks into efficient, automated workflows. It comprehensively supports the order-to-cash cycle, including credit management, collections and payment processing.

At a time when business leaders face challenges like talent retention and rising security risks, the importance of efficient accounts receivable management is more important than ever. Recognizing this, our new product encourages businesses to take a closer look at their financial processes, including how they collaborate, enhance analytics and improve customer experiences. We believe this solution is more than just a financial tool; it's a step toward smarter, more resilient business practices that support growth and stability. To learn more, visit our [website](#).

Banking on your time with instant payments

During the past year, Commerce strengthened its commitment to providing cutting-edge payment solutions by participating in the RTP® network from The Clearing House. This innovative payment rail ensures that customers can receive instant payments at any time, increasing convenience and accessibility. With around 480 financial institutions now connected to the system, our involvement represents a significant step forward in our efforts to offer fast and efficient payment options to our customers.

Easing healthcare payment challenges with Paytient

The financial burden of healthcare often forces people to postpone necessary treatments, leading to worse health outcomes and higher costs down the line. Addressing this challenge, Commerce teamed up with Paytient to ease this burden.

Paytient offers a unique solution through a no-fee, no-interest Visa® credit card, allowing employees to pay for healthcare services up front and repay the amount over time via payroll deductions.

Commerce's banking experience has been instrumental in expanding Paytient's reach, allowing more consumers across the U.S. to benefit from flexible payment options. Through our ongoing collaboration with Paytient and others, we are innovatively addressing our customers' growing need for affordable healthcare solutions.



CUSTOMER FEEDBACK ON PAYTIENT

“

So simple and easy to use. Paytient has saved us from unexpected medical expenses.

“The ease of paying and picking a payment plan, and the communication around payments coming out are all amazing.”

“

Making payments through payroll deduction — so convenient!

“I love how there is no interest or fees and I can choose how many payments I want to make.”

Providing an option for clients investing in ESG

Many investors are focused on environmental, social and governance (ESG) priorities and reducing non-financial risks in their portfolios. Commerce Trust has built the capacity to design customized portfolios to support clients' values while maintaining competitive investment returns. Upon customer request, we can develop portfolios that address all three areas of ESG or focus on a client's specific areas of interest. To learn more, please visit [our website](#).

Driving future tech innovation with SixThirty Ventures

This past year, we've continued to strengthen our relationship with SixThirty Ventures, a St. Louis-based venture firm focused on supporting early-stage tech innovators. SixThirty's portfolio and pipeline span fintech, insurtech, digital health and cybersecurity, embracing startups from around the world.

As an investor in SixThirty, we are helping to drive innovation in the financial industry and support ventures that can solve emerging challenges for our customers. Commerce provides mentoring and innovative collaboration with SixThirty company leaders. Our efforts help these startups network with leading technology and financial services institutions.

Moving forward together

Though our customers may still face challenges in the coming year, we are dedicated to collaborating with them to overcome any financial hurdles. Throughout 2024, we will continue to enhance, innovate and broaden our digital features and financial services, ensuring our customers receive the most effective financial solutions tailored to their needs.



HELPING OUR TEAM MEMBERS GROW



Investing in our team

We're committed to empowering our team members by equipping them with the tools, resources and relationships they need to fulfill their personal and professional dreams. We strive to create a welcoming culture that emphasizes inclusiveness, engagement and overall growth, offering career development and community-building activities. In addition, we offer holistic support to our team members in the form of competitive benefits, career development opportunities, inclusion resources, robust training and more.

Forbes names Commerce one of the best midsize employers

In 2023, *Forbes* named Commerce one of America's Best Midsize Employers for the sixth year in a row. The award, based on feedback from a survey asking respondents to rate their employer and if they would recommend them to others, is a testament to our team's dedication and the impactful work we do together. We take this recognition seriously as we continue our focus on retaining top talent and helping our team members develop and grow in their careers with us. It's particularly meaningful as the feedback from our team members validates an environment where they feel valued, supported, and empowered to thrive.





By acknowledging the unique challenges parents face, we strive to provide the necessary support and opportunities for them to thrive in both their professional and personal lives.

Kim Jakovich, senior vice president and executive director of talent management

Commerce recognized for honoring family first

Commerce has carved out a distinguished place on *Newsweek's* inaugural list of America's Greatest Workplaces for Parents and Families, earning an impressive 5-star rating. This prestigious recognition comes from a comprehensive survey conducted by *Newsweek* and the data firm Plant-A Insights Group, which canvassed over 36,000 parents across the United States.

Drawing from a pool of 224,000 reviews, employees assessed their employers across eight critical categories: company image, corporate culture, working environment, work-life balance, training and career progression, compensation and benefits, sustainability awareness, and the management of a diverse workforce. Additionally, they evaluated the likelihood of recommending their company as a desirable place to work.

Team member benefits

At Commerce, the wellness of team members is a high priority, and our Total Rewards program

reflects our commitment to their overall well-being. The benefits provided through this program are designed to attract, motivate and retain the best and brightest talent in the industry.

Our Total Rewards strategy is focused on four main components: Physical Well-Being, Financial Well-Being, Emotional Well-Being and Career Development. We're committed to fully supporting the personal and professional growth of our team members. Recognizing the changing needs of our workforce, we took significant steps in 2023 to enhance our support system. This included doubling our parental leave policy from two weeks to four weeks.

We conduct a Total Rewards survey annually to gauge satisfaction with our offerings. This is an opportunity to understand what our team members are looking for and what matters most to them. In our 2023 survey, team members reported 80% satisfaction with our Total Rewards program.

The Total Rewards program is deeply rooted in Commerce's core values. We want all team members to live healthy, balanced lives, with careers that are meaningful to them as well as access to resources that can help make life outside of work more fulfilling.



PHYSICAL WELL BEING:

- Medical, dental and vision healthcare plans
- Critical illness, accident and hospital indemnity insurance
- Long term care insurance
- Paid medical leave
- On site flu shots
- Virtual support for diabetes management and musculoskeletal conditions
- Healthy Returns tools and programs for healthy living
- Family forming services



EMOTIONAL WELL BEING:

- Paid vacation, sick and personal time off
- Vacation purchase program
- Paid holidays
- Paid parental leave
- Paid volunteer time off
- Flexible work schedules and hybrid work options
- Employee Assistance Program
- Commerce in the Community volunteering initiatives
- Care@Work premium memberships



FINANCIAL WELL BEING:

- Base salary and incentives (based on eligibility)
- 401(k) including company match (Traditional and Roth)
- Retirement planning education resources
- Flexible spending accounts and health savings accounts
- Employee, supplemental and dependent life insurance
- Long term disability
- Family and medical leave
- Healthcare concierge services
- Identity theft protection
- Adoption assistance
- Financial education, tools and resources
- One Commerce team referral program
- Commerce Perks discounts on goods and services
- Commerce Bank services discounts
- Paytient health payment account



CAREER DEVELOPMENT:

- Education/tuition assistance
- Mentorship and job shadowing opportunities
- Leadership development programs
- Professional development resources
- Employee Resource Group opportunities
- Culture Champion Team opportunities
- Aspiring Managers program
- Managing at Commerce program

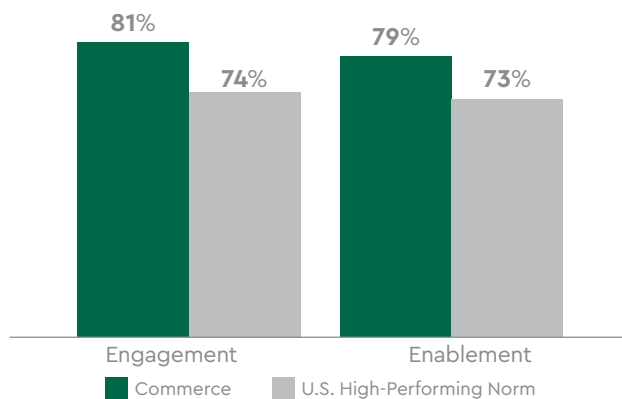
Engaging our team members

Commerce does not take its culture for granted. The work we do every day to build and maintain a strong culture is a source of pride. We understand Commerce thrives when our people do. With a solid foundation in place, we can focus on helping team members feel they belong at Commerce. We provide opportunities for people to grow and learn, connect with others, and build relationships with those around them.

We have an "always on" approach when it comes to feedback. Each year, we conduct a team member survey to gauge team members' sense of engagement, enablement and overall satisfaction with their employment at Commerce. According to Korn Ferry, our survey administrator, our engagement and enablement scores are above the high-performing company norm. Our consistently strong scores support our ongoing commitment of shaping a positive culture.

Effective Teams Are Engaged and Enabled

based on 2023 Team Member Survey by Korn Ferry



Building and sustaining our team: recruitment, development, promotion and retention

We are dedicated to ensuring our team members feel appreciated and inspired to learn and grow with us. Our programs are designed to help team members achieve their professional goals, create a strong network and advance their career.

ALIGNing around team members' goals

Our performance management process, ALIGN, assists team members in setting and prioritizing attainable goals for both team members and their managers.

Managers conduct monthly check-ins with team members, encouraging open communication and ensuring support toward accomplishing their performance goals.

Fostering growth and development at Commerce

With every program, we are intentional in providing resources tailored to each team member's current career stage and future goals. Whether new to the company, expanding their role or aiming for leadership, we want team members to feel empowered to advance their careers with us. We have established a robust framework for team members to explore:

- The **Ambassador Program** pairs new team members with an existing Commerce team member to help orient them to the company.
- **Job shadowing** allows team members to explore jobs they may like and expand their network by shadowing someone in that role.

- Through the **Mentoring Program**, team members connect with strong mentorship matches.
- **Managing at Commerce** helps new managers of all experience levels learn about Commerce's unique systems, processes, and practices for leading others. The self-paced onboarding course introduces the processes, tools and resources needed for success with managing their new team.

Here we grow.



In 2023, Commerce launched "Here we grow," an initiative showcasing the unique and enriching experiences of working at Commerce. Amy Haegele, senior manager of talent development, noted, "Our team members frequently express that their experience at Commerce far exceeds their initial perceptions of working at a bank. This campaign brought to life how our culture has supported team members in finding a place where they belong, as well as a path that has allowed them to grow both personally and professionally."

Authenticity is a key feature of this campaign, driven by team members who share their personal stories and insights. This approach showcases what makes Commerce a great place to work, highlights team pride, and emphasizes the many opportunities for career growth.

Investing in Future Managers

Aspiring Manager Program

441
attendees to date

- **Aspiring Managers** is a development program providing tools and skills for those who aspire to leadership roles. Based on Commerce's core leadership competencies, this five-month program introduces participants to management and supervisory concepts, such as focusing on self, AGILE thinking and managing results.
- The **Leadership Development Series** at Commerce helps managers and team leaders strengthen their leadership skills and grow their careers at Commerce.
- **Women in Leadership** is a 10-month program providing focused development for women at Commerce. The program combines the benefits of individual coaching with the networking and social support of a cohort. Group members participate in events with Commerce executives, develop a tailored individual development plan, receive coaching (along with their manager), and attend learning events. The program concludes with a capstone presentation to executive management highlighting each participant's strengths, goals and interests.



Commerce Corporate Blue Chips

Efforts designated as Corporate Blue Chips are enterprise-wide priorities that help us achieve our strategic goals. They are innovative efforts that go beyond business-as-usual and rank as the highest-priority initiatives for the company. Our Commerce Bancshares, Inc. (CBI) Blue Chips address a range of priorities — from foundationally improving how we run our business to fundamentally transforming our business through new products or services.

Enhancing our people leadership

We understand the expectations of our team members and leadership are ever-evolving. Commerce leaders are charged with navigating a continually changing business landscape while also leading culture, driving a positive team member experience, and leading their teams to growth and results.

Commerce is highlighting the importance of people leadership by designating it a CBI Corporate Blue Chip. This Blue Chip will build on our culture principles and best position our people leaders with the skills they need to lead culture, navigate change and achieve successful results.

Expanding knowledge through continued training

We provide continuous training and resources regarding areas of our business, our culture and other priorities, tailored to specific business needs. Below are examples of the various topics we offer team members:

COMMERCIAL

- Commercial Products
- Sales Training
- Sales Coaching
- Credit
- Change Management
- Technology and Systems

CONSUMER

- Retail Product Knowledge
- Sales
- Customer Experience
- Fraud Prevention
- Technology and Systems
- Leadership and Coaching

WEALTH

- Wealth Management Services and Products
- Sales
- Compliance
- Technology and Systems

OTHER TOPICS

- Our Culture
- Risk Management and Compliance
- Agile Training and Workshops
- Innovation Workshops
- Inclusion & Diversity
- Office 365 Training



Building careers with the Ascend Career Acceleration Program

The Commerce Ascend Career Acceleration Program, established 70 years ago, provides recent graduates and skilled professionals with a tailored career path at Commerce, emphasizing a variety of experiences. Initially focused on commercial aspects, the program now offers insights into all revenue-generating areas of the bank. Participants in the Ascend program not only gain valuable financial services experience but they also develop their leadership skills, adapting to the ever-changing banking landscape.

The Ascend Program includes the following activities:

- Mentorship
- Credit underwriting and risk assessment
- Supporting hiring needs across various business lines
- Collaborating with and learning from executive leadership
- Learning our sales process and assisting with customer interactions

Participants in the Ascend Program align their interests with Commerce's hiring needs, leading to a role that best suits them.

To learn more, visit [our website](#).

DAP

DEVELOPER ACCELERATION PROGRAM

Developing tomorrow's IT leaders

At Commerce, information technology (IT) is vital to our operations, which drives our ongoing search for exceptional IT talent. To nurture the next generation of IT professionals, we established the Developer Acceleration Program (DAP). This full-time program, now in its 10th year, gives individuals experience with multiple technologies, delivery methods and operational functions to accelerate their learning and career growth. Once a team member completes the first three months of the program, they move into a 15-month rotational program to learn about our different products, teams and technologies. Every five months, team members move to a different working group. The program provides graduates with a thorough understanding of our technology systems and helps them identify the area in which they wish to start their career at Commerce.

To learn more, visit [our website](#).



Shaping future finance leaders

The Commerce Internship Program provides a dynamic 11-week immersive experience through business networking events, professional development sessions and hands-on experience. Each year, our team actively recruits interns at more than 100 campus events nationwide, engaging with students from diverse backgrounds and disciplines. Commerce interns are given the chance to collaborate on capstone projects, addressing real business challenges and presenting their solutions to senior leadership. Interns and their mentors report high satisfaction with the program. Many interns return for subsequent internships or step into full-time positions, contributing to the growth and innovation at Commerce.

Team members helping team members

Commerce team members have a passion for supporting our customers and communities — and each other. The Employee 2 Employee Foundation (E2E) was established in 2016 to build a formal process for team members to help one another. E2E aims to support team members who find themselves in a tough spot financially, due to unforeseen events like medical emergencies or natural disasters. E2E is a separate, independent nonprofit entity led by an employee-based board of directors with members from a variety of departments across the bank. The foundation is powered by Commerce team members' and company contributions, and the E2E board reviews applications from team members requesting assistance, either for themselves or on behalf of a fellow colleague. Since its inception, the E2E Foundation has distributed over \$1.35 million to more than 470 team members.



Impact in 2023

Amount Distributed by the Foundation to Applicants

\$315,059

Number of Team Members who Received Assistance

97



Dedicated to our team members

Our team members are one of our most valuable resources. We are grateful for their unwavering commitment and the effort they consistently show in serving our customers and communities. Throughout the past year, we've emphasized numerous key initiatives directed at expanding career development opportunities for our team members. We deeply appreciate their contributions to achieving our collective success.



ACTING WITH INTEGRITY



Accountability is part of our culture

Striving for excellence and upholding integrity are more than just core values to us; they're the bedrock of how we conduct ourselves in every aspect of our business. These principles serve as our moral compass, steering us toward ethical decision-making and enabling us to serve our stakeholders — our communities, customers and team members — in an open, purposeful and meaningful way. We understand deeply that trust and respect are earned through consistent, principled actions — a tradition we've proudly upheld for nearly 160 years. In 2023, we continued as trustworthy stewards of our company, diligently enhancing our commitment to maintaining high standards of ethics, compliance and risk management. Our robust governance practices ensure that our operations, strategies and decisions are always aligned with our mission to act responsibly. The Commerce Bancshares, Inc. Board of Directors (Board) has adopted guidelines on significant corporate governance matters that, together with our Code of Ethics and other policies, collectively set the standard for our corporate governance.

How we approach compensation

Commerce's compensation philosophy is to provide a total compensation program that is performance-oriented and market-competitive to attract and retain top performers at all levels. We strive to:

- Align compensation of our executive officers with corporate strategic goals and the long-term interests of our shareholders.
- Maintain an organization-wide competitive compensation program that takes into account external market data, enabling us to recruit and retain top talent.
- Be fair and equitable in the administration of our compensation plans.

OUR BOARD OF DIRECTORS



- Communicate compensation packages transparently, effectively and clearly.
- Provide reward systems that are credible, consistent with our core values, and appropriately structured so as not to encourage undue risk.
- Reward individuals based on performance rather than based on seniority, tenure or other entitlement.

For more information on executive compensation, please see our [Proxy Statement](#).

Prioritizing diversity in Board leadership

The Board is composed of individuals with different backgrounds and professional experiences. The Board believes diversity of perspective is crucial to representing the communities and customers we serve and strengthens our ability to provide long-term value for our shareholders. Accordingly, board diversity — including diversity with respect to race, ethnicity, gender, geography and areas of specialty — is an integral component in selecting nominees for board consideration.

NASDAQ Board Diversity Rule

On August 6, 2021, the Securities and Exchange Commission (SEC) approved NASDAQ's Board Diversity Rule. This rule is a disclosure standard designed to encourage a minimum board diversity objective for companies. It also provides stakeholders with consistent, comparable disclosures concerning a company's current board composition. To see the company's disclosure under the NASDAQ rules, please see our latest [Proxy Statement](#).

COMPENSATION & HUMAN RESOURCES

- Establish the Company's general compensation philosophy and oversee the development and implementation of executive and senior management compensation programs.
- Review and approve corporate goals and objectives relevant to the compensation of executives and senior management.
- Review the performance of executives and senior management.
- Determine the appropriate compensation levels for executives and senior management.
- Make recommendations to the board with respect to the Company's incentive plans and equity-based plans.
- Oversee regulatory compliance with respect to compensation matters, which includes oversight of the Company's policies on structuring compensation programs to preserve tax deductibility.
- Advise and consult with management on succession planning.

GOVERNANCE/DIRECTORS

- Evaluate proposed candidates for directorship in the Company.
- Evaluate Board performance.
- Establish the agenda for the annual meeting of shareholders.
- Evaluate the quality of the information and analysis presented to the Board and standing committees.
- Assess the independence of directors.
- Evaluate the performance of the Company relative to corporate governance matters.

AUDIT & RISK

- Appoint or replace the independent auditor.
- Review the performance of the Company's internal audit function and independent auditors.
- Monitor the internal control over financial reporting of the Company and review the audits of its financial statements.
- Review management's assessment that the credit review system is appropriate.
- Evaluate, monitor and oversee the Company's risk management governance structure and risk management framework to ensure appropriate risk identification, measurement and reporting.
- Review, approve and monitor the Company's risk appetite and supporting risk tolerance levels.
- Advise the Board with respect to the Company's policies and procedures regarding compliance with applicable laws and regulations, and with the Company's Code of Ethics.
- Oversee the Company's progress on environmental, social and governance initiatives and activities.

You can review the [Compensation and Human Resources Committee Charter](#), [Committee on Governance/Directors Charter](#) and [Audit and Risk Committee Charter](#) on our website.

Maintaining Board oversight

The Board guides and oversees our strategic decision-making and initiatives. To assist with this oversight, the Board has designated several committees, including the Compensation and Human Resources Committee, the Committee on Governance/Directors, and the Audit and Risk Committee. These committees meet regularly and report updates to the Board to help guide our Company's strategic direction.

How we manage risk

Commerce has a long-standing conservative risk culture, which is aligned with our core values and guiding behaviors, as follows:

- **We have a long-term view:** We are willing to take measured risks and learn from mistakes.
- **We collaborate as one:** We make decisions for the greater good.
- **We act with integrity:** We do what is right.
- **We are customer focused:** We ask, listen and solve to deliver the best value to our customers.
- **We strive for excellence:** We are personally accountable for achieving results. We continuously measure and improve our performance.

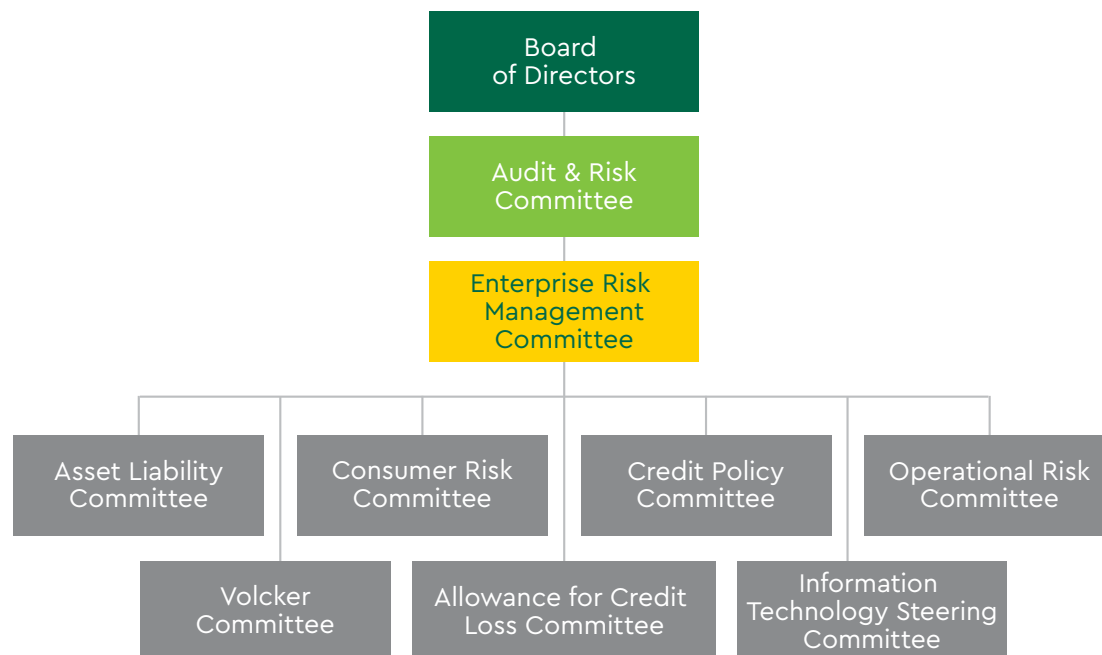
In today's banking environment, risk is omnipresent. We acknowledge that to continue to thrive, we must identify, measure, monitor and control the entire spectrum of risks we face. These include credit, market (interest rate), liquidity, operational, compliance, legal, strategic and reputational risks. To accomplish

effective risk management, we have developed and actively maintain a strong risk culture. The Board's Audit and Risk Committee has also approved a Risk Management Policy that describes a formal governance structure for managing risk. As part of our governance structure, we maintain a network of specialized management-level risk committees to aid in the identification and monitoring of risk. The Board utilizes this structure to assess risk levels against established risk appetite thresholds. These committees routinely report on risk issues and, along with the chief risk officer and director of internal audit, provide regular updates to the Audit and Risk Committee.

Ensuring three lines of defense

The Board's risk governance structure includes a three lines of defense framework. In this framework, the three lines of defense build upon each other to ensure a comprehensive risk management approach.

RISK MANAGEMENT GOVERNANCE STRUCTURE



- 1 **Front-line businesses and supporting organizations** maintain ownership and management of risks.
- 2 **Risk Management teams** monitor adequacy and effectiveness of controls at the first line of defense and report to senior management, management committees and the Audit and Risk Committee of the Board.
- 3 **Audit and other groups** responsible for providing independent evaluation conduct internal reviews.





Our Policy Management Program

Along with our defined risk governance structure and the three lines of defense framework, Commerce has adopted a Policy Management Program. Our risk management policies help us evaluate and manage the full range of risks arising from the Company's activities. Many of these policies are regularly reviewed and approved by the Audit and Risk Committee, while others are overseen by the Enterprise Risk Management Committee or one of the other specialized risk committees. Though not an exhaustive list of the Company's policies, the following relate to our ESG efforts and priorities:

COMMERCE BANCSHARES, INC. POLICIES

- Bank Secrecy Act / Anti Money Laundering / Office of Foreign Assets Control Policy*
- Business Continuity Management Policy*
- Capital Policy*
- Commerce Trust Policy*
- Commercial Credit Policy*
- Complaint Management Policy
- Compliance Management Program*
- Consumer Lending Policy*
- Corporate Code of Ethics*
- Corporate Information Security Policy*
- Fair Lending Policy*
- Health Insurance Portability and Accountability Act (HIPAA) Policy
- Media Relations Policy
- Related Party Transactions Policy*
- Risk Management Policy*
- Social Media Policy
- Third-Party Risk Management Policy*
- Unfair, Deceptive or Abusive Acts or Practices Program Policy

*Denotes Board-level oversight

Training team members in risk management

All employees play a part in the effective management of risk, particularly within the scope of their respective roles and responsibilities. Employees complete extensive ongoing training to increase their level of risk awareness. Employees take recurring required training on many of the risk-related policies and other risk topics. Training examples include:

- Corporate Code of Ethics
- Risk Management Overview
- Complaint Management
- Recognizing Security Threats
- Protecting Sensitive Information
- Responsible Banking
- Financial Exploitation of At-Risk Adults
- Fraud Awareness and Prevention
- Social Engineering
- Fighting Identity Theft
- Money Laundering Prevention
- Bank Secrecy Act
- Disbursements Fraud



Compliance with consumer financial regulations

Compliance program

Commerce is subject to many laws and regulations that extensively govern our relationships with our customers. Commerce maintains a program that is focused on compliance with consumer financial protection laws, rules and regulations and is consistent with our culture of putting our customers at the center of what we do. The Compliance Program is focused on compliance-related policies and procedures, monitoring, training and consumer complaint response. This program also includes, among other things, processes for risk assessments, regulatory change management, marketing reviews, and a review of new, modified, and existing products and services. The Compliance Program is subject to oversight by the Enterprise Risk Management Committee and the Audit and Risk Committee of the Board of Directors.

Compliance policies and procedures

Commerce maintains general compliance policies that address various consumer financial protection laws and regulations, including:

- Equal Credit Opportunity Act
- Fair Credit Reporting Act
- Truth in Lending Act
- Truth in Savings Act
- Electronic Fund Transfer Act
- Expedited Funds Availability Act
- Home Mortgage Disclosure Act
- Fair Housing Act
- Real Estate Settlement Procedures Act
- Fair Debt Collection Practices Act
- Service Members Civil Relief Act
- Laws regarding unfair, deceptive and abusive acts and practices
- Other laws and regulations related to consumer financial protection

These and other policies are reviewed and approved annually as part of our risk governance committee framework and Policy Management Program referenced here.

Compliance monitoring

Completing risk assessments helps the Company identify current and emerging compliance risks to prevent and address potential compliance issues. Commerce's control framework consists of a series of controls that are designed to detect and mitigate compliance risks. Commerce performs monitoring, testing, and general review activities related to compliance controls.

Compliance training

Compliance training for Company employees is mandatory, designed for the size and complexity of our organization, and delivered to team members using a needs-based approach according to employee role. This content is developed and maintained internally and designed specifically for Commerce. An abbreviated list of trainings that are required for employees can be found earlier in this report. These and other courses are required as part of new hire onboarding as well as recurring for existing employees.

Consumer complaint response

To ensure all complaints are given prompt, courteous and fair attention, Commerce has a Complaint Management Program. As part of this program, we collect, review, and appropriately respond to customer complaints. The feedback we receive from customers allows Commerce to review and identify trends and make improvements to our products, services, processes and procedures with a focus on improving the customer experience.

Product governance

New, modified or expanded products or services have a process for review prior to their implementation. This process is carried

out by internal working groups consisting of cross-functional leaders representing impacted business areas, key risk management functions, and project management. An important component of these reviews is evaluating consumer financial protection laws and regulations that are applicable to the new product, service or modification of an existing product or service.

Marketing review

Commerce has a centralized marketing review process. Marketing and promotional materials are reviewed by legal counsel and risk management professionals, and the reviews include evaluating applicable laws and regulations.

Bank Secrecy Act/Anti-Money Laundering (BSA/AML) Program

We have implemented risk-based policies and procedures designed to comply with anti-money laundering (AML) and sanctions regulations established by governmental authorities. These include, but are not limited to, the Bank Secrecy Act (BSA), the USA PATRIOT Act, and international sanctions regulations implemented by the U.S. Department of the Treasury. Commerce is subject to the customer due diligence rules issued by Treasury's Financial Crimes Enforcement Network under the BSA. These rules require

financial institutions to maintain customer due diligence programs designed to: 1) Identify and verify the identity of our customers, 2) Identify and verify the identity of the beneficial owners of companies that open accounts with us, 3) Understand the nature and purpose of the customer relationships to develop customer risk profiles, 4) Conduct ongoing monitoring to identify and report suspicious transactions, and 5) On a risk basis, to maintain and update customer information. The BSA Officer leads this function and provides regular updates to the Enterprise Risk Management Committee. All employees are required by policy to take annual BSA/AML/OFAC training. Training —which includes regulatory requirements, policies and operating procedures — emphasizes the importance of BSA reporting requirements and OFAC regulations. In addition, an overview of BSA requirements is given to all new employees as part of our new-hire training. Our BSA/AML program leverages technology to aid in the identification of suspicious and/or illegal activities, including, among others, money laundering, terrorist financing and human trafficking. Our program, including the systems in use to support it, is subject to regular and ongoing oversight by Internal Audit and Model Risk Management and to frequent examinations by state and federal regulators.

Credit Policy Program

Commerce recognizes the risks inherent in our lending practices and that certain portfolios may carry higher levels of risk. The Company's Credit Policy Committee oversees tracking of industry, product and individual borrower concentrations. These concentration limits are designed to create a well diversified credit portfolio consisting of high quality loans that are monitored by the Credit Risk Administration team, which reports to the Chief Credit Officer. Employees within the Commercial, Consumer and Private Client lines of business work alongside Credit Administration to identify and monitor emerging risks in their respective loan portfolios. On a quarterly basis, these teams discuss emerging risks during the Credit

Policy Committee meeting. All employees in lending related functions undergo periodic training on the Company's credit risk appetite, policies and regulations. As part of our enhanced risk management process for commercial borrowers within certain industries, we utilize industry specific lending metrics and underwriting teams with subject matter experts who have a broad and thorough understanding of the risks as well as environmental and social impacts of those industries. For consumer lending, we consider a combination of factors to determine a borrower's ability to repay while also ensuring that we provide loan product options that meet the borrower's credit needs.



Three lines of defense for credit risk

Consistent with our Enterprise Risk Management structure, our credit risk management process is built upon three lines of defense. The **first line of defense**, which includes relationship managers and other line of business personnel, owns and manages the risks we face in our day-to-day operations. These include the application of heightened underwriting standards for certain industries, when applicable.

The **second line of defense**, which includes Credit Administration, Credit Officers and Bank Secrecy Act/Anti-Money Laundering (BSA/AML) personnel, assesses risk and oversees the risk-taking activities of the first line of defense. This line of defense needs to concur with the first line's assessment of risk before a new loan can move forward to approval.

The **third line of defense**, which includes Internal Audit and Credit Review teams, performs independent reviews and assessments of risk management practices of the first and second lines of defense. Our portfolios and processes are examined regularly to ensure compliance with existing loan and monitoring policies. If the third line of defense determines that an action plan must be established to mitigate an identified risk or operational issue, the first and second lines of defense, as appropriate, are tasked with developing and executing the plan within a given time frame. The third line of defense monitors and audits the actions taken to ensure the risk has been appropriately mitigated. We are also reviewed by state and federal regulators annually.

Mitigating environmental risk

For over 10 years, our real estate appraisal team has maintained a targeted focus on environmental impact and liabilities according to our risk management policies. Each new real estate project, whether it is our customer's or our own, is subject to a thorough assessment of environmental risks. The team structures the depth of the assessment according to the level of risk. This due diligence aids the Company in underwriting transactions and helps customers to be aware of potential environmental liabilities that may compromise their business goals. The group also reviews corporate projects for environmental risks in consideration of the health and safety of our customers and team members and the communities in which we operate.

Maintaining a high standard for ethics and compliance

We are committed to the highest standards of ethical and professional conduct for all Commerce team members, officers and directors. We believe governance is a shared responsibility and that we all have a role in protecting sensitive information, maintaining ethical practices, and complying with laws and regulations. In 2023, 100% of our team members completed mandatory annual training on the Corporate Code of Ethics.



Anonymous tip line

The anonymous tip line is a dedicated, 24/7 phone line that provides team members with a confidential avenue and allows them to remain anonymous when reporting a matter. Tips can also be reported online. An independent organization staffs the anonymous tip line with specially trained representatives to document team member matters and relay the information to Commerce management.

Anonymous tip line

Team members are encouraged to report any unethical, illegal or unsafe behavior through our secure, anonymous 24-hour phone line maintained by a third-party vendor. Providing quality, ethical service to our customers is the

highest priority at Commerce. Any fraud against, abuse of, or discrimination against customers is unacceptable. Our expectation is that every team member is part of a team effort to look for and prevent inappropriate customer treatment. Commerce wants, and encourages, team members to question and report any concerns with Company policies or actions by staff that they believe are, or could be, improper. We provide multiple channels for team members to raise such concerns. Team members may contact management or report concerns using the anonymous tip line.

Anti-discrimination and anti-harassment

At Commerce, we recognize the importance of maintaining an environment that is free from unlawful discrimination and harassment. We uphold our responsibility to ensure that Commerce team members are not subjected to unlawful discrimination and/or harassment in any term or condition of employment on the basis of a protected status. We define a protected status as race, color, ancestry, ethnicity, gender, gender identity, gender expression, sex, sexual orientation, disability (including physical or

mental condition), age, veteran status, military status, national origin, religion, pregnancy status, genetic information or any other status protected by applicable federal, state or local law. Our goal is to ensure that conduct never reaches the level of unlawful behavior. Accordingly, Commerce prohibits conduct that is inconsistent with our values, whether that conduct violates the law or not.

Commerce prohibits any unwelcome verbal or physical conduct that maligns or shows hostility or aversion toward a team member because of their protected status. This prohibition applies to all individuals who work for or with Commerce, including officers, managers, supervisors, team members, clients, customers, vendors or suppliers. We believe every Commerce team member is responsible for preventing harassment and discrimination and upholding our values. All Commerce employees are therefore required to complete Anti-Discrimination and Anti-Harassment training annually. We also provide training on our culture and values for new and existing team members. Any team member who has a question, concern,

or complaint of discrimination or harassment based on a protected status is encouraged to bring the matter to the immediate attention of their management team or the Commerce Bancshares, Inc. Legal Department or through the anonymous tip line.

Protecting team members from retaliation

Commerce will not retaliate against any individual who in good faith makes a report or complaint. We prohibit retaliation against a team member (as well as those with whom the team member is closely associated, such as a spouse, significant other and/or family members) for reporting discrimination or harassment, assisting in making a discrimination or harassment complaint, or cooperating in a discrimination or harassment investigation.

No employee, officer or director will be penalized, retaliated against or be made subject to any corrective action as the result of their good faith reporting of suspected violations of the Code of Ethics. Further, as required by the Sarbanes-Oxley Act of 2002, Commerce has adopted a Financial Matters Complaint Policy and an associated reporting process to provide an anonymous means for reporting accounting, auditing and other financial matters concerns.

Information security and data privacy

Commerce has adopted comprehensive information security and data privacy policies aligned with the National Institute of Standards and Technology and International Organization for Standardization standards, and regularly measures our security program's performance against industry benchmarks. Our security governance framework includes a dedicated information security program that reports regularly to the Information Security Strategy Board, the Operational Risk Committee and the Enterprise Risk Management Committee. The Chief Information Security Officer (CISO) leads this function and provides regular updates to the board's Audit and Risk Committee and the board of directors.

All employees and contractors are required to take regular training on information security requirements and must acknowledge adherence with policies and standards annually. In addition, we conduct frequent phishing campaigns to test team members' knowledge, educate them on spotting phishing attacks, and measure the effectiveness of our training program.

The [Commerce Privacy Statement](#) serves as a standard for all team members for the collection, use, retention and security of nonpublic personal information and tells customers how they may limit use of their information by Commerce.

Finally, we annually evaluate all applications, databases, information technology infrastructure, service providers and business units that handle sensitive information as part of our information security risk assessment. We also assess any new applications, infrastructure components and service providers before they are integrated with our existing systems. Commerce contractually requires all service providers, contractors, subcontractors or other third parties that process, transmit, access, or store Company or customer data to be in compliance with all applicable laws and to comply with all relevant Company policies (including, but not limited to, retention, encryption, transmission and application security policies) and safeguards. For more information on the cybersecurity program, please see [our 10-K](#).



Incident response programs

An Incident Response Plan has been developed that outlines roles, responsibilities, procedures, critical systems and key contacts for responding to a security incident. This plan is reviewed and tested throughout the year. The Company's Cybersecurity Incident Investigation and Response Plan is a component of the Information Security Policy and sets forth the severity categories and processes required to assess the impact of a security-related incident to the Company. The impact is categorized in severity levels as low, moderate, and high, and is expressed in terms of financial loss, strategic objectives, customer, legal and regulatory, reputation, and service interruption.

The Incident Investigation and Response Plan is an escalation process; as the impact of the incident becomes more significant or widespread, the escalation level increases, bringing more resources to handle the incident.

Maintaining business continuity

Commerce must remain operational, regardless of any event that may affect the Company's team members, facilities or infrastructure. Should operations be threatened by a business disruption, the Business Continuity Management (BCM) program ensures the Company's preparedness and efficient response to maintain operations. The BCM team does this by identifying risks and taking actions to eliminate or mitigate the potential impact of those risks. Our BCM efforts help ensure continuity of operations to fulfill the Company's responsibility to shareholders, customers and employees as well as all legal and regulatory BCM standards. The BCM team collaborates with management

to ensure plans and processes are in place to fully meet all requirements.

The BCM team proactively coordinates with business units throughout the Company to develop and maintain business continuity plans, conduct plan testing, and facilitate tabletop exercises to maintain readiness. The team oversees the Pandemic Preparedness and Response Plan and the Crisis Management Plan, and is a key contributor to the maintenance of the Company's Crisis Communications Plan. The BCM team works with Information Technology to organize the Company's Disaster Recovery exercises and coordinates with the Department of Homeland Security (DHS) and other outside groups to monitor potential threats. Annually, the Company conducts crisis management tabletop exercises with members of the executive management team. BCM leads enterprise-wide business continuity awareness education activities to ensure familiarity with best practices and response readiness at every level of the Company.

BCM planning is an ongoing process that requires the creation of detailed plans. These plans identify critical functions and address business unit needs for recovery from any event that interrupts normal business operations. The BCM team conducts regular testing and exercising of the plans and makes regular updates to keep existing plans up to date and ensure their accuracy.



Building trust through integrity

Integrity guides every action at Commerce. Our heart is in doing right by our customers, team members, communities and shareholders. Every day, our actions are driven by a deep commitment to integrity, shaping our strategies and daily decisions. Guided by our board, we promise to uphold the highest standards of integrity and excellence, ensuring accountability in all we do.





SUSTAINABLE OPERATIONS



Shaping our communities through sustainable actions

Our commitment to sustainable operations shapes the way we do business. We're committed to reducing the environmental impact of our operations in order to benefit our team members, customers and communities. By weaving sustainable practices throughout our day-to-day operations, we not only support the well-being of these stakeholders, we also strengthen the resilience of our company. Our sustainability efforts involve diligently minimizing waste, conserving resources and reducing our carbon footprint. Throughout 2023, we continued to work diligently on reducing energy consumption, continuing recycling, building responsibly and supporting our community on this meaningful path toward sustainability.

Streamlining energy use in operations

Each time a customer interacts with Commerce, our data center powers every transaction behind the scenes to ensure seamless service.

In 2023, we intensified our efforts to make the data center more sustainable. Recognizing that data center energy consumption makes up a significant portion of national energy usage, we're taking decisive steps to mitigate our impact. As the demand for and reliance on technology grows, addressing sustainability from a broader perspective is a priority.

Our strategy included a comprehensive audit of our data center, focusing on energy usage across hardware, software, cooling and power management. This wasn't a new endeavor; we've long prioritized energy efficiency through advanced hardware and innovative cooling systems, leading to reduced energy consumption and cost savings.

While adopting new technologies has naturally increased our energy usage, Commerce has effectively managed our costs through strategic energy savings.

The initial implementation of audit recommendations has already shown promising results. We're not only reducing our environmental impact but also ensuring our operations are cost-effective and sustainable.

With every step toward greater energy efficiency, Commerce moves closer to a future where we can support our customers' banking needs in the most sustainable way possible.

Integrating sustainability in all we do

We approach building and renovation decisions by weighing the needs of customers and team members as well as our environmental impact. As we develop new projects, we look for every opportunity to reduce the carbon footprint of our buildings. From the materials we use to the energy systems we install, we consider environmental impact and long-term sustainability at every turn.

We work closely with the architect, contractor and subcontractor on each project to comply with local regulations and incorporate LEED (Leadership in Energy and Environmental Design) best practices as much as possible. LEED provides guidelines for healthy, efficient and cost-saving green buildings. We will continue to look for opportunities to build and remodel according to LEED principles. We consider many factors when designing a project:

- Preference for working with local suppliers
- LED lighting
- Waste reduction and recycling
- High-efficiency HVAC
- Sustainable materials including insulation, carpeting and paint
- Minimizing volatile organic compounds
- Reducing runoff
- Creating a positive work environment boosted through improved lighting and air quality

Commerce Bank Tower: A new era of sustainability

In 2023, Commerce proudly opened the doors to the newly completed Commerce Bank Tower in downtown Clayton, Missouri. This 282,000-square-foot, 15-story modern office tower exemplifies our commitment to sustainability, innovation, and community

enhancement.

The tower features over 250,000 square feet of office space across 10 stories, above a five-story above-ground garage, and includes approximately 7,300 square feet of street-level retail space. Among its many amenities is access to a one-acre private garden-style terrace and a state-of-the-art fitness center with a living roof, highlighting our dedication to health and sustainability.

Designed and built to meet LEED standards, the Commerce Bank Tower incorporates eco-friendly and energy-saving features, including external air systems for clean, dehumidified air; high-grade MERV filtration to keep air free of contaminants; and a Low E-thermal insulation glass curtain façade for energy and cost efficiency. The design of the parking garage allows for natural light and ventilation, further reducing energy usage.



With the promotion of sustainability and smart building design in mind, the tower also features EV charging stations in the parking garage.

The Commerce Bank Tower is more than an office space — it's a sustainable investment designed for the well-being of its occupants and the broader community. By incorporating multiple innovative design features, we continue to look for ways to improve building performance and reduce environmental impact, reinforcing our dedication to sustainability.

Maintaining service with sustainable solutions

When one of our Liberty, Missouri, branches needed rebuilding, Commerce found a creative way to ensure uninterrupted service for our customers by utilizing a temporary branch constructed from repurposed shipping containers. This approach allowed us to continue serving the Liberty community without the need for relocation.

The idea, developed in collaboration with our retail transformation team, focused on ensuring access to banking services while carefully considering design and environmental impact. By partnering with Bankers Security, we transformed shipping containers into a fully equipped temporary banking facility. This solution not only included a pneumatic tube system and canopies, but was also designed with built-in offices, plumbing, HVAC and an integrated power supply, all ready for immediate use and ADA compliant.

When put to the test to find a viable, sustainable solution, our team members worked together to demonstrate that shipping containers could serve as a practical, sustainable option for temporary office space. Their concerted effort aligns with Commerce's commitment to thoughtful stewardship of both our business and the environment.



SUSTAINABILITY IS A COMMUNITY EFFORT

As with everything we do, we have found ways to engage the community as we go about our sustainability work.

Commerce supports or participates in many environmental causes in our markets, including:

[Missouri Botanical Garden](#)

[Powell Gardens](#)

[KC Rose Society](#)

[Seed St. Louis](#)

[Forest Park Forever](#)

[Tower Grove Park](#)

[Sun Foundation](#)

RECYCLING WASTE

To decrease our carbon footprint, we continued our recycling programs throughout 2023 and achieved the following:



557.7 metric tons
of paper shredded
and recycled



5.7 metric tons
of computer
hardware recycled

Enterprise Operations Sustainability Task Force

The Commerce Enterprise Operations Sustainability (EOS) Task Force oversees the environmental pillar of our ESG initiatives, further prioritizing and educating others about environmental sustainability in our operations. The EOS Task Force is led by a committee of senior leaders and conducts research to appropriately recommend and implement sustainable business practices. In 2023, the EOS Task Force focused on energy reduction initiatives, growing our EV charging station network, upgrading our solar installations, continuing our advocacy and sustainability communication efforts, and supporting the Commerce Green Team's grassroots initiatives.

Commerce's Green Team leads the way toward environmental change

Our commitment to sustainability is driven by the passion and innovation of our Green Team. This dedicated group of volunteers leads environmental efforts at a grassroots level, encouraging everyone to think greener and engage in sustainable practices.

The team's mantra — "rethink, reduce, reuse, and recycle" — is at the heart of our efforts to minimize waste and make a real difference in our environmental footprint. From hosting webinars on topics like native plants and glass recycling to collaborating on electronics recycling events, the Green Team is always looking for new ways to promote sustainability.

Community involvement is a key aspect of the Green Team's work. Whether through participating in highway cleanups, tree planting, or serving on environmental boards, our leaders are actively making a difference.

Through education, action and community engagement, the Green Team is not just raising awareness — they're creating a culture of sustainability at Commerce. By encouraging others to share green stories and ideas, they ensure that our commitment to the environment is more than just talk. It's a part of who we are and how we operate every day.

Reducing our energy consumption

We are dedicated to mitigating the environmental impact of our daily operations. Across our footprint, we find opportunities to invest in alternative and clean energy sources to promote long-term sustainability. Our focused clean energy initiatives began more than 15 years ago and continue today.

Solar panels

As of 2023, we have installed solar panels on more than 10% of our retail branch buildings.

CLEAN ENERGY GENERATED IN 2023



**560,000+ kWhs
of clean energy**

from solar panels installed
on our branches

Installing LED lighting

For the last several years, we have been updating the lighting systems in our buildings to LED. To date, 100% of eligible branches have LED lighting systems, and we continue to make progress on our corporate buildings. These updates will reduce our annual energy consumption every year going forward.

Electric vehicle charging

As electric vehicle adoption continues to grow, Commerce continues to evaluate needs for providing charging stations at banking locations and office buildings. Providing charging stations for electric vehicles not only demonstrates our commitment to sustainability and reducing carbon emissions, it also offers a valuable service to customers who drive electric cars. For our customers, team members and guests with electric vehicles, we offer charging stations at numerous branch and corporate building locations.



**10,882 reported
EV charging
sessions in 2023**

Mitigating environmental risk in real estate loans

For over 10 years, our real estate valuation team has maintained a special focus on the environmental risks of new real estate projects. Each new project is subject to a thorough assessment, thus increasing awareness of potential contamination, environmental impacts, and approaches to mitigate identified risks.

The team's due diligence helps customers to be aware of potential environmental liabilities that may compromise their business goals. We also review our own real estate for environmental risks to protect the health and safety of our customers and team members.

Eco-friendly practices drive success

Looking to the future, our dedication to sustainability remains a key factor in minimizing our environmental impact and ensuring our company's success. Through the adoption of sustainable technologies and practices, we are well-prepared to succeed in a constantly shifting and ever-evolving business environment.

INCLUSION AT COMMERCE



Creating an inclusive experience

At Commerce, we're devoted to maintaining a culture that welcomes and celebrates the rich traditions of our team members and the communities we serve. Diversity and inclusion are integral to our core values and guide everything we do. Embracing diverse perspectives enriches our connection with communities, improves our customer service, and strengthens our support for team members.

We remain committed to supporting our communities, customers and team members by cultivating an inclusive environment. However, we understand that meaningful progress demands ongoing dedication and flexibility. Through purposeful and actionable efforts, we are working to create an inclusive culture where everyone feels they belong.

Our approach to expanding access to the financial system and creating career growth opportunities is framed around four pillars: engaging with our communities, enhancing customer experiences, fostering an inclusive workplace, and ensuring diversity in our supplier relationships.

Honoring our commitment to diversity

We're grateful for the recognition our diversity efforts have received, validating our commitment and affirming our path forward.

In 2023, Commerce received accolades from *Newsweek* as one of America's Greatest Workplaces as well as one of America's Greatest Workplaces for Diversity, furthering our reputation as a leading employer committed to diversity, inclusion, and the well-being of our team members.

This past year, the Center for Disability Inclusion (CDI) also awarded us their 2023 Leader in Disability Inclusion Seal of Accomplishment. This recognition highlights our commitment to advancing disability inclusion within our workforce, workplace and marketplace. The CDI, a national organization focused on enhancing disability inclusion efforts among businesses, acknowledges companies that excel in this area. Earning the CDI Seal of Accomplishment signifies that Commerce has effectively implemented the CDI's proprietary Disability Inclusion Process, a structured roadmap designed to elevate disability inclusion practices.



Community

Investing, both financially and with our time, in our communities



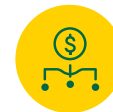
Customer

Placing greater emphasis on serving a diverse customer base



Internal

Enhancing internal talent mobility and external recruiting practices to support our teams and leaders



Supplier

Improving access to diverse suppliers and positively impacting local economies

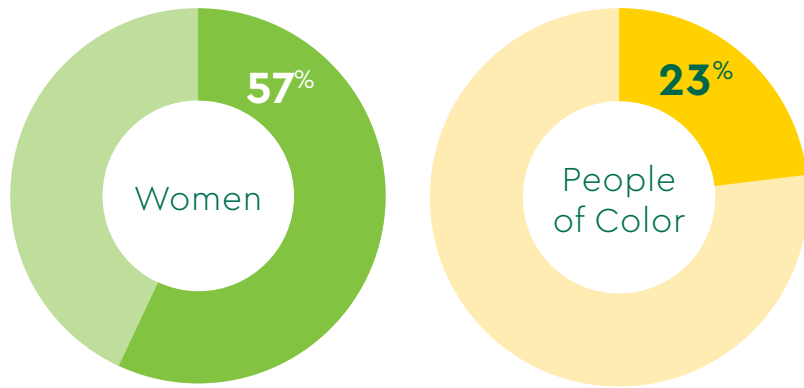
The history of Inclusion at Commerce

In the late 1990s, we began leading grassroots efforts to support diversity initiatives within the communities we serve. In 2004, we released our first company-wide diversity statement. Since then, we have continued to invest in diversity and inclusion initiatives.

BEGINNING IN 2004

- Issued first company-wide diversity statement and developed diversity strategy
- Created online diversity and inclusion learning session for all team members
- Added Workplace Diversity section to commercebank.com
- Created a new corporate-wide role focused on inclusion and diversity
- Message delivered by CEO about creating a culture of inclusion sent to team members along with enhanced corporate communications around diversity
- Expanded our corporate Diversity Strategy, retitled Inclusion and Diversity, to reflect focus on awareness, alignment and accountability
- Rolled out the workshops "Building an Inclusive Workplace at Commerce" for managers and "Diversity, Inclusion & You" for all employees
- Launched the first Employee Resource Group
- Launched diverse employment marketing materials
- Increased investment in inclusion and diversity by hiring an additional dedicated resource
- Created the Executive Mentorship Program for high-potential team members who are people of color
- Signed the CEO Action for Diversity and Inclusion™ pledge
- Introduced "Commerce: A Culture of Inclusion" online training for all team members
- Hosted the Diversity Awareness Partners workshops "Unconscious Bias Training," "Listen, Talk & Learn" and "Diversity and Inclusion Basics"
- Launched Commerce Courageous Conversations Series
- Established the "Lunch and Learn" series focused on inclusion and diversity
- Launched an Inclusion at Commerce Resource Guide for leaders
- Hired a Community Outreach and Banking Officer
- Developed financial education framework for community consulting partnerships focusing on inclusive community engagement
- Launched a diverse supplier search tool
- Expanded our Neighborhood Connection® mortgage loan program to additional markets we serve
- Allocated additional resources to support Community Outreach and Banking strategy
- Collaborated with a third-party resource to evaluate qualified bilingual employees

2023 Highlights, awards and recognition



Diversity Among Team Members



2023 Seal of Accomplishment for Leaders in Disability Inclusion



Named to Newsweek's America's Greatest Workplaces for Diversity list 2023

Human Rights Campaign Corporate Equality Index (CEI) **score of 90**

6 Employee-led Resource Groups



EMERGE



ENABLE



PRIDE



RISE



SALUTE



VIBE

Supporting causes and communities

The Community Pillar strives to increase the impact of our community partnership engagements that support inclusive community engagement.

- *Helping underserved communities realize their dreams by providing financial education*
- *Enabling access to banking services by identifying programs that help with home ownership, eliminating barriers of entry for traditional banking products and supporting underrepresented business owners*
- *Supporting personal development of career readiness skills and community leadership from underserved communities*
- *Building empathy and understanding among different communities through Commerce volunteer efforts and board service*

Deepening community connections

Our connection and support for our communities continues to evolve and strengthen. We've collaborated with numerous community organizations on inclusion efforts. Our support for nonprofit organizations goes beyond financial contributions and volunteer work; our Commerce team members also share their financial acumen and business insights. Below are examples of how our concerted efforts have made a difference.

Fostering financial empowerment

We are committed to increasing financial inclusion, removing barriers, and increasing economic opportunity in communities that are underserved or have limited or no access to the mainstream financial system. We accomplish this by developing relationships in the community to establish thoughtful financial empowerment programs for students, adults and small business owners.

Throughout the year, our Community Development Officers in Kansas City and St. Louis proactively look for opportunities to engage with our communities. Through this engagement process, the need for financial education frequently emerges. Our Community Outreach and Banking Officers (COBOs) then

coordinate financial education courses for unbanked, underbanked and underserved community members. Their efforts support underrepresented business owners and assist stakeholders with training additional bank volunteers. In 2023, our COBOs expanded the areas we could serve, providing financial education and extending access to banking services throughout Commerce's footprint. We continue to build connections with individuals and community organizations through initiatives designed to help people become more financially stable, establish and improve credit scores, and pave the way for a healthy financial future.

Over the past year, this program has marked significant achievements:

- Conducted numerous consultations, emphasizing our commitment to personalized advice and tailored content for communities and local businesses
- Delivered more than 70 financial education sessions, reflecting our dedication to enhancing financial knowledge across various demographics in our communities
- Collaborated in nearly 30 networking sessions, connecting with the community to build relationships and share resources

The growing demand and attendance for COBO programs highlights the need for financial education programs in our communities.

Our outreach programs to underserved communities are also evolving — both in number and the way we are involved. Here are just a few of the ways we are working to make a difference in our communities:

Haven of Grace

Haven of Grace provides a safe and supportive environment for homeless pregnant women, offering them the resources and care needed to prepare for motherhood. In partnership with the United Way's ASSET building class, Commerce plays a vital role in this support system by offering financial literacy classes to the residents of Haven of Grace. This collaboration focuses on equipping these women with essential financial skills, helping them to build a stable and secure future for themselves and their children. Additionally, through a generous savings match program, when residents save at least \$100, United Way contributes up to \$300, boosting their savings. These funds significantly aid the women in covering critical expenses such as utilities, rent, transportation and childcare, facilitating a smoother transition to independence and financial stability.

FosterAdopt Connect

FosterAdopt Connect supports younger adults, up to 26 years old, in the foster system. Commerce team members train the organization's counselors, who are often individuals with personal experience in the foster system, to financially educate the young adults they support. This "teach the coach" approach provides the counselors with the knowledge and tools to guide young adults toward financial stability. Commerce's involvement has expanded to include not only educating the counselors and coaches who

support young adults, but also teaching the young adults within the program.

Della Lamb

Working with refugees, Della Lamb focuses on helping individuals unfamiliar with the U.S. banking system. Commerce assists in educating these newcomers on the basics of the banking system in the U.S., including the importance of bank accounts, how to select the right bank account, and building relationships with financial advisors or personal bankers. Through this program, Commerce is ensuring these individuals have the tools and knowledge they need to achieve financial stability.

UMSL Women's Empowerment Program

Commerce participated in a financial education program at the University of Missouri–St. Louis (UMSL) Women's Empowerment Program, reaching out to college students, most of whom are eligible for Pell Grants. This initiative aimed to address critical issues surrounding pay inequities, career progression, and various events impacting financial stability. By engaging in these discussions, Commerce provided valuable insights and resources to help these students navigate financial challenges, value a financial education, and plan for a secure future.

St. Louis County Justice Program Credit Fair

In an impactful initiative aimed at improving financial education within the community, Commerce team members participated in the St. Louis County Justice Program Credit Fair. The program educates inmates about the intricacies of credit reporting. This initiative empowered inmates to understand and interpret their individual credit reports, an important skill for financial rehabilitation and reintegration into society.



Building bright financial futures

Understanding your finances from an early age sets the stage for a secure future. Having the right financial knowledge and know-how to manage your money makes all the difference when chasing your dreams and gaining financial freedom. At Commerce, we're committed to providing young adults and business owners with the guidance and tools they need to take control of their finances and build a bright future.

Scoring financial goals for our youth

Last year, Commerce teamed up with Visa® and soccer legends Taylor Twellman and Lori Chalupny for a memorable day of financial literacy at McCluer High School in Florissant, Missouri. The event centered around Financial Soccer, a unique game from Visa's Practical Money Skills program that combines the world's most popular sport with financial education. The game encourages students to think on their feet about money management.

Financial Soccer is a fast-paced video game where students' financial knowledge is put to the test. Twellman, a former U.S. Men's National Team player, and Chalupny, a former defender who played for the U.S. Women's National Team in the FIFA Women's World Cup 2007™, coached two teams through the game, which included questions on budgeting, savings strategies and even cryptocurrency. The interactive session sought to improve students' understanding of financial responsibilities and independence in a fun, competitive setting.

The day wasn't just about learning; it was also a chance for students to meet their first celebrities. "Financial literacy is something we don't talk about enough," said Chalupny. "I hope the kids leave today with a little more confidence both in talking about some of the language and in their own abilities."

Twellman shared insights from his life, including his first job mowing lawns, emphasizing the value of financial independence from a young age.

Crystal Avery-Morris, Community Development Officer for Commerce, stressed the importance of financial education for young people, emphasizing the connection between classroom learning and practical applications. "By teaching young individuals fundamental financial concepts, we equip them with tools for success in real life, reinforcing the need to relate educational topics to their everyday experiences," she said.

The purpose of Visa's Financial Soccer program is not only to educate, but also to spark conversations about money management among families, with the goal of building good financial habits for life.

Through events like these, Commerce and Visa are bridging the gap between sports and financial education, proving that learning about money management can be as exciting as scoring a goal on the soccer field.

Guiding financial futures at Drumm Farm

An example of Commerce's commitment to fostering community growth and empowerment is its collaboration with Drumm Farm, an organization devoted to the lifelong success of children, young adults and families navigating the challenges of foster care and homelessness. Integral to this community partnership is the role of Commerce's COBO. The COBO leads a tailored five-week financial education program specifically designed to equip these young adults with the necessary tools for financial independence.

The curriculum covers a broad spectrum of financial topics, including budgeting, the ins and outs of loans, and the essentials of managing checking and savings accounts, as well as



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There were a lot of questions I thought I knew, that I got wrong! So it was a great learning experience. It was stuff we could take with us in everyday life.

Senior Emmora Hightower

building and maintaining good credit. Through engaging activities and open discussions, the COBO addresses common questions and challenges, working closely with 15 students each week. These sessions are an important stepping stone for participants, helping to inform their financial decision-making skills. Commerce's support of Drumm Farm is realizing a shared vision of helping youth and young adults create successful paths for themselves.

Banking basics for today's students leading to tomorrow's savers

For the third consecutive year, Commerce has expanded its innovative financial education initiative across various school districts. Through this program, Commerce professionals engage directly with students in their classrooms, delivering foundational lessons on banking basics and personal finances.

By facilitating discussions in small groups, the program works to clarify financial concepts, debunk myths about banking, and encourage confidence in managing personal finances among students. This effort lays the groundwork for a future generation that is knowledgeable and confident with the banking system.

Providing financial education with Fontbonne University

In a collaborative effort empowering diverse and underserved communities, Commerce extended its financial education efforts to students participating in the Fontbonne University Griffins Achieving Progress (GAP) program.

This initiative, developed with Fontbonne's Multicultural Office and supported by the Stupp



Foundation, focuses on providing culturally diverse, first-generation, low-to-moderate income students with a financial education. The program covers important topics such as student loan repayment options and alternatives, equipping GAP students with the knowledge and skills to navigate their financial futures successfully.

SAAB – A grassroots mentoring program for all

Building on the success of previous mentorship initiatives, Commerce team members in Springfield, Missouri, broadened their mentoring efforts through a relationship with SAAB.

Established in 1990 to address the low retention and graduation rates among African American students, SAAB has widened its scope to welcome young people of all backgrounds.

SAAB's mission encompasses providing mentorship, academic support, leadership training and community service opportunities, while preparing individuals for personal and professional success. Within this framework, Commerce mentors have played a pivotal role, offering guidance on financial education and banking career pathways, and giving mentees a glimpse into the practical workings of the banking sector.

Partnering to support business development

Commerce is actively engaged in the growth and support of business development through its work with the Kansas City Credit Enhancement Fund (KCCEF) program. The KCCEF program focuses on supporting entrepreneurs opening businesses in low- to moderate-income neighborhoods, especially those who are Black,



Indigenous or people of color. The needs of entrepreneurs starting new businesses can vary widely, from acquiring new equipment and securing working capital to purchasing real estate. Through the KCCEF program, Commerce offers lending solutions and financial education tailored to support the growth and success of businesses in vital neighborhoods.

Collaborating for a stronger future

We extend our heartfelt thanks to the remarkable individuals, leaders and organizations that empower us to strengthen our commitment to community development. It's through these collaborative efforts that we're able to identify and focus our resources on what matters most to our neighbors, customers and team members. Together, we continue to fulfill our shared mission of helping communities thrive where we live and work.

Creating a positive customer experience

The Customer Pillar is to support our diverse customer base. To achieve this, we have increased opportunities to gather feedback and improve our understanding of our customers' needs.



Opening doors to financial success

Making a positive difference in the lives of our customers and community is at the heart of what we do. We understand that financial challenges can sometimes keep dreams just out of reach. That's why we're actively working to break down those barriers — offering the guidance, tools and support necessary to help everyone in our communities achieve their full potential.

Essentials for small business growth

Small business owners face unique financial challenges, and finding the right support can be daunting. Commerce responded to this need with the Banking Essentials Program, an educational video series offering fundamental guidance to help small business owners learn how to manage the financial side of their business.

The program provides resources that support small business growth among people who don't use banks much or at all, providing a solid start in financial education and teaching them how to find the banking support they need. The videos break down complex banking concepts into visually engaging and easy-to-understand

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Our goal is to not only provide essential banking services, but to also offer knowledge and assistance for small business owners as they work toward their business goals.

*Tonya Lloyd,
branch manager*

formats, covering everything from banking terms to how to apply for loans.

By proactively extending these videos to both new and existing customers, Commerce team members can share insights and valuable resources with our customers to help generate business growth opportunities.

Improving customer financial health

A good credit score is essential for accessing credit, obtaining loans, renting an apartment or even getting a job. Building a good credit score takes time and requires a history of on-time payments and responsible credit use. For individuals looking to strengthen their credit, we offer the Commerce Secured Credit Card account. This type of product can provide borrowers with a way to establish and improve their credit scores. By building a strong credit score, consumers can increase their financial options and improve their overall financial health.

Our Commerce Free Checking Account is a simple checking account with no monthly service fees for customers' everyday banking needs. To learn more, visit our [Neighborhood Banking Resource Center](#).

Bridging language barriers

We understand the crucial role language plays in banking accessibility. In response to a growing need, Commerce is taking significant steps to ensure that customers, regardless of their preferred language, have access to banking services. Our efforts are initially focusing on Spanish due to its prevalence in our service areas.

A key aspect of our initiative involves using a third party to evaluate the skills of our Commerce team members who speak Spanish to ensure they can effectively communicate with customers, covering everything from basic inquiries to complex financial discussions. This evaluation process ensures our team is proficient in financial terminology in Spanish, elevating the quality of service and support we can offer.

In addition to dedicated call center service representatives who are fluent in Spanish, a new position was created on our real estate lending team to better serve Spanish-speaking mortgage customers. The Bilingual Community Mortgage Specialist assists Spanish-speaking mortgage customers with all aspects of their mortgage needs, from providing guidance through the application and closing process all the way through answering servicing questions.

While we are in the early stages of this language support project, our vision is clear. We plan to continue to make banking accessible to all, regardless of preferred language. As we continue to assess and expand our language services, we remain committed to breaking down barriers, ensuring that every customer feels supported and understood at Commerce.

Empowering women with financial tools for success

In 2023, our Commerce Bank Commercial Banking and Commerce Trust Wealth Management teams in St. Louis and Kansas City collaborated to

launch a comprehensive program to provide opportunities for education and discussion to empower women as they navigate their unique financial goals and help them achieve financial success. The team also shares their perspective through sponsorships and speaking engagements to demonstrate their commitment to supporting women within the community.

Driving financial inclusion

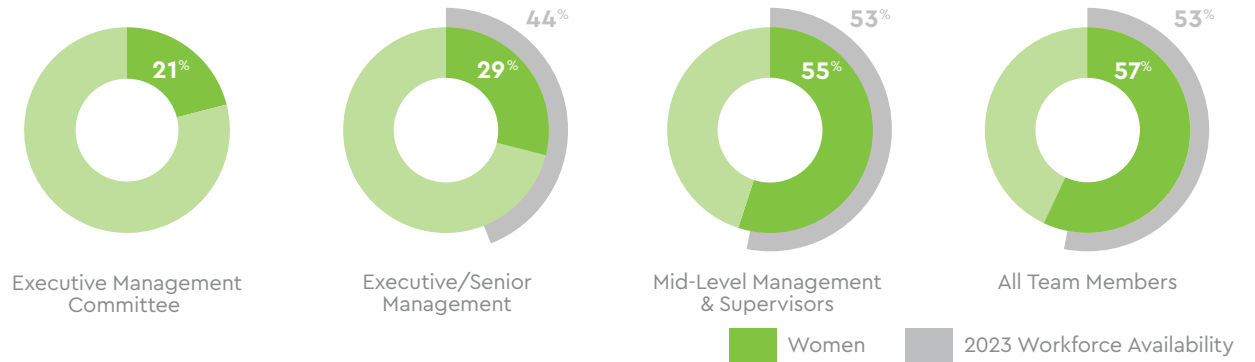
Focusing on the various financial needs and priorities of our communities is crucial for sustaining a financial ecosystem that's inclusive and accessible for everyone. Access to affordable, relevant financial services can enhance economic prospects and financial health for individuals. This approach not only builds stronger, more resilient communities, but also enriches the lives of individuals and families.



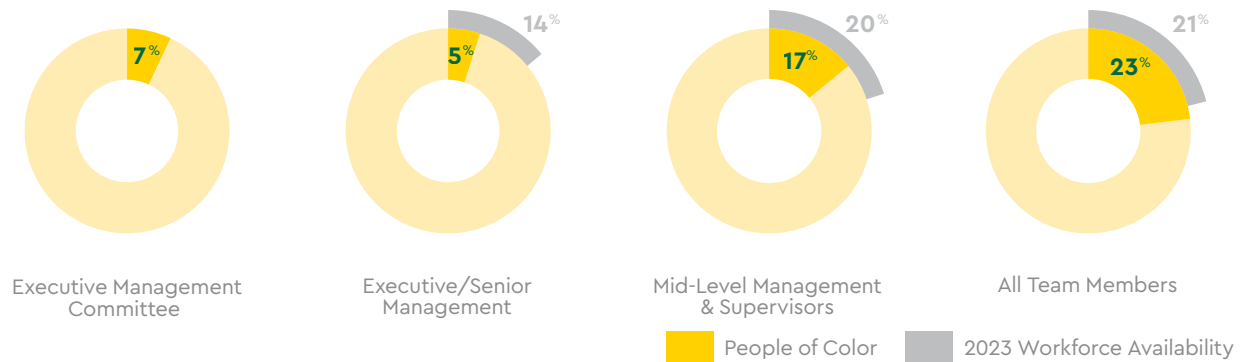
Cultivating a culture of inclusivity

The Internal Pillar is focused on enhancing internal talent mobility and external recruiting practices. An inclusive culture is essential for the growth, success and well-being of our team members and the company.

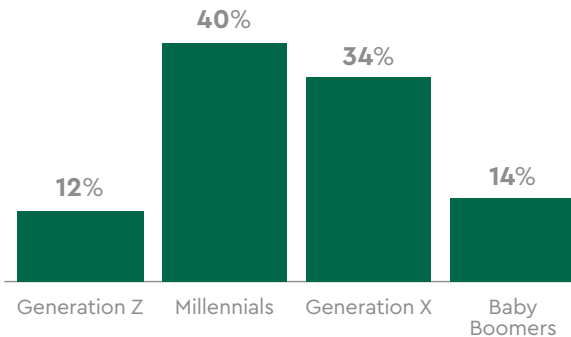
Women



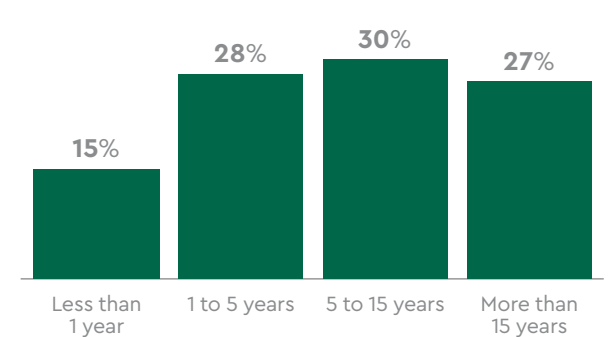
People of Color



Team Member Representation by Generation



Team Member Representation by Tenure



Information as of 12/31/2023. Workforce availability is a weighted average based on job type and region. The workforce availability data used for the calculation is provided by a third-party vendor and is based on U.S. Census data.

Pay equity at Commerce Bank

Commerce is committed to paying our team members equitably for their contributions. We achieve this by considering pay equity in our processing of pay changes and in routine proactive pay reviews. In 2023, we conducted a pay equity review led by an independent compensation consulting firm to ensure the effectiveness of our internal efforts. When determining base pay, we consider a team member's experience, education and performance along with the geographic market rate for their current role. These analyses ensure Commerce compensates team members appropriately and offers competitive pay to attract and retain them.

Commerce earns high score on Human Rights Campaign Foundation's Corporate Equality Index

For the third year running, Commerce has earned a score of 90 out of 100 on the Human Rights Campaign Foundation's Corporate Equality Index (CEI), marking us as a leader in LGBTQ+ workplace equality. The CEI, recognized as the premier benchmarking tool for evaluating LGBTQ+ inclusive policies and practices in the workplace, underwent a significant revamp in 2023 to set even higher standards for participating employers. Commerce maintained the score for its commitment to fostering an

In 2023, Commerce maintained a score of

90 points

out of a possible 100 on the Human Rights Campaign Foundation's Corporate Equality Index for LGBTQ+ equality in workplaces.



environment of inclusivity and equality despite the new, more comprehensive CEI survey.

Employee-led Resource Groups: Fostering a sense of belonging



84%

Team members report feeling a sense of belonging at Commerce

We recognize that our workplace diversity makes us a stronger company, and our Employee-led Resource Groups (ERGs) contribute to a culture of inclusion every day. ERGs provide our employees with a supportive community where they can connect with others who share their interests, background or experiences, raise awareness of critical issues and support good causes. Their existence helps to create a sense of belonging, which leads to increased employee engagement, motivation and retention. By investing in ERGs, we are creating a culture that values and celebrates diversity, fosters creativity and innovation, and promotes a positive work environment for all team members.

ERG members contribute their ideas and perspectives to help support Internal Pillar initiatives. More than 40% of Commerce team members belong to one of these groups.

In 2023, ERGs hosted over 150 events with nearly 5,900 participants. These events included a first-ever social event in Kansas City and St. Louis connecting all ERGs, Commerce team members and diverse businesses who showcased their products at the event. Our ERGs have a Community Connector role to help build support with community organizations

and identify opportunities to create sustaining and supportive relationships, with the goal of designating a leader from each ERG to this role in each market.

Our ERGs also lead the charge in setting up and spreading the word about volunteer opportunities. They have forged strong partnerships with local organizations and events, demonstrating our deep commitment to addressing the pressing needs of our communities.



Walking together for a cause

Last year, PRIDE, the Commerce ERG for the LGBTQIA+ community, took the lead participating in the 35th annual AIDS Walk Kansas City. This event, organized by the AIDS Service Foundation, raises awareness and support for those impacted by HIV and AIDS and is intended to be not only a fundraiser, but also a day of remembrance and celebration.

Commerce provided corporate sponsorship and extensive fundraising efforts led by PRIDE. The team's dedication placed them in the top 10 of companies fundraising for the event, raising about \$5,800 last year, exceeding its \$4,000 goal.

On the day of the walk, Commerce hosted a table, offering a space to highlight the bank's environmental, social and governance efforts, inclusion initiatives and community support. Through events like the AIDS Walk, PRIDE is aligning its community focus with efforts to address healthcare disparities and support health and wellness initiatives.

*Empowering voices through art:
The Box Gallery*

Commerce team members found a creative way to amplify their voices and share diverse cultural perspectives through a year-long series of art exhibits at the Box Gallery, located in the Commerce Bank Building in Kansas City. In partnership with ERG members, the initiative curated exhibits that celebrate cultural arts and history, and promote the mission of advancing inclusion.

Collaborating with local nonprofits and artists, the Box Gallery curator and the ERGs collaborated to create exhibits that addressed a variety of themes related to the interests of the ERGs. These exhibits not only provided a platform for artists to express themselves, but also offered gallery visitors insights into different social identities and cultures.

The program was praised for its community connection and cultural awareness, and highlighted Commerce's dedication to creating spaces that support diverse perspectives.



THE **BOX** GALLERY

 EMERGE

Nurture a workplace culture that attracts, develops, engages and retains young professionals.

 ENABLE

Cultivate an inclusive environment where those with apparent and non-apparent disabilities, caregivers and allies can thrive, collaborate, and serve as a resource for employee advocacy and customer insights.

 PRIDE

Provide an open forum where LGBTQIA+ and allied teammates can aspire, develop and collaborate to reach their highest potential.

 RISE

Empower women as leaders, mentors, coaches and role models to enhance personal and professional relationships that improve the ability to attract, develop and retain top talent at Commerce.

 SALUTE

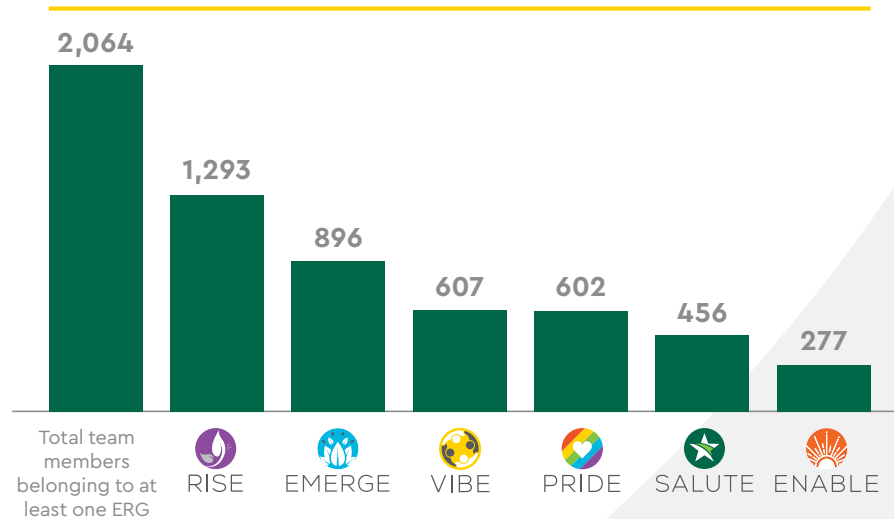
Create an inclusive, dignified and diverse space for team members with a passion for supporting military veterans and their families.

 VIBE

Foster an environment where team members are valued, empowered and engaged to promote multicultural representation and retention.

2023 ERG Membership

Team members may belong to more than one ERG





ENABLE

Inclusivity in action with ENABLE

In recent years, Commerce has introduced Employee Resource Groups (ERGs) for diverse communities, including women, young professionals, people of color, LGBTQIA+ and veterans. In 2023, we launched ENABLE, a new ERG aimed at supporting individuals with both apparent and non apparent disabilities, as well as caregivers and allies interested in disability support.

ENABLE's mission is to create an inclusive space where all members can prosper, collaborate, and provide valuable feedback for employee advocacy and customer insights. By promoting awareness, advocating for inclusive experiences, and offering support, ENABLE aims to foster a respectful, diverse community. Additionally, ENABLE seeks to collaborate with organizations dedicated to disability support and related causes.



Elevating ERG leadership

Our ERG leaders are dedicated, hardworking professionals. To support them in their two-year commitment as group leaders, we have established the ELEVATE training program. The program provides ERG leaders with professional development and training on topics such as facilitating, presenting, leading with influence and making meetings matter.

In 2023, significant updates were made to the ELEVATE program to better cater to the unique needs of ERG leaders. ELEVATE is now a two-day intensive workshop. This workshop focuses on leveraging a self-assessment tool, with the goal of harnessing individual strengths and navigating challenges effectively.

The program's restructuring also created networking opportunities among ERG leaders, many of whom met in person for the first time. Members learn how to leverage diverse leadership styles to achieve results, helping them understand the dynamics of a leadership team and build upon each other's strengths.

A significant part of the ELEVATE program involves planning within specific ERGs to strategize future actions, identifying which stage of development the ERG currently resides in, and how to progress. This approach equips ERG leaders with strategic insights, similar to managing a small business or business line, focusing on advancing their group to the next level.

ELEVATE participants leave with actionable takeaways, including a presentation template designed to facilitate a teach-back session to their respective leadership teams, encouraging continuous development and growth within their ERGs.

The program places a strong emphasis on the significance of volunteering, acknowledging the dedication and time ERG leaders invest as volunteers. Commerce continues to find ways to give back and support its ERG leaders, recognizing their valuable contribution to the bank through their volunteer efforts.

Collaborating to support our diverse workplace

Investing in a diverse workplace includes ensuring that team members have access to the tools they need to succeed. In addition to employee-led resource groups, we continue to create a range of resources, such as diversity education programs, mentorship programs and leadership development programs. We want our team members to feel valued, supported and empowered to bring their unique perspectives and backgrounds to the workplace.

Sponsoring leadership and mentoring programs

We partnered with IMPACT Group in St. Louis to launch a women's cohort experience for Commerce. Women in Leadership is a 10-month program providing focused development for women at Commerce. The program combines the benefits of individual coaching with the networking and social support of a cohort. Participants engage in events with Commerce executives, develop a tailored individual development plan, receive coaching (along with their manager), and attend learning events. The program ends with a capstone presentation made to executive management that is designed to give the women more visibility into their strengths, goals and interests.



Building stronger communities through leadership development

Commerce is proud to support the Greater Missouri Leadership Foundation. With a network of over 1,000 alumnae, the Foundation plays an important role in fostering women in leadership.

Each year, Commerce sponsors the Foundation's flagship program, the Greater Missouri Leadership Challenge, allowing us to send participants across the state to this unique year-long program. The Challenge provides women with opportunities for personal and professional growth.

The program serves as a traveling symposium, offering a broad perspective on Missouri's issues and opportunities. From exploring state policy

in Jefferson City to understanding rural life in Kirksville, the program equips participants with a comprehensive view of our state. The experience provides a deeper understanding of Missouri's economic drivers, including tourism and agriculture, and highlights critical issues like healthcare.

Our team members also participate in other Foundation initiatives, serving as board members, planning committee members and participants.

By investing in the development of knowledgeable, versatile leaders, we are building a more resilient and inclusive future for Missouri. We look forward to continuing to support our leaders of tomorrow through the Foundation and other organizations.

To further foster development and professional growth in our team members, we frequently sponsor employees to attend external training and leadership programs.

- **Kansas City Central Exchange** — The Emerging Leaders Program advances leaders' effectiveness, builds networks and connects participants with regional and global thought leaders.
- The **St. Louis Diversity Business Initiative's** year-long program addresses the interests and challenges that professionals of color face as they work to advance their careers.
- **Greater Missouri Leadership Challenge** provides women leaders with unique personal and professional leadership growth opportunities.

Offering a range of inclusive learning opportunities

Providing educational resources for team members and our leadership is crucial for

ensuring that everyone has access to the tools and support needed to succeed.

In 2023, we expanded our curriculum of workshops focused on awareness of inclusion and diversity issues, hosting 45 sessions for over 1,350 attendees. The sessions, held both online and in person, were designed to increase team members' awareness and understanding of their own experiences and perceptions, and how those affect their decision-making and interactions with others. We hope to promote a culture of inclusivity by providing a comprehensive curriculum as we work toward a more inclusive workplace for all.

Participation in Awareness Workshops in 2023



At Commerce, we believe leaders have considerable influence on the culture of their teams and the well-being of their team members. That's why we are intentional in providing resources for leadership training and support. In 2023, this included providing and maintaining a Resource Guide for Leaders — further supporting their efforts in fostering an inclusive experience for our team members while giving them some best practices in hiring.

Focused on what matters most

We're proud of the progress we've made incorporating social standards into our culture, but we know our work is far from over. We're dedicated to creating an inclusive environment where every team member can excel and be their best self at work. We promise to encourage open dialogues that ensure our team members always feel safe, valued and respected.

Encouraging supplier diversity

The Supplier Pillar aims to continually improve the access to diverse suppliers and positively impact local economies. Building relationships and actively supporting diverse suppliers who can meet our business needs promotes a more inclusive and equitable supply chain that supports our operating needs, while also helping those enterprises grow.

Enriching our local economy by supporting diverse-owned businesses

We are deeply involved in the communities where we live and work. The neighborhoods are diverse, and we believe our business practices — from how we recruit team members to which paper supplier we hire — should reflect the community. We also believe that by hiring local suppliers, we're able to put resources back into the community to further enrich the local economy.

Innovating through our diverse supplier initiatives

Engaging diverse suppliers is key to creating a more successful environment for businesses and communities. By actively seeking out suppliers from diverse backgrounds, we help provide opportunities for businesses owned by historically marginalized groups. Working with a diverse range of suppliers allows us to tap into unique perspectives and expertise, which we believe helps us to spur innovation and growth.

CEO to CEO Challenge

Commerce is dedicated to increasing the number of diverse suppliers we collaborate

with in the local communities we serve. The CEO-to-CEO Challenge, sponsored by KC Rising, encourages and supports business-to-business inclusive procurement by making that commitment visible and helping leaders develop supplier diversity programs. Commerce was among the first group of Kansas City leaders to sign and take the pledge.

Improving supplier diversity practices

We are continuously improving our processes at Commerce. For the third consecutive year, we participated in the Financial Services Roundtable for Supplier Diversity (FSRSD) annual survey. The purpose and mission of the FSRSD is to promote supplier diversity within the financial services industry. One of the key ways FSRSD fulfills its mission and supports member growth is through its annual benchmarking survey, which collects data on the supplier diversity practices of member companies. The survey helps identify best practices and provides insights into the challenges and opportunities associated with supplier diversity. By leveraging the insights gleaned from the survey, we can improve our supplier diversity practices and drive meaningful change.

Using technology to help improve diversity

On our journey to create a more diverse supplier program, we utilize tools to enhance our search for diverse suppliers and build more inclusive business practices. In 2023, we continued to enlist a diverse supplier platform which uses a data-driven approach to help find diverse suppliers that meet specific criteria, such as location, industry and certification. By accessing the platform, which has more than six million diverse suppliers, we're becoming more effective in our supplier searches, while also benefiting from the real-time insights into responsible suppliers.

Spotlighting champions of supplier diversity

Throughout 2023, we recognized Supplier Champions who made a difference in the supplier space, either through their own actions or by motivating others to utilize diverse suppliers within Commerce. Team members nominated colleagues throughout the year, with winners being recognized quarterly and annually. Through this program, we raised awareness

about the value that diverse suppliers bring to our business and helped to create a sense of community and shared purpose.

Supporting our communities through diverse suppliers

Commerce recognizes the importance of supporting diverse suppliers and the vital role they play in strengthening our business and the broader community. We're not just ticking boxes; we're creating a stronger network of innovation, resilience and opportunity right where we live and work. Investing in diverse suppliers is not just good business — it drives innovation and competitiveness, and leads to a thriving local economy, job creation and a richer, more diverse community.



