

# Corporate Responsibility

A Comprehensive Review of Our Governance, Social,  
and Environmental Practices & Progress for 2016

Comerica Bank



*The photos shown on our report cover were taken by Comerica colleagues as part of Comerica's annual Diversity Photo Contest Calendar for 2016.*

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## Corporate Responsibility at Comerica



**96%** of net income returned to shareholders

**\$49** BILLION

in total loans with over \$1 billion in new loans to small businesses



**1<sup>ST</sup>** Multi-disciplinary innovation event to develop digital customer solutions



**30%**

increase in people educated on financial literacy, providing training to over 47,000 people



Appointment of 2 new independent directors to Comerica's Board of Directors



1st mapping of Comerica's impact topics to the United Nations' 17 Sustainable Development Goals

**98%**

of employees took non-mandatory skill development training



**12**

Green Office Teams at our larger office locations



**12%** INCREASE

in colleagues who are military veterans



Met greenhouse gas emissions and waste reduction goals 3 & 4 years ahead of schedule, respectively



**\$888** MILLION

in green loans and commitments



**\$8.1** MILLION

donated to over 1,700 charitable organizations



**\$1.37** MILLION

worth of volunteer time in 2016 by Comerica colleagues



Market Segmentation Initiative Teams focused on reaching diverse customers; led to over \$500 million in new account openings

Data provided is for 2016 and all comparisons are to 2015, unless otherwise noted.

## Progress on 2020 Environmental Goals vs. 2012 Baseline

**22.4%**  
REDUCTION  
IN GHGs



as of 2016 vs.  
2020 goal of 20%

**21.1%**  
REDUCTION  
IN WATER  
CONSUMPTION

as of 2016 vs.  
2020 goal of 30%

**28%**  
REDUCTION  
IN WASTE TO  
LANDFILL



as of 2016 vs.  
2020 goal of 20%

**34.3%**  
REDUCTION  
IN OFFICE COPY  
PAPER USAGE

as of 2016 vs.  
2020 goal of 50%

Visit [www.comerica.com/sustainability](http://www.comerica.com/sustainability) to view Comerica's 2016 Corporate Responsibility Report, including the sources of data listed above and more information on our corporate responsibility efforts.



## Message from our Chairman and CEO



Ralph W. Babb  
Chairman and CEO  
Comerica Incorporated and Comerica Bank

Comerica was marked with significant changes in 2016. In July, we launched GEAR Up, a transformational, enterprise-wide initiative to drive operational efficiency, increase revenue and build a more sustainable organization. Through this action-oriented improvement plan and our entire team's hard work, we sharpened our focus on results and enhanced our performance, strengthening our competitive position for the future.

While GEAR Up brought changes to our business, our commitment to Comerica's [Core Values](#) remains an utmost priority. Practicing these values, we remain firmly dedicated to serving as a valued and trusted advisor to our clients while delivering attractive returns for our shareholders. To this end, in 2016 we expanded product offerings, enhanced sales tools and training, improved customer analytics and streamlined leadership across our organization to support speed and simplicity of doing business.

We believe shareholders recognize GEAR Up's value as evidenced by our stock price performance — an increase of 63% from year end 2015 to year end 2016. We outperformed all of our peers as well as the KBW Index and S&P 500 Index. In the S&P 500 Index, we were the best performing financial stock and among the top 10 performers overall.

Just as we have evolved, so has our sustainability reporting. To better reflect the comprehensive nature of our reporting, we shifted the title to Comerica's Corporate Responsibility Report, which provides a comprehensive look at our environmental, social and governance (ESG) practices and progress and has been prepared in accordance with the Global Reporting Initiative (GRI) Standards. This year, we've also introduced how our corporate responsibility efforts reflect the United Nations' 17 [Sustainable Development Goals](#). From addressing inequalities to supporting sustainable cities and communities, we are playing a part in tending to our planet's and society's greatest needs.

In our ninth year, Comerica's Corporate Sustainability Program and our [Value Creation](#) approach has continued to drive broad-based progress on key environmental, social and governance issues. A selection of our 2016 corporate responsibility actions can be found in the preceding [Infographic](#). Notably, we achieved our second of four 2020 environmental sustainability goals in 2016 — we have proudly met both our waste reduction and greenhouse gas reduction goals years ahead of schedule. Still, we recognize that there is always more work to be done. Throughout this report, we not only highlight our progress on corporate responsibility, but also discuss our challenges.

Corporate Responsibility touches on every aspect of [The Comerica Promise](#) and our Core Values. Being a responsible company is simply a part of our culture. I'm pleased with the work we've done and eagerly anticipate future progress. As we reflect on 2016, we thank all of you who have helped us along the way and look ahead to a more sustainable future.

Thank you.

A handwritten signature in black ink that reads "Ralph W. Babb".

Ralph W. Babb  
Chairman and CEO  
Comerica Incorporated and Comerica Bank

## Key 2016 Recognition

|  |   |
|--|---|
| National Winner of 2016 Greenwich Excellence Awards for Middle Market Banking in areas of overall customer satisfaction, industry expertise, cash management - overall satisfaction, sales specialist performance, and cash management specialist- quality of advice | Innovation in Financial Education Award, presented by Nasdaq and EverFi, for Comerica's significant efforts to improve the financial capability of adults and children through unique digital learning initiatives              |
| Corporate Social Responsibility Leadership Award from the Financial Services Roundtable  | One of 50 most community-minded companies in the nation as part of the Civic 50; an initiative of Points of Light, the world's largest organization dedicated to volunteer service  |
| Third consecutive perfect 100 rating on the Human Rights Campaign Foundation's 2017 Corporate Equality Index   | Fourth listing on <i>LATINO Magazine's</i> 2016 "LATINO 100" annual list of the top 100 companies providing the most opportunities for Latinos  |
| One of the "50 Best Companies for Diversity" in 2016 by <i>Black Enterprise Magazine</i>   | No. 2 on <i>DiversityInc's</i> 2016 Top 10 Regional Companies for Diversity   |
| "Best Places for Women and Diverse Managers to Work" in 2016 by Diversity MBA and based on women and minority representation in executive leadership and on boards of directors  | Great Lakes Women's Business Council Best In Class designation for Supplier Diversity   |
| National Diversity Council's "Top 25 Companies for Diversity in Texas"   | A- score on our CDP Climate Change response, among the top 25 percent of all financial services CDP responders  |
| 8th consecutive year on FTSE4Good Index and continued listing on Thomson Reuters Corporate Responsibility Indices  | Third consecutive <i>Supply &amp; Demand Chain Executive</i> magazine's Green Supply Chain Award  |
| 1 <sup>st</sup> place in U.S. Environmental Protection Agency's (EPA's) Battle of the Buildings competition in the Financial Office category for 2016 energy reduction at our Mockingbird-Abrams banking center in Texas   | 1 <sup>st</sup> and 2 <sup>nd</sup> place in the Michigan Battle of the Buildings competition in the Financial Institution Category for 2016 energy efficiency progress at our Stadium Pauline and Jackson Main banking centers |
| Received the Corporate Recognition Award from the National Black MBA Association (Texas Market)  | Commitment to Community Excellence honor at the Pacific Asian Consortium in Employment's 9th annual Entrepreneurial Spirit Awards Luncheon (California Market)  |
| Gift of Hope award from Children's Harbor at their 20th Anniversary event (Florida Market)   | Award for Comerica's long-term support of Arise Detroit's annual Neighborhoods Day (Michigan Market)  |

## Message from our Director of Corporate Sustainability



*J. Scott Beckerman  
Senior Vice President and Director of  
Corporate Sustainability, Comerica  
Incorporated*

We embarked on our sustainability journey in 2008 with the formation of our Corporate Sustainability Office. The mission of this office is to understand, measure and report on our environmental footprint, as well as to report on our company's well-established social and governance efforts. Since our first Global Reporting Initiative (GRI)-based report on 2008, we have worked to continually improve the depth and breadth of our reporting and our program results.

At Comerica, each and every colleague has a role to play in helping us be a more sustainable and responsible company. Comerica's Sustainability Council, comprised of senior managers from across the organization, develops and implements yearly Sustainability Action Plans, which direct our progress across a broad range of relevant topics. The Corporate Sustainability Office reports annually to Comerica's Board of Directors (Board) through its Enterprise Risk Committee.

Our initiative to improve efficiency and revenues, GEAR Up, also brought changes to our sustainability efforts, as we took time to evaluate our program and structure to focus on ways to help optimize performance. We took the opportunity to recast Comerica's Sustainability Council by adding more representatives from our customer-facing business units to help us focus on business opportunities in sustainability.

We also started a Corporate Responsibility Collaboration Working Group in 2016. The group meets quarterly and includes colleagues working on diversity, volunteerism, philanthropy, sustainability, the Community Reinvestment Act and communications at Comerica. The group's mission is to facilitate knowledge-sharing to improve communication and collaboration between the business units and individuals working on the various facets of corporate responsibility. Working together, we are always stronger and more likely to achieve transformational impacts.

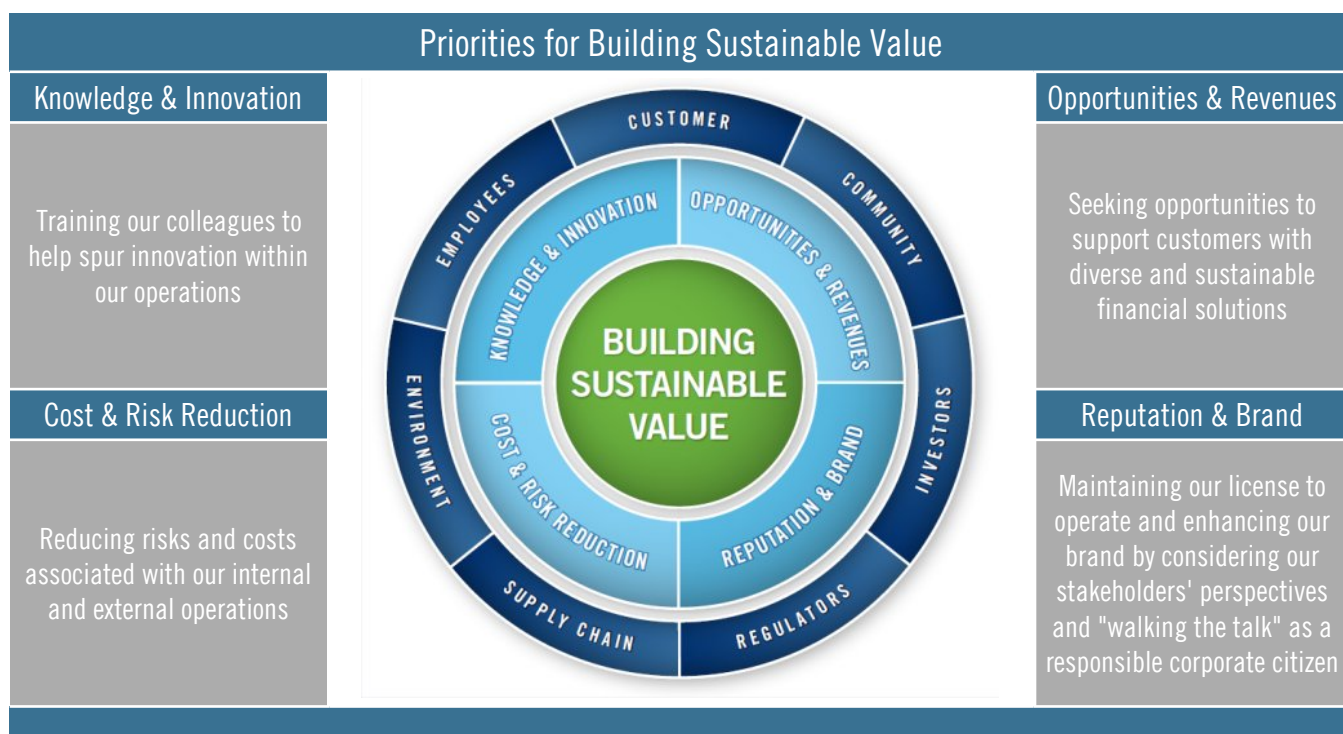
Another notable change is that this year, we've shifted the title of our report from "Sustainability" to "Corporate Responsibility" to reflect the broad nature of the issues discussed in this document and in response to feedback from stakeholders. The change emphasizes that the breadth of our ESG efforts stretch beyond environmental issues. In reality, sustainability and corporate responsibility both reflect the interconnected nature of economic, environmental, social and governance topics, but in the context of business reporting, we feel it is better to term this report our Corporate Responsibility Report.

We also reshaped the organization of this year's report. We grouped our 27 Impact Topics - those economic, environmental, social and governance topics of highest priority to Comerica and our stakeholders - into seven primary categories:

| <i><b>Primary Report Categories</b></i>     | <i><b>Impact Topics</b></i>   |
|---|---|
| <b>Economic Impact</b>                      | Financial Performance, Economic Environment, Indirect Economic Impact   |
| <b>Supporting Our Customers</b>             | Customer Privacy and Protection, Cyber Security, Innovation and Technology, Customer Education and Financial Literacy, Serving the Underbanked  |
| <b>Responsible Business Practices</b>       | Regulatory Risk/Compliance, Credit Risk, Environmental Risk, Brand and Reputation Management/Reputation Risk, Anti-Corruption, Ethics and Countering Bribery, Responsible Marketing and Sales, Public Policy and Government Relations, Transparency |
| <b>Supporting Our Colleagues</b>            | Talent Attraction, Development and Retention, Employee Engagement   |
| <b>Prioritizing Diversity and Inclusion</b> | Board Diversity, Diversity and Inclusion  |
| <b>Managing Our Environmental Impacts</b>   | Climate Change and GHG Emissions, Paper, Waste, Water Stewardship, Green Lending  |
| <b>Supporting Our Communities</b>           | Community Reinvestment and Development, Philanthropy and Volunteerism   |

The grouping of our Impact Topics and the corresponding work we do as a responsible business naturally connect to the United Nations Sustainable Development Goals (SDGs). The SDGs represent a once-in-a-generation opportunity to align the interests of people, governments, businesses, and nonprofits around issues that can improve the lives of all our people. While our efforts to connect our actions to the SDGs are still developing, we have preliminarily mapped our seven report sections to the 17 SDGs. For more information, please see [Mapping Our Report to the SDGs](#).

Comerica's overall approach to sustainability and corporate responsibility has remained consistent. In pursuing our approach, we define "sustainability" as including interconnected environmental, economic, social and governance topics. We view both corporate responsibility and sustainability as approaches to conducting business in a manner that meets our current needs without compromising the ability of future generations to meet theirs.



Comerica's value creation matrix and approach to corporate responsibility continues to deliver significant impacts over time. The approach focuses on knowledge and innovation, opportunities and revenues, cost and risk reduction and reputation and brand. Our value creation approach is encircled by our stakeholders; we value their perspectives and insights and engage with a diverse group on a broad variety of topics throughout the year. Our approach is 'sustainable' in that the value is enduring and long-term, as well as related to our ESG performance. See the [Stakeholder Engagement and Relevancy Assessment](#) section of this report for more details.

For more on our reporting methodology, terminology and standards, please see the [Reporting Methodology](#) section of this report. To learn more about sustainability and corporate responsibility at Comerica, or to provide feedback on our reporting, please contact Scott Beckerman, Director of Corporate Sustainability at [jsbeckerman@comerica.com](mailto:jsbeckerman@comerica.com). By sharing your thoughts, you can help us to improve our performance and further *raise your expectations of what a bank can be*.

# OUR COMPANY

Comerica Incorporated (NYSE: CMA) is a financial services company headquartered in Dallas, Texas, and is among the 25 largest U.S. financial holding companies in the United States. For over 165 years, our colleagues have focused on building long-term relationships and helping people and businesses be successful. We deliver the highest quality financial services and are strategically aligned into three business segments:

- **The Business Bank**, supporting companies with an array of credit and non-credit financial products and services.
- **The Retail Bank**, delivering personalized financial products and services to small businesses and individuals.
- **Wealth Management**, serving the needs of high net worth clients and institutions.

Our key markets are Texas, Arizona, California, Florida and Michigan, with select businesses operating in several other states, Canada and Mexico. At year end 2016, Comerica served over one million customers.

As of December 31, 2016, our total assets stood at approximately \$73 billion, total loans at approximately \$49 billion and total deposits at approximately \$59 billion. Additional financial metrics are provided in the [Key Statistics Table](#) attached to this report and in Comerica's [2016 Annual Report](#).

For more information about our company, please visit the [Company Overview](#) section of our website.

## Comerica At A Glance: 2016

|   |   |
|---|---|
| <ul style="list-style-type: none"> <li>• Among the 25 largest U.S. financial holding companies, with locations in seven of the 10 largest cities in the U.S.</li> </ul>                       | <ul style="list-style-type: none"> <li>• Highest concentration of commercial and industrial (C&amp;I) loans among the top 25 U.S. financial holding companies (as of 12/31/16)</li> </ul> |
| <ul style="list-style-type: none"> <li>• 457 U.S. banking centers (209 in Michigan, 127 in Texas, 97 in California, 17 in Arizona, seven in Florida) and 606 ATMs (as of 12/31/16)</li> </ul> | <ul style="list-style-type: none"> <li>• Financial Agent for the U.S. Treasury's Direct Express and Card Acquiring Services Programs</li> </ul>   |
| <ul style="list-style-type: none"> <li>• #2 pre-paid commercial card issuer</li> </ul>  | <ul style="list-style-type: none"> <li>• 8,100+ employees</li> </ul>  |

## Comerica Strengths

|                            |  |  |                               |   |
|----------------------------|--|--|-------------------------------|---|
| Long History               | Nimble Size (\$73B in Assets at 12/31/16)                                | Attractive Footprint                               | Relationship Banking Strategy | Conservative  |
| Founded over 165 years ago | Products and services of a large bank with a culture of a community bank | Strong presence in Texas, California, and Michigan | Trusted Advisor approach      | Strong capital position, weathered credit cycle relatively well |

## Supply Chain

At Comerica, we strive to understand our supply chain and appropriately manage the risks and opportunities it presents. We also endeavor to extend our positive impacts on the environment and communities by promoting a sustainable supply chain. We consider both [supplier diversity](#) and the [sustainability practices of suppliers](#) during our rigorous, 7-step sourcing process for selecting and

evaluating suppliers. In our own operations, our Green Procurement Work Group looks to source suppliers and services that meet our [environmental criteria](#) where possible.

Comerica has approximately 5,000 suppliers and an annual supplier spend of over \$650 million dollars, 65 percent of which is with our top 100 suppliers. Fifty percent of our supply base (by number of suppliers) and 36 percent of the total spend is located in two key markets – Texas and Michigan. We use approximately 1,300 suppliers in Michigan and 1,000 suppliers in Texas. Our supplier spend falls into the following key categories: technology, telecommunications, information security, facilities and real estate, marketing, human resources, legal and other banking and financial services-related products and services.

Comerica primarily does business in the United States and has no significant presence or investment in countries where lack of human rights protection is a known problem. Accordingly, we do not screen suppliers or investments specifically for human rights issues at this time.

## The Comerica Promise

Our vision is to become the highest performing, most respected and most desired bank in the communities we serve. Our company's mission is to achieve balanced growth and profitability by delivering a higher level of banking that nurtures lifelong relationships with unwavering integrity and financial prudence.

In 2013, we launched The Comerica Promise, an employee roadmap aligned with our vision and mission, to elevate our customer and colleague working relationships. The Comerica Promise includes a Customer Promise and a Colleague Promise — statements that describe the behaviors and values that define our culture and align with our code of conduct. Comerica's seven **Core Values** are instrumental to fulfilling this promise.

The Comerica Promise and our Core Values of **Customer-centricity**, **Collaboration**, **Integrity**, **Excellence**, **Agility**, **Diversity** and **Involvement** deliver sustainability progress and are highlighted throughout this report:

| <i><b>Our Core Values</b></i>     | <i><b>How we will act</b></i>  | <i><b>Examples of how we live our values through a focus on Corporate Responsibility</b></i>   |
|-----------------------------------|--|--|
| <i><b>Customer-centricity</b></i> | Our decisions will be based first and foremost on what is best for our customers.  | We support our customers by reducing privacy threats, providing innovative products and services, financial education and access to services by <a href="#">Supporting our Customers</a> . We also look to support <a href="#">diverse customers</a> and <a href="#">customers that support a greening economy</a> . |
| <i><b>Collaboration</b></i>       | We will work as a team to do what is right by our customers and our colleagues.  | To meet and exceed our customers' expectations, we strive to make Comerica the preferred bank employer in our key markets. Through our Leadership Development Program, cross-functional colleague teams collaborate to address strategic challenges as described in <a href="#">Supporting our Colleagues</a> .      |
| <i><b>Integrity</b></i>           | We will maintain the highest ethical standards through our honesty and transparency. We will honor our commitments and take personal responsibility for our actions. | We focus on ethics, good governance, managing risk, countering corruption and other responsible business practices as described in <a href="#">Responsible Business Practices</a> .  |
| <i><b>Excellence</b></i>          | We understand there are no trade-offs or short cuts on the road to success. We will strive for greatness through continuous self-improvement.                        | We set goals and hold ourselves accountable. See how we've progressed in meeting our environmental sustainability goals on reducing emissions, water, waste and paper consumption in the <a href="#">Managing our Environmental Impacts</a> section.   |

| <i><b>Our Core Values</b></i> | <i><b>How we will act</b></i>  | <i><b>Examples of how we live our values through a focus on Corporate Responsibility</b></i>  |
|-------------------------------|--|---|
| <i><b>Agility</b></i>         | We aspire to become a company that fully embraces innovation as a means of driving ongoing growth and prosperity. We remain flexible and adaptable to change.              | We are transforming our technology to become the leading digital provider of choice for our colleagues and customers as discussed in <a href="#">Innovation and Technology</a> .  |
| <i><b>Diversity</b></i>       | We will create an environment that celebrates the differences among our colleagues and customers, with the understanding that such differences make us a stronger company. | We support and promote diversity and inclusion internally among our employees, and externally to our customers, suppliers and the communities in which we conduct business. For more details, see the <a href="#">Prioritizing Diversity and Inclusion</a> section. |
| <i><b>Involvement</b></i>     | We embrace our critical role in the communities we serve and acknowledge that our success is intertwined with theirs. We will make sustainability a priority.              | Our company and colleagues are involved in supporting our communities through volunteerism, philanthropic, and community investment efforts as described in the <a href="#">Supporting Our Communities</a> section.   |

## Stakeholder Engagement and Relevancy Assessment

We have reported on the relative importance of significant economic, environmental, social and governance issues to our business and stakeholders since our inaugural sustainability report in 2008. We began conducting formal stakeholder engagement on sustainability in 2010. In fall 2014, we launched our third round of formal engagement, gaining feedback from a diverse group of stakeholders on our sustainability performance (See our [2014 Comerica Sustainability Report](#) for more details). In early 2017, we engaged with a group of external analysts and investors specifically focused on environmental, social, and governance (ESG) topics. This group provided feedback on two key areas: 1) Industry trends and outlooks and 2) Comerica's sustainability strategy, performance and reporting (including our Impact Topics and Relevancy Assessment).

Understanding and engaging with a broad range of stakeholders is critical to our long-term success as a responsible financial institution. By communicating with and listening to our stakeholders, we expect to strengthen our business performance and build enduring sustainable value. The following table shows our regular engagement methods beyond our biennial sustainability engagements.

| <i><b>Stakeholder Group</b></i>  | <i><b>How We Engage</b></i>  |
|--|--|
| <i>Colleagues</i>  | Intranet communications, Sustainability Council, Green Office Teams, individual meetings           |
| <i>Customers</i>   | Individual meetings, surveys, online communities, customer appreciation events                     |
| <i>Environmental, Social and Governance-related Non-Governmental Organizations</i> | Individual meetings, surveys, professional organizations   |
| <i>ESG Rating and Ranking Organizations</i>  | Individual meetings, surveys, professional organizations   |
| <i>ESG-Focused Investors/Impact Investors</i>                                      | Individual meetings, investor conferences/presentations, quarterly earnings calls                  |
| <i>Industry</i>  | Industry organizations, professional organizations   |
| <i>Investors/Analysts</i>  | Individual meetings, regular updates, investor conferences/presentations, quarterly earnings calls |
| <i>Media</i>   | Individual meetings, regular outreach via news releases, etc.                                      |
| <i>Peers</i>   | Industry organizations, professional organizations, individual meetings                            |
| <i>Suppliers</i>   | Regular reviews, surveys, individual meetings  |

As an example of ongoing stakeholder engagement, our Investor Relations team conducts shareholder outreach as an integral part of Comerica's business practices. Shareholders provide insight on a variety of topics, including operations, governance and compensation. In that regard, in 2016 we reached out to our top 25 shareholders, representing approximately 54 percent of our shares, as well as a number of additional shareholders who expressed an interest in providing feedback or who had provided feedback in the past. In addition to discussing industry matters and Comerica's performance, we receive frequent feedback from our investors. We participate in investor conferences at least quarterly and periodically meet with investors at their offices or our Dallas headquarters. In total we had over 400 meetings with investors in 2016 (this number includes multiple meetings with the same firm/individuals).

## Relevancy Assessment

Beginning in 2014 and extending into 2015, Comerica worked through a robust stakeholder engagement process to evaluate "materiality," as used in the GRI sustainability context, and to guide preparation of our first GRI-G4-based report. Our stakeholder engagement process defined relevant topics related to environmental, economic, social, and governance issues determined to be most relevant and significant to both internal and external stakeholders. Those key topics most relevant to internal and external stakeholders are termed Comerica's Impact Topics. Our Relevancy Assessment process is described in detail in the Sustainability at Comerica section of our [2014 Comerica Sustainability Report](#). We reviewed our Impact Topics and their relative significance with selected internal stakeholders in 2016 and external stakeholders in early 2017.

For reference, we use the terms "relevancy," "significance," and "impact" to refer to those topics that reflect the environmental, economic, social, and governance issues most important to Comerica and our stakeholders; what the GRI Sustainability Reporting Standards defined as "Material Aspects." This is to avoid potential confusion with the terms "material" or "materiality" as defined by or construed in accordance with securities laws or other U.S. legislation, or as used in the context of financial statements and financial reporting (see [Reporting Methodology](#) for additional information).

## Impact Topics and Boundaries

During our value chain and impact mapping process, we used initial research and stakeholder interviews to determine topic boundaries for each of our significant sustainability topics. These Impact Topics were matched with the applicable GRI Topics. Stakeholder feedback helped establish the boundaries of Comerica's Impact Topics and the associated GRI Topics. The resulting process shaped our reporting content and addresses the issues of relevancy, stakeholder inclusiveness, sustainability context and completeness under GRI Standards.

### Impact Topic Boundaries

| Comerica's Impact Topics                        | Relevant GRI Topic(s)                 | Comerica | Communities | Customers | Investors | Regulators | Suppliers |
|---|---------------------------------------|----------|-------------|-----------|-----------|------------|-----------|
| <i>Report Section: Economic Impacts</i>         |                                       |          |             |           |           |            |           |
| Financial Performance                           | Economic Performance                  | ✓        | ✓           | ✓         | ✓         | ✓          | ✓         |
| Economic Environment                            | Economic Performance                  | ✓        | ✓           | ✓         | ✓         | ✓          | ✓         |
| Indirect Economic Impacts                       | Indirect Economic Impacts             | ✓        | ✓           | ✓         |           |            | ✓         |
| <i>Report Section: Supporting Our Customers</i> |                                       |          |             |           |           |            |           |
| Customer Privacy & Protection                   | Customer Privacy                      | ✓        |             | ✓         |           | ✓          | ✓         |
| Cybersecurity                                   |                                       | ✓        |             | ✓         |           | ✓          | ✓         |
| Innovation & Technology                         | Local Communities<br>Customer Privacy | ✓        | ✓           | ✓         |           |            | ✓         |
| Customer Education & Financial Literacy         | Local Communities                     | ✓        | ✓           | ✓         |           | ✓          |           |
| Serving the Underbanked                         | Indirect Economic Impacts             | ✓        | ✓           | ✓         |           | ✓          |           |

### Impact Topic Boundaries

| Comerica's Impact Topics                           | Relevant GRI Topic(s)  | Comerica | Communities | Customers | Investors | Regulators | Suppliers |
|--|--|----------|-------------|-----------|-----------|------------|-----------|
| Report Section: Responsible Business Practices     |  |          |             |           |           |            |           |
| Transparency                                       | Environmental and Socioeconomic Compliance                       | ✓        |             | ✓         | ✓         |            |           |
| Regulatory Risk/Compliance                         | Environmental and Socioeconomic Compliance                       | ✓        |             |           | ✓         | ✓          |           |
| Reputation Risk                                    | Environmental and Socioeconomic Compliance, Ethics and Integrity | ✓        | ✓           | ✓         | ✓         |            | ✓         |
| Credit Risk  | Economic Performance   | ✓        |             | ✓         |           | ✓          |           |
| Environmental Risk                                 | Environmental Compliance   | ✓        | ✓           | ✓         |           | ✓          |           |
| Economic Environment                               | Economic Performance   | ✓        | ✓           | ✓         | ✓         | ✓          | ✓         |
| Anti-corruption, Ethics, & Countering Bribery      | Anti-corruption<br>Anti-competitive behavior                     | ✓        |             |           | ✓         | ✓          |           |
| Responsible Marketing & Sales                      | Anti-competitive behavior<br>Marketing and Labeling              | ✓        | ✓           | ✓         | ✓         | ✓          |           |
| Public Policy & Government Relations               | Public Policy  | ✓        |             |           | ✓         | ✓          |           |
| Report Section: Supporting Our Colleagues          |  |          |             |           |           |            |           |
| Talent Attraction, Retention, & Development        | Employment, Training and Education, Labor/ Management Relations  | ✓        |             | ✓         |           |            |           |
| Employee Engagement                                | Employment   | ✓        | ✓           |           |           |            |           |
| Report Section: Prioritizing Diversity & Inclusion |  |          |             |           |           |            |           |
| Diversity & Inclusion                              | Diversity and Equal Opportunity                                  | ✓        |             | ✓         |           |            | ✓         |
| Board Diversity                                    |  | ✓        |             |           | ✓         |            |           |
| Report Section: Managing Our Environmental Impacts |  |          |             |           |           |            |           |
| Climate Change, Energy, GHG Emissions              | Energy   | ✓        | ✓           | ✓         | ✓         |            | ✓         |
|  | Emissions  | ✓        | ✓           | ✓         | ✓         |            | ✓         |
| Paper  | Materials  | ✓        |             | ✓         |           |            | ✓         |
| Waste  | Effluents and Waste  | ✓        |             | ✓         |           |            | ✓         |
| Water Stewardship                                  | Water  | ✓        |             | ✓         |           |            | ✓         |
| Green Lending                                      | Indirect Economic Impacts  | ✓        |             | ✓         | ✓         |            |           |
| Environmental Risk                                 | Environmental Compliance   | ✓        | ✓           | ✓         |           |            |           |
| Report Section: Supporting Our Communities         |  |          |             |           |           |            |           |
| Community Reinvestment & Development               | Local Communities  | ✓        | ✓           | ✓         |           | ✓          |           |
| Volunteerism & Philanthropy                        | Indirect Economic Impacts  | ✓        | ✓           |           |           | ✓          |           |

### Our Impact Matrix

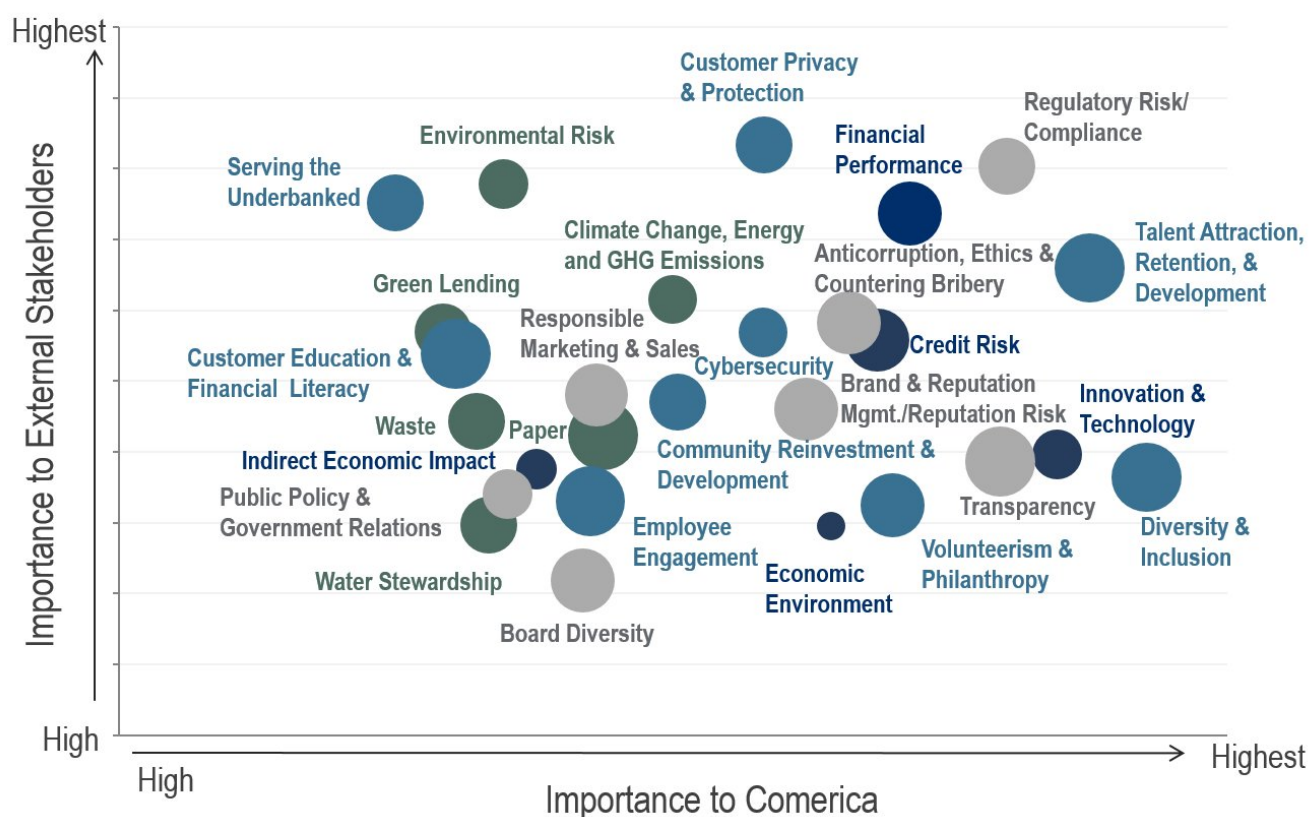
Our Impact Matrix (first published in our [2014 Comerica Sustainability Report](#)) reflects our understanding of the relative significance of sustainability issues that most affect our business and our stakeholders. The Impact Matrix also provides insight on those topics over which we can have the greatest influence.

In 2016, we reviewed our Impact Topics and their relative importance with members of Comerica's Sustainability Council, the senior business leaders from across our organization who help shape the direction of our program. The Sustainability Council generally agreed that the Impact Topics remained relevant. With respect to the relative levels of importance, a number of council members

indicated the growing importance of Cyber Security, Employee Engagement, and Financial Performance. However, given the limited scope of our internal review of Impact Topics, we haven't updated the Impact Matrix but will continue to monitor and evaluate our Impact Topics.

With respect to external stakeholders, we believe our Impact Topics and Impact Matrix remain generally consistent with what we previously reported in 2014 and 2015, based on ongoing stakeholder interactions. As with our internal stakeholders, we recognize that some minor shifts in priorities may have occurred and will continue to occur.

## Comerica Impact Matrix



Note: The Impact Matrix only includes those topics that rose to at least a high level of importance with Comerica and our stakeholders.

| Impact Topic Categories |               | Opportunity for Action (bubble size) |                       |
|-------------------------|---------------|--------------------------------------|-----------------------|
|                         | Governance    |                                      | Highly Actionable     |
|                         | Economic      |                                      | Moderately Actionable |
|                         | Social        |                                      | Low Actionability     |
|                         | Environmental |                                      |                       |

The Impact Matrix continues to act as a guide both in communicating our progress on these topics, and in further aligning our corporate priorities with the sustainability issues most relevant to our business.

## Mapping Our Report to the Sustainable Development Goals (SDGs)

In September 2015, member countries of the United Nations unanimously adopted *The 2030 Agenda for Sustainable Development*. This global agenda consists of 17 SDGs. Building on the success of the United Nations Millennium Development Goals, the new goals apply to all countries; the goals aim to mobilize to end all forms of poverty, fight inequalities and tackle climate change, while ensuring that no one is left behind. Comerica understands how our individual and collective efforts can help achieve these goals.



*"The new Goals are unique in that they call for action by all countries, poor, rich and middle-income to promote prosperity while protecting the planet. They recognize that ending poverty must go hand-in-hand with strategies that build economic growth and addresses a range of social needs including education, health, social protection, and job opportunities, while tackling climate change and environmental protection."*

- United Nations Sustainable Development Agenda

The SDGs parallel our corporate responsibility efforts. For example, our work on improving financial literacy supports our customers and the SDG of Quality Education, and our efforts on Diversity and Inclusion support our colleagues and the SDGs of Gender Equality and Reduced Inequalities.

We recognize that a thriving planet with vibrant communities, inclusive economies and a healthy environment supports our business success. As businesses move toward 2030, the 17 SDGs represent a roadmap we can all follow. The figure below represents a preliminary effort to map our Impact Topic groupings to the corresponding SDGs.

| Economic Impact                           | Supporting Our Customers                      | Responsible Business Practices                | Supporting Our Colleagues        | Prioritizing Diversity and Inclusion | Managing Our Environmental Impacts | Supporting Our Communities |
|---|---|---|----------------------------------|--------------------------------------|------------------------------------|----------------------------|
| 8 DECENT WORK AND ECONOMIC GROWTH<br>     | 4 QUALITY EDUCATION<br>                       | 10 REDUCED INEQUALITIES<br>                   | 3 GOOD HEALTH AND WELL-BEING<br> | 5 GENDER EQUALITY<br>                | 6 CLEAN WATER AND SANITATION<br>   | 1 NO POVERTY<br>           |
| 11 SUSTAINABLE CITIES AND COMMUNITIES<br> | 7 AFFORDABLE AND CLEAN ENERGY<br>             | 12 RESPONSIBLE CONSUMPTION AND PRODUCTION<br> | 4 QUALITY EDUCATION<br>          | 10 REDUCED INEQUALITIES<br>          | 7 AFFORDABLE AND CLEAN ENERGY<br>  | 2 ZERO HUNGER<br>          |
|   | 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE<br> | 16 PEACE, JUSTICE AND STRONG INSTITUTIONS<br> | 5 GENDER EQUALITY<br>            |                                      | 13 CLIMATE ACTION<br>              | 4 QUALITY EDUCATION<br>    |
|   | 12 RESPONSIBLE CONSUMPTION AND PRODUCTION<br> | 17 PARTNERSHIPS FOR THE GOALS<br>             | 10 REDUCED INEQUALITIES<br>      |                                      | 14 LIFE BELOW WATER<br>            |                            |
|   |   |   |                                  |                                      | 15 LIFE ON LAND<br>                |                            |

We recognize that we are early in the process of mapping our Impact Topics to the SDGs, but acknowledge the importance of the SDGs in defining a responsible business. For more comprehensive information and details on the SDGs, please visit the United Nations SDG website.

# ECONOMIC IMPACT

Comerica has sustained our business for over 165 years by delivering value to our customers and shareholders alike. Not surprisingly, our stakeholder relevancy assessment process identified financial performance as one of the most significant sustainability topics.

Our economic impact goes beyond delivering value to our shareholders. Financial performance also impacts the communities in which we operate, our customers and suppliers, as well as our employees. Accordingly, internal and external stakeholders also consider “Indirect Economic Impact” as an important topic.

|                 |   |
|-----------------|---|
| 2016 PROGRESS   | Revenue Increased   |
|                 | Solid expense control   |
|                 | Growth in Efficiency And Revenue (GEAR Up) initiatives identified and implementation begun                                      |
|                 | Superior Total Shareholder Return, which includes price appreciation and dividends paid, for one-, three- and five-year period* |
| 2016 CHALLENGES | Prolonged low-rate environment  |
|                 | Energy portfolio weathering the cycle   |
|                 | Increasing scope of regulations   |
|                 | Increasing required investment in technology  |

\* relative to our peer average as described in our [2017 Proxy Statement](#)

## Financial Performance

## Impact Topic

The year 2016 was a pivotal one for Comerica with the development and launch of our enterprise-wide efficiency and revenue initiative, GEAR Up. We made significant progress in executing expense savings, and we are fully committed to delivering efficiency and revenue opportunities associated with GEAR Up to further enhance profitability and shareholder value. In addition, Comerica benefited from increased interest rates. While credit metrics remained strong, we substantially increased the reserve allocated for energy loans in 2016 and continued to work through the challenges of the increasing scope of regulatory requirements. We continued to invest in technology and cybersecurity. Overall, our financial performance was positively reflected in our stock's performance and increased profitability as we moved through the year.

## Key Annual Financial Performance Highlights through December 31, 2016

|                                 |   |
|---------------------------------|---|
| Focusing on the Bottom Line     | Achieved earnings per share of \$2.68, including restructuring charges. Excluding GEAR Up related restructuring charges, earnings per share increased 6 percent. <sup>1</sup>       |
| Growing Relationships           | Grew portfolio loans by over \$1 billion on average, or 2 percent, excluding \$641 million reduction in energy loans.   |
|                                 | Grew non-interest-bearing deposits by \$1.7 billion on average, or 6 percent.   |
|                                 | Increased net interest income by 6 percent to \$1.8 billion, primarily the result of higher interest rates, loan growth and a larger securities portfolio.                          |
| Controlling What We Can Control | Drove a 2 percent increase in customer-driven fees.   |
|                                 | Delivered more than \$25 million in expense savings through our GEAR Up initiatives.  |
|                                 | Continued strong credit quality.  |
| Enhancing Shareholder Return    | Increased buybacks under the equity repurchase program by 25 percent and increased the quarterly dividend 7 percent.  |
|                                 | Through the buyback and dividends, returned \$458 million, or 96 percent, of 2016 net income to shareholders.   |
|                                 | Stock price increased 63 percent, outperformed all peers and every bank in the KBW Index.   |
|                                 | Total shareholder return, which includes price appreciation and dividends paid, for the one-, three- and five-year period was 66 percent, 51 percent and 188 percent, respectively. |
|                                 | Maintained strong capital position.   |

Balances as of December 31, 2016, as compared to December 31, 2015. Activity and performance for the year ended December 31, 2016, as compared to the year ended December 31, 2015. 1) Earnings per share decreased 6 percent over 2015, including restructuring charges. For 2016, earnings per share excluding restructuring charges is calculated by taking the net income available to common shareholders (\$473MM), plus restructuring charges net of tax (\$59MM) and minus iterative impact to executive compensation (\$2 million), divided by diluted average common shares (177MM).

For more financial metrics, see the Key Statistics Table and our 2016 Annual Report. For more information on our financial performance, disclosures and management processes please see the [Investor Relations](#) section of our website.

## Financial Performance Factors in 2016

|                                    |   |                                       |                                     |
|------------------------------------|---|---------------------------------------|-------------------------------------|
| Enterprise-Wide GEAR-Up Initiative | Prolonged Low Interest Rate Environment | Continued to Weather the Energy Cycle | Investments in Technology Continued |
|------------------------------------|---|---------------------------------------|-------------------------------------|

## Enterprise-Wide GEAR-Up Initiative

In July 2016, we announced an enterprise-wide initiative, GEAR Up, to help grow efficiency and revenue and improve our long-term economic performance, all while continuing to provide a higher level of banking to our customers, serving as their trusted advisor and delivering an exceptional customer experience that exceeds expectations.

| <i>GEAR Up: Growth in Efficiency And Revenue</i><br><i>Goal: Enhance shareholder value through increased profitability</i> |  |
|--|--|
| FY2018 Financial Targets   | <ul style="list-style-type: none"> <li>• Increase Additional Annual Pre-Tax Income</li> <li>• Improve Efficiency Ratio</li> <li>• Drive Double-Digit Return on Equity</li> </ul>                                 |
| Revenue Enhancements   | Increase Revenue Through: <ul style="list-style-type: none"> <li>• Deepening Customer Relationships</li> <li>• Accelerating Growth in Middle Market</li> </ul>   |
| Expense Reductions   | Generate Expense Savings Through: <ul style="list-style-type: none"> <li>• Workforce Reduction</li> <li>• Streamlining Credit</li> <li>• Technology Enhancements</li> <li>• Rationalizing Real Estate</li> </ul> |

For more information on our current GEAR Up progress, please visit our [Investor Relations site](#) and click on More Events for past investor presentations.



***"GEAR Up has set us on a path towards being a stronger, more resilient company and will enhance the long-term returns for our stakeholders."***

**- David E. Duprey, Executive Vice President and Chief Financial Officer, Comerica Incorporated**

## Economic Environment

## Impact Topic

The state of the U.S. economy and behavior of the markets in which we operate directly affect our customers and our own business lines. While we have little ability to influence the broader economic environment on our own, we can and do actively manage the associated risks to our company. We use ongoing stress testing and sensitivity testing to maintain a deep understanding of how changes in the economic environment may impact our company. Our close relationships with customers, including a deep understanding of their business needs, coupled with Comerica's strong leadership and conservative approach to business positions us well to weather difficult economic environments.

While 2016 was characterized by low interest rates, there were signs of improvement in the economy. The overall U.S. economy expanded at a modest pace in 2016, with real GDP increasing by 1.6 percent over 2015. Economic conditions in the U.S. and abroad improved through the second half of the year. Payroll job creation was strong in 2016, averaging a net gain of 187,000 jobs per month,

bringing the U.S. unemployment rate down to 4.7 percent by the end of the year. Business confidence improved after the November general election. Auto sales were very strong in the fourth quarter of 2016, helping to set a new record with sales of nearly 17.5 million units in 2016. Inflation also increased through the year with the Consumer Price Index showing a 2.1 percent increase in December, over the previous 12 months.

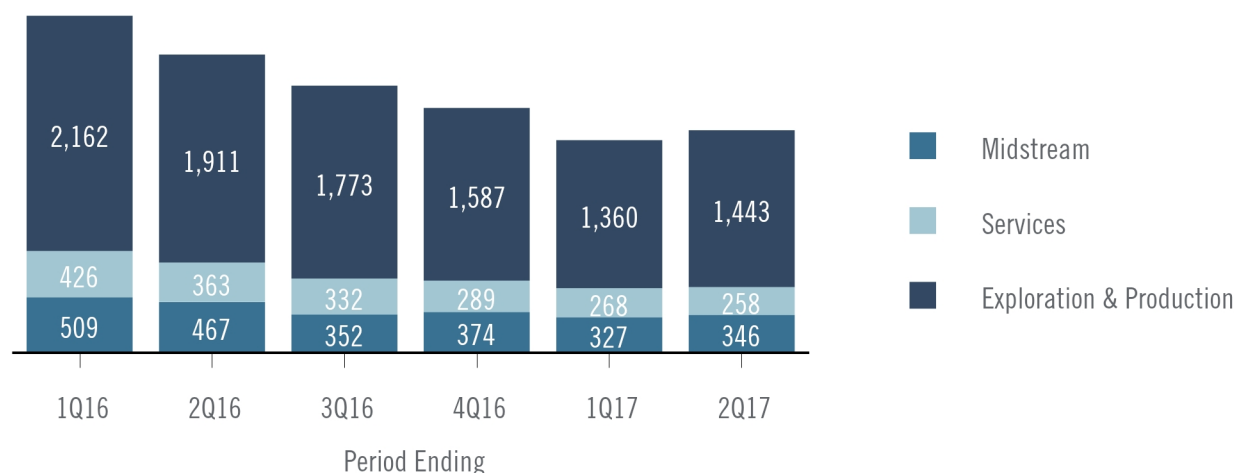
### ***Prolonged Low Interest Rate Environment***

Rates remain at historically low levels and the Federal Reserve did not raise interest rates in 2016 as quickly as expected. While our 2016 financial performance benefited meaningfully from the December 2015 rate increase, we believe rates still need to move higher in order for banks to provide the higher returns that shareholders expect. Comerica's business model continues to be well-positioned for a rising rate environment.

### ***Weathering the Energy Cycle***

Comerica's Energy line of business has significant experience in the upstream, midstream and energy services sectors of the energy industry – allowing us a thorough understanding of the industry and its cyclical nature. As of year-end 2016, we proactively reduced our energy loans by \$820 million, or 27 percent, from 2015, bringing our Energy line of business to less than five percent of our total loans. Energy Services, which had been most significantly impacted this cycle, represented less than one percent of our total loan portfolio. The performance of our Energy portfolio has improved; however, the level of non-accrual and criticized loans remains elevated. Accordingly, we substantially increased the reserve allocated for energy loans for 2016. Although higher oil prices and improvements in technology and management practices help stabilize the energy sector, we continue to be cautious and believe we are properly reserved for potential losses.

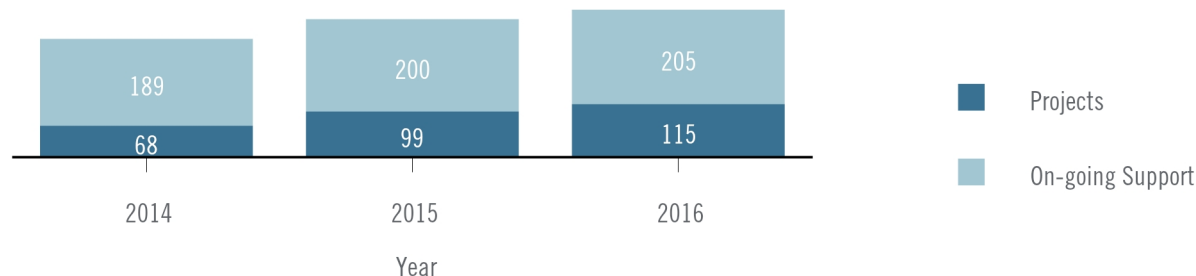
*Energy Line of Business Loans (\$ in millions; Period end)*



### **Investments in Cybersecurity Continue**

The cybersecurity threat environment continues to intensify. Over the past several years, Comerica has met this escalating threat environment with significant investments in our cybersecurity defensive posture, building a robust program with advanced identification, protection, detection, response and recovery capabilities. We have established a cybersecurity capability that leverages industry standard frameworks and targeted regulatory guidance to provide wide coverage, which we evaluate regularly through independent assessments. Our security operations center and intelligence capabilities monitor our systems 24/7, constantly adjusting our defenses to the changing threat environment.

*Meeting Growing Technology Demands (\$ in millions)*



Additional information on cybersecurity can be found in the [Customer Privacy, Protection and Cybersecurity](#) section of this report.

## Financial Outlook for the Future

Comerica's long-term approach to delivering value has positioned us well for the future. Throughout 2016 and beyond, we believe Comerica's relationship banking strategy, combined with our diverse geographic footprint, will enable us to build long-term shareholder value.

|                                    |  |
|------------------------------------|--|
| <b>Growing Revenue</b>             | <ul style="list-style-type: none"> <li>Positioned in faster growing markets and industries</li> <li>Focused on building long-term relationships</li> </ul>                     |
| <b>Reducing Expenses</b>           | <ul style="list-style-type: none"> <li>Executing GEAR Up initiative to increase efficiency</li> <li>Continued investment in technology</li> </ul>                              |
| <b>Managing Risk</b>               | <ul style="list-style-type: none"> <li>Strong, conservative credit culture leads to solid credit metrics</li> </ul>  |
| <b>Capital Management</b>          | <ul style="list-style-type: none"> <li>Maintain solid capital base</li> <li>Continued share buyback and dividend increase in 2016</li> </ul>                                   |
| <b>Positioned for Rising Rates</b> | <ul style="list-style-type: none"> <li>Financial results benefiting meaningfully from Federal Reserve's 25 bps increases in December 2016, March 2017 and June 2017</li> </ul> |

## Indirect Economic Impact

### Impact Topic

As a financial services company, there are numerous indirect economic impacts resulting from our business operations and the flow of money between Comerica and our customers and suppliers. For example, the positive economic impacts from our 125,000+ small business customers strengthen our local communities by representing the core of the local economies in which we operate. The following are additional examples of positive indirect economic impacts associated with our business activities and links to more information:

- Community economic development activity (see [Community Reinvestment and Development](#))
- Products and services to serve the underbanked (see [Improving Banking Access and Serving the Underbanked](#))
- Economic impacts created by our loans (see [Economic Impact](#), [External Environmental Impacts](#))
- Employee volunteerism and nonprofit board service (see [Volunteerism](#))

- Supply chain spend (see [Supply Chain](#) and [Transparency](#))

Comerica understands that changes in our real estate footprint can have indirect economic impacts on our communities. For 2016, our overall reduction of occupied square footage was approximately 4.3 percent. The reduction was primarily attributed to closing of facilities in our larger markets where we have nearby locations. While this was a greater decrease than in previous years, it is not expected to have a significant negative economic impact on the associated communities due to the nearby location of alternate Comerica facilities.

### ***Comerica's Commitment to Michigan***

Comerica is rooted in Michigan with our founding 167 years ago in Detroit. Our presence enriches our communities by supporting our customers and community partners through direct business activities, as well as our indirect economic impacts.

|   |  |
|---|--|
| <i>Largest Banking Center network in Detroit<sup>2</sup></i>          | <i>#1 bank employer in Metro Detroit<sup>1</sup></i>                   |
| <i>#2 for deposit among banks and thrifts in Michigan<sup>2</sup></i> | <i>38,952 hours of volunteer time in Michigan</i>                      |
| <i>Michigan's largest money manager<sup>1</sup></i>                   | <i>More than \$32.5 million in Detroit community development loans</i> |

1: Crain's Detroit Business 2016, 2: FDIC



***"Comerica is dedicated to supporting our customers through all the ups and the downs. It is that kind of dedication that has made us a pillar in the community for over 165 years."***

**- Mike Ritchie, Michigan Market President, Comerica Bank**

# SUPPORTING OUR CUSTOMERS

Our customer-centric focus means we strive to deliver experiences that exceed our customers' expectations. To achieve this on a daily basis, we need to proactively understand our customers' needs. We use our [Customer Promise](#) to guide our interactions with current and potential customers to give them the service, knowledge and experience they desire, all in an effort to *raise the expectations of what a bank can be*.

Our aim to support our customers motivates our efforts on a variety of our impact topics. Foremost, we are focused on safeguarding our customers' privacy and financial information to give them peace of mind. Innovation, particularly the adoption of new technology, enhances our ability to protect our customers' privacy and deliver new products, services and delivery channels. For us, [customer centricity](#) includes educating our current and prospective customers on financial literacy and understanding which products and services will meet their current and future needs. We also strive to help the communities in which we operate by identifying unmet needs and developing products and services to improve banking access.

|                 |   |
|-----------------|---|
| 2016 PROGRESS   | Continued monitoring the evolving cyber threat environment and implemented enhancements to our cybersecurity strategy |
|                 | Enhanced our mobile banking environments  |
|                 | Grew our efforts to reach diverse customers through Market Segmentation teams   |
| 2016 CHALLENGES | Persistent low-rate environment and spending for regulatory expenses limited product development                      |
|                 | Continued challenges by outside forces on customer privacy and cybersecurity, including from nation-states            |
|                 | Balancing customer needs between traditional and innovative delivery of banking products and services                 |

## Our Lines of Business

At Comerica, we tailor our products and services to meet the differing needs of our diverse customers. To deliver the right support to our customers, we are strategically aligned into three business segments: The Business Bank, The Retail Bank and Wealth Management.

|                                 |   |
|---------------------------------|---|
| <b><i>The Business Bank</i></b> | Supporting companies with an array of credit and non-credit financial products and services. <ul style="list-style-type: none"> <li>Serving businesses in a wide variety of industries including Auto Dealerships, Environmental Services, Health, and Education and Technology and Life Sciences.</li> </ul> |
| <b><i>The Retail Bank</i></b>   | Delivering personalized financial products and services to small businesses and individuals. <ul style="list-style-type: none"> <li>Serving individual and small business needs through a variety of services including lending, deposit and payment solutions.</li> </ul>                                    |
| <b><i>Wealth Management</i></b> | Serving the needs of high net worth clients and institutions. <ul style="list-style-type: none"> <li>Providing a diverse set of financial solutions for asset management, trust, insurance, retirement planning and private banking.</li> </ul>   |

## Supporting Small Businesses

When it comes to supporting our local communities, we recognize the special importance of small businesses to the fabric of the local market. We have seen small business customers continue to make significant progress since the economic downturn. They continuously position their businesses to be leaner, more efficient and more profitable.

Small business lending is increasing, but the economic recovery for small businesses has remained muted. While small businesses are generally more profitable than pre-recession, they continue to be cautious about adding leverage by investing in their facilities and equipment, or adding additional workers. Businesses also remain concerned about the impact of taxes and health care reform.

At Comerica, we are committed to supporting small businesses with over 125,000 small business customers and over \$1 billion in new small business loan commitments in 2016. Our Small Business Administration (SBA) lending, including government-guaranteed 7a and 504 loans, totaled \$118 million in 2016. Our banking centers, typically located in areas where small businesses are concentrated, support businesses with under \$3 million in revenues while our relationship-based, small business banking groups support businesses with \$3 to \$20 million in revenues.



*Employees from DFW East Business Banking, Credit, and Treasury teams in Richardson, Texas*

## Customer Privacy, Protection and Cybersecurity

## Impact Topics

Our business and reputation rely on trust, and our customers' trust starts with safeguarding their privacy and financial information. Increasingly, this involves investing in measures to prevent unauthorized access to our electronic systems. To deliver on this commitment, we continually evaluate our cybersecurity systems to safeguard customer information, protect against fraud attempts and provide the highest level of safety and protection. We face many challenges due to the constantly evolving nature of security technology, with attempts to compromise our customers' privacy increasing in both frequency and complexity. In response, we participate in a number of industry-wide initiatives to keep abreast of new fraud trends and share this intelligence with our colleagues, customers and community members, as appropriate.

Our stakeholder engagement exercise revealed that customer privacy and protection — defined as securing customer data, confidentiality and physical safety — is the single most important issue for our external stakeholders. Cybersecurity also emerged as a topic critical to our business success. Failure to properly manage these issues could result in significant risks to Comerica, including financial losses, reputational risk and fines or penalties due to non-compliance. Accordingly, these topics are managed and discussed together in this section. For further discussion of these risks, see Item 1A in our [2016 Annual Report](#).

Customer information protection and privacy, and related cybersecurity efforts, are the responsibility of Comerica's comprehensive and frequently updated Corporate Information Protection Program. Key components and goals of the program include:

### Corporate Information Protection Program Components

|                         |                       |                     |
|-------------------------|-----------------------|---------------------|
| Strategy and Governance | Risk Management       | Controls Training   |
| Monitoring and Testing  | Response and Recovery | Program Maintenance |

### *Corporate Information Protection Program Goals*

- Protect valuable information and information technology resources
- Ensure the security and confidentiality of customer records and corporate information
- Protect against unauthorized access to or use of such records
- Detect, prevent and mitigate identity theft in connection with covered accounts
- Provide security protections that are consistent with the value of the information asset
- Protect the legal position of the company
- Ensure compliance with regulatory guidelines for protecting information assets

We evaluate the program's effectiveness through risk control self-assessments conducted by business units, examinations conducted by external regulatory examiners and by three lines of defense: internal audits, oversight and effective challenge and our continuous monitoring program. The Enterprise Risk Committee of Comerica's Board of Directors oversees the program's overall status, effectiveness of policies and procedures, material risk issues, risk management, control decisions and service provider oversight. The committee also reviews management responses to security incidents, including those involving identity theft or personal health information, and recommendations for program changes. The program is administered by our Chief Risk Officer, Chief Information Officer and Chief Information Security Officer who work closely with the Enterprise Risk Committee to monitor and continuously improve the program in response to changing risk environments.

We continue to enhance our policies and programs in this fast-evolving arena of changing regulatory requirements, technology infrastructure, data quality and the evolving threat environment. Comerica's Enterprise Risk strategy is designed to meet these challenges. Examples of our actions are role-based access management for employees, denial of service protections, adaptive authentication for web-facing customer applications, and technology lifecycle management.

While we work diligently to protect our customers' information and privacy, we also provide resources so that our customers can protect themselves through [Comerica's Fraud Center](#). Our website includes summaries of common fraud scams, special alerts to advise customers of known fraud activity and a link for customers to promptly report suspected fraud. Please click on the following tabs for more information:

[How to Report Fraud](#)
[Common Types of Fraud and Email Scams](#)
[Ways to Protect Against Fraud](#)
[Computer Safety and Cybersecurity](#)

We require colleagues to take online Information Privacy and Protection training annually, and we review the program every year and update, as needed. Key topics in 2016 included information security, privacy, identity theft, the Code of Business Conduct and Ethics for Employees, and information lifecycle management. In 2016, over 99 percent of our colleagues completed the training.

Incidents that may pose privacy concerns are noted when customers inform our employees or when employees realize an incident has occurred prior to notification by the affected customers. Most often, these incidents involve a deposit to, or withdrawal from, an incorrect account or the mailing or emailing of information to the wrong person. In 2016, our colleagues noted 102 situations where a customer's personal information was disclosed to a third party without the customer's consent, a 22 percent reduction compared to 2014. In 2016, Comerica was not subject to fines or non-monetary sanctions for non-compliance with personal protection data laws, nor did regulators identify breaches of customer information by our company that would have a material adverse effect on our operations or ability to perform the services we offer.

It is important for us to educate our colleagues to identify and prevent instances where our customers or their information is vulnerable. Maintaining information confidentiality throughout its lifecycle, from the time we receive it through its secure storage and destruction, is an important aspect of protecting our customers. Comerica's Information Lifecycle Management Policy outlines procedures to prevent unauthorized access, modification, disclosure, or destruction of corporate information. In 2016, 100 percent of required colleagues completed annual training on managing information through its lifecycle. We also perform audits and compliance checks

on our Secure Destruction Program for managing paper documents and electronic equipment, which complements our recycling efforts (See [Material Consumption](#)).

### Sustainability Highlight: Comerica Shred Days Support Privacy, Recycling, and Food Banks



Our community “Shred Day” events continue to serve as the largest, most visible and most successful brand awareness, public education, colleague engagement and community service campaigns that we host. Working with event partner Iron Mountain at shred day events in Dallas, Houston, Phoenix and Detroit, we securely destroyed and recycled more than 829,000 pounds of paper in 2016, while gathering donations for local food banks (over 25,000 pounds of food and nearly \$40,000 in donations). These signature events continue to provide a triple bottom line impact: helping reduce fraud and identity theft, freeing up hundreds of tons of space in local landfills, and raising awareness of hunger in our communities.

*"Comerica's Shred Days highlight our commitment to serving the communities where we do business. We not only help the environment and reduce identity theft by securely destroying and recycling tons of the community's sensitive documents, but also provide meals to some of our most vulnerable neighbors by collecting food and monetary donations at these events for local food banks."*

*- Peter Sefzik, President- Texas Market, Comerica Bank*



## Preventing Elder Abuse

Raising awareness about the **financial exploitation of the elderly and vulnerable adults** remains a special priority for Comerica. Our colleagues can be on the front line to prevent such abuse — a vulnerable customer's banker is often the first to identify instances of financial exploitation.

Elderly people can be financially exploited by family members, caregivers, neighbors or complete strangers. According to the National Center on Elder Abuse, for every one case that reaches authorities, 24 go unreported. Elders lose an estimated \$2.6 billion annually due to financial exploitation.

In 2016, 6,865 employees completed our course, Financial Exploitation of the Elderly and Vulnerable Adults, representing 99.7 percent of relevant staff. This course trains them to detect red flags and act on them to protect our customers from financial loss. Training is mandatory for customer servicing colleagues and others in positions to detect possible abuse.

## Innovation and Technology

## Impact Topic

The pace of technological innovation in the 21st Century is fast, disruptive and constantly shifting. Comerica is fully embracing the age of digital transformation and we are committed to raising our customers' expectations. Our customers are growing more comfortable with accessing their accounts and conducting routine banking transactions online. As new generations of Americans develop the need for financial services, they increasingly expect their bank to leverage new technologies to make interactions more sophisticated, interdependent and deeply personalized. Recognizing this, we increasingly use technology and demonstrate innovation across both our existing and newly developed products and services.

Throughout 2016, Comerica Bank initiated several new programs specifically designed to push the boundaries of innovation and simultaneously build a high performance culture within our organization. Comerica's **Technology Vision 2020** is a multi-year initiative, comprised of ten goals to meet two fundamental objectives: Transforming our Future and Strengthening our Core.

| <i>Technology Vision 2020 Goals</i> |  |
|-------------------------------------|--|
| Transforming Our Future             | Strengthening Our Core                   |
| Agile Delivery Transformation       | Technology Investment Management         |
| Data and Advanced Analytics         | Platform and Application Rationalization |
| Digital and Channel Transformation  | Security, Risk and Compliance            |
| Software-Defined Computing          | Talent and Culture                       |
| Process Automation                  | Continuous Experimentation               |

Our technology focus includes countering the expanded array of cybersecurity threats across our industry that pose risks to customer privacy (for more, see [Customer Privacy, Protection and Cybersecurity](#)). Our technology investments also support customer service by enabling us to improve our data quality, deepen insights into customer demands and improve efficiency. We make technology investments where we identify incremental and continuous improvements to our products and services which enhance customer experience, promote business growth and are innovative or improve controls and compliance.

We strive to transform our technology assets to become the leading digital provider of choice for our internal partners and our external customers through innovation, exploration and collaboration. We recognize that when it comes to technology and innovation, the future is now.

|                                 |   |
|---------------------------------|---|
| <i><b>Innovation</b></i>        | Comerica has developed a <b>Vision for Innovation</b> , and this vision will be realized through our sustained investment in innovation and our commitment to transformation. Given the scope and speed of evolution in regulation, customer behavior and technology, we recognize banking in the future cannot simply be a continuation of banking as it has been. Accordingly, we manage new products and innovations through a collaborative model with technology and business partners across our organization.  |
| <i><b>Exploration</b></i>       | Comerica has embarked on a journey of continuous, incremental, experimental innovation in a myriad of different technologies. Through the adoption of a Human-Centered Design and an Agile/DevOps framework, we have been able to rapidly accelerate the development of Prototypes, Proof of Concepts and Minimum Viable Products as well as having developed new products, services and experiences for our customers. Example technologies include blockchain, crowdsourcing, digital and adaptive lending, enhanced mobility, peer-to-peer and social investing. |
| <i><b>Collaboration</b></i>     | Comerica recognizes that collaboration drives innovation. We understand the importance of establishing and nurturing strategic partnerships in order to share and develop new perspectives and ideas. As such, we have continued to collaborate on initiatives with start-ups, universities, technology incubators and venture capital firms.   |
| <i><b>The Future is Now</b></i> | Comerica remains committed to discover new, significant and sustainable sources of revenue. We aim to develop and implement solid, industry-specific strategies designed to provide exceptional service and intuitive, engaging and valuable experiences and capabilities to our customers.   |

## New Product and Innovation Examples

|  |  |   |  |  |
|--|--|---|--|--|
| <p>A new Customer Contact Center dashboard provides an interactive interface, which allows management to compare real-time data across teams and sites, as well as performance across individuals. The system saves significant time in managing data and reporting.</p> | <p>Within our Business Bank, we deployed a technology solution in support of our End-to-End Credit Redesign Initiative, which enables workflow and workload management by leveraging new and existing intranet tools. We also deployed new release of TMC Mobile with features including ACH Approval, Entitlements and Same Day Processing.</p> | <p>Within our Wealth Management division, we successfully launched a new Customer Relationship Management platform for Wealth Management sales and support teams. We also deployed an application behind our Wealth Connect portal, which improves user experience, provides an enhanced authentication model and enables easier customer access via single sign-on capabilities.</p> | <p>Our Comerica Contact Center piloted a project to evaluate using chatbox capability. Using chat functionality to help answer questions and pull information from existing knowledge bases and sources (i.e. Policies, Comerica.com) can reduce call handling time, enhance agent experience and performance, and increase customer satisfaction.</p> | <p>We developed a Proof Of Concept to connect the Amazon Echo / Alexa device to our deposit system to allow our customers to receive balance and transaction information from their Echo device.</p> |
|--|--|---|--|--|

## Innovation in Motion



In 2016, Comerica hosted its first 'hackathon,' a technology focused design and problem solving session which we termed 'The C-hack.' The 24-hour event brought Comerica colleagues together to develop a highly engaging, intuitive, customer experience that promotes end-to-end digital customer acquisition and on-boarding capability by means of a minimally viable product.

The event theme was determined by crowdsourcing ideas from the entire organization. Comerica's C-hack helped promote a more innovative culture at Comerica Bank and served as a platform for colleagues to showcase their talents and fresh ideas. Over 40 colleagues participated on both developer and non-developer teams. These teams were comprised of a diverse set of colleagues (business and technology skill sets, gender, tenure, etc.) and worked to develop 11 different and unique solutions to address the theme. Every volunteer and participant brought a special and important contribution this innovative event.

## Customer Education and Financial Literacy

## Impact Topic

In today's highly competitive market, our ability to offer products that match the needs of our clients is important to our success. Our colleagues understand that exposing clients to the right products doesn't start with "selling." Rather, it starts with identifying needs and offering value-based solutions, from serving the needs of the underbanked to the increasingly-complex needs of our business

and wealth clients. This “Trusted Advisor” approach relies on understanding our customers’ needs and providing differentiated insights and distinctive services tailored to each customer to support their long-term success.

**Customer Centricity** is about taking the time to ensure that customers understand the best products and services to meet their needs. By making thoughtful, deliberate investments in our people, products and process, we work to provide our colleagues the support needed to truly raise customer expectations to a new level. Integrating the Trusted Advisor approach into everything we do allows us to better deliver on **The Comerica Promise**.

Our business units, partnering with communications, training and marketing teams are responsible for developing and implementing product education materials across the footprint. We educate our customers using a variety of methods, channels and languages. Transparent communication supports our customers by engaging with them in the most effective ways for their individual needs.

### *Promoting Customer Education Through Transparent Communications*

|                          |                         |                        |                  |
|--------------------------|-------------------------|------------------------|------------------|
| One-on-one conversations | Customer Contact Center | Written communications | Online resources |
|--------------------------|-------------------------|------------------------|------------------|

Our Retail Bank uses “Did You Know?” guides to help both colleagues and customers better understand our offerings. Our Business Bank supports business customers by providing innovation and insight, risk management and personal financial management. Comerica's Wealth Management team provides customers frequently updated analysis, including a Weekly Market Overview, Economic Insights and Financial Commentaries. By understanding our customers' needs and educating them on the products and services that best fit, we build deep and enduring customer relationships.

### *Creating a National Director of Financial Literacy*

In 2016, Comerica named Senior Vice President Irvin Ashford, Jr., to the new position of National Director of Financial Literacy to reflect Comerica's priority of improving financial literacy in the communities we serve. Mr. Ashford believes that, “Comerica is committed to providing students and adults with the skills and knowledge needed to successfully navigate the increasingly complex financial world in which we live.”

Financial Services Roundtable (FSR) research shows that students with access to financial education earn significantly higher credit scores. In addition, the FSR noted that students who took a formal financial literacy class increased their knowledge of earning, saving, spending, borrowing and protecting their money. For all adults, financial education is critical well beyond knowing the retirement age. We partner with the Dallas Public Library and the local chapter of the National Association of Black Accountants to offer free programs geared to help community members be more successful in navigating the worlds of finance, budgeting, savings and investing.

In April 2016, Comerica Bank received an Innovation in Financial Education Award, presented by Nasdaq and EverFi. The award recognizes Comerica's significant efforts to improve the financial capability of adults and children through unique digital learning initiatives. Mr. Ashford was instrumental in forging Comerica's partnership with EverFi and the expansion of the Money \$ense program for local students -- at no cost to schools or taxpayers.



*Irvin Ashford, Jr. and our Innovation in Financial Education Award*

We are committed to helping current and prospective customers make wise financial choices. This extends to our community volunteering priorities as we work, through nonprofit partnerships, to educate youth and underbanked members of our community. Our Core Value of **Involvement** also drives our efforts to increase financial literacy across our communities outside of our customer base. Comerica collaborates with nonprofit providers, including Junior Achievement, Operation Hope and Money Management International, to teach financial basics to people in underbanked areas. In 2016, we sponsored 812 financial literacy events, at which we had 594 instances of colleagues **volunteering**. These empowering programs reached over 47,000 low-to-moderate income (LMI)

individuals across our markets, an increase of over 30 percent from 2014. Also, Comerica's website includes a "Knowledge Center" with a collection of financial literacy and product education resources to help our customers make better financial choices.

### Educating Students on Financial Responsibility

Junior Achievement is the world's largest organization dedicated to educating students about workforce readiness, entrepreneurship and financial literacy through hands-on programs. Comerica provides financial and volunteer support to Junior Achievement through in-classroom financial education using the Junior Achievement curriculum.

In 2016, more than 1,070 elementary, middle and junior high school aged students in Dallas/Fort Worth and Houston were taught the JA curriculum by Comerica Bank volunteers. Students from two schools (Zan Wesley Holmes, Jr. Middle School and Stafford Middle School) who received the JA curriculum from Comerica Bank were in a LMI census tract or over 50 percent of students are from LMI families.



*Our DFW colleagues teamed up with volunteers from longtime Comerica Bank Middle Market client, Shermco Industries, to teach Junior Achievement's "JA in a Day" curriculum to students from Zan Holmes Middle School in Southern Dallas.*

## Improving Banking Access and Serving the Underbanked

### Impact Topic

Comerica thrives when our customers and communities are successful. For our customers and communities to prosper, they need basic financial services that allow them access to their money, the opportunity to save and access to credit. We work hard to expand financial inclusion. This involves improving access to banking centers, remote banking channels and appropriate products to meet the needs of the underbanked.

We offer a full range of retail banking products and are always looking to improve our offerings and banking access. Delivery methods take advantage of the latest technology, including web and mobile banking, our customer contact center and brick and mortar banking centers. Products are available in areas of low population and to low-income customers. In addition to benchmarking against other financial service providers, we use feedback from current and prospective customers to enhance our products and services, including external surveys, focus groups, our customer online community and direct customer feedback from our banking centers, call centers and social networks.

In line with these efforts, Comerica evaluates physical locations in the communities we serve. Periodically, we relocate banking centers to more convenient and visible locations. We also refurbish older banking centers to improve environmental performance, enhance efficient service and improve the customer experience. We routinely seek out more cost-effective ways to serve our customers and to that end, we piloted a drive-thru-only location that serves our customers through interactive video displays and continued to enhance web and mobile applications for our customers to help manage their accounts.

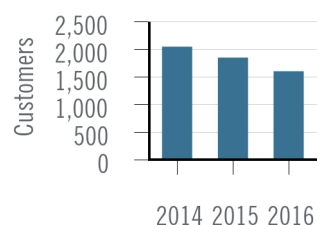
To accommodate non-English speaking customers, we offer Spanish language options on our ATMs, our website and throughout the Customer Contact Center. Our Interactive Voice Response (IVR) for phone calls has a Spanish menu and English- and Spanish-speaking agents are available in our Customer Contact Centers. Additionally, we offer translator services to assist customers in other languages as-needed. Comerica also abides by the American With Disabilities Act (ADA) and provides services for visual and/or hearing impaired customers.

## Steps to Designing and Delivering Products to Meet Customer Needs

|   |                        |   |
|---|------------------------|---|
| 1 | Customer Feedback      | <ul style="list-style-type: none"> <li>• Focus groups</li> <li>• Online customer community</li> <li>• Quantitative research</li> <li>• Banking Center/Call Center/social feedback channels</li> </ul> |
| 2 | Competitive Assessment | <ul style="list-style-type: none"> <li>• Analysis of competitive offers and adoption rates</li> </ul>   |
| 3 | Functional Testing     | <ul style="list-style-type: none"> <li>• Employee user groups ensure proper functionality prior to customer roll-out</li> </ul>   |
| 4 | Implementation         | <ul style="list-style-type: none"> <li>• Staged roll-out</li> <li>• Pilots to optimize functionality when possible</li> <li>• Gather customer feedback and adjust as needed</li> </ul>                |
| 5 | Analysis               | <ul style="list-style-type: none"> <li>• Measure results</li> <li>• Provide recommended improvements</li> </ul>   |

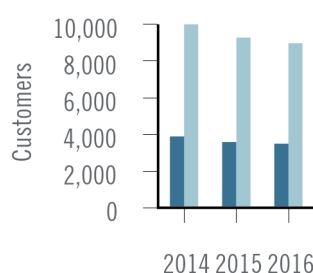
One of our products that meets the needs of the underbanked is the Comerica Secured Credit Card; an entry-level, cash-secured credit card product that helps to build credit history for those who do not qualify for traditional credit card products. We continue to offer consumers the Access Checking account for those who prefer a transaction account with a flat monthly fee with an option to waive the fee with direct deposit. In addition, we offer a Statement Savings account with no monthly maintenance fee to help encourage good saving habits. Used by nearly 12,500 low- and moderate-income Comerica customers, this is an affordable choice for consumers who may not qualify for a traditional bank account.

### Comerica Secured Credit Card



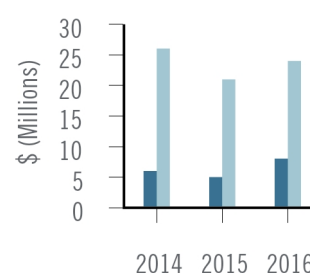
■ Secured Cards Booked

### Access Checking Customers



■ Low Income  
■ Moderate Income

### Access Checking Balances



■ Low Income  
■ Moderate Income

## Customer Satisfaction

Comerica prides itself on being a relationship bank so building successful bonds with our customers is critical to our business. We do this by listening to each customer and taking the time to understand their individual personal and business needs. Our customers challenge us to provide personal connections while simultaneously satisfying their desire for efficiency and convenience.

We respond to customers' financial requirements by providing a competitive suite of products and services at our network of banking centers, as well as online and via mobile devices. Ongoing economic challenges and the low interest rate environment have constrained our resources and impacted our ability to deliver some of the services our customers desire. Still, we are working to meet the challenge by providing effective new products and services, as well as new methods of delivery.

## Examples of Enhancing Customer Satisfaction, Now and into the Future

|                                 |   |
|---------------------------------|---|
| <b><i>The Business Bank</i></b> | <ul style="list-style-type: none"> <li>• Nationalized our middle market sales process, leveraging our best practices and conducting business consistently throughout our enterprise.</li> <li>• Selected by the U.S. Treasury to be their Financial Agent for providing merchant card services, also known as Card Acquiring Services. This expands our relationship with the U.S. Treasury, which already included DirectExpress®, the program that provides Social Security payments via a pre-paid card, and myRA®, a savings option for those who do not have access to a retirement savings plan at work.</li> </ul>   |
| <b><i>The Retail Bank</i></b>   | <ul style="list-style-type: none"> <li>• Strategically repositioned our banking center network through consolidation and relocation. We completed more than two dozen interior refurbishments in 2016 which included transitions to new design concepts and teller cash recyclers to improve efficiency.</li> <li>• Web Banking and Bill Pay upgrades, including the launch of Web Banking Combined View, which allows our Web Banking customers to combine accounts with different taxpayer identification numbers under one Web Banking ID, fulfilling a significant customer request.</li> <li>• Launched a web-based Comerica Insurance Services platform that enables customers to compare, shop and buy a variety of insurance products from multiple providers.</li> <li>• Small Business integrated a new centralized underwriting center that supports relationships up to \$1.5 million in exposure, improving speed-to-market for these types of loans.</li> </ul> |
| <b><i>Wealth Management</i></b> | <ul style="list-style-type: none"> <li>• Launched the Wealth Productivity Transformation initiative, which includes the implementation of a relationship management tool that we believe will enable our colleagues to drive market share and better serve our clients.</li> <li>• Leveraged technology to increase productivity, increase share of wallet, and reduce time to close.</li> </ul>  |

Industry surveys and research provide us with data to understand how our performance affects our customers. In 2016, we were again honored with multiple Greenwich Awards for Excellence in Middle Market Banking. The survey, which evaluated over 600 banks, awarded Comerica in the areas of Overall Satisfaction, Industry Expertise, Cash Management (CM) Overall Satisfaction, Sales Specialist Performance and CM Specialist Quality of Advice.

We use customer interviews and surveys to solicit feedback to inform both our current and future product development strategies. We also established a formal process requiring that managers from across departments adopt the customers' perspective to review products under development, industry benchmarking, the product's likely impacts and expected customer outcomes.

Customer survey data provide us with overall trends and guide our improvement efforts on issues such as problem prevention and resolution. We also conduct customer satisfaction surveys at the individual banking center level, which provide managers actionable feedback to improve performance at the local level.

### ***Customer Excellence Awards***

Comerica Bank's call centers ranked #1 for the second half of 2016, according to the research firm O'Connor & Associates and their benchmarking survey. Comerica has placed first in the semi-annual survey for eight consecutive years. The survey measures several call center attributes among 10 national and regional banks. The O'Connor Industry Benchmark report monitors the sales proficiency of bank agents who accept incoming calls from prospective customers.

This award recognizes our effective service and sales protocols across all of our customer-facing teams and is exactly what our customers have come to expect from us.

# RESPONSIBLE BUSINESS PRACTICES

Comerica's tradition of relationship banking and reputation for [Integrity](#), dating back more than 165 years, are fundamental to our success. We exemplify our Core Values in our daily interactions with customers, and maintain high standards of ethics and accountability for our Board, executives and colleagues. Our day-to-day operations are closely linked to our corporate responsibility efforts through our focus on ethics, good governance and responsible business practices, which affect all of our stakeholders.



*"From credit to cyber, risk is ever-present in the banking industry. Comerica's enterprise-wide approach to risk management is a key strategic element for delivering long-term success."*

**- Reginald M. Turner Jr., Chair of the Enterprise Risk Committee, Comerica Incorporated Board of Directors**

|                 |  |
|-----------------|--|
| 2016 PROGRESS   | Continued maturation of the quality and comprehensiveness of our Enterprise Risk Programs  |
|                 | Ongoing strengthening of corporate governance processes Continually enhance governance and Board composition, efficiency and effectiveness |
|                 | Provided transparent, comprehensive communication of GEAR Up initiatives, targets and progress to all stakeholders                         |
| 2016 CHALLENGES | Cost and complexity of complying with regulatory changes, including Dodd-Frank Wall Street Reform and Consumer Protection Act              |
|                 | Managing credit risks in a highly competitive marketplace  |
|                 | Responding to shareholder concerns regarding continuing low rate environment   |

The following five subsections of this Report provide examples of our Core Value of [Integrity](#): our strong [Corporate Governance](#) structure and board oversight, which guide our efforts; our holistic approach to [Risk Management](#), which helps us to focus on long-term sustainable performance; our [Ethics, Anti-Corruption and Countering Bribery](#), which creates accountability at all levels of the organization; our [Responsible Marketing and Sales](#) practices, which focus on presenting our products to consumers honestly and in compliance with laws and regulations; and our [Public Policy and Government Relations](#) efforts, which describe how we comply with and guide development of regulation in our industry to promote good business practices and customer stewardship.

## Corporate Governance

Strong corporate governance is the foundation of the trust customers and other stakeholders place in Comerica. We are committed to strong governance at every level of our company. Our Board, specifically its Governance, Compensation and Nominating Committee, oversees corporate governance. [Our Code of Business Conduct and Ethics for Employees](#) outlines our commitment to sound corporate governance practices and guides colleague behavior. We also have codes of ethics for both Comerica's Board of Directors and its

Senior Financial Officers. For additional information on Comerica's governance philosophy, standards and expectations, see our [Corporate Governance Guidelines](#).

| <i>Examples of our Board's Commitment to Good Corporate Governance</i>  |  |
|---|--|
| <ul style="list-style-type: none"> <li>Annual election of directors</li> </ul>  | <ul style="list-style-type: none"> <li>Regularly scheduled executive sessions of non-management directors</li> </ul>   |
| <ul style="list-style-type: none"> <li>Regular assessment of Board composition and potential enhancements, resulting in two new independent directors in 2016, one of whom was designated as the Board's risk expert</li> </ul> | <ul style="list-style-type: none"> <li>Majority voting for directors</li> </ul>  |
| <ul style="list-style-type: none"> <li>Annual self-evaluation by the Board and its committees</li> </ul>  | <ul style="list-style-type: none"> <li>10 out of 11 directors are independent</li> </ul>   |
| <ul style="list-style-type: none"> <li>Independent Audit Committee, Enterprise Risk Committee, Governance, Compensation and Nominating Committee, and Qualified Legal Compliance Committee</li> </ul>                           | <ul style="list-style-type: none"> <li>Attention to sustainability with our 2020 Environmental Sustainability Goals that will help us to further reduce waste, water use, paper consumption, and energy and emissions</li> </ul> |

Comerica's Board of Directors is responsible for the oversight of Comerica's management team, which is under the direction of the Chairman and Chief Executive Officer (CEO). Our three main Board committees (Audit, Enterprise Risk, and Governance, Compensation and Nominating) have remained consistent in their functions since our 2014 Comerica Sustainability Report. Comerica's Sustainability Director provides annual updates to the Board's Enterprise Risk Committee, which reviews our value creation approach to corporate sustainability including areas of progress, challenges and future initiatives.

Given the cyclical and regulated nature of our industry, we believe it is important to have long-tenured directors with a deep understanding of our business and environment. However, we also recognize the importance of bringing fresh perspectives. Our board appointed two new independent directors in 2016: Michael Van de Ven, who is the chief operating officer of Southwest Airlines Co., and Michael Collins, who had a distinguished 37-year career at the Federal Reserve Bank of Philadelphia. We have a strong and diverse board with a variety of industry, financial and leadership backgrounds. Read more about our corporate governance structure at [comerica.com](http://comerica.com) and in our [2017 proxy filing](#).

## Transparency

## Impact Topic

Providing robust disclosures of financial, environmental and social metrics is a tenet of our corporate responsibility reporting. Transparent disclosure instills confidence and trust in our company, and our stakeholders view it as one of the most significant ESG topics for our business. We are committed to both transparent disclosure of information and the implementation of systems to obtain and verify the information stakeholders want to access.

Comerica publishes extensive information on the company through our [website](#), investor presentations and [press releases](#). We also comply with numerous disclosure obligations, such as those found in our [SEC filings](#) and other regulatory filings. Our commitment to publishing biennial sustainability reports using the GRI Standards framework fosters ESG transparency; this includes identifying the most significant issues, successes and challenges for our business and reporting progress regularly to our stakeholders.

***Our Transparency Impacts***

| <b>Economic Transparency</b>   | <b>Environmental Transparency</b>  | <b>Social Transparency</b>  | <b>Governance Transparency</b>  |
|--|--|---|---|
| Allows investors to better evaluate our performance and provides balanced disclosures in response to the rapidly evolving regulatory landscape | Disclosures confirm our commitments and progress, while public goals and targets help drive performance and assist us in meeting our commitments | Demonstrates responsiveness to stakeholder inquiries and enhances business relationships with diverse customers | Increases stakeholder confidence and strengthens business performance |

**Executive Compensation**

Outstanding leadership is vital in our highly competitive industry and is necessary to maintain strong governance practices. At Comerica, we use our executive compensation programs to align the interests of executive officers with those of our shareholders. Our programs support transparency for participants and shareholders and are designed to attract, retain and motivate the company's leaders to sustain our competitive advantage, and to provide a framework that encourages outstanding financial results and shareholder returns over the long-term.

***Compensation Program Objectives and Key Highlights for 2016***

| <b>Objectives</b>    | Align interest of executives with interest of shareholders   | Demonstrate a strong pay for performance linkage | Reflect good governance and ensure our compensation programs do not incent excessive risk | Attract, retain, and motivate leadership to sustain our competitive advantage |
|----------------------|--|--|---|---|
| <b>2016 Progress</b> | <ul style="list-style-type: none"> <li>Eliminated 2016 annual merit increases for the CEO, the President, and the former Vice Chair and Chief Financial Officer (CFO) in light of the challenging operating environment</li> <li>Expanded the clawback policy to include all senior officer positions</li> <li>Redesigned Comerica's retirement programs to create a revised structure that remains competitive and is sustainable for the long-term</li> <li>Took a balanced approach to annual incentives by using negative discretion to ensure that participants did not receive additional benefits related to cost savings in connection with the GEAR Up initiative, while adjusting for the impact of restructuring</li> </ul> |  |   |   |

To promote progress and high-level leadership, our sustainability agenda is also reflected in compensation. Each member of our executive team has specific annual diversity goals that are tied to their performance. Climate and energy performance are reflected in compensation for senior leaders with line of business responsibility in these areas. Also, the incentive compensation of our Chief Financial Officer, the executive sponsor of Comerica's Corporate Sustainability Program, is related to the performance and execution of our sustainability strategy.

Generally, shareholders continued to be supportive of our compensation structure and indicated their support for maintaining these programs for 2017. Approximately 85 percent and 98 percent of shareholders voted in support of our 2016 and 2017 "Say On Pay" proposals, respectively.

## Risk Management

Risk management has always been a priority at Comerica and is more important than ever, given the pace of change in the business world, the economy, the rapidly evolving regulatory expectations and the highly competitive business environment. Our consistent and conservative approach to banking has fostered a robust risk culture at Comerica. This makes us strong and resilient, benefiting our stakeholders and our business. Our approach is not to eliminate risk, but to understand, manage and receive the appropriate consideration for the risks we elect to accept. In this way, we appropriately balance revenue targets with our corporate strategy, mission and Core Values.

Every individual at Comerica plays a role in managing risk to help achieve our strategic goals and deliver on [The Comerica Promise](#). Comerica's Enterprise Risk Division (ERD) provides centralized oversight, challenge and guidance to business unit risk owners across the organization to help strengthen their risk management practices. Our team of risk experts provides consistent processes for how our business units identify, measure and manage existing and emerging risks. They ensure alignment of risk practices across Comerica. The Chief Risk Officer, who manages the ERD, chairs the Enterprise-Wide Risk Management Committee and reports to both the Chief Executive Officer and to the Enterprise Risk Committee of the Board (ERC). Our ERD continually reviews Comerica's risk policies and risk management initiatives.

Comerica's risk practices are guided by the Enterprise Risk Management Framework, which is approved annually by the ERC. The framework provides a common platform to evaluate all risks and mitigating controls. It also aggregates granular risks across the organization for a broader understanding of our corporate risk profile. Comerica's Risk Appetite Statement is an important component of the framework, as it identifies the level of risk the organization is willing to accept.

The five risk-related Impact Topics we manage through our Enterprise Risk Management Framework are:

| <i><b>Impact Risk Topics</b></i> | <i><b>Description</b></i>  | <i><b>Management Approach</b></i>  |
|----------------------------------|--|--|
| Credit Risk                      | Managing credit risk is a critical aspect of the relationship with our customers to whom we extend credit and provide other financial products.  | <ul style="list-style-type: none"> <li>Comerica's Strategic Credit Committee, chaired by our Chief Credit Officer, has ultimate oversight of credit risk, supported by multiple subcommittees with various approval authorities, depending on the type of transaction, level of financial commitment, credit risk rating and customer type.</li> <li>The Strategic Credit Committee considers portfolio risk analysis, our risk appetite and the corporate strategy to ensure appropriate policies are in place to evaluate and mitigate potential losses. In addition to standard policies, there are also policies specific to select industries, collateral types or other specialties.</li> <li>Credit colleagues undergo formal training in credit analysis and underwriting. In doing business, we follow a broad collection of credit policies and guidelines that limit risk and provide portfolio diversification.</li> </ul> |
| Economic Environment Risk        | Comerica is directly affected by the conditions of the geographic and business markets in which we operate, the state of the U.S. economy, including fiscal and monetary policy, the financial regulatory environment, global conditions which influence interest rates and exchange rates, and by other factors which impact our customers and our own business lines (see <a href="#">Economic Impact</a> ). | <ul style="list-style-type: none"> <li>While we have little ability to influence the broader economic environment on our own, we can and do actively manage our company's associated risks.</li> <li>The ERD uses ongoing stress testing and sensitivity testing to understand how changes in the economic environment may impact our company. Our close relationships with customers, including a deep understanding of their business needs, coupled with Comerica's strong leadership and conservative approach to business position us well to weather difficult economic environments.</li> </ul>   |

| <b>Impact Risk Topics</b>      | <b>Description</b>   | <b>Management Approach</b>   |
|--------------------------------|--|--|
| Regulatory Risk/<br>Compliance | Managing regulatory risk and complying with associated federal and state regulations is central to our commitment to operate as a responsible business, and critical to maintaining our reputation for <a href="#">Integrity</a> . | <ul style="list-style-type: none"> <li>We help ensure compliance across our business activities by requiring our colleagues to complete in-depth training programs and to follow our <a href="#">Code of Business Conduct and Ethics for Employees</a>.</li> <li>Managers use monitoring tools to capture potential cases of violation or non-compliance by employees, which are immediately referred for investigation and resolution. For more information, see the <a href="#">Responsible Marketing and Sales</a> section of Responsible Business Practices.</li> </ul>  |
| Reputation Risk                | Our business is based on the trust of our customers, communities, and entire value chain, which makes managing reputational risk extremely important.  | <ul style="list-style-type: none"> <li>Our leadership team actively oversees potential risks to our reputation, and our rigorous monitoring processes guard against incidents related to compliance, operational risk, and social and environmental risks.</li> </ul>  |
| Environmental Risk             | Environmental risk is an increasingly relevant and high profile issue for the private sector. For Comerica, such risk includes both the environmental impact associated with our own operations and those of our customers.        | <ul style="list-style-type: none"> <li>Comerica's Environmental Risk Management (ERM) Group, within our ERD, manages risks associated with the properties we finance. The team includes experienced environmental professionals who work to identify, evaluate and minimize potential environmental risks associated with loans secured by real estate. Read more about this in <a href="#">Managing Environmental Risks in our Portfolio</a>.</li> <li>Risks associated with the impacts of our operations are managed through the Corporate Sustainability Office in close partnership with Corporate Real Estate, Procurement and other internal business units. Read more about this in <a href="#">Managing Operational Impacts</a>.</li> </ul> |

The effectiveness of our risk management framework is evaluated through audits, examinations by federal and state regulators, self-assessments and benchmarking. The Federal Reserve (our primary regulator) and our internal and external audit teams regularly and extensively review our processes and identify deficiencies. We conduct a semiannual stress-testing process of significant identified risks to our company. For the latest results, see our [website](#). For more on risk identification and management see our [2016 Annual Report](#).

## Ethics, Anti-Corruption and Countering Bribery

## Impact Topic

Real or perceived incidences of corruption or lapses in ethics can cripple stakeholder confidence in a financial institution. At Comerica, our stakeholders demand the highest level of business ethics. To remain one of the leading financial institutions in the United States, we strive to instill trust and confidence in our customers, colleagues, shareholders and business partners by demonstrating the highest standards of ethics and [Integrity](#).

### *Our Codes of Conduct*

A key tool for instilling an ethical culture at Comerica, and ensuring our compliance with related laws and regulations, is our [Code of Business Conduct and Ethics for Employees](#). The Code supports [The Comerica Promise](#) and provides guidance on issues including ethical business practices, fair dealing, maintaining professional relationships, avoiding conflicts of interest and reporting illegal or unethical behavior.

The honesty, integrity and sound judgment of the Chief Executive Officer and senior financial officers is fundamental to our reputation and success. Accordingly, we have a [Senior Financial Officer Code of Ethics](#). To assist in fostering a culture of openness and accountability, Comerica Board members are subject to our [Code of Business Conduct and Ethics for Members of the Board of Directors](#). Our contingent workers also complete training which includes code of conduct information.

### ***Countering Corruption***

Money laundering, bribery and corruption also pose significant potential risks to Comerica – they could damage our business and reputation or provoke regulatory scrutiny. Countering the potential for such activity is a top priority. Certain lines of business and product offerings inherently carry more risk of corruption. Comerica’s Bank Secrecy Act/Anti-Money Laundering risk assessment considers risk factors such as customer geography and demographic information, as well as mode of interacting with customers (i.e., in-person or online).

Our rigorous Anti Money Laundering (AML) Compliance program deploys systems to monitor customer and business unit risks, and implements additional controls and/or quality assurance reviews when specific risks are identified. In 2016, we strengthened our safeguards by implementing a policy regarding customer use of virtual currency products.

Our business units undergo annual risk assessments to test the effectiveness of their individual compliance risk controls, including those for new products and vendors. We use the results from internal audits, internal investigations and monitoring systems to assess the effectiveness of our corporate compliance program. External regulatory examinations and changes to governmental guidance also help identify ways to enhance our compliance program.

### ***Fraud Resolution***

Comerica investigated 279 reported internal incidents of alleged corrupt behavior in 2016. Of these, 195 were categorized as unfounded, or inconclusive, including cases that were determined as no fraud or no dishonest act, or where the employee voluntarily or previously resigned. In 84 cases, allegations were substantiated and/or the employee admitted involvement. In those cases, Comerica took corrective action, including terminating employees for violating bank policy where appropriate. We managed each case on an individual basis; single incidents were counted multiple times when several people were involved. During 2016, there were zero cases involving contracts that were not renewed due to corrupt vendors and no legal cases were brought against Comerica or its employees for corruption.

### ***Employee Training***

Comerica colleagues complete an annual, mandatory online training module on the Code of Business Conduct and Ethics for Employees, which emphasizes personal accountability in complying with its provisions. In 2016, 99.9 percent of active employees completed the training. Colleagues, in most cases, are required to complete additional annual regulatory and other ethics or human rights-related training. Compulsory training programs are also in place for Information Privacy and Protection, Anti-Money Laundering and Diversity as well as for a one-time Sustainability training.

#### ***By the Numbers: Mandatory Employee Training in 2016***

| <b><i>Compliance, Diversity, and Sustainability Training Topics</i></b> | <b><i>Total Hours</i></b> | <b><i>Percent of Relevant Employees Who Completed Required Training in 2016</i></b> |
|---|---------------------------|---|
| Comerica Code of Business Conduct and Ethics for Employees              | 2,999                     | 99.9%   |
| Fair Lending / Anti-Discrimination                                      | 1,304                     | 99.5%   |
| Anti-Money Laundering   | 4,654                     | 99.7%   |
| Information Privacy and Protection                                      | 9,161                     | 99.6%   |
| Community Reinvestment Act  | 2,980                     | 99.6%   |
| Financial Abuse of Elderly and Vulnerable Adults                        | 2,784                     | 99.9%   |

### By the Numbers: Mandatory Employee Training in 2016

| Compliance, Diversity, and Sustainability Training Topics | Total Hours | Percent of Relevant Employees Who Completed Required Training in 2016 |
|---|-------------|---|
| Workplace Harassment                                      | 468         | 99.8%   |
| Diversity   | 954         | 99.6%   |
| Sustainability  | 234         | 100.0%  |

### Human Rights

Extending beyond countering corruption and bribery, we look to promote human rights and progress with our stakeholders, beyond our own operations. We work with customers, suppliers and communities to encourage equal opportunity, fair lending, privacy protection and economic and social development. Our standard agreement with suppliers and contractors requires that they act in compliance with all applicable laws, including those on equal employment opportunity, employment practices, immigration, and data protection, and abide by Comerica's non-discrimination and diversity practices. As Comerica primarily does business in the United States, we have no significant presence or investment in countries where lack of human rights protection is a known problem.

## Responsible Marketing and Sales

### Impact Topic

Fulfilling [The Comerica Promise](#) includes presenting our products to consumers honestly. We review our marketing communications before release to ensure they comply with relevant regulations and laws, including the, Equal Credit Opportunity Act, the Truth in Lending Act, the Truth in Savings Act and Unfair, Deceptive and Abusive Acts and Practices. The Financial Industry Regulatory Authority (FINRA) and the U.S. Securities and Exchange Commission (SEC) also regulate certain types of marketing materials; we carefully review such material through our legal, risk and compliance processes. Comerica monitors compliance with marketing laws and regulations through regulatory agency examination performance, internal audits and internal testing. Our Quality Process Department also reviews relevant customer complaints to identify potential issues.

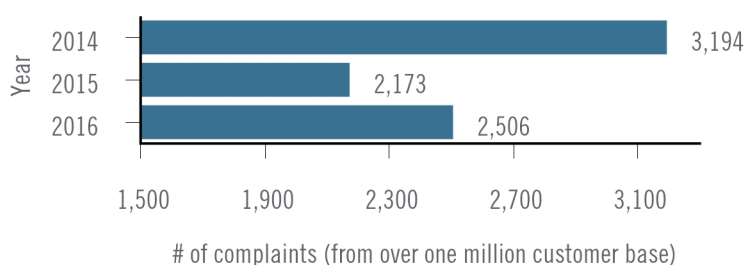
Per U.S. regulatory requirements for customer contacts and interactions, we implement internal policies and procedures, including clearly stated interest rates and other terms and conditions. We require that relevant colleagues complete comprehensive, annual fair lending and anti-discrimination training, with 99.5 percent of applicable employees doing so in 2016.

We are not aware of any incidents of non-compliance related to fair lending, anti-discriminatory regulations, anti-competitive behavior or anti-trust or monopoly practices occurring in 2016 that would have had a material adverse effect on our operations or ability to perform the services we offer.

### Customer Complaints

Comerica's Corporate Quality Process Department monitors, tracks and resolves customer complaints, as well as any product-related regulatory concerns. We evaluate complaint trends on an ongoing basis to identify and address systematic concerns and notify the appropriate business areas of potential process or service failures. We aim to prevent further failures by providing timely feedback that results in swift improvements.

#### Customer Complaints Received



## Public Policy and Government Relations

## Impact Topic

Financial services are heavily regulated in the United States and Comerica closely monitors and engages in the development of public policies that directly affect our business and industry. Due to the potential magnitude of regulatory impact, it is prudent to stay actively involved in the public policy process. Our Director of Government Relations leads these efforts.

Our advocacy efforts are focused at the federal level and in our key market states: Texas, Arizona, California, Florida and Michigan. Our executives hold direct discussions with elected officials and engage with national and state banking industry associations. We work with these associations to advocate on behalf of the regional banking industry and target legislation or regulation that impacts the products and services we offer.

### Major Industry Associations Engaged

- |                                |                                  |                                  |
|--------------------------------|----------------------------------|----------------------------------|
| • American Bankers Association | • The Clearing House Association | • Financial Services Roundtable  |
| • Consumer Bankers Association | • Texas Bankers Association      | • California Bankers Association |
| • Michigan Bankers Association | • Arizona Bankers Association    | • Florida Bankers Association    |

In 2016, the primary public policy challenge Comerica faced was the cost and complexity of the enhanced prudential standards from the 2010 Dodd-Frank Wall Street Reform and Consumer Protection Act (DFA). Our main advocacy goal is working with Congress to amend the DFA to allow for tiered bank regulation based on complexity and risk, rather than just asset size.

With respect to public policy for environmental and climate change issues, we annually review all organizations where Comerica colleagues occupy board-level roles. We hold follow-up discussions with relevant board member colleagues whose organization's policies and positions conflict with Comerica's corporate climate and sustainability strategy. In 2016, we did not identify any such conflicts.

## Political Contributions

One way Comerica participates in the political process is through contributions from its political action committee (PAC). The PAC annually solicits contributions from eligible employees and makes bipartisan contributions — in compliance with local, state and federal election laws — to political candidates and committees who understand and support Comerica's pro-banking, pro-business philosophy. All political contributions and guidelines are developed and approved by a separate PAC Board comprised of senior executives from across the company's major business segments.

Under section 527 of the Internal Revenue Code, Comerica does not use corporate funds to make direct political contributions to candidates for public office or groups organized to influence political campaigns. However, Comerica will, from time to time, contribute corporate funds to support state and local ballot initiatives if the company believes they will enhance quality of life in the communities where our customers and employees live, work and raise their families.

During the 2015-2016 election cycle, the Comerica PAC contributed \$588,300 to political candidates and committees. We do not make soft-money or in-kind political contributions, or use corporate funds to make direct political contributions to candidates for public office or groups organized to influence political campaigns. For our contributions between November 1, 2015, and October 31, 2016, please see the [Political Activities and Contributions](#) section of our website, which is updated annually.

# SUPPORTING OUR COLLEAGUES

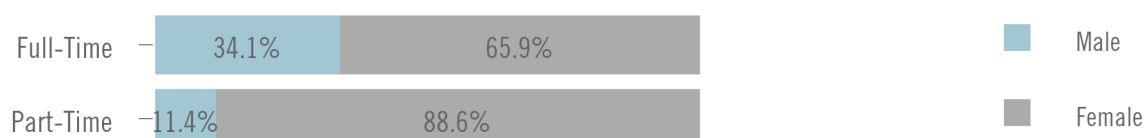
Banking has always been a business that relies heavily on the personal relationships and quality service provided by employees, while Comerica's strength has always been its colleagues. To meet and exceed our customers' expectations, we strive to make Comerica the preferred bank at which to work in our markets. We recognize our colleagues' hard work, and we are dedicated to fostering a diverse and inclusive workplace. We offer competitive wages and benefits and are committed to providing a healthy, safe and engaging working environment for all. To help build trust and loyalty, we strive to communicate regularly, openly and honestly with colleagues, and to offer opportunities for growth through our learning and development programs. We do this so that when we hire top talent, they stay at Comerica, which in turn provides our customers with the relationship banking experience they desire.

*"As Comericans, we are unified in our desire to deliver ongoing growth and shareholder value. Yet we are also bound together by something more powerful and distinctive: an unwavering commitment to each other. We believe that our character and values define our Comerica work experience and form the foundation of a unique, caring and collaborative culture. We believe that this appreciation for our internal relationships is manifested in our relationships with our customers, and serves to distinguish us from ordinary financial institutions. In this way, every day, we are raising the expectations of what a bank can be."* — The Colleague Promise

|                 |  |
|-----------------|--|
| 2016 PROGRESS   | Delivered strategic learning and development initiatives focused on new employees, supporting customers, performance leadership and new managers   |
|                 | Offered online and in-person Managing Change seminars to all employees to help them best deal with organizational change   |
| 2016 CHALLENGES | GEAR Up initiative reduced Comerica's employee count by over 600. Through this process we maintained our commitment to human rights and ethical treatment by assuring the exiting individuals were selected fairly and treated with dignity and respect throughout the process |
|                 | Continuing to keep pace with our changing generational demographics as some baby boomer colleagues opt for retirement and more millennial colleagues enter the workforce   |
|                 | Establishing and nurturing the internal pipelines and external networks that will yield qualified candidates   |

At year end 2016, we had 8,149 total employees (7,659 full-time and 490 part-time). There were 7,960 employees on a full-time equivalent (FTE) basis. We had 1,220 temporary contract (contingent) workers in 2016, which represented 13 percent of our total workforce (employees plus contingent workers working on Comerica activities). Of that number, 87 percent work in our technology department maintaining hardware and supporting software. A breakdown of contingent workers by gender was not available. For more details on Comerica's diversity numbers, please go to [Prioritizing Diversity and Inclusion](#).

## Permanent Employees by Labor Type and Gender



Comerica's Human Resource team is committed to partnering with the entire organization to help drive growth and shareholder value. The division is comprised of specialty areas overseeing Talent Attraction, Learning and Development, Operations, Total Rewards and HR Consulting. Development, attraction and retention are a focus for our Board of Directors and the Governance, Compensation and Nominating Committee of the Board of Directors. Relevant Human Resource leaders regularly review our programs with the Board to help ensure the organization remains committed to fostering a collaborative and desirable workplace.

## Talent Attraction, Development, and Retention

### Impact Topic

To remain competitive in the markets we serve, our recruitment, learning and development practices must continue to evolve to meet both business targets and the needs of high-performing colleagues. All areas of Human Resources impact these responsibilities, which include:

- Talent Acquisition focuses on sourcing and hiring the best candidates with the right skill sets and values to provide a longer-term, mutually-beneficial working relationship at Comerica.
- Total Rewards assures we are paying appropriate and competitive wages and providing the right benefits for our population.
- Learning provides top quality training and development for all our colleagues from compliance to skills training and everything in between.
- HR Consulting supports managers and employees through counseling and facilitated talent management reviews.

Sometimes, hard HR decisions have to be made, as was the case with reductions stemming from our 2016 GEAR Up initiative. Our commitment to our colleagues includes helping them to manage through the organizational changes, which can be difficult for both exiting employees and those that remain. As such, we developed and deployed Change Management sessions to our colleagues, both in-person and via webinar. These sessions were well-attended, and our colleagues appreciated the recognition of and support through the impact of the GEAR Up changes.

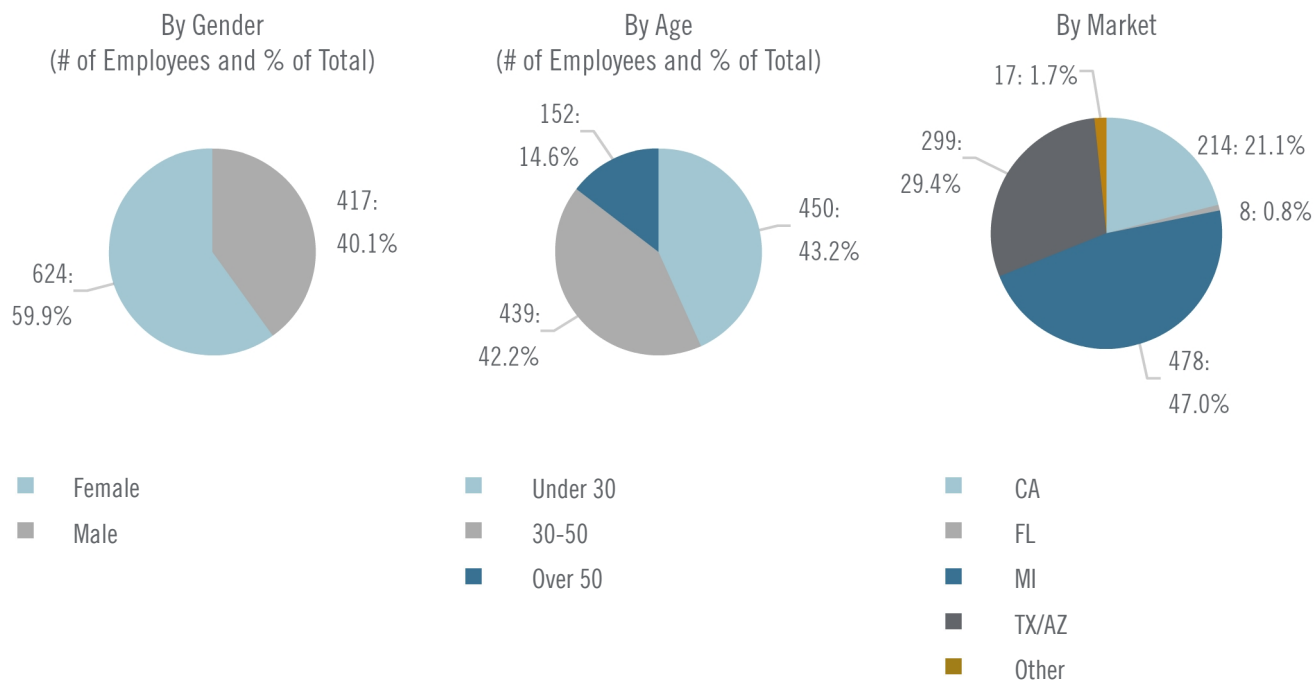
## Attracting New Colleagues

Our business depends on attracting and retaining bright talent. Comerica measures the success of our Talent Acquisition strategy on speed and quality of acquisition, retention and overall performance metrics. Each of these metrics is tracked for each of our key business lines. Sourcing strategies and support structures are modified to ensure that performance targets are met consistently. Our multi-channel sourcing model drives our Talent Acquisition strategy to:

- Help source and hire effectively and efficiently,
- Utilize sourcing strategies to complement recruiting activities,
- Use advanced technology to identify, influence and attract top talent,
- Advise and consult with business units to develop sound strategies and hiring decisions,
- Offer a robust pipeline of candidates to managers,
- Provide scalable talent acquisition resources nationally, and
- Develop the necessary resources to effectively assess talent in the marketplace.

Comerica implemented the annual Total Rewards statement in 2013, which highlights the total rewards package for each colleague, providing a visual representation of the value of benefits provided in addition to salary. To provide our applicants more insight into the total opportunity at Comerica, in 2016, we expanded our Total Rewards reporting to allow candidates to model the full value of their opportunity with us. For more details on our Total Rewards statement, please review the Developing Colleagues part of this section.

## 2016 New Hires



### Comerica's Military Recruitment Program

Since the start of Comerica's military recruitment program in 2013, Comerica has hired more veterans and therefore increased their percent of overall workforce. Our Talent Acquisition team and colleagues continue to seek opportunities to attract, recruit and hire veterans.

In 2016 and into 2017, we stepped-up our nationwide outreach to veterans, building relationships with hirepurpose and RecruitMilitary, and participating in multiple career fairs — including veteran-focused career fairs, traditional career fairs and student networking events — for recruiting military personnel. To strengthen our outreach to diverse applicants, we also established relationships with internet-based vendors for job posting organizations such as Workplace Diversity and localjobnetwork.com. Since the implementation of our veteran outreach strategy in 2015, the percentage of veterans in Comerica's employee workforce has increased by 12 percent. We anticipate hiring more veterans in the coming years.

## Developing Colleagues

### Learning

The majority of our employee development takes place outside of formal learning settings. Coaching and mentoring account for roughly 70 percent of development, learning through exposure accounts for 20 percent, and classroom activities account for the remaining 10 percent. Colleagues are encouraged to develop their competencies by pursuing individual development plans (IDP). IDPs are required for all employees at the Vice President level or above. Our talent management software contains over 80 pre-populated development plan templates across key competencies. Colleague competencies are evaluated annually as part of the performance management process. Senior management regularly reviews the results of our management approach based on demographic, career and diversity targets.

We introduced several new employee learning and development initiatives during the year, including:

A Digital Library with access to hundreds of current business books.

*Managing Change* workshops, which were delivered to over 3,000 colleagues in 2016

Expanded enterprise-wide access to professional development books and courses

Announcement of *Managers are Essential*, a five certificate training program for all managers to be implemented in 2017

In 2016, the average hours of training per employee (including mandatory training) was 24.8 hours, up from 23.6 in 2015. 2,927 skills-based courses were offered to Comerica employees, and 98 percent of employees took advantage of non-mandatory, non-compliance training to improve their knowledge base. All contingent workers who access our systems, working on behalf of Comerica, are provided applicable regulatory and compliance training.

### ***Total Rewards Recognizes the Value of Ongoing Personal Development***

Comerica invests in its colleagues by offering a wide range of professional and technical learning opportunities. To highlight Comerica's investment in learning, we included the market value of each training course the colleague took advantage of the prior year and highlighted in their 2016 Total Rewards Statement. Comerica colleagues completed approximately 140,000 hours of learning and development courses in 2016, with a total market value of \$26,000,000. Market values for the training courses were obtained through a trusted third-party benchmark exercise and aligned to the type and topic of each opportunity. Colleagues responded favorably to the enhanced Learning and Development portion of the Total Rewards Statement.

### ***Leadership Development Program***

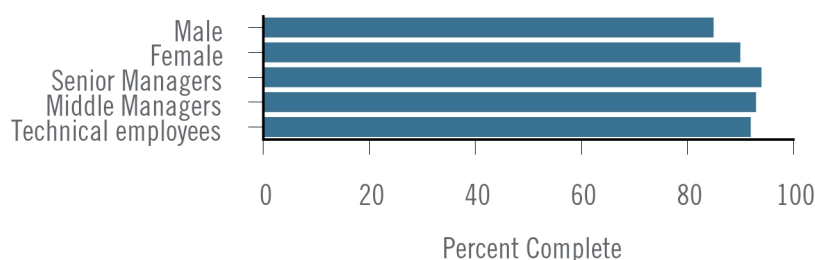
Comerica launched our Leadership Development Program (LDP) in 2011 to develop our future leadership talent in an experiential setting, including collaborative project work to address the organization's key strategic challenges. LDP brings together middle-management colleagues and senior leaders for skills development and mentoring. In 2016, 27 employees completed LDP. The colleagues researched and provided recommendations to address challenging strategic issues at Comerica, culminating in final presentations to Comerica executives and senior leaders.

As an example of LDP outcomes, one of the 2016 LDP teams developed a project recommendation to efficiently and effectively implement a scalable mentoring solution using existing software infrastructure. Senior leadership enthusiastically accepted their recommendation with a pilot program to be implemented in 2017. The LDP program's ongoing ability to identify and recommend strategic investments remains a hallmark and strength of this flagship initiative.

### ***Performance Reviews and Recognition***

Comerica strives for a robust and efficient performance management process that incorporates system tools, and candid and constructive discussions between managers and colleagues to achieve both the company's objectives and our employees' goals. Comerica managers hold at least annual performance review discussions with their employees.

#### ***Percent of Completed Performance Reviews by Gender and Employee Type***



The GEAR Up initiatives led to a drop in completion percentages. We expect to return to previous levels in 2017.

Comerica aims to ensure colleagues are recognized for their contributions and promote an atmosphere of collegiality. We use an online recognition tool (CoStar) for managers, peers and colleagues to send ecards, as well as tangible and cash awards to individuals who excel at demonstrating Comerica's Core Values in their work. In 2016, 2,196 CoStar awards were sent to colleagues totaling over \$372,000. Colleagues sent nearly 30,000 Thank You e-cards in 2016 to congratulate other colleagues on a job well done.

On an annual basis, Comerica generally provides a merit pay opportunity to eligible colleagues. Merit dollars are allocated based on several factors which include performance, experience, time in position, contribution and internal parity. Individual increases are determined by managers with input from Human Resources to provide higher rewards to high-performing individuals based on the factors noted above.

## Retaining Colleagues

To assist managers in retaining top employees, an Employee Retention Toolkit was developed to help them become proactive in assessing retention risks and impacts. The toolkit provides guides and assessments to help retain employees, and key discussion points highlighting reasons to stay at Comerica. In 2016, we saw proof of the success of this approach when our voluntary turnover remained below industry and peer benchmarks despite having gone through a major reduction in workforce and change in organizational structure.

In 2015, we rolled out a new online employee exit survey. Exiting employees are provided a link to the survey prior to departing which gives us an opportunity to better understand why individuals leave Comerica and, if appropriate, develop targeted programs to address any issues. An initial analysis in 2016, our first full year of data, did not identify any unexpected trends or concerns. We will perform a deeper analysis in 2017 to see if any trends are emerging and once the disruptions of the GEAR Up restructuring are behind us.

## Benefits, Health and Wellness

We offer competitive pay and a comprehensive benefits package in all our markets. Each year, we review our benefits so that they remain comparable to the benefits offered at financial organizations of a similar size. We offer the following benefits to employees:

### Full-Time Employee Benefits

- |  |   |                                    |
|--|---|------------------------------------|
| • Medical*                                   | • Life Insurance, AD&D, and Dependent Life* | • Financial Product Discounts      |
| • Dental*                                    | • 401(k) Plan with Employer Match*          | • Paid Time Off Program*           |
| • Vision*                                    | • Retirement Income Account Plan*           | • Paid Holidays*                   |
| • Employee Assistance Programs*              | • Employee Stock Purchase Plan*             | • Group Legal                      |
| • Short-term Disability/Long-term Disability | • Health Accounts*/**                       | • Tuition Assistance Program (TAP) |

\* Benefits also offered to part-time employees scheduled to work at least 20 hours per week.

\*\* Including Health and Dependent Care Flexible Spending Accounts, Commuter Benefits, and Health Savings Accounts.

Comerica has a number of programs in place to encourage work-life balance. For example, Alternative Work Arrangements can provide the flexibility needed to help better align performance and work-life balance.

In 2016, the Retirement Account Plan was closed. Beginning in 2017, all eligible colleagues can now participate in our pension plan, the Retirement Income Account Plan. Under this new plan, Comerica makes monthly contributions based on a percentage of eligible pay and also provides interest credits. This new program, along with our 401(k) savings plan, helps colleagues save for retirement.

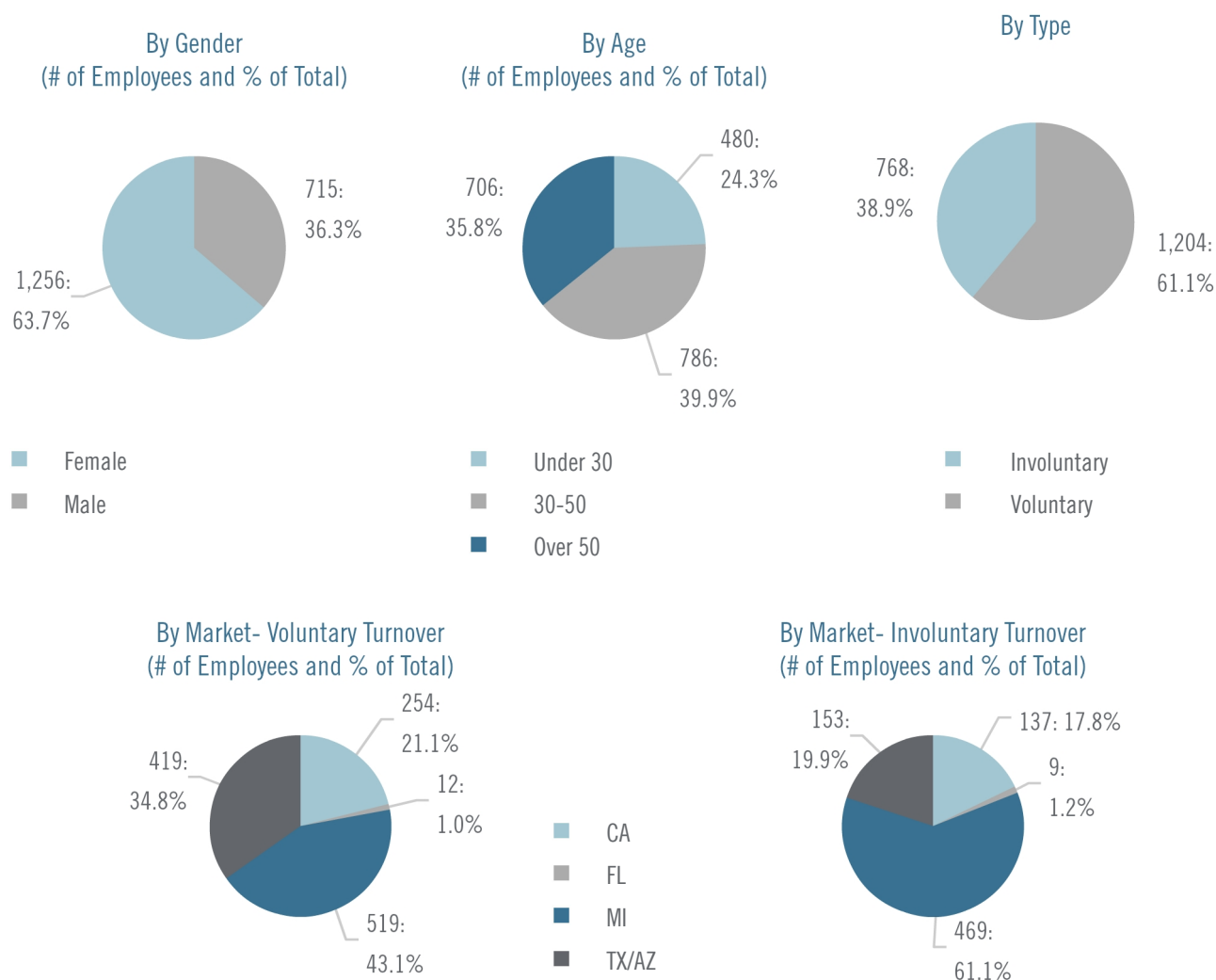
Comerica's Health and Safety Policy provides colleagues and managers with guidelines for maintaining a healthy work environment. It complies with Occupational Safety and Health Act requirements. The Employee Assistance Program provides resources to support colleagues in a vast array of areas including weight management, tobacco cessation as well as health and wellness coaching. Managers and human resources consultants work with the program's external service provider to offer training sessions and webinars on workplace and personal health and safety. We also offer tuition assistance and disability support programs to full-time employees.

| <i>Comerica's Employee Assistance Program</i> | <i>Tuition Assistance</i>                                 |
|---|---|
| Used by employees 4,671 times in 2016         | Provided to 179 employees, representing \$686,694 in 2016 |

## Employee Turnover

Overall, Comerica's turnover rates are comparable with those reported by the Bank Administration Institute (BAI). In 2016, Comerica's overall turnover rate was 24.3 percent, an increase of 9.1 percent from year-end 2015. Involuntary terminations (excluding GEAR Up terminations) in 2016 remained at 17.4 percent. The BAI 2016 benchmark study indicates an overall turnover median of 22.0 percent. Comerica's 2016 turnover rate excluding GEAR Up terminations was less than the BAI 2016 median, while overall turnover was slightly higher than the median. Voluntary turnover in 2016 was 14.8 percent, 2.6 percent higher than the 2015 voluntary turnover of 12.2 percent. However, 2016 voluntary turnover was less than the BAI benchmark of 16.0 percent.

### 2016 Employee Turnover



Comerica offers career transition assistance to employees affected by job loss due to workforce reductions, including employment resources and career consultation at all levels. In addition, our Employee Assistance Program offers free and confidential support to colleagues and their families who are experiencing personal or professional difficulties. In 2013, we enhanced the confidential support services available, and in 2016, there were 4,671 services provided through Comerica's Employee Assistance Program, up from 3,854 provided in 2015.

## Employee Engagement

## Impact Topic

Comerica operates in a dynamic and competitive industry, which makes successful collaboration with colleagues critical to success. Open lines of communication between colleagues and leaders are an integral part of our over 165-plus year culture. We believe strongly that this direct relationship underpins our success in maintaining a great work environment, one that is collaborative and in which colleagues are treated with dignity and respect. We also know that some employees are inspired to work for purpose-driven organizations with which they share values. We find employee involvement to be a powerful driver of engagement as colleagues become active participants in our diversity and environmental sustainability efforts and in supporting our communities through [volunteerism](#).

## Communicating with Employees

We work hard to keep our more than 8,000 employees informed about company activities through regular communication channels, such as email, our intranet site, town halls and one-on-one discussions with managers. In 2016, our Corporate Communications department launched the Comerica Café, part of our intranet site, to help colleagues further engage and share information with other colleagues. The Café includes blogs from Comerica program directors providing economic, government relations and sustainability-related insights. The site also includes fun ways to connect with other colleagues via photo albums about work (such as Comerica Pride, Volunteerism events, Partner Appreciation) and non-work (babies, green, pets, travel) as well as discussion boards on recipes, health and wellness, travel tips and hobbies, to name a few.

To improve performance, we provide our colleagues with the following pathways to engage with senior leadership:

### *Employee Pathways for Communicating with Senior Leadership*

- Communicate directly with non-management directors by sending written correspondence to the Secretary of the Board for Comerica Incorporated
- Provide feedback to leadership through Senior Officer Meetings, Employee Owner Meetings, managers and company email
- Email the Chief Human Resources Officer directly or raise questions at the Employee Owner Meetings about benefits or other human resources topics
- Connect through departmental leadership meetings
- Email a designated mailbox with ideas on how to improve processes, programs and efficiencies at Comerica

Comerica provides multiple channels for employees to report complaints, including our intranet site, communicating directly with managers, Human Resources, Employee Relations, the Legal department or the two employee hotlines (anonymous and confidential) operated by a third party. One employee hotline is for reporting and resolving human resources issues, such as workplace harassment or safety, while the other is for accounting or audit-related issues. We also use a variety of communication channels, including training and our intranet site, to remind colleagues of the importance of reporting conduct that may violate the law or our employee code of conduct and we provide an internal Problem Resolution Procedure designed to ensure that employees have the opportunity to formally address their concerns and present alternative solutions regarding their conditions of employment. In 2016, 57 complaints were recorded via the hotline, all of which were resolved. There were no labor practice grievances filed through formal grievance mechanisms in 2016.

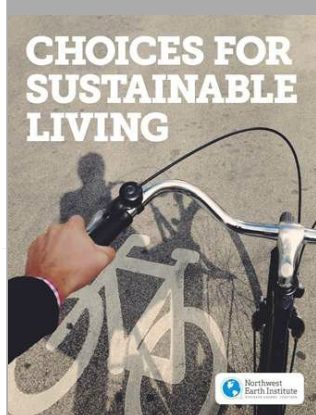
Comerica also engages employees on the company's diversity, sustainability, volunteerism and philanthropy efforts. For more details, read below for our Sustainability-related engagement, go to the [Prioritizing Diversity and Inclusion](#) section for diversity engagement or to the [Supporting Our Communities](#) section for philanthropic and volunteerism-related engagement.

## Engaging Employees on Environmental Sustainability

One way that we engage employees is by harnessing their enthusiasm and commitment to drive our environmental sustainability efforts—from making green loans to recycling office supplies. We engage and educate colleagues on sustainability through corporate intranet communications and discussion boards, green office teams, sustainability-focused work groups and training. New employees are required to complete mandatory sustainability awareness training. In 2016, 93 percent of Comerica new hires completed the course.

Comerica's Master of Sustainability Awareness (MSA) internal certification program is built on four pillars: Education, Communication, Engagement and Advocacy. Our MSA program uses the metaphor of a growing tree. Our colleagues start at the Seedling level, where the focus is on education, then progress to the Sapling level, where the focus lies on balancing the four dimensions, and finish at the Mighty Oak level, where the focus is on advocacy—the 'doing' part of sustainability. The MSA process is designed to move Comerica colleagues from learning about sustainability, to sharing what they have learned, and finally putting it into action by engaging in activities that both support Comerica as a more sustainable organization and bring sustainability to colleagues' personal lives. The MSA pilot program ran from July to September 2015 and the program launched to all Service Company colleagues in December 2015. In 2016, we had 286 Comerica colleagues enrolled in the MSA Program with 20 MSA Seedling-level certified and three Sapling-level certified colleagues. We plan to offer the program to all Comerica colleagues beginning in fall 2017.

### Partnering with Northwest Earth Institute



As part of the MSA Program offerings in 2016, Comerica's Sustainability Office partnered with Northwest Earth Institute (NWEI), an environmental nonprofit with a focus on creating change by helping companies share sustainability learning, stories and challenges with their employees. We used NWEI's Choices for Sustainable Living discussion course workbook to conduct a 7-part webinar series for our employees. With the focus on personal sustainability in this workbook, the 163 participating employees were able to learn about how to live more sustainably and we expect this will also translate to working more sustainably.

*"...I am proud to be a colleague of Comerica, a wonderful bank that has brought the principles of sustainability into my life in a very meaningful way. The presentations were so well done, clear, professional and very engaging."*

*- Anonymous survey response from Comerica participant in NWEI webinar series*

We also offered our colleagues the opportunity to participate in NWEI's EcoChallenge in the fall of 2016. The EcoChallenge is set up to help people change habits by sticking to environmental and health commitments for two weeks. This two-week challenge was fun and engaging because our Comerica team was able to compare our team's progress to other participating companies. We had 89 employees participate in the challenge and our EcoChallenge team placed 24th out of 450 teams based on the environmental actions taken at work and at home by our colleagues.



*"Comerica employees are a shining example of how many small actions can add up to big change. Through participation in our Discussion Course and EcoChallenge programs, it's clear that the Comerica team is deeply committed to making sustainability a priority. We are inspired by your efforts and impact!"*

**-Liz Zavodsky, Director of Membership and Engagement, Northwest Earth Institute**

Twelve active green office teams, made up of dedicated volunteers based at our larger office buildings, organize year-round sustainability awareness and community [Involvement](#) initiatives. In 2016, our teams coordinated and participated in 17 office and community-based events, including environmental volunteering projects, employee contests, children's art contests, clothing exchanges, nonprofit item donations, lunch and learn educational events, and coordination of local employee personal document shred days.

### 2016 Green Office Team Activity Examples



Sustainable Pledge Tree developed by the Financial Center Auburn Hills green office team



Comerica colleagues participating at a beach cleanup in Seal Beach, California in September 2016 organized by the Costa Mesa Green Office Team

### Earth Week Poem

*The beauty of our Earth is vast, The sun and moon and stars,  
We must do our best to make it last, The duty to sustain is ours,  
You and I can make a difference, Be conscious not to abuse,  
Help maintain our planet's brilliance, Recycle, renew, restore, reuse.*

*We must celebrate a future worth living, Show the world how much we care,  
All it takes is a little sharing and giving, To maintain clean soil, water, and air.  
Oh Mother Earth we thank you, For all the beauty you provide,  
The fresh air, green grass and skies of blue, To all your creatures worldwide!*

- By Terry Prybylski - Comerica Data Validation

(This is her poem entry from the 2016 Livonia Operation Center's Green Office Team Earth Week Poem Contest.)

# PRIORITIZING DIVERSITY AND INCLUSION

## Diversity and Inclusion

## Impact Topic

**Diversity** is one of Comerica's Core Values and our respect for diversity permeates everything we do. Our diversity standards recognize behavior that:

- Effectively utilizes and values similarities and differences in people to create a work environment that encourages creative thinking and solutions,
- Recognizes and leverages the benefits realized from a broad range of ideas, viewpoints and backgrounds working together to produce superior products and services for a diverse marketplace,
- Embraces the inclusion of all talented and qualified individuals, regardless of differences in beliefs, experiences, backgrounds or physical characteristics, and
- Treats all colleagues, customers and suppliers fairly, with dignity and respect.

We are dedicated to supporting and promoting diversity and inclusion both internally among our employees, and externally to our customers, suppliers and the communities in which we conduct business.

Comerica's Executive Diversity Council, led by our Chairman and CEO and made up of the executive leadership team, sets annual and long-term internal diversity goals focused on four areas: business development, human capital, involvement and supplier diversity. We track results against these four priority areas of the Executive Diversity Council.

|                        |  |
|------------------------|--|
| <b>2016 PROGRESS</b>   | Increased the percentage of military veterans in Comerica's employee workforce by 12 percent since implementing our veteran outreach strategy, which included work with veterans organizations and participation in career fairs to help attract military veterans to Comerica |
|                        | Comerica leaders focused on diversity as a business and leadership imperative  |
|                        | Continued diversity awareness opportunities through our Masters of Diversity Awareness Program, Employee Resource Network Groups, Local Diversity Awareness Round Tables, and corporate communications   |
|                        | Increased outreach to diverse business owners through training and networking sessions as part of our supplier diversity program   |
| <b>2016 CHALLENGES</b> | Driving minority colleague development at the Manager level and above to support development into successful leaders   |
|                        | Growing Comerica's market share of women- and minority-owned small and medium size business relationships and supporting individual wealth in multi-cultural market communities  |
|                        | Small, diverse suppliers may be adversely impacted by risk management practices and federal regulations that suppliers must meet to work with banks  |

## Diversity Recognition

To help benchmark our diversity efforts, we participate in recognized corporate Diversity rating surveys. These include surveys by:

- *DiversityInc*
- *Black Enterprise*
- *Latina Style Top 50*
- Hispanic Association on Corporate Responsibility (HACR)
- *Hispanic Business Magazine*
- Diversity MBA
- Human Rights Campaign's Corporate Equality Index (CEI)

Comerica has been ranked by these rating organizations among the top companies for diversity efforts, and received our third consecutive CEI rating of 100 for our work to ensure inclusion of Lesbian, Gay, Bisexual, and Transgender (LGBT) colleagues and community members. In addition, Comerica's veteran hiring program was highlighted in an article by ABABankMarketing.com and was recognized as a bronze-level veteran friendly employer by the Michigan Veterans Affairs Agency.

## Employee Diversity and Inclusion

Welcoming and supporting colleagues of all backgrounds is a pillar of [The Comerica Promise](#) and is key to the way we conduct business. To further this commitment in 2016, we developed and published our [Diversity Commitment](#) statement. This highlights our [Diversity](#) Core Value and recognizes the behaviors, values and beliefs that support a work environment that celebrates the differences among our colleagues and embraces our critical role in the communities we serve.

Comerica is an equal opportunity employer and our policies, programs and practices align with this commitment. Respect for human rights is also critical to our business approach. We work to provide a diverse, inclusive, safe and ethical workplace. We do so by enforcing our employee [Code of Business Conduct and Ethics for Employees](#), equal employment opportunity statements and safety and health policies while maintaining a zero tolerance approach for workplace corruption, discrimination or harassment. As a federal contractor, Comerica also develops affirmative action plans to ensure equal opportunities for all colleagues. Comerica's [Disability Accommodation and Equal Employment Opportunity Policy statement](#) has been updated to include sexual orientation and gender identity. The statement is reviewed and signed annually by the Chairman and CEO, then posted for employees.

### Comerica's Employee Resource Network Groups

To meet our human capital and business development goals, we conduct targeted recruitment activities and support 17 employee resource network groups (ERNGs). ERNGs are self-initiated, organized groups consisting of employees with common interests and the willingness to apply those interests to support Comerica on a variety of business issues. ERNGs are open to any Comerica employee, regardless of identity, background or organizational unit and provide peer networking, mentoring and development opportunities.

ERNG categories at Comerica, some of which are located in multiple markets: Comerica African American Network (CAAN), Hispanic Ambassadors, Comerica Asian Indian Association, LGBT and Allies Alliance, Veteran's Leadership Network, Women's Forum and Comerica Quantitative Professionals Network.

Our Women's Forums work to enhance the value that women bring to the company by leveraging their combined talents to further recruit, develop and retain women,

and provide a sounding board for issues that affect women at Comerica. The impact of the Women's Forums extend beyond our colleagues by supporting efforts to promote women business owners and women's initiatives in the community.

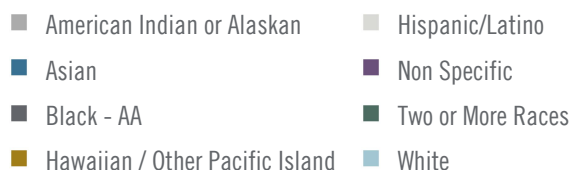
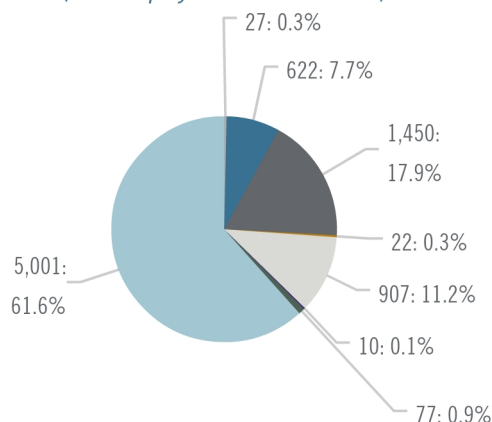


*Comerica TX LGBT & Allies ERNG hosts regular social networking events attended by Comerica executives*

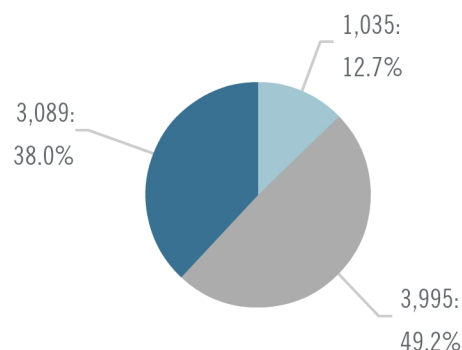
Diversity goals are established for all divisions and are included in the performance plans of department leaders and employees. In 2014, we began requiring diversity goals in all employee performance management plans. Our diversity and involvement goals are focused on four key areas: human capital (diversity programs, talent acquisition and colleague development), business outreach, community outreach (involvement and volunteerism) and supplier diversity.

### 2016 Employee Workforce Diversity Metrics

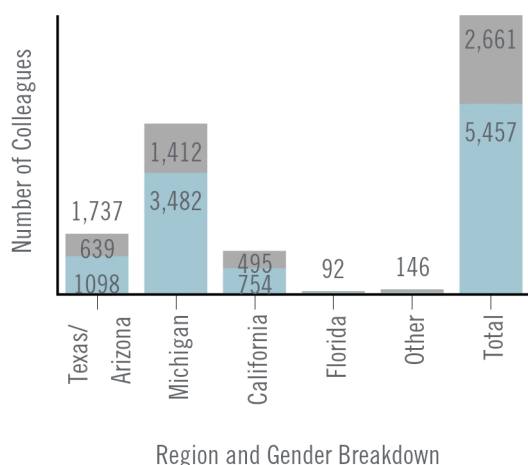
*Employees by Race  
(# of Employees and % of Total)*



*Employees by Age  
(# of Employees and % of Total)*



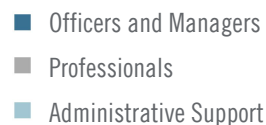
*Employee Diversity 2016 by Region and Gender*



Region and Gender Breakdown



*Diverse Workforce by Job Type*



Over the last year, we saw an 11 percent decrease in Comerica's total employee count associated with the company's GEAR Up initiatives. The total number of Officers and Managers decreased from 2,247 in 2015 to 1,414 in 2016, a reduction of 37 percent. The relatively large decrease in the total number of Officers and Managers was an intentional outcome of our efforts to reduce the layers of management through position elimination, as well as shifting positions from Officers and Managers to Professional roles. Overall, the percentage reduction in Professional and Administrative colleagues was significantly lower than the overall decrease in total employee count.

Overall, women remain the majority portion of our Officers and Managers, with 51% female versus 49% male. There was a 42 percent decrease in female Officers and Managers in 2016 versus a 31 percent decrease in male Officers and Managers but the overall female population of Officers and Managers only reduced by 5% to 51%. There was also a 50 percent decrease in the number of diverse employee Officers and Managers versus a 32 percent decrease in the number of non-diverse employees but the overall diverse population of Officers and Managers only reduced by 6% to 23% diverse versus 77% non-diverse. The overall percentage of female and diverse employees working at Comerica remained generally consistent at 67 percent female and 38 percent diverse employees in 2016, versus 67 percent female and 39 percent diverse employees in 2015. Please see the [Key Statistics Table](#) for trend data since 2012.

### ***Attracting Diverse Talent***

We work hard to attract and retain the best talent from all backgrounds. Our Diversity Recruiting Strategy delivers a qualified diversity applicant pool that reflects the demographics of our markets through a focus on women, diverse populations, LGBT and Allies, veterans and individuals with disabilities. Some of the organizations we work with include the Urban Financial Services Coalition, the Department of Rehabilitation/National Employment Team Vocational Rehabilitation, U.S. Chamber of Commerce Hiring our Heroes, Equality Professionals Network Dearborn, Arab Community Center for Economic and Social Services-Michigan and student organizations at select universities. Comerica also reaches a broad network of posting services that target Hispanic and other minority readers including iHispano.com, a network of more than 1 million Latino professionals. Comerica developed a relationship with The Alumni Society, which is a membership-based organization for mid-to senior-level Latino leaders who are alumni of the most competitive colleges and universities, and a relationship with the Association of Latino Professionals For America, a professional association dedicated to enhancing opportunities for Latinos in accounting, finance and related professions.

#### ***Outreach to Individuals with Disabilities***

In 2016, Comerica developed a partnership with GettingHired, an organization focused on outreach to individuals with disabilities, to further our reach and expand our branding to the disabled community. In April, GettingHired recognized Comerica as a featured employer. GettingHired also conducted disability inclusion training for our Human Resources department and others within the organization.

Since 2013, we have had a Veterans and Military [Market Segmentation Initiative \(MSI\) team](#) providing targeted outreach to veterans, military personnel and their families to strengthen access to banking services and financial education. Comerica launched the Veteran Leadership Network, our latest employee resource networking group, in 2014. Comerica's Veteran Leadership Network ERNG has been developing programs that educate our colleagues about veterans, assist in building awareness and support outreach activities. For details on our nationwide-wide outreach to veteran talent, please see the Attracting New Colleagues under [Talent, Attraction, Development and Retention](#).

### ***Diversity Awareness and Learning***

We encourage our colleagues to embrace and celebrate each other's differences and require that they complete diversity education courses to foster an atmosphere of inclusion in the workplace. We prominently feature our diversity program in our employee orientation tool and require annual employee diversity training. In 2016, this training focused on disabilities in the workplace. Comerica's intranet site features articles about nationally recognized diversity months that celebrate the rich cultures and traditions celebrated in our communities, such as months for Black History, Hispanic Heritage, Women's History and Pride, among others.

In addition, our company-wide Master of Diversity Awareness (MDA) program, developed by Comerica colleagues, achieved a nearly 89 percent enrollment in 2016. The MDA program covers nine dimensions of diversity through a variety of activities and has created

a healthy competition among departments and colleagues to complete increasing levels of programming to earn bronze, silver, gold, and platinum status for achievement of learning levels.

| <b>Year-End 2016 Status: Number of Colleagues Who Have Achieved MDA Level Certifications*</b>   |                                   |                                 |                                     |
|---|-----------------------------------|---------------------------------|-------------------------------------|
| <b>5,167</b>  | <b>3,984</b>                      | <b>3,065</b>                    | <b>1,688</b>                        |
| Bronze-Level Certified Colleagues   | Silver-Level Certified Colleagues | Gold-Level Certified Colleagues | Platinum-Level Certified Colleagues |
| * Cumulative (e.g., colleagues who are MDA Gold-level certified are also included in the Bronze and Silver-Level certified colleague numbers) |                                   |                                 |                                     |

Comerica's colleague-focused local Diversity Awareness Round Tables (LDARTs) provide a local resource for diversity learning. LDART members represent the interests and needs of colleagues across a given market. The LDART members plan, communicate and execute diversity learning options for colleagues in the market. In 2016, additional diversity learning opportunities included:

- Guided tours of the “We Don’t Want Them: Race and Housing” exhibit that presents the history of discrimination in access to housing in America, and long-term impacts on minority communities in the United States today.
- “Profiles in African American Business Leadership,” presented during Black History Month, featured little known stories of African American pioneers in the history of banking and business.
- Reviews of “I’m Not Your Inspiration, Thank You Very Much,” a TED Talk featuring disability rights activist, Stella Young.

## Equal Remuneration

We believe that businesses play a critical role in reducing the national pay gap for women and other minorities and we have committed to identify and promote best practices to reduce unconscious bias and to make hiring, promotion and compensation decisions that promote pay equity. Accordingly, Comerica periodically performs compensation analysis (looking at the main components of compensation, like salary and bonus) by grade level and position to ensure colleagues in similar positions are being paid comparatively to the extent other factors can be equalized (i.e. time in position, performance, education, etc.). There are significant differences in job functions from the division to the individual level across our diverse organization. Given these differences, aggregated data on remuneration without detailed accompanying context makes broad comparisons difficult. We have engaged with outside consultants to study this issue and have evaluated our metrics and practices. Our equal remuneration initiatives, as part of our broader diversity and inclusion strategy, make our company stronger and deliver value to our shareholders.

## Reaching Diverse Customers

Comerica's diversity efforts also extend to our customers through our eight Comerica Market Segmentation Initiative (MSI) Outreach Group categories:

- African American
- Asian American
- Asian (Pacific, South Asian and Indian)
- Hispanic
- Middle Eastern
- LGBT and Allies
- Veterans and Military
- Women

Our Market Segmentation Initiative (MSI) teams, which operate across our primary markets, pursue strategies to meet the banking needs of minority, female, LGBT, veterans and women business owners and professionals, and establish relationships with relevant business and community leaders and organizations. Each team is supported by Comerica business unit officers and has an outreach budget to conduct financial education programs in partnership with relevant business associations, professional associations and nonprofit organizations serving these often underbanked target communities. Examples include programs on lending for small businesses, cybersecurity, wealth building, and basic financial literacy. In 2016, we had eight categories of MSI teams, with 19 MSI

teams operating across our markets. The efforts of our MSI teams in total garnered more than \$500 million in new account openings from business referrals.

### 2016 Diverse Customer Outreach in Action

|  |  |  |
|--|--|--|
| The Michigan African American MSI team collaborated with DPTV broadcast of <i>American Black Journal's</i> "Closing The Wealth Gap", featuring John Hope Bryant of Operation HOPE. | The California African American and Asian (Pacific, South Asian and Indian) MSI teams held an event focused on cyber security, which featured panelists from legal, business, law enforcement and banking sectors to provide valuable safety tips to small businesses. | The Texas Women's MSI team held business networking events designed to help women professionals and business owners expand their networks and build success. |
|--|--|--|

## Board Diversity

## Impact Topic

Comerica strives to have a diverse Board that reflects our customer base. The Governance, Compensation and Nominating Committee takes diversity into account in assessing potential director nominees; for example, they seek nominees with a broad range of experience, professions, skills, geographic representation, and/or backgrounds. Nominees are not discriminated against on the basis of race, religion, national origin, sexual orientation, disability, or any other basis as proscribed by law. In 2016, Comerica added two additional directors, one of whom is African American.

### 2016 Board Composition

|   |   |   |   |
|---|---|---|---|
| Ten of the 11 Board members were independent. | One director was Hispanic, two were African American, and eight were Caucasian. | Two of Comerica's directors were female and nine were male. | One director was in the 30-50 age range, while the rest were over 50 years old. |
|---|---|---|---|

Our [Corporate Governance Guidelines](#) outline the Board's evaluation process, which includes an annual self-evaluation of the full Board and its committees that focuses on areas for improvement.

## Supplier Diversity

Comerica is committed to supporting the communities we serve. This includes an ongoing effort to enhance local and regional business success through proactive efforts to engage with diverse suppliers. Our Supplier Diversity Program provides capable diverse businesses with an equitable opportunity to supply us with goods and services.

Comerica recognizes independent businesses that are at least 51 percent owned, operated, and controlled by U.S. citizens who are members of one or more of the following groups:

- Ethnic minorities: African American, Hispanic American, Native American, Asian Pacific American and Asian Indian American
- Disabled individuals
- Women
- Veterans
- LGBT

We establish annual supplier diversity spend goals based on our projected discretionary spend. We track spending with our diverse suppliers quarterly to ensure we meet our goals. Our Corporate Purchasing Department includes a senior-level, National Supplier Diversity Manager, who works with regional contacts to identify and support diverse vendors. For contracts originating in 2016, our goal was to spend \$84.5 million or 55 percent of this discretionary spend with diverse suppliers.

| <i>Diverse Supplier Discretionary Spend</i> |                               |       |       |
|---|-------------------------------|-------|-------|
| Year  | 2014                          | 2015  | 2016  |
| \$ Millions                                 | 67.0                          | 110.0 | 102.4 |
| <b>Discretionary Spend Goal Progress</b>    | Goal exceeded all three years |       |       |

We also ask our Tier 1 strategic supply partners, as identified by our business units, to support our supplier diversity initiatives by meeting minimum of 25 percent diverse sourcing from their suppliers. We monitor their performance during regularly scheduled business reviews. We achieved \$25.9 million through our Tier 2 supplier diversity reporting in 2016, a slight decrease of 3 percent compared to our 2015 spend, consistent with our overall ongoing expense reduction efforts.

Comerica's standard Request for Proposal (RFP) language for sourcing opportunities includes questions around supplier diversity. Comerica's National Supplier Diversity Manager reviews supplier lists for each sourcing opportunity to ensure that, where possible, diverse firms are included. In 2016, 37 percent of RFPs tracked through procurement included diversity suppliers. Of that 37 percent, 16 percent were awarded to diversity suppliers.

### *2016 Supplier Diversity Recognition*

*Best In Class designation for Supplier Diversity by the Great Lakes Women's Business Council*

*Nominated for National Corporation of the Year by the regional affiliates of the National Minority Supplier Development Council in Dallas and Houston for the first time*

Comerica works closely with advocacy organizations to increase our outreach efforts with ethnic minority-owned businesses. Partners include the regional Minority Supplier Development Councils (MSDCs) in Michigan, Dallas/Fort Worth, Southern California and the Western Region, which includes Northern California, San Diego and Arizona. We are also active with local and national ethnic business associations including the Michigan Hispanic Chamber of Commerce, the Asian Pacific American Chamber of Commerce and the Detroit Black Chamber.

To support access to our business for women-owned firms, we partner with the Great Lakes Women's Business Council (WBC) and the National Association of Women Business Owners Greater Detroit Chapter in Michigan, among other regional chapters. Comerica staff serve on boards and committees for many of these organizations and we participate in trade fairs and networking events that help diverse business owners access our procurement decision makers. During 2016, we also co-hosted training seminars for diverse businesses with the Michigan and Dallas/Fort Worth MSDCs and held webinars for our women-owned suppliers.

### *Outreach to Women of Color*

In 2015 and 2016, we increased our focus on and outreach to women of color in our Michigan market. Our supplier diversity team partnered with our Wealth Management team in working with the Great Lakes WBC to create a conversation on wealth planning with Comerica's Wealth Management executive leaders, featuring Comerica's Chief Investment Officer, and the Vice President and Regional Director for Wealth Planning. This event focused on delivering three things for the Great Lakes WBC women-owner business enterprise attendees:

- An introduction to the different steps of creating a strong wealth plan and to some of Comerica's key wealth advisors,
- An overview of the current economic climate from Comerica's Chief Investment Officer, and
- Highlights of Comerica's commitment to women and the key role women play in their own wealth planning.

Comerica also hosted "The Economy Over Easy" during 2016. This event was developed through collaboration between Comerica's African American Market Segmentation Initiative, Wealth Management and Supplier Diversity and hosted more than 30 business owners and community leaders for an intimate presentation at the Detroit Athletic Club. The morning featured Comerica's Chief Investment Officer who shared an overview of the business impact of recent economic events and a successful, Michigan-based, African American, female business owner who shared insights into how she navigates troubled times and what drives her business success. This was just the beginning of a series of similar events that Comerica plans to host going forward to provide insight and knowledge to help entrepreneurs grow and succeed.

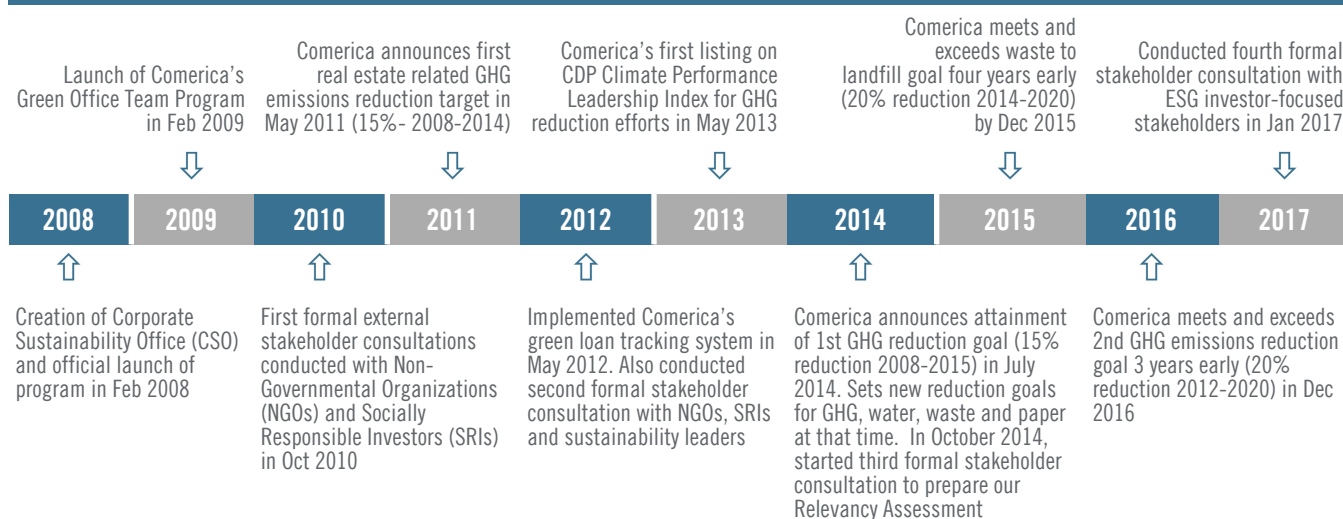
# MANAGING OUR ENVIRONMENTAL IMPACTS

We understand the increasing global demand for natural resources cannot be sustained without damaging the global ecosystems which provide those resources. Conservation and efficient use of natural resources are key to a sustainable future. As highlighted in our [Environmental Policy Statement](#), Comerica is committed to adopting responsible behaviors and implementing practices to mitigate the risks associated with the unsustainable consumption of our natural resources.

We track the annual progress of our most relevant environmental sustainability topics, which include greenhouse gas (GHG) emissions, water, waste, paper, environmentally-beneficial (green) lending, environmentally responsible procurement and sustainability engagement/communication.

|                        |   |
|------------------------|---|
| <b>2016 PROGRESS</b>   | Reduced our real estate Scope 1 and 2 emissions by 7.7 percent over 2015, thereby exceeding our GHG real estate emissions reduction target three years early with a 22.4 percent reduction since 2012   |
|                        | Exceeded our waste-to-landfill reduction target in 2015 (four years early) and continued further reductions in 2016 (28 percent reduction in waste-to-landfill since 2012)  |
|                        | Reduced our office copy paper consumption by 34.3 percent since 2012, showing that we are still on track to meet our paper reduction goal by 2020   |
|                        | 39 percent of our spend on goods and services has been screened for environmental sustainability as of 2016   |
| <b>2016 CHALLENGES</b> | Water consumption increased by 5 percent in 2016 (vs. 2015) primarily due to warmer and drier weather conditions in the Michigan region, which required increased irrigation to meet landscape needs. We have reduced our water consumption by 21 percent over 2012 and are still on track to meet our water reduction goal of 30 percent by 2020.                              |
|                        | We saw a decrease in green loans coded by 3 percent in 2016 over 2015 (and 18 percent decrease over 2012). We continue to look for ways to get green loans coded correctly within our loan system and continue to discuss opportunities with our leadership team on how to best support a greening economy with opportunities that meet our pricing and underwriting standards. |

## Environmental Sustainability Program Timeline





## Comerica's Environmental Sustainability Goals

The pursuit of environmental sustainability is embedded into our corporate culture and day-to-day operations. We manage issues relating to environmental sustainability in our operations and supply chain through our Corporate Sustainability Office, cross-functional teams, operations-related departments and our senior-level Sustainability Council. The Council sets our sustainability strategy and goals and consists of senior leaders from the following divisions/departments: Retail Bank, Business Bank, Wealth Management, Purchasing, Real Estate, Human Resources, Investor Relations, Information Services, Enterprise Risk, Environmental Risk, Corporate Communications, Corporate Legal, and Marketing. The Enterprise Risk Committee of the Board of Directors approves the sustainability strategy on an annual basis. We develop and execute an annual action plan to ensure we continue making environmental sustainability progress.

|  |  |
|--|--|
| <b>Comerica's Qualitative Environmental Sustainability Goals</b> | Reduce our impact on the environment from greenhouse gas emissions                 |
|  | Decrease the amount of materials consumed and business waste disposed at landfills |
|  | Use our water resources wisely   |
|  | Raise the environmental performance of the products and services we purchase       |
|  | Seek additional green lending opportunities that meet Comerica's credit standards  |

### *Our Quantitative Short-to-Medium Term Environmental Sustainability Goals*

In 2009, we set an initial GHG emissions reduction goal for our real estate portfolio (15 percent by 2015 vs. 2008) that we exceeded one year early in 2014. We set a new GHG emissions reduction goal at that time for our real estate portfolio as well as goals for three additional focus areas: water, waste, and paper.

| <i>Comerica's 2020 Environmental Sustainability Goals</i>        |   |   |
|--|---|---|
| <i>2020 Reduction Goals (2012-2020)</i>                          | <i>Percent Cumulative Reduction (2012-2016)</i> |   |
| Reduce real estate <b>GHGs</b> by <b>20%</b>                     | <b>22.4%</b>                                    |  <b>Exceeded goal three years early!</b> |
| Reduce <b>Water Usage</b> in metered facilities by <b>30%</b>    | <b>21.1%</b>                                    | 8.9% additional reduction needed to reach goal  |
| Reduce operational-related <b>Landfilled Waste</b> by <b>20%</b> | <b>28.0%</b>                                    |  <b>Exceeded goal four years early!</b>  |
| Reduce <b>Office Copy Paper Consumption</b> by <b>50%</b>        | <b>34.3%</b>                                    | 15.7% additional reduction needed to reach goal   |

## Managing Environmental Impacts of our Operations

Operational environmental sustainability risks and opportunities include GHG emissions, water use, and waste generation, as well as the procurement of the goods and services needed to operate our business. Our Corporate Sustainability Office evaluates and manages these risks and opportunities in [Collaboration](#) with the business units who are responsible for specific issues, such as Corporate Real Estate and Corporate Purchasing. Comerica's Sustainability Council, which includes leaders from across the organization, also provides input and oversight.

Each quarter, we complete a detailed Key Performance Indicator (KPI) Report to track our progress against our goals. The KPI report tracks utility-related water and energy use along with data for other reported sustainability-related activities including corporate travel, paper, waste, refrigerants, recycled materials and various other value chain activities. Trends are analyzed and reported to our Corporate Real Estate leadership, the Corporate Sustainability Office and the Sustainability Council, which includes the CFO, who is the executive sponsor of Comerica's Corporate Sustainability Program. Key statistics are also relayed to the Facilities Management and Engineering teams to keep them informed of their facilities' performance and company progress toward our environmental goals.

The Corporate Real Estate and Facilities Management Teams also manage environmental issues. These include indoor air quality, asbestos, lead-based paint and mold. When concerns arise, we follow relevant industry and regulatory procedural guidelines. Incidents are tracked and reported to the company's Environmental Health Committee, which meets quarterly to evaluate new concerns and determine company-wide and site-specific protocols.

## Climate Change, Energy and Greenhouse Gas Emissions

### Impact Topic

Comerica recognizes that there are growing concerns about the risks that climate change may pose to the stability of the environmental, social and economic systems on which our societies depend. We use our value creation approach to sustainability to manage the risks and opportunities that are presented by a changing climate.

Reducing energy use and greenhouse gas emissions brings multiple environmental and business benefits. We believe higher-performing buildings help us to create a more desirable workplace and thus, improve employee retention, customer appeal, and bottom line profitability.

### Climate Change

Our [Environmental Policy Statement](#) outlines our commitment to reduce climate change business risks while identifying new business opportunities that help mitigate the impacts of rising global temperatures. Climate change risks associated with operational impacts are generally handled by the Corporate Sustainability, Corporate Real Estate and Corporate Purchasing offices. These climate-related operational risks include GHG emissions, water use and waste generation, as well as the procurement of the goods and services needed to operate our business. Climate-related opportunities include lending to environmentally beneficial, or "green", companies and projects, as well as reducing our own costs and risk and enhancing our reputation and brand. Comerica's Sustainability Council, which includes leaders from across the organization, also provides input and oversight on the management of these risks and opportunities.

Since 2007, we have annually disclosed our emissions strategy and reduction efforts through CDP's climate change questionnaire. In 2016, Comerica received an A- Leadership score, which put us in the top 25 percent of financial services responders. Please see our [2017 CDP Response](#) for more information on our strategy and recent progress in addressing climate change risks and opportunities.

#### Previous CDP Climate Leadership Recognition (2008-2016)

|   |                                      |                                     |
|---|--------------------------------------|-------------------------------------|
|  | Climate Performance Leadership Index | Listed two times (2013 and 2014)    |
|   | Climate Disclosure Leadership Index  | Listed five times (2008-2011, 2015) |
|   | Climate Leadership Level             | Listing in 2016 with A- score       |

## Energy Management

The majority of our direct GHG emissions result from energy used to operate our buildings, so minimizing our GHG emissions footprint depends upon reducing energy consumption. Energy is one of Comerica's larger corporate operating expenses, so improving our energy management is also important to the bottom line. In 2012, we introduced a company-wide, systematic approach, through which we identify energy improvement opportunities and review operational practices for enhanced energy efficiency.

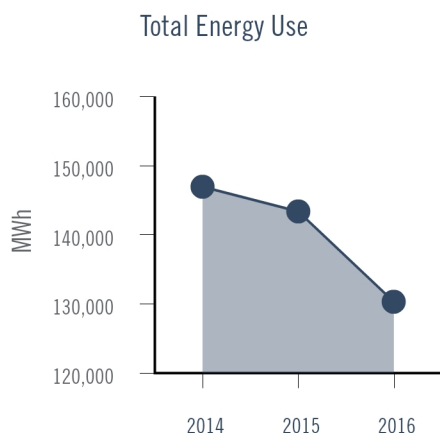
### ***Key Highlights: 2016 Energy Management***

- Completed energy efficiency-focused site visits for 48 Comerica facilities, including comprehensive energy audits completed for 39 sites and energy efficiency recommendations provided for nine banking center locations with upcoming renovations planned
- Developed a company-wide Temperature Standards Policy with set-point and set-back temperature standards for spaces where Comerica maintains operational control over heating, ventilation and air conditioning (HVAC) systems
- Continued implementation of the Dormant Space Policy to help minimize energy usage within properties with unoccupied space
- Continued the Mission Control Team's Comprehensive Management Plan for our data centers, including installation of a new metering project to enable sub-metering of the data center power usage and quality, and to help track energy consumption patterns and trends following implementation of energy conservation measures
- Removed approximately 226,933 square feet (-4.3 percent) of occupied real estate space
- Laid the groundwork for two comprehensive energy efficiency projects starting in 2017 that will have the potential to provide significant reductions in our energy usage. The projects include:
  - a. An enterprise-wide Building Management System/Smart Thermostat project, which will provide remote diagnosis, monitoring, and programming controls for HVAC systems at all Comerica locations where we maintain operational control and have direct energy bill payment responsibility, and
  - b. A targeted LED lighting upgrade project, which will replace existing lighting with energy-efficient LED options at 29 of Comerica's facilities.

In 2016, we continued to make significant progress in reducing our energy use while carefully managing our financial resources to maximize the impact of our investments. Comerica decreased its direct and indirect energy consumption by 13,090 MWh, or 9 percent, compared to 2015. This reduction was primarily a result of energy efficiency projects including conversion to high efficiency natural gas boilers, installation of new LED lighting, optimization of building management system controls and building envelope improvements such as weatherstripping and insulation at some facilities. The Auburn Hills Operation Center (AHOC) boiler replacement project included the installation of new high-efficiency natural gas condensing boilers and controls for one of the bank's largest operations centers.

## 2016 Energy Project Highlights

### Auburn Hills Atrium Glass Project



An atrium barrel glass replacement project was also completed in 2016 at AHOC. This project was designed to not only reduce the energy requirements for the facility but provide more comfortable and controllable workplace environments for our colleagues.

Photo showing project under construction:

- On the left is the new high efficiency glass
- On the right side is the old frosted glass which was subsequently replaced

| Total Energy Use (Billion Joules) | 2014 | 2015 | 2016 |
|-----------------------------------|------|------|------|
|                                   | 5.29 | 5.16 | 4.69 |

### Comerica Wins National and Michigan Awards for Energy Reduction

The U.S. Environmental Protection Agency's Battle of the Buildings program awarded Comerica a first place win in the Financial Office category for energy savings at our Mockingbird-Abrams banking center in Texas. This National Battle of the Buildings: Bootcamp competition ran from September through November 2016 and challenged participants to reduce energy and water use and save money over the 90-day period. The Mockingbird-Abrams banking center realized 7 percent energy savings by retro-commissioning the HVAC system, regularly maintaining the compressors, retrofitting lights, replacing seals on doorways and monitoring the building envelope.

Comerica also won the Michigan Battle of the Buildings competition in the Financial Institution Category, with the Stadium Pauline and Jackson Main banking centers earning first and second place awards respectively in the year-long competition for energy savings. There was a 28 percent reduction in energy use at the Stadium Pauline facility in 2016, beyond their 21 percent reduction in 2015 (Stadium Pauline also won the MI Battle of the Buildings the previous year for its reductions).



Comerica's Sustainability Director, Scott Beckerman, and CBRE's Energy Manager on the Comerica Account, Cathy Moretto, accepting the 2016 Battle of the Buildings awards.

## Greenhouse Gas Emissions Management

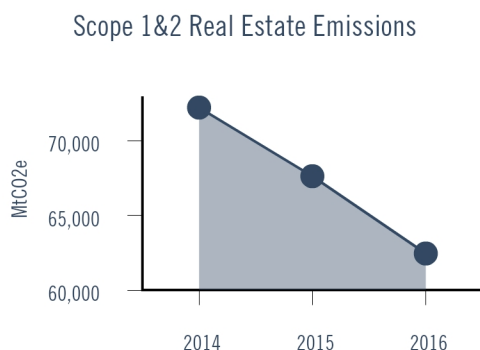
As part of our longstanding commitment to reducing our carbon footprint, we track and publicly report on our GHG emissions. We follow the Greenhouse Gas Protocol's Corporate Accounting and Reporting Standard (Revised Edition) to account for and calculate Scope 1 and 2 GHG emissions from our operations. In addition, we follow the Greenhouse Gas Protocol's Corporate Value Chain (Scope 3) Accounting and Reporting Standard to account for and calculate our Scope 3 GHG emissions. We obtained independent, third-

party verification (level: limited assurance) for our Scope 1, Scope 2, and Scope 3 GHG emissions in 2016. For more detailed information on Comerica's GHG emissions, covering gases included, the verification letter, and methodologies used in our Scope 1, 2, and 3 GHG calculations, please refer to our [2017 CDP Response](#).

### Real Estate Emissions (Scope 1 and 2)

After exceeding our previous 15 percent real estate GHG reduction goal in 2014, we committed to reduce real estate-related GHG emissions by an additional 20 percent by the end of 2020 over 2012 levels and achieved this goal during 2016.

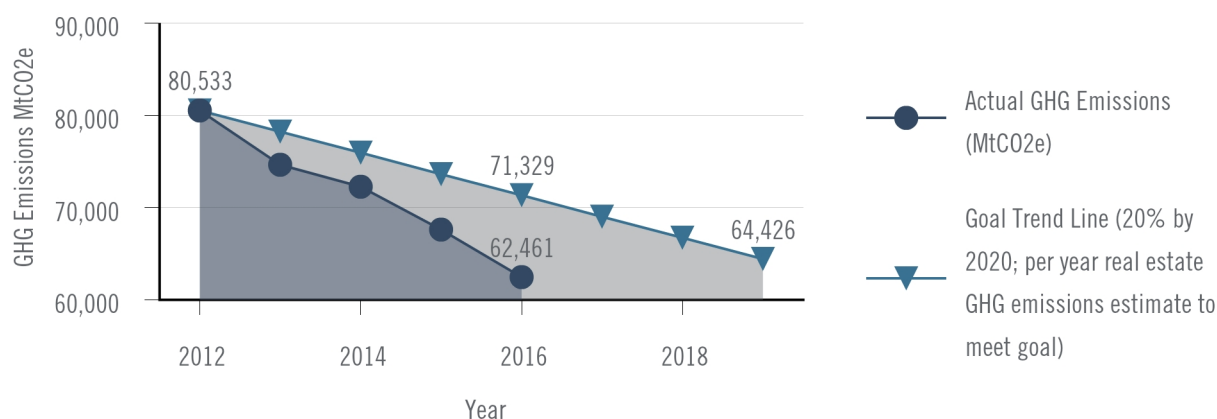
#### Scope 1 and 2 Real Estate Emissions Trend



In 2016, we reduced our Scope 1 and 2 real estate GHG emissions by 5,174 MtCO<sub>2</sub>e, or 7.7 percent, compared to 2015 (13.5 percent reduction over 2014). Comerica's Scope 1 Corporate Real Estate activities (natural gas, diesel, refrigerants) decreased by 932 MtCO<sub>2</sub>e in 2016 vs. 2015 primarily due to a reduction in natural gas and diesel fuel usage. Comerica's Scope 2 emissions decreased by 4,242 MtCO<sub>2</sub>e in 2016 vs. 2015. The reductions in metered and estimated electricity usage were the largest components of the Scope 2 decrease. The real estate emissions decreases in 2016 were primarily related to the following:

- Energy and sustainability improvement projects implemented at 42 Comerica locations in 2016
- Rationalization, Consolidation, and Closure (RaCC) real estate projects completed at 22 Comerica locations in 2016

#### Scope 1 and 2 Real Estate Emissions 2020 Reduction Goal Progress



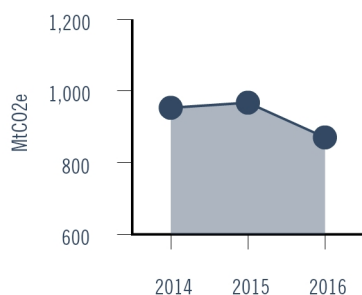
Our 2016 real estate-related Scope 1 and 2 emissions decreased by 18,072 MtCO<sub>2</sub>e (22.4 percent) over the 2012 baseline total of 80,533 MtCO<sub>2</sub>e. Based on this reduction, we met our second generation real estate GHG reduction goal three years early, and we are currently at 112 percent of goal.

## Travel Emissions (Scope 1)

As a relationship-based bank, travel is a critical part of our business. We track and manage Scope 1 emissions from our fleet vehicles and corporate jet.

### Scope 1 Travel Emissions Trend

Scope 1 Travel Emissions



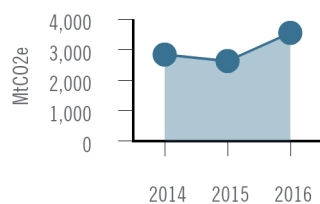
Comerica's Scope 1 travel (fleet, corporate jet) activities decreased by 97 MtCO<sub>2</sub>e, or 10 percent over 2015 (and 8.7 percent over 2014). Our fleet emissions increased 4 percent over 2015 while our corporate jet emissions decreased by 13 percent due to less use of the corporate jet in 2016.

In recognition of the GHG footprint from our owned vehicles, Comerica elected to offset 100 percent of the emissions of our fleet and corporate jet for 2016, totaling 871 MtCO<sub>2</sub>e. Our carbon credits to offset these emissions are for the Southex Greenwood Farms landfill gas capture project in Tyler, Texas, and certified by The Climate Action Reserve (CAR).

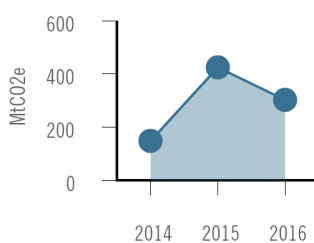
## Value Chain Emissions (Scope 3) Progress

We provide emissions data for nine of the 15 Greenhouse Gas Protocol's *Corporate Value Chain (Scope 3) Accounting and Reporting Standard* categories for Scope 3 emissions.

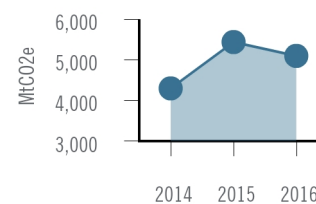
Purchased Goods & Services Emissions



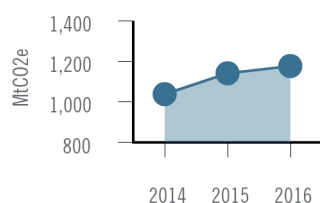
Capital Goods Emissions



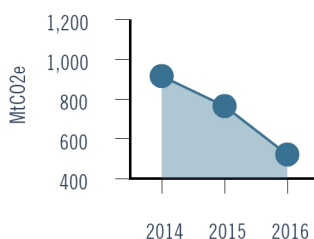
Electricity Distribution Line Loss Emissions



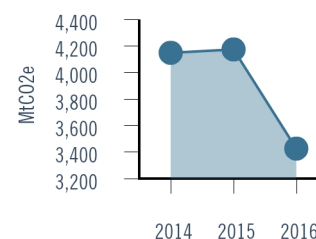
Upstream Transportation & Distribution Emissions



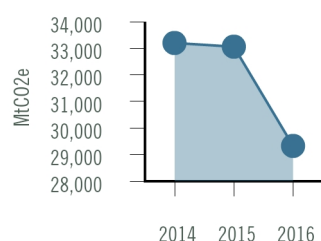
Landfilled Waste Emissions



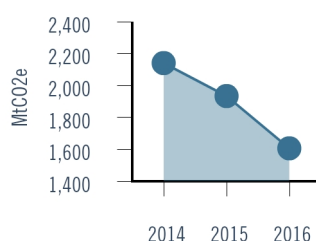
Employee Business Travel Emissions



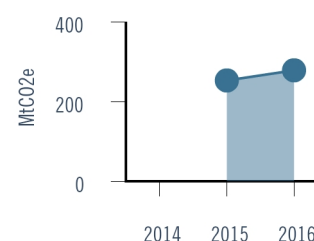
## Employee Commuting Emissions



## Downstream Leased Asset Emissions



## Other Downstream Emissions



We were able to add three new Scope 3 emissions data points in 2016: subleased estimated natural gas (for heat), subleased estimated propane (for heat) and air travel data associated with one of our key suppliers (CBRE) for air travel conducted while managing Comerica's facilities. In addition to CBRE air travel, we have reported on CBRE fleet, rental car and personal vehicle emissions for Comerica account travel since 2015. For more details on Comerica's Scope 3 emissions calculations and trends, please review Section 14.1 and 14.3a of Comerica's [2017 CDP Response](#). For historical GHG emission data, see the [Key Statistics Table](#) in this report.

## Material Consumption

We are committed to recycling and reducing operational wastes and reducing our consumption of materials and their associated wastes resonates with our colleagues. Managing our consumption and waste directly benefits Comerica through direct cost savings and reduced waste collection and disposal costs. Comerica has three main solid waste streams: electronics, paper and general office waste.

### Paper

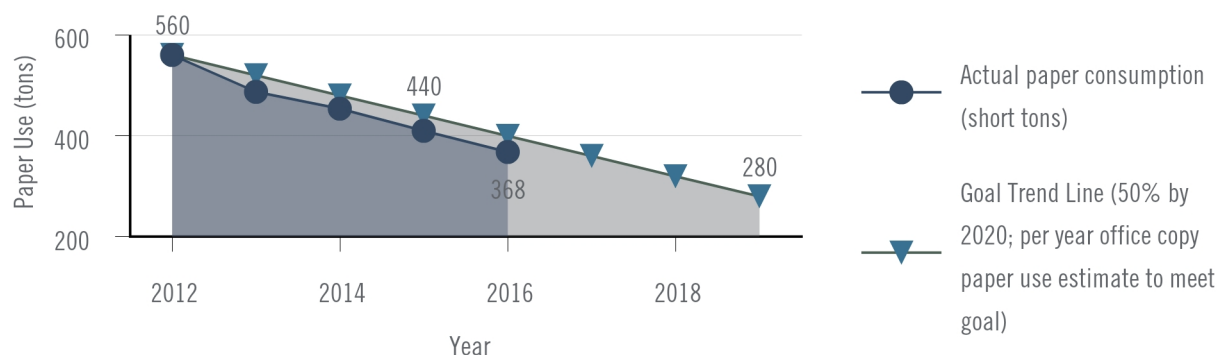
### Impact Topic

Paper is the consumable item most used in our operations and we continue to look for ways to reduce inefficient print processes across Comerica. We track paper purchases across the bank, including office copy papers, statement papers, envelopes, business cards and marketing papers. We use our paper purchase data as a proxy for paper consumption. Our paper vendors provide us with the total quantity of paper purchased by paper type, recycled content and paper certified to the Forest Stewardship Council (FSC) standard. Paper quantities and environmental attribute trends are measured on a quarterly basis so that, if needed, we can alter our paper purchase procedures to meet our reduction and environmental attribute goals.

We aim to reduce our office copy paper consumption by 50 percent by 2020 compared to a baseline year of 2012. Additionally, we have set an internal annual office copy paper goal to have close to 100 percent of our office copy papers be at least 30 percent post-consumer recycled (PCR) content and be FSC-certified, as feasible. We also use recycled content paper wherever possible, based on paper attribute needs and cost considerations.

In 2016, we reduced our total paper consumption by 16.0 percent and our office copy paper consumption by 10.3 percent over 2015.

### Progress Against our 2020 Office Copy Paper Reduction Goal



From 2012-2016, we reduced our office copy paper consumption by 192 short tons, representing a 34.3 percent overall reduction in office copy paper. The key reductions were due to continuing focus on our managed print services operations, working to reduce inefficient paper processes, allowing colleagues and their managers to assess their individual print progress data and expanding wireless networking and software solutions to support colleagues with paperless meetings.

We are on track to achieve our paper reduction goal, needing to reduce paper usage by an additional 15.7 percent by year end 2019. For the complete breakdown of our 2016 paper quantity, recycled content and intensity metrics, please see the [Key Statistics Table](#).

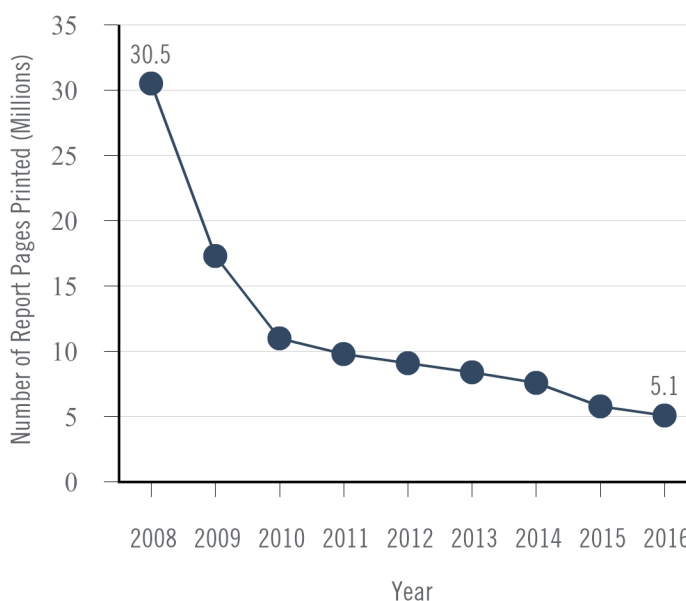
### Significant Reductions in BUNDL Report Printing since 2008

In 2008, Comerica printed over 30.5 million report pages from BUNDL (a report repository primarily used for departmental report printing). In 2010, we kicked off a high-volume print reduction project. This project resulted in direct outreach from our Output Technology Management Group to all business applications to help eliminate paper reports across markets. Our California and Texas markets implemented a best practice requiring pre-authorization for any new BUNDL report printing requests.

As of year-end 2016, the number of BUNDL report pages printed was 5.1 million pages, an 83 percent reduction in BUNDL report printing since 2008.

Printed BUNDL reports continue to fall as a result of several factors; mainly the Comerica OnLine Document (COLD) system. Previous BUNDL report recipients now use the COLD system to retrieve and review reports online.

BUNDL Report Print Reduction Progress (Million Pages Printed)



| <i>2016 Paper Types</i>  | <i>Recycled Content</i>  | <i>FSC-Certified Paper</i>   |
|--|--|--|
| Office Copy Papers   | <b>96 percent</b><br>of office copy paper contained at least 30 percent PCR content, same as in 2015             | <b>98 percent</b><br>of office copy paper was FSC-certified, same as in 2015             |
| Marketing Papers   | <b>69 percent</b><br>of marketing paper contained at least 10 percent PCR content, down from 85 percent in 2015  | <b>100 percent</b><br>of marketing papers were FSC-certified, up from 99 percent in 2015 |
| Other Office Papers<br>(rolled paper, statements, envelopes, business cards) | <b>37 percent</b><br>of other office papers contained at least 5 percent PCR content, up from 15 percent in 2015 | <b>4 percent</b><br>of other office papers were FSC-certified, up from 1 percent in 2015 |

Our Retail Banking unit encourages our customers to save paper through numerous initiatives like online statement delivery. We have created awareness through our website, posters in banking centers and direct marketing efforts. Through 2016, 20 percent of personal accounts and 30 percent of business accounts had elected to receive only online statements. Overall, 15 percent of our over one million customers have opted to discontinue receiving paper statements.

## Waste

## Impact Topic

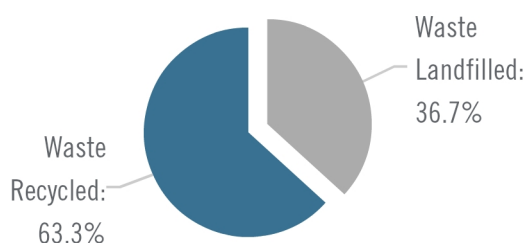
Comerica has maintained a national contract with a single waste disposal vendor since 2012. The national contract establishes a standard of practice for waste handling and provides the company valuable data from our portfolio of managed facilities on the type and schedule of material collection. Additionally, we track other recycled items (electronics, paper, cardboard, pallets, and universal wastes) through our service vendors.

We set a new goal in 2014 to reduce the amount of waste we send to landfills by 20 percent by 2020 over our 2012 baseline. Our waste reduction goal is focused on general office waste sent to the landfill (such as non-recyclable packaging and operational wastes that are collected in office trash cans). Our strategy is to continue auditing facilities in order to identify sites where we can reduce the size of the waste-to-landfill containers, reduce the frequency of landfill container collection and/or increase employee recycling programs. We expanded this waste optimization program in 2014 to encompass retail locations in Michigan, Texas, Arizona and California where our corporate vendor has control over the pickup frequency.

Comerica's general waste streams are considered non-hazardous. Some of our capital projects involve demolition-generated asbestos containing materials, which are handled in accordance with federal and local regulatory guidelines.

In 2016, we reduced the employee waste sent to the landfill by 5.2 percent compared to 2015.

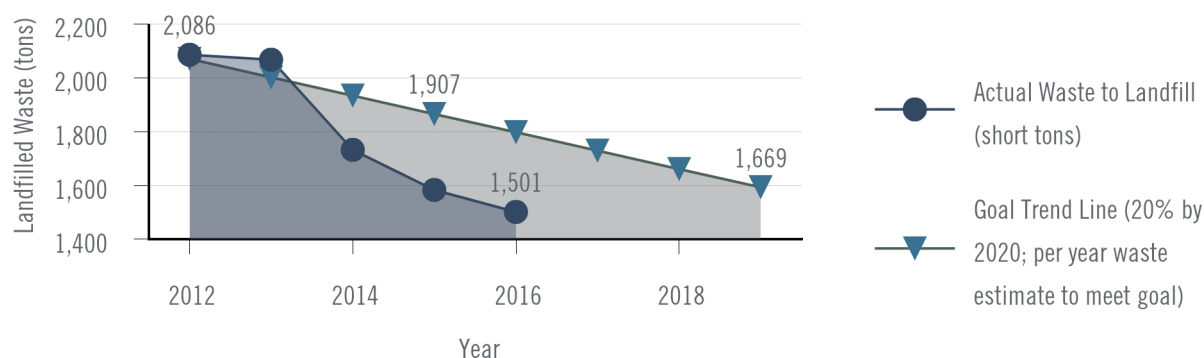
2016 Waste Diverted from Landfill



We met and exceeded our 2020 goal in 2015 (four years early) and we are evaluating next steps regarding our early goal attainment. From 2012-2016, we reduced our waste to landfill by 585 tons, representing a 28 percent reduction (vs. our 20 percent goal).

For more details on Comerica's 2012-2016 waste generation by waste type, please see the [Key Statistics Table](#) within this report.

### Progress Against our 2020 Waste-to-Landfill Reduction Goal



| Waste Stream  | 2015 Waste Generated (short tons) | 2016 Waste Generated (short tons) | Percent Change (2016 vs. 2015) |
|---|-----------------------------------|-----------------------------------|--------------------------------|
| Landfilled Waste  | 1,583.26                          | 1,501.41                          | -5.17%                         |
| Recycled Operational Waste                                  | 152.56                            | 166.35                            | 9.04%                          |
| Recycled Office Paper Waste                                 | 2,676.20                          | 2,247.99                          | -16.00%                        |
| Recycled/Repurposed Electronic Waste                        | 77.14                             | 149.42                            | 93.70%                         |
| Recycled Universal Waste (light bulbs, ballasts, batteries) | 4.34                              | 7.62                              | 75.58%                         |
| Recycled Cardboard  | 7.16                              | 7.76                              | 8.38%                          |
| Recycled Pallets  | N/A                               | 5.20                              | N/A                            |
| <b>Totals</b>   | <b>4,500.7</b>                    | <b>4,085.7</b>                    | <b>-9.2%</b>                   |

In 2016, our recycled and repurposed waste decreased by 333 tons, or 11.4 percent. Our total wastes (landfilled, recycled and repurposed) decreased by 415 tons, or 9.2 percent. The percentage of waste diverted from landfills (63 percent) in 2016 was slightly lower than 2015 (65 percent), since the waste diversion rate relies heavily on the amount of paper that we recycle. As we reduce the amount of paper that we consume faster than our overall waste streams, there is less paper waste to recycle, decreasing the waste diversion rate.

While our waste optimization program continues to deliver results, the opportunities for further reducing waste to landfill are shrinking. Our retail banking centers, which generate very little solid waste and were therefore easiest to optimize, were brought into the program in 2014. Also, adjusting waste container size or collection frequency without creating nuisance issues will be more difficult at the multi-tenant sites that generate larger amounts of waste and need more frequent collection schedules. Finally, our implementation of recycling at smaller locations is limited because of high costs and waste container siting requirements of municipal or development owners.

## Water Stewardship

## Impact Topic

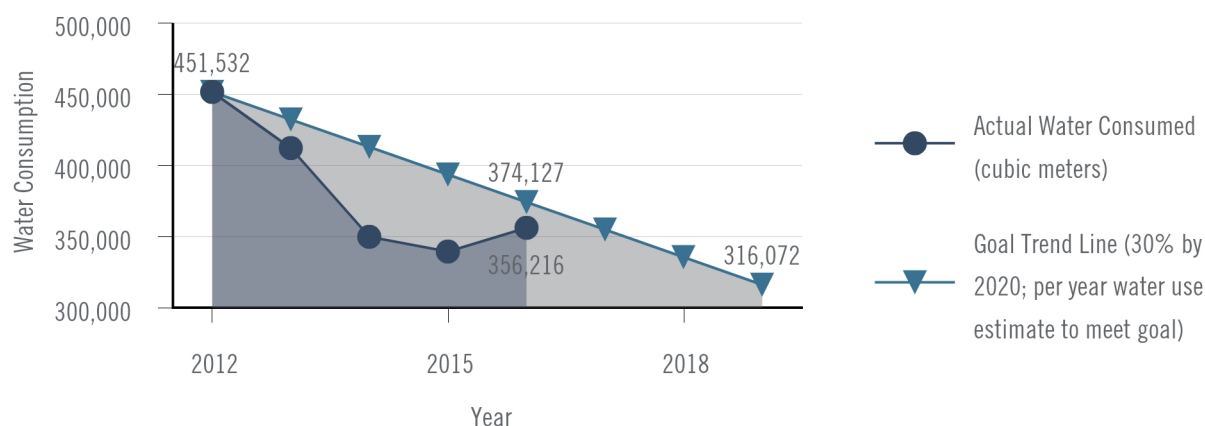
Water Stewardship is a priority for Comerica, particularly in light of our geographic footprint with locations in both water-abundant and water-stressed regions. Our management approach continues to focus on using water more efficiently across our building portfolio and monitoring our water consumption and costs.

We modified our irrigation system watering schedules in California to comply with local utility requirements and inspected these systems to confirm water was not being wasted. To assist in using water more efficiently, we also incorporated Weathermatic irrigation controls systems at five sites in Texas in 2014. Over the last two years, we have expanded the use of these systems to 27 sites in Texas, Arizona, California, and Michigan. Four new sites were installed in Michigan during 2016, which helped offset the increase in water consumption in the Michigan region. We continue to evaluate our properties for smart irrigation technology or conversion to low-water or drought-tolerant landscaping and have added language to our regional landscaping contracts to further promote regular inspections of irrigation systems and site-tailored watering schedules based on plant needs, soil type and topography. Our Facilities Management Team has also been trained on how to monitor for water leak or water waste situations at their managed facilities.

Comerica's drinking water is sourced through local water utilities. A few Comerica-owned locations in Michigan are also equipped with on-site wells that provide water for landscape irrigation purposes. We have committed to reducing water consumption at Comerica utility metered locations by 30 percent by 2020 over a 2012 baseline. The total square footage of sites with metered water for 2016 was 3,470,417 square feet, which represents 69 percent of our total occupied square footage (average four quarters).

Water consumption increased by 5 percent in 2016 (vs. 2015) primarily due to warmer and drier weather conditions in the Michigan region, which required increased irrigation to meet landscape needs. The utility-supplied water consumption totaled 94.1 million gallons, an increase of 4.4 million gallons (or 5 percent) versus 2015. The Texas region (down 3.3 million gallons or 9.8 percent) and California region (down 172,047 gallons or 5.3 percent) led the way in terms of greatest volume of reductions as these areas experienced drought conditions and a greater emphasis on water conservation through irrigation water usage restrictions. The Weathermatic smart irrigation controls project sites reduced their water use in 2016 by 138,125 gallons. One of the Weathermatic sites, RL Thornton, reported an increase in water use of 629,937 gallons which was largely due to a water main leak beneath the building followed by increased irrigation needs for newly installed landscape.

### Progress Against our 2020 Water Goal



As of year-end 2016, we have reduced our metered water consumption by 25.2 million gallons of water, representing a 21.1 percent decrease over our 2012 water consumption. The water reductions that we have seen over previous years have been related to the operation of smart irrigation control systems, increased attention to irrigation system programming and maintenance and compliance with local utility water use restrictions. We are currently at 70 percent achievement of the goal, with three years remaining. Despite the 2016 water use increases, we still expect to meet our 2020 goal for water reduction.

For historic details on Comerica's 2012-2016 water consumption data, please refer to the [Key Statistics Table](#) in this report.

## External Environmental Impacts

Comerica's external environmental impacts include those risks and opportunities related to customer real estate collateral used to secure loans, green lending and our supply chain products and services.

## Environmental Risk Management

Managing environmental risk limits the economic, regulatory, and reputational risks associated with taking real estate as collateral in a loan transaction. Comerica follows the Federal Reserve System and Federal Deposit Insurance Corporation guidelines that require lending institutions to have policies and procedures in place to manage environmental risk. We have long maintained policies and procedures for managing the environmental credit risks related to our loans in addition to the environmental risks and compliance obligations associated with the properties we operate.

Comerica's Environmental Risk Management (ERM) Group, based in our Enterprise Risk Department, manages risks associated with the properties we finance. The team includes experienced environmental professionals who work to identify, evaluate and minimize potential environmental risks associated with loans secured by real estate.

We expect compliance with environmental laws that are covered in our lending agreements. We monitor for environmental compliance when loans are originated and, depending on the individual credit risk profile, when certain loans are renewed. In some cases, we require follow-up assessments with borrowers and make agreements that establish specific outcomes and deadlines.

Our Environmental Liability Policy requires properties that are pledged as collateral to be evaluated for potential significant environmental liabilities using standard and proprietary due diligence tools. Throughout this process, our loan officers work with customers and seek guidance, as needed, from Comerica's ERM Group. The policy applies to real estate-secured loans (excluding one-to-four family residential properties), and requires environmental due diligence under the following circumstances:

- When we finance a new loan,
- When we consider taking title to a property due to a loan default, and
- When we refinance an existing loan under a range of circumstances, including when the loan amount is increasing and a property has a high potential environmental risk.

Most property loan-related environmental due diligence reports are referred to the ERM Group for expert review. In 2016, the team evaluated 1,038 sites associated with loans totaling approximately \$9 billion.

ERM Group members collaborate with our legal and environmental consulting partners on best practices for managing current and emerging environmental risk issues. They also provide leadership in environmental organizations, including:

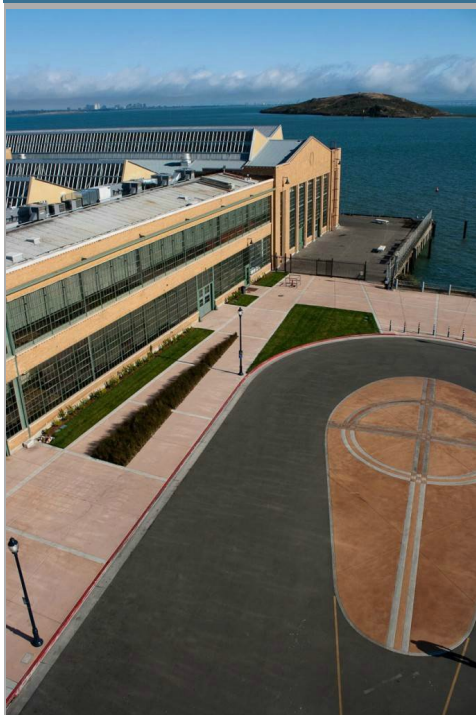
|                                   |  |   |   |
|-----------------------------------|--|---|---|
| Environmental Bankers Association | Association for Redevelopment Initiatives (formerly National Brownfield Association) | Michigan Banker's Association Environmental Affairs Committee | Michigan Department of Environmental Quality Collaborative Stakeholder Groups |
|-----------------------------------|--|---|---|

In 2016, ERM took several steps to further strengthen risk management. These included:

- Revising our credit policy, consistent with the bank's initiatives, to better define circumstances that require environmental due diligence,
- Continuing vendor relationship management processes to ensure our business arrangements with service providers do not present unwarranted risks, and
- Updating procedural guidelines to reflect evolving environmental due diligence standards.

The team also provided ongoing training for relationship managers and credit staff. Comerica also conducted internal and intra-department environmental risk audits during the year with no significant adverse outcomes.

## Supporting Brownfield Transformations



Comerica has been a long-term leader in brownfield redevelopment lending, helping bring underutilized properties back into productive use. In 2016, Comerica worked with our customer, Orton Development Inc., to provide financing for the redeveloped 26-acre Ford Point property in Richmond, California. The site was home to an Albert Kahn designed Ford manufacturing plant that produced cars before and after World War II. During the war, the plant assembled jeeps, tanks, and other military vehicles. Through our detailed review of the environmental status of the property, Comerica was able to confidently move forward with the financing of this former brownfield site.

Today, the over 500,000 square foot building is occupied by a variety of mixed-use tenants, including the highest efficiency solar panel manufacturer and the Craneway Pavilion Events Center.

The building roof holds a one megawatt solar array that supplies approximately half of the building's energy needs. The adjacent former Oil House structure is leased by the National Parks Service and now serves as the museum and visitor center of the Rosie the Riveter Homefront WWII National Park. (Photo Credit: Orton Development, Inc.)



## Green Lending

## Impact Topic

As providers of financial services, we recognize that our sustainability influence goes beyond our own footprint. By working with companies involved in environmentally beneficial industries and projects, we are able to extend sustainability to our customers. Back in April 2012, at the request of our Corporate Sustainability Office, our Business Bank and Credit leadership asked applicable lending and credit colleagues to start tracking their green loans within our loan systems. Comerica's Corporate Sustainability Office developed a list of 14 environmentally beneficial (or green) loan categories to code loans and commitments to green companies and projects. We continue to track the loans and commitments that we make to environmentally beneficial or "green" companies and/or projects.

### Comerica Tracked Green Loan Codes

- Green Building (New or Retrofit)
- Recycling
- Energy Efficiency
- Brownfield Redevelopment
- Green Engineering, Consultation, Evaluation, and Design Services
- Solar Energy
- Pollution Control
- Bio-Fuels
- Bio-Gas
- Vehicle Electrification, Advanced Battery, Fuel Cell
- Wind Energy
- Smart Grid Technologies
- Geothermal, Wave or Tidal Energy
- Other Green Products and Services



***"Particularly in states like California, Comerica's environmentally beneficial lending efforts are recognized by our customers as an additional way that we support a greening economy."***

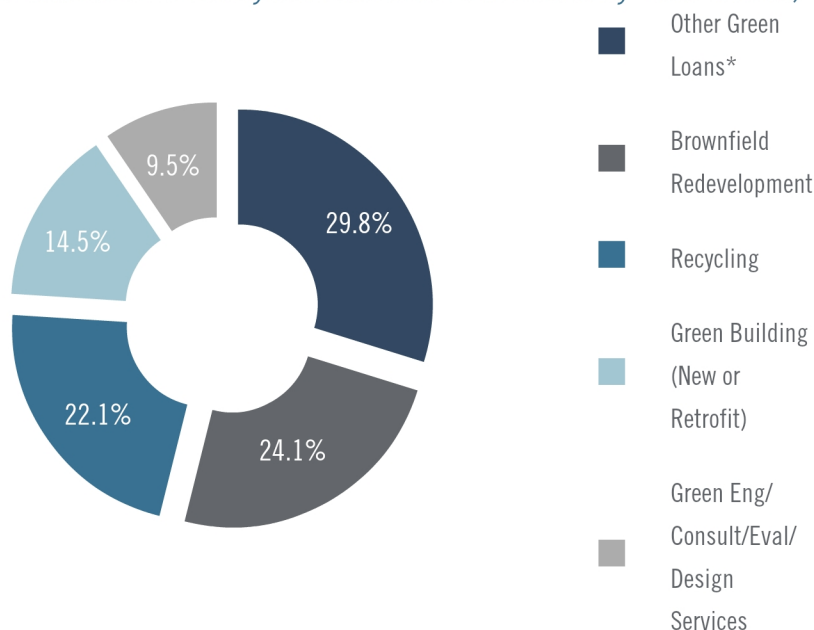
**- Judy Love, California Market President, Comerica Bank**

We developed instructions and provide continuing education to help colleagues accurately code green loans in Comerica's loan systems. We track green loans by dollar and customer count on a quarterly basis and share the results with our Sustainability Council. Comerica's Sustainability Office also continues to work with our lending and credit groups to discuss opportunities to support additional lending within the green sector for those loans that would also meet Comerica's credit requirements.

At year end 2016, our environmentally beneficial loans and commitments totaled approximately \$888 million to 95 customers, compared to \$919 million to 116 customers at the end of 2015, a reduction of 3 percent. Since 2012, our green coded loans and commitments have decreased by 18 percent. This is likely due to changing business dynamics (some lending categories showed growth, while others declined) and limitations to the manual green loan coding process. Also, with the competition for lending relationships, it can be challenging to identify business opportunities that meet our lending and credit parameters. Comparing 2015 to 2016, the largest increase in green lending was seen in the category of "Green Building" (a \$13MM increase) while the largest decrease was seen in the "Green Engineering, Consulting, Evaluation, and Design" category (a \$26MM decrease).

In the fourth quarter of 2015, Comerica's Corporate Sustainability Office provided targeted training to our Loan Validation team and to our Credit Analysts to identify loans that might be missing a green loan code. In 2016, we tasked our Environmental Risk Management group to assist with identifying green loans when they are reviewing loans secured by real estate.

*Environmentally beneficial loans and commitments by loan code category  
(% of total environmentally beneficial loan commitments by dollar amount)*



\* Data as of 12/31/16. The *Other Green Loans* category in this chart includes the following environmentally beneficial loan codes (each represents less than 7 percent of Comerica's total environmentally beneficial loan commitments):

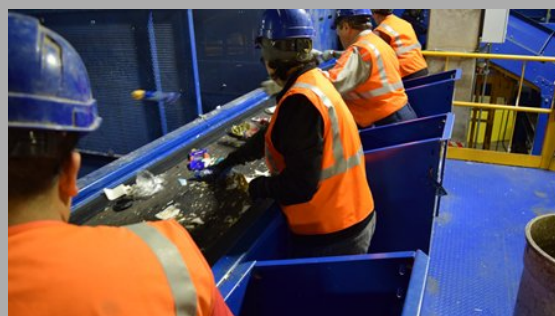
- Other Green Products and Services (6.8%) that do not have their own loan code
- Wind (5.8%)
- Solar Energy (5.0%)
- Bio-Gas (4.9%)
- Vehicle Electrification/Advanced Battery/Fuel Cell (2.3%)
- Energy Efficiency (2.2%)
- Pollution Control (1.3%)
- Smart Grid Technologies (0.9%)
- Bio-Fuels (0.8%)

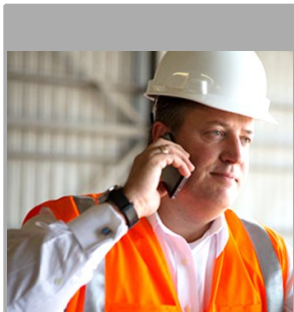
### Supporting Pure Play Recyclers

Lakeshore Recycling Systems (LRS) holds a sterling reputation for exceptional safety, service and technological innovation. The company operates in a continuous state of process and service improvement, improving on age-old industry norms and surfacing as a true challenger based on an operating model of sustainability as a means to profitability. While most waste haulers rely on landfills for their waste disposal needs, LRS challenges the status quo with their "Pure Play" approach by diverting reusable materials and recycling to the greatest extent possible through a dual investment in highly skilled employees and the most advanced single stream recycling equipment in the industry.

Operating sustainably in an increasingly circular economy, the LRS operating model is inextricably tied to diverting as much reusable material from entering landfills and the broader waste stream.

With help from Comerica in 2016, LRS broke new ground investing in a state-of-the-art Machinex single stream recycling system, catapulting its recycling output to record levels. Housed at its Heartland Materials Recovery Facility outside Chicago, the 40,000-square-foot structure added more than 100 well-paying jobs and enabled LRS to process more than 110,000 tons of high-grade residential and commercial material with the capacity to sort over 20 tons of material per day. A concerted investment in technology innovation, including the dispensing of RFID-enabled bins to improve service delivery accuracy, have helped shape public perception and respect for waste disposal, one of the oldest and most traditional industries. LRS has emerged as a unrivaled and disruptive waste industry challenger with a conscience, driving a successful sustainability model centered on profitability and doing what's ecologically right for our planet. Scoring ultimate validation in the form of numerous industry awards and citations, LRS most notably earned Top product of the Year honors in mid-2016 for its sustainable business model bestowed by the editors of Environmental Leader magazine.





*“We thank Comerica for serving as a trusted partner with the insight and vision to help realize our full potential as one of the nation’s leading businesses serving the circular economy. Together we have forged new ground in controlling, harvesting and processing materials from the waste stream throughout the greater Chicago region, and by doing so, provided the nation a profitable business model rooted in sustainability, innovation and an unyielding desire to go above and beyond for the residential, business and municipal customers we serve.”*

**- Alan T. Handley, CEO, Lakeshore Recycling Systems**

## Reducing Environmental Impacts in our Supply Chain

In our [Environmental Policy Statement](#), we commit to giving preference, where appropriate, to suppliers who demonstrate superior environmental performance. We use an Environmentally Preferred Purchasing program (EPP) to reduce our impacts in our own operations, and we encourage our supply base to do the same.

### *Environmental Screening of Suppliers*

We have grouped our suppliers into five waves of scoring. We began scoring suppliers in 2011, with Round 1 scoring (Waves 1 through 5) conducted from 2011 to mid-2014, and Round 2 scoring (Waves 1 through 5) conducted from mid-2014 through 2017. Our goal is to monitor improvements in performance, and to increase our spend with suppliers that fall within the acceptable sustainability scoring range of A, B, or C by 5 percent each scoring round. After the first round of scoring, the Green Procurement Group Lead and the Corporate Sustainability team conducted performance reviews with the suppliers that fell short of an acceptable sustainability score and suggested potential improvements. Going forward, we will be contacting suppliers who score below a C if they do not increase their score by one grade over the previous scoring round.

We use a 40-question Environmental Sustainability Questionnaire to collect information about the policies and performance of our existing suppliers. We focus on our largest suppliers (which generally comprise the suppliers in the previous year's top 30 percent of spend) and those providing significant amounts of manufactured goods. Beyond the top 30 percent of spend, the number of suppliers increases considerably and therefore limits our availability to provide meaningful engagement on environmental sustainability.

### **Supplier Sustainability Scoring**

|   |  |  |
|---|--|--|
| <b>39%</b>  | <b>14%</b>   | <b>7%</b>  |
| Percent of spend screened every three years for environmental sustainability as of 2016 (includes 34 suppliers) | Increase in spend dollars with suppliers with a score of A through C | Increase in average score of suppliers (average score of supplier scoring waves was a C) |

*Metrics based on comparison of Round 1 (Waves 1-4) to Round 2 (Waves 1-4)*

We screen potential new suppliers using environmental criteria included in the standard language for applicable Requests for Proposals (RFPs). These criteria address GHG emissions, energy, water, paper consumption and reduction programs, non-recycled waste, and environmentally preferable procurement practices. Since most of our Real Estate vendors fall below our threshold for RFP scoring, our Corporate Real Estate Department asks our key real estate suppliers to discuss their sustainability progress during regularly scheduled business reviews to help drive performance. When feasible, this department incorporates sustainable product attributes in their product RFPs.

In 2016, we scored six RFPs on sustainability. During a broader procurement process review, our Purchasing team determined that not all sourcing initiatives were evaluated for sustainability assessments in 2016 and identified opportunities to increase efficiency. A

new sustainability scoring process was proposed and fully implemented in 2017 and includes our Sustainability Office in the standard bi-weekly sourcing initiative review meetings. This allows the Sustainability Office to review all Purchasing initiatives early in the process and to determine which initiatives will need to be scored for sustainability based on potential project environmental impacts. This process improvement broadens the opportunity to assess new sourcing projects for sustainability rather than reviewing RFPs exclusively.

Comerica was recognized as a Green Award Winner for the third consecutive year (2014-2016) by *Supply & Demand Chain Executive* magazine in its 9th Annual Green Supply Chain Awards. For additional details on our 2016 Supply Chain progress, please refer to Question 14.4b in our [2017 CDP Response](#).

## ***Environmentally Responsible Procurement***

Buying environmentally preferable products helps reduce our operations' impact on natural resources. Our Green Procurement Work Group oversees our Environmentally Preferred Procurement (EPP) program, which covers common purchases ranging from furniture and carpeting to computer equipment and office supplies. The Work Group includes members of our Corporate Purchasing, Marketing and Sustainability departments as well as key supplier partners. Our Work Group provides colleagues with best practices related to EPP and purchasing managers with tools to help increase the purchase of environmentally preferred products where possible.

Where feasible, we try to incorporate environmental attributes into our key products purchased. We work with several key suppliers to quantify the annual environmental impacts of our purchases, including the following focus areas:

- Recycled content of the carpet products
- Quantity of computer purchases that meet the IEEE Electronic Product Environmental Assessment Tool (EPEAT) ratings (considering the entire lifecycle of the computer)
- Quantity of furniture purchases that received the Business and Institutional Furniture Sustainability Standard (BIFMA) level® certification (considering materials used, energy and climate impact, human and ecosystem impacts, and social responsibility)
- Recycled content of office supplies purchased, including office copy paper

For more details on paper performance, see [Material Consumption](#).

| <b>2016 EPP Performance</b>                                       |  |  |   |
|---|--|--|---|
| <b>Carpeting</b>  | <b>Computers</b>   | <b>Furniture<sup>1</sup></b>   | <b>Office Supplies<sup>1</sup></b>  |
| <b>97%</b><br>of 2016 carpet purchases contained recycled content | <b>100%</b><br>of computers and displays purchased carried the EPEAT Gold Rating in 2016 | <b>94%</b><br>of Herman Miller furniture purchases in 2016 were BIFMA level® certified | <b>39%</b><br>of office supplies purchased from Office Depot in 2016 contained recycled content (primarily paper purchases) |

1: These suppliers represent a high percentage of purchases in these categories

# SUPPORTING OUR COMMUNITIES

When the communities where we operate are successful, so is Comerica. Understanding and responding to the changing needs of the places where we live and work is essential to our business. We collaborate with community-based partners in a variety of ways, including through our Community Reinvestment Act (CRA) lending, affordable housing tax credit investments and microenterprise loan funds, which support economic development. We also contribute through philanthropic projects and employee volunteer activities.

|                 |  |
|-----------------|--|
| 2016 PROGRESS   | Supported small businesses through funding of 29 MicroEnterprise Loan Funds  |
|                 | Completed transactions (closed) for \$75 million in Low-Income Housing Tax Credit investments  |
|                 | Gave approximately \$8.1 million to over 1,700 charitable organizations  |
|                 | Named one of the 50 most civic minded companies from the Civic 50, through the Points of Light Foundation, and was recognized by the Financial Services Roundtable with the 2016 Corporate Community Leadership award                  |
| 2016 CHALLENGES | Ensuring employees record their volunteer hours for the work that they are actually doing within their communities   |
|                 | Decreased charitable gifts, corporate contributions and United Way employee contributions as we navigate the prolonged low rate environment  |
|                 | Given the strong competition within the financial services industry, it is a challenge to find tax credit investments that meet our underwriting standards and are located in areas we believe would most benefit from our investment. |

## Community Reinvestment and Development

## Impact Topic

Vibrant and thriving communities will help us succeed, and our community reinvestment strategy is designed to support the viability and well-being of the communities in which we operate. Our main focus areas are small business and community development lending, investments in tax credits for affordable housing and financial education.

### *Community Reinvestment Act*

The Community Reinvestment Act (CRA) of 1977 is a regulation that encourages financial institutions to address the needs of their entire communities, including those in low- and moderate-income areas. We have a dedicated team of 10 CRA market managers who are responsible for working with our community partners to support the needs of the markets where we operate. These market managers also seek opportunities where Comerica can support community projects and provide targeted products and services. In October 2016, the bank's Community Reinvestment team, previously aligned with the Corporate Legal department, was realigned within the bank's Corporate Compliance department.

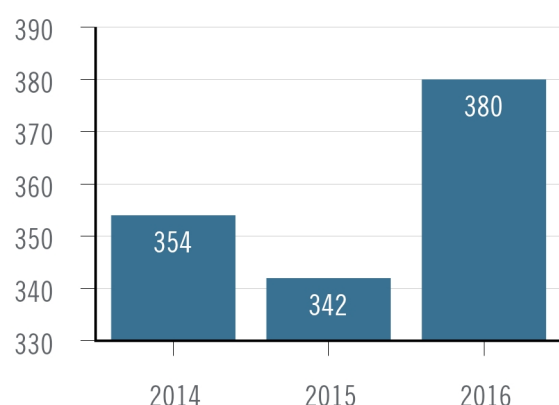
We require new CRA compliance staff to take our in-house CRA training and provide additional training as needed in response to regulatory or operational changes. We also participate in peer bank meetings across our markets to discuss best practices in complying with CRA regulations, including community development.

In 2014, we expanded our strategies to ensure we provide sufficient CRA-related outreach, including financial education, across our 26 CRA assessment areas. We developed CRA lending goals for each assessment area, overseen and monitored by CRA committees. In addition, our Community Development Advisory Councils in Michigan, California and Texas continued to advise on how our products and services can support low- and moderate-income communities. Each council is made up of seven to eight key community partners that represent the diverse populations and interests in our key markets.

To satisfy CRA regulations that require banks to meet a broad spectrum of needs, Comerica seeks out investments in affordable housing and other social services, including day care facilities. We also offer products that benefit low- and moderate-income individuals, including our Access Checking Account, On the Job Banking, Secured Credit Card and Direct Express. For more information, see [Improving Banking Access and Serving the Underbanked](#).

The economy continued to improve in 2016, providing us with more community and economic development opportunities. In 2016, Comerica originated 125 Community Development loans totaling approximately \$380 million, compared with \$342 million in 2015. These loans reiterate Comerica's significant investments within our communities. For previous year information, please review the [Key Statistics Table](#).

*Community Development Loans (\$ Millions)*



**11 Percent Increase in Community Development Loans in 2016**

Comerica received a "Satisfactory" rating in our most recent CRA examination. This rating covered the 2012-2014 time period, but the Federal Reserve shared it in October 2016. This rating (below the Outstanding rating we strive for) was impacted by:

- Challenges in 2012-2014 with community development lending in the Arizona, Florida and Houston, Texas markets. Improvement has been noted in all areas during 2015 and 2016.
- A decline in our Community Development (CD) Services activities in Southeast Michigan, San Jose, California and Houston, Texas. To address the CD Services decline, we have:
  - Provided training in our markets stressing the need to participate in CD Services,
  - Partnered with third-parties to provide financial education on behalf of Comerica in markets where we have fewer employees and to create one-day events in which Comerica colleagues can more easily participate, and
  - Developed the Youth Savings Program, which will be deployed in California in 2017.

### **Community Reinvestment Recognition**

|   |  |  |  |
|---|--|--|--|
| Corporate Recognition Award - National Black MBA Association (Texas Market) | Pacific Asian Consortium in Employment (California Market) - Honored for Commitment to Community Excellence at their 9 <sup>th</sup> Annual Entrepreneurial Spirit Awards Luncheon | Gift of Hope award from Children's Harbor (Florida Market), given at their 20 <sup>th</sup> Anniversary event. | Arise Detroit - Award given for long-term support of their annual Neighborhoods Day. |
|---|--|--|--|

## Supporting Small Businesses through MicroEnterprise Loan Funds

Small businesses and entrepreneurs are the backbone of local economies, and in support of these entities, Comerica seeks to provide loan capital to microenterprise loan funds where we operate. In 2016, we supported 29 such funds, with Comerica's share of loans directed to small businesses totaling more than \$200,000. Each bank receives CRA credit for its pro rata share of loans originated via these multi-bank microenterprise loan funds. We also look for opportunities to fund organizations that provide technical assistance to small business, such as financial education. For more information on Comerica's support of financial education, please see [Customer Education and Financial Literacy](#).

## Investing in Neighborhood Revitalization

Comerica invests in making well-constructed, safe housing available to residents of low- and moderate-income neighborhoods in our markets. Using federal financial incentives, we make investments that help improve housing while keeping it affordable. These projects bring many added benefits to communities, including construction jobs, visually appealing and desirable communities and help attracting new residents and businesses.

In 2016, we completed transactions (closed) on \$75 million in Low-Income Housing Tax Credit investments to support neighborhoods within our key regions of Texas, Arizona, California, Florida and Michigan. While this was a slight decrease over 2015 (\$78 million), it was in line with our annual investments in 2013 and 2014. Given strong competition within the financial services industry, it is challenging to find tax credit investments that meet our underwriting standards and are located in areas we believe would most benefit from our investment. Approximately 6.4 percent of the projects that benefited from Comerica's tax credit investments in 2016 are Leadership in Energy and Environmental Design (LEED) certified housing projects.

## Philanthropy

## Impact Topic

Giving back to our communities reflects Comerica's culture and our Core Values of [Collaboration](#) and [Involvement](#). Comerica Bank and the Comerica Charitable Foundation are committed to supporting charitable organizations within our key markets with both financial and volunteer support. We believe this approach strengthens both our company and our communities, while generating a strong and positive image.

Comerica supports philanthropic efforts that complement our commitment to community reinvestment, target impact issues that are important to the company and our communities, address diversity needs and create pride and loyalty for Comerica colleagues. Our key giving priorities assist low-to moderate income individuals and families, align with our overall business approach and support our strategic direction as a financial services provider.

| Giving Priorities  |   |  |
|--|---|--|
| Education  | Economic/Community Development  | Human Service  |
| Organizations that deliver financial literacy or education programs to low-to-moderate income children and adults. We also support scholarship programs for deserving students studying business, finance, science, technology, engineering and mathematics. | Organizations that promote and enhance opportunities for low-to-moderate income families and communities, with a focus on programs that support: economic self-sufficiency; job creation, training, readiness and retention; neighborhood/community revitalization and business development; and affordable housing advocacy and development. | Programs that enhance and protect the health and well-being of low-to-moderate income individuals and families, including those that focus on: transitional and supportive services and housing; and those that feed the hungry. |

Each of our footprint markets — Texas, Arizona, California, Florida and Michigan — receives an allocation from Comerica Bank and the Comerica Charitable Foundation to support nonprofit organization causes aligned with one or more of our giving priorities that benefit the local communities. Comerica has processes and policies in place to ensure that we review charitable requests against our giving priorities, and that we support charitable organizations within our markets in a fair manner. The Market President and the

Market Contributions Manager meet every quarter to review grant requests and ensure that charitable policies and procedures are followed. Overall corporate giving budgets are reviewed and approved by the Executive Steering Committee. This committee includes Comerica's Chairman and CEO, President, Chief Financial Officer and Chief Risk Officer. This committee also reviews and approves grants not in the approved charitable budget and other matters relating to Comerica's charitable program. The Foundation's board meets on an annual basis. Our Corporate Contributions Department undergoes an extensive internal audit every three years to ensure its activities align with our policies and procedures. For more information, visit [Comerica charitable giving](#) on our website.

In 2016, Comerica and the Comerica Charitable Foundation together provided financial support of \$8.1 million to over 1,700 charitable organizations. The biggest recipient was the corporate-wide United Way campaign, which received nearly \$2.5 million in combined funding from Comerica colleagues, Comerica Bank and the Foundation in 2016. Additional highlights include:

- \$100,000 to the Greenlining Institute to support their Economic Summit, which brings together business and government leaders with the leadership of low-income and minority communities to build relationships and create viable solutions to the issues facing California and the nation.
- \$75,000 to Hatch Detroit to support the growth of retail small businesses in the city of Detroit.
- \$50,000 for the Dallas market's Crystal Charity Ball. This is the 10th consecutive year we have supported this event, which raises funds for children's welfare organizations in Dallas County.
- \$50,000 to Henry Ford Health System to support their West Grand Boulevard transformation project, a major community development project in the city of Detroit.
- \$35,000 to City Year San Jose/Silicon Valley in support of education and mentoring for at-risk youth.

### Comerica's "Gift of Knowledge" Program

In December 2016, Comerica invited 100 low-to-moderate income students served by its community partner, Project Still I Rise, to participate in its inaugural Gift of Knowledge event. Upon successfully completing Comerica's Money Sense program, each scholar received \$50 in seed money to start a savings account at Comerica Bank. The Gift of Knowledge initiative allows students to receive high-end and engaging financial education training, the opportunity to open their first savings account and access to Comerica Bank personnel and banking center tours.

During the Summer of 2017, the Gift of Knowledge program will expand its reach through a partnership with the City of Dallas,

Project Still I Rise, and a second nonprofit partner, Big Thought. This collaborative is joining forces to provide financial education to 1,000

Dallas low-to-moderate income students from ten schools. Access to bank accounts and other appropriate financial products is a key way of providing youth with the experience and education that leads to improved financial outcomes.



*Dallas area school students who participated in the Gift of Knowledge Program in 2016*

***"Project Still I Rise is excited to continue our partnership with Comerica Bank to expand the Gift of Knowledge program. At PSIR, our ongoing goal is to keep our overhead low while increasing our outreach in the community. Partners like Comerica Bank make that possible. Project Still I Rise is stronger than ever due to our continually expanding community, that comes together to donate time, resources and talent in support of our mission to empower today's youth for tomorrow's opportunities."***

**- Kevin Mondy, Project Still I Rise, Executive Director**



## Volunteerism

## Impact Topic

**Involvement** is a Core Value of Comerica because we recognize that our success is intertwined with the prosperity of the communities we serve. We encourage our colleagues to share their time and expertise in order to support our commitment to the communities in which we operate.

We strive to be a community leader in our key markets through our colleagues volunteering and board participation. Each primary market has a Local Community Involvement Coordinator, who works with our National Civic Affairs Manager to ensure that volunteering goals are met and that we follow best practices. Comerica's employee volunteer program provides opportunities for colleagues to give back to the community. We set annual goals for volunteer hours in each community where we operate. Managers lead by example and encourage other colleagues to do the same.

Since 2011, our Donate 8 initiative has challenged colleagues to spend eight hours or more of personal time per year on community service activities. In order to encourage colleagues to formally record their community volunteer hours, we updated the program in 2014 to provide incentive for participation. In 2016, colleagues who recorded a minimum of eight hours were entered into a drawing to win a gift card and those who recorded over 100 hours received signed certificates of appreciation from their respective market presidents. We also encourage senior managers to participate on community nonprofit boards.

### 2016 Comerica Employee Volunteering Numbers

|               |              |  |   |
|---------------|--------------|--|---|
| <b>59,350</b> | <b>2,286</b> | <b>\$1.37 million</b>                        | <b>409</b>  |
| Hours         | Volunteers   | Approximate worth of employee volunteer time | Number of community nonprofit boards on which Comerica employees served |

Last year, our company-wide goal was 72,000 employee volunteer hours — equivalent to eight hours per employee. Approximately 26 percent of our employees recorded volunteer hours in 2016, of whom 49 percent recorded eight hours or more of their time. Total recorded employee volunteer hours fell 19.6 percent compared to 2015 in part due to decreased employee head count and employees not recording their volunteer hours in Comerica's volunteer tracking system.

### Supporting the USS Detroit Commissioning and Local Veterans



Comerica's Military/Veteran Initiative, which focuses on supporting the military and veteran communities, helped to sponsor the commissioning of the USS Detroit on October 22, 2016.

In addition, Comerica Cares volunteers assisted with the "Veterans Day in the D" event on October 18, 2016, which was focused on honoring local veterans. Comerica's volunteers helped to provide tours of the ship to over 400 veterans that day.

The USS Detroit recognizes the city of Detroit and honors the State of Michigan's deep ties to the U.S. Navy and the shipbuilding industry, the Navy said.

*Comerica Cares volunteers (front left to right): Patricia McCann, Jennifer Bohr, Jennifer Fleming, (back) Lauren Parker and Jeffrey Reed pose in front of the USS Detroit*

# ADDITIONAL INFORMATION

## Key Statistics Table

Italicized numbers indicate minor revisions to previously reported numbers. See footnotes for additional information on calculation methodologies and explanations of revisions.

| KEY STATISTICS   | 2012   | 2013   | 2014   | 2015   | 2016   |
|--|--------|--------|--------|--------|--------|
| <b>ECONOMIC IMPACTS</b>  |        |        |        |        |        |
| Gross revenue (Millions \$) <sup>1,2</sup>   | 2,598  | 2,554  | 2,512  | 2,724  | 2,848  |
| Market capitalization at year end (Millions \$) <sup>3</sup>   | 5,712  | 8,667  | 8,385  | 7,350  | 11,941 |
| Common and preferred stock dividends (Millions \$)   | 106    | 126    | 143    | 148    | 154    |
| Taxes (Millions \$)  | 98     | 283    | 165    | 318    | 254    |
| Employee compensation and benefits (Millions \$)   | 1,018  | 1,009  | 980    | 1,009  | 961    |
| Goods and services purchased (Millions \$) <sup>1</sup>  | 724    | 695    | 617    | 800    | 959    |
| Total loans at year end (Millions \$)  | 46,057 | 45,470 | 48,593 | 49,084 | 49,088 |
| <b>SOCIAL IMPACTS</b>  |        |        |        |        |        |
| Market Presence  |        |        |        |        |        |
| Number of ATMs   | 640    | 635    | 639    | 637    | 606    |
| Number of U.S. banking centers   | 488    | 482    | 480    | 476    | 457    |
| Community Development  |        |        |        |        |        |
| Community and economic development loans (Millions \$)   | 174    | 512    | 354    | 342    | 380    |
| Low-income housing tax credit investment deals closed (Millions \$)  | 69     | 74     | 74     | 78     | 75     |
| Historic rehabilitation tax credit investment (Millions \$)  | 1.2    | 6.5    | 0      | 2      | 0      |
| Percentage of projects that benefited from Comerica's tax credit investments that were LEED-certified housing projects (Percent) | N/A    | N/A    | 10     | 7      | 6      |
| Number of micro-enterprise loan funds supported  | 29     | 25     | 29     | 27     | 29     |
| Supplier diversity spend (Millions \$)   | 70     | 70     | 67     | 110    | 102    |
| <b>ENVIRONMENTALLY BENEFICIAL LENDING</b>  |        |        |        |        |        |
| Environmentally-Beneficial Loans   |        |        |        |        |        |
| Loan commitments (Millions \$)   | 1,043  | 780    | 975    | 919    | 888    |
| Loan commitments (number of companies)   | 127    | 101    | 105    | 116    | 95     |

| KEY STATISTICS  | 2012    | 2013    | 2014    | 2015    | 2016    |
|---|---------|---------|---------|---------|---------|
| <b>ENVIRONMENT-OPERATIONS</b>   |         |         |         |         |         |
| <b>Energy Use (MWh)</b>   |         |         |         |         |         |
| Total direct and indirect energy use- real estate and transport   | 153,210 | 149,742 | 146,939 | 143,394 | 130,304 |
| Total direct and indirect energy use- real estate only <sup>4</sup>   | 148,266 | 144,783 | 143,015 | 139,405 | 126,715 |
| Direct energy use- fossil fuels   | 30,966  | 38,939  | 42,891  | 33,672  | 28,725  |
| Indirect energy use- purchased electricity, steam, chilled water in metered buildings   | 93,779  | 85,505  | 80,163  | 77,514  | 71,993  |
| Indirect energy use- estimated electricity use in leased (and unmetered) buildings  | 28,465  | 25,298  | 23,885  | 28,219  | 25,997  |
| <b>Energy Intensity</b>   |         |         |         |         |         |
| Total direct and indirect energy use- real estate <sup>4</sup> (MWh) per square foot at year end  | 0.0267  | 0.0267  | 0.0267  | 0.0269  | 0.0255  |
| Total direct and indirect energy use- real estate <sup>4</sup> (MWh) per square foot - average square feet over four quarters                   | N/A     | 0.0265  | 0.0265  | 0.0263  | 0.0250  |
| Total direct and indirect energy use (MWh) per full time employee (FTE)   | 16.96   | 16.73   | 16.55   | 16.15   | 16.53   |
| <b>Scopes 1 and 2 GHG Emissions (Metric tons of CO<sub>2</sub>e)- Real Estate and Transport<sup>5</sup></b>                                     |         |         |         |         |         |
| Total GHG Emissions from Real Estate (Scopes 1 and 2) and Travel (Scope 1)  | 81,735  | 75,839  | 73,200  | 68,603  | 63,332  |
| <b>Breakdown by Activity</b>  |         |         |         |         |         |
| GHG emissions- Scopes 1 and 2 real estate only  | 80,533  | 74,635  | 72,247  | 67,636  | 62,461  |
| Emissions intensity- real estate (metric tons of CO <sub>2</sub> e per square foot at year end) within organization                             | 0.0145  | 0.0138  | 0.0135  | 0.0131  | 0.0126  |
| Emissions intensity- real estate (metric tons of CO <sub>2</sub> e per square foot- average square feet over four quarters) within organization | N/A     | 0.0137  | 0.0134  | 0.0128  | 0.0123  |
| Percent Cumulative reduction from 2012 base year (Goal= 20 percent GHG reduction from base year by 2020)  | N/A     | 7.2     | 10.3    | 16.0    | 22.4    |
| GHG emissions- Scope 1 transport only   | 1,201   | 1,204   | 953     | 967     | 870     |
| <b>Breakdown by Scope</b>   |         |         |         |         |         |
| Scope 1 GHG emissions- natural gas, jet fuel, diesel, gasoline, and refrigerants  | 6,950   | 8,019   | 8,523   | 7,638   | 6,608   |
| Scope 2 GHG emissions- electricity, steam, and chilled water in company-controlled buildings  | 74,784  | 67,820  | 64,677  | 60,965  | 56,723  |
| <b>Scope 3 GHG Emissions (Metric tons of CO<sub>2</sub>e)- Supply Chain and Transport<sup>5</sup></b>   |         |         |         |         |         |
| <b>Purchased Goods and Services</b>   |         |         |         |         |         |
| Total lifecycle paper emissions   | 3,055   | 2,873   | 2,511   | 2,152   | 1,797   |
| Life cycle emissions associated with office copy paper use  | 1,270   | 1,136   | 1,030   | 933     | 836     |

| KEY STATISTICS  | 2012      | 2013      | 2014      | 2015      | 2016      |
|---|-----------|-----------|-----------|-----------|-----------|
| Life cycle emissions associated with other office paper use   | 1,563     | 1,558     | 1,262     | 1,050     | 811       |
| Life cycle emissions associated with marketing paper use  | 222       | 178       | 219       | 170       | 151       |
| Total lifecycle computer emissions  | 520       | 57        | 202       | 193       | 1,389     |
| Total lifecycle carpeting emissions   | 137       | 168       | 125       | 287       | 271       |
| Capital Goods   |           |           |           |           |           |
| Total lifecycle furniture emissions   | N/A       | 463       | 148       | 425       | 303       |
| Fuel-and-energy related activities  |           |           |           |           |           |
| Electricity transmission/distribution loss emissions  | N/A       | 4,442     | 4,302     | 5,441     | 5,095     |
| Upstream Transportation and Distribution  |           |           |           |           |           |
| Shipping emissions <sup>6</sup>   | N/A       | 572       | 404       | 234       | 196       |
| Armored vehicle emissions   | N/A       | 967       | 635       | 640       | 981       |
| Waste Generated in Operations   |           |           |           |           |           |
| Scope 3 lifecycle emissions associated with landfilled mixed solid waste  | 2,052     | 2,033     | 914       | 765       | 521       |
| Business Travel   |           |           |           |           |           |
| Employee business travel by air and car   | 4,431     | 4,791     | 4,147     | 4,174     | 3,426     |
| Emissions intensity- Employee business travel emissions (metric tons of CO <sub>2</sub> e) per full-time employee (FTE) | 0.49      | 0.54      | 0.47      | 0.47      | 0.43      |
| Employee Commuting  |           |           |           |           |           |
| Employee commuting emissions  | N/A       | 35,864    | 33,200    | 33,061    | 29,327    |
| Downstream Leased Assets  |           |           |           |           |           |
| <i>Total subleased real estate emissions</i>  | 1,257     | 1,508     | 2,141     | 1,934     | 1,606     |
| Subleased metered electricity   | 726       | 665       | 629       | 484       | 371       |
| Subleased estimated electricity   | 423       | 715       | 1,107     | 1,120     | 976       |
| Subleased natural gas   | 81        | 106       | 108       | 76        | 37        |
| Subleased steam   | 28        | 22        | 25        | 8         | —         |
| Subleased estimated heat  | N/A       | N/A       | N/A       | N/A       | 5         |
| Subleased corporate jet emissions   | N/A       | N/A       | 272       | 246       | 217       |
| Other Downstream  |           |           |           |           |           |
| CBRE Business Travel on Comerica Account  | N/A       | N/A       | N/A       | 253       | 278       |
| Real Estate Square Footage (Square feet at year end)  |           |           |           |           |           |
| Total metered and unmetered square feet   | 5,545,466 | 5,422,833 | 5,349,936 | 5,183,634 | 4,963,357 |
| Total subleased square feet at year end   | 137,637   | 197,753   | 188,292   | 173,886   | 159,968   |
| Real Estate Square Footage (Average square feet over four quarters)   |           |           |           |           |           |
| Average metered and unmetered square feet over four quarters  | N/A       | 5,464,632 | 5,398,441 | 5,291,828 | 5,064,895 |

| KEY STATISTICS   | 2012    | 2013    | 2014    | 2015    | 2016    |
|--|---------|---------|---------|---------|---------|
| Average subleased square feet over four quarters   | N/A     | 159,866 | 193,282 | 181,384 | 163,331 |
| Waste Management (short tons)  |         |         |         |         |         |
| Landfilled employee waste  | 2,086   | 2,067   | 1,732   | 1,583   | 1,501   |
| Percent Cumulative reduction from 2012 base year<br>(Goal= 20 percent Landfilled Waste Reduction by 2020)  | N/A     | N/A     | 16.9    | 24.1    | 28.0    |
| Total recycled/re-purposed waste   | 3,372   | 2,990   | 2,915   | 2,917   | 2,584   |
| Recycled office paper  | 3,108   | 2,680   | 2,684   | 2,676   | 2,248   |
| Recycled electronic equipment  | 94      | 117     | 52      | 51      | 107     |
| Repurposed electronic equipment  | 55      | 46      | 15      | 26      | 43      |
| Recycled operational waste   | 110     | 141     | 154     | 153     | 166     |
| Recycled cardboard bailer waste  | N/A     | N/A     | 7       | 7       | 8       |
| Universal waste  | 3       | 5       | 3       | 4       | 8       |
| Recycled pallets   | N/A     | N/A     | N/A     | N/A     | 5       |
| Total waste diverted from landfill (Percent) including recycled office paper, recycled/repurposed electronic equipment, recycled employee waste, and universal waste | 62      | 59      | 63      | 65      | 63      |
| Water Use (cubic meters) <sup>7</sup>  |         |         |         |         |         |
| Total water consumption (cubic meters)   | 451,532 | 412,123 | 349,785 | 339,438 | 356,216 |
| Intensity metric- Water consumption (cubic meters per FTE)   | 49.98   | 46.06   | 39.41   | 38.36   | 45.18   |
| Intensity metric- Water consumption (cubic meters per Total Worker FTE)  | N/A     | 43.83   | 37.03   | 35.04   | 38.96   |
| Percent Cumulative reduction from 2012 base year<br>(Goal= 30 percent Water Reduction by 2020)   | N/A     | N/A     | 22.5    | 24.8    | 21.1    |
| Paper Use  |         |         |         |         |         |
| Total paper consumption (tons)   | 1,266   | 1,173   | 1,039   | 894     | 750     |
| Office copy paper consumption (tons)   | 560     | 487     | 454     | 410     | 368     |
| Other office paper consumption (tons)  | 618     | 615     | 499     | 416     | 323     |
| Marketing paper consumption (tons)   | 88      | 71      | 87      | 68      | 60      |
| Paper Intensity metrics (pounds consumed per FTE)  |         |         |         |         |         |
| Total office paper (office copy and other office paper) consumption in pounds per FTE  | 260.76  | 246.31  | 214.73  | 185.89  | 174.21  |
| Office copy paper consumption in pounds per FTE (tons)   | 123.96  | 108.88  | 102.30  | 92.27   | 92.78   |
| Percent Cumulative reduction from 2012 base year<br>(Goal= 50 percent Office Copy Paper Reduction by 2020)   | N/A     | N/A     | 18.9    | 26.7    | 34.3    |
| Environmental Attributes of Paper  |         |         |         |         |         |
| Total FSC-certified office paper (Percent of total)  | 47      | 28      | 48      | 49      | 54      |
| Total FSC-certified marketing paper (Percent of total)   | 64      | 90      | 80      | 99      | 100     |

| KEY STATISTICS   | 2012    | 2013    | 2014    | 2015    | 2016    |
|--|---------|---------|---------|---------|---------|
| Office copy paper with at least 30 percent post-consumer recycled content (Percent of total office copy paper)   | 97      | 74      | 96      | 95      | 95      |
| All other papers (excluding office copy paper) with at least 5 percent post-consumer recycled content (Percent of total papers except office copy paper) | 14      | 12      | 14      | 25      | 37      |
| Total post-consumer recycled content by weight (Percent of total paper consumption)  | 14      | 13      | 10      | 15      | 16      |
| <b>EMPLOYEES</b>   |         |         |         |         |         |
| Number of Workers  |         |         |         |         |         |
| Total Employees- Full-time equivalents (FTE) <sup>8</sup>  | 9,035   | 8,948   | 8,876   | 8,880   | 7,960   |
| Intensity-based FTEs - used for intensity-based metrics <sup>9</sup>   | N/A     | N/A     | N/A     | 8,887   | 7,933   |
| Total Workers (including employees and contingent workers, on FTE basis)   | N/A     | 9,403   | 9,447   | 9,687   | 9,142   |
| Employee Diversity   |         |         |         |         |         |
| Women employees (Percent of total employees)   | 68      | 68      | 67      | 67      | 67      |
| Women Officers and Managers (total number)   | N/A     | 1,199   | 1,219   | 1,252   | 730     |
| Women Professionals (total number)   | N/A     | 1,370   | 1,437   | 1,498   | 1,417   |
| Women Administrative Support (total number)  | N/A     | 3,462   | 3,365   | 3,274   | 3,249   |
| Diverse population employees (Percent of total employees)  | 38      | 38      | 38      | 39      | 38      |
| Diverse Officers and Managers (total number)   | N/A     | 618     | 638     | 661     | 330     |
| Diverse Professionals (total number)   | N/A     | 726     | 789     | 835     | 793     |
| Diverse Administrative Support (total number)  | N/A     | 2,051   | 1,993   | 1,967   | 1,960   |
| Colleagues enrolled in Comerica's Master of Diversity Awareness (MDA) Program(Percent) <sup>10</sup>   | N/A     | N/A     | 85      | 80      | 89      |
| Bronze-level certified colleagues (number of colleagues)   | N/A     | N/A     | 5,028   | 5,345   | 5,167   |
| Silver-level certified colleagues (number of colleagues)   | N/A     | N/A     | 3,536   | 4,081   | 3,984   |
| Gold-level certified colleagues (number of colleagues)   | N/A     | N/A     | 2,373   | 3,031   | 3,065   |
| Platinum-level certified colleagues (number of colleagues)   | N/A     | N/A     | 1,237   | 1,555   | 1,688   |
| Employee Benefits  |         |         |         |         |         |
| Services provided through Comerica's Employee Assistance Program (# of instances)  | N/A     | 4,570   | 4,499   | 3,854   | 4,671   |
| Employees receiving tuition assistance (total number)  | 132     | 248     | 226     | 212     | 179     |
| Value of tuition assistance received (\$)  | 852,680 | 886,599 | 801,200 | 814,508 | 686,694 |
| Leadership Development Program (number of graduates)   | 47      | 49      | 44      | 29      | 29      |

| KEY STATISTICS   | 2012    | 2013    | 2014    | 2015    | 2016    |
|--|---------|---------|---------|---------|---------|
| CoStar Awards (number of monetary awards to employees)     | 2,657   | 2,746   | 2,571   | 2,270   | 2,196   |
| Value of CoStar Awards (\$)                                | 378,000 | 392,000 | 391,000 | 387,000 | 372,075 |
| <b>COMMUNITY</b>   |         |         |         |         |         |
| Charitable gifts and corporate contributions (Millions \$) | 9.1     | 8.4     | 8.8     | 8.8     | 8.1     |
| Employee United Way contributions (Millions \$)            | 2.0     | 2.2     | 2.1     | 2.2     | 1.7     |
| Employee time volunteered (hours)                          | 71,000  | 72,186  | 73,970  | 73,800  | 59,350  |
| Number of employee volunteers                              | 2,300   | 2,514   | 2,543   | 2,853   | 2,286   |

<sup>1</sup> Card fees and outside processing fee expense, as presented in noninterest income and noninterest expense, respectively, conform to the current methodology for presenting gross revenues and expenses related to a new contract for an existing debit card program. Refer to Note 1 in Comerica's Form 10-Q for the period ending March 31, 2015 for additional information.

<sup>2</sup> Gross revenues equal net interest income and noninterest income.

<sup>3</sup> Source: SNL Financial

<sup>4</sup> Total direct and indirect energy use- real estate only includes Natural Gas, Diesel Fuel, Metered and Estimated Electricity, Estimated Natural Gas and Propane Gas for heat, Steam and Chilled Water. Steam and chilled water through 2015. Estimated Natural Gas and Propane Gas for heat were new in 2015.

<sup>5</sup> Comerica utilizes the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition) for purposes of calculating its greenhouse gas (GHG) emissions. Specific methodologies for estimating all Scope 1, Scope 2, and Scope 3 emissions shown in the above table, including activity data sources, estimation techniques, global warming potentials, and emission conversion factors, are disclosed in Comerica's [2017 CDP Response](#).

<sup>6</sup> FedEx changed its shipping emissions calculation methodology in 2016 and also provided an updated emissions number for 2015 using the new methodology. The 2014 and before numbers were not updated using the new methodology.

<sup>7</sup> Our "direct billed" water consumption includes all properties for which Comerica receives and pays water bills directly via our utility bill payment and management system. Leased properties controlled by our landlords are not included in these totals.

<sup>8</sup> As reported in Comerica's 2016 Annual Report (page F-114)

<sup>9</sup> In 2016 we began using the FTE data generated using a slightly different calculation, which allows for breakdowns of workers by individual locations. This allows for intensity metrics to be generated at the facility level. This FTE data was also generated for 2015. All intensity-based metrics use these numbers for 2015 and 2016.

<sup>10</sup> MDA level listings are cumulative. If a colleague has been certified at the Platinum level, he/she is also counted in the bronze, silver and gold certification level.



**Comerica Bank:**  
**MEMBER FDIC. EQUAL OPPORTUNITY LENDER.**

**Comerica:**  
**EQUAL OPPORTUNITY EMPLOYER.**  
**Comerica Conducts Pre-Employment Drug Testing**

# REPORTING METHODOLOGY

Comerica's 2016 Corporate Responsibility Report represents our latest ESG-based report on the impacts and opportunities associated with our work in the communities we serve. We recognize the interconnected nature of Corporate Responsibility as it relates to providing the right products and services to meet evolving customer demands and regulatory requirements, while being mindful of minimizing our environmental footprint and maximizing our positive community impacts.

We use the internationally-recognized GRI Sustainability Reporting Standards to guide our reporting and track our progress. This report has been prepared in accordance with the GRI Standards: Core option and includes the General Disclosures as well as Topic-Specific Disclosures relevant to Comerica.

This report is Comerica's fifth biennial GRI-based Corporate Responsibility (formerly Sustainability) Report. It covers our sustainability performance from January 1, 2016 to December 31, 2016 (fiscal year 2016). In some instances, 2015 data is included for comparison, as our last comprehensive Sustainability Report was published in 2014. In limited instances, the report also references some projects and initiatives that stretched beyond 2016 and into 2017.

[The Comerica Promise](#) and our [Core Values](#), presented in our [Our Company](#), describe the way we engage with our colleagues, customers, and communities. They prescribe how we conduct business now and hereafter. By looking at sustainability through these two key lenses, we are able to focus on the most critical issues and provide greater transparency into our corporate cultural priorities. As in previous reports, we balance our data presentation by reporting on both the progress we have made and the challenges we face in key areas.

Impact Topics are those economic, environmental, social and governance topics viewed by internal and external stakeholders as the most relevant and significant to our business based on extensive engagement work we conducted in 2014-2015 and follow-up engagement in 2016-2017. These are explained in detail in [Stakeholder Engagement and Relevancy Assessment](#) within the Our Company section. We have also mapped our Impact Topic groupings to the United Nations 17 Sustainable Development Goals (SDGs)

The report includes information about the sustainability risks and opportunities we face and supplements the information on our financial performance reported in our [2016 Comerica Incorporated Annual Report](#) (herein referred to as 2016 Annual Report). All information covers Comerica Incorporated and Subsidiaries (Comerica), and unless otherwise noted, is current as of December 31, 2016. References to the "Board" refer to the Board of Directors of Comerica Incorporated.

Throughout this report, we use the terms "relevancy," "significance," and "impact" to refer to those topics that reflect the economic, environmental, social, and governance issues most important to Comerica and our stakeholders; what the GRI Sustainability Reporting Standards define as "Material Topics." This is to avoid potential confusion with the terms "material" or "materiality" as defined by or construed in accordance with securities laws or other U.S. legislation, or as used in the context of financial statements and financial reporting. You will also find references to employees and colleagues interchangeably. Longer-term contract workers who are not considered employees/colleagues at Comerica are referenced as contingent workers within this report.

In addition to GRI, Comerica also acknowledges other sustainability reporting guidelines including those outlined by the Sustainability Accounting Standards Board (SASB) Financials sector standards. While not specifically designed to meet other reporting frameworks, the information presented in this report may address some of the requested disclosures for the SASB Financials sector standards most relevant to our business. Comerica will continue to monitor additional sustainability reporting guidelines for our future sustainability reporting efforts.

## GRI Standards Content Index - Core

**Please note:** In this report, we use the terms “relevancy”, “significance”, and “impact” to refer to those topics that reflect the economic, environmental, social, and governance issues most important to Comerica and our stakeholders — what the GRI Sustainability Reporting Standards define as “Material Topics.” This is to avoid potential confusion with the terms “material” or “materiality” as defined by or construed in accordance with securities laws or other U.S. legislation, or as used in the context of financial statements and financial reporting. In this Index, our use of the terms “material” and “non-material” only refer to the meanings as referenced in defining report content in the context of GRI’s reporting standards.

This report is intended to meet “Core” requirements of GRI Standards. In some instances, we have also included non-core GRI General Disclosures in this Content Index where we feel that we have met all or a portion of the requirements of the disclosure within the report or other externally published documents. We have also incorporated information on some topics within the Topic-Specific Disclosures, which we have determined to be “non-material” since that information may be of interest to our stakeholders. Those topic-specific disclosures which are not indicated as material and for which we do not provide significant content in this report have been omitted from this table.

| GRI Standard Disclosure   | Core vs Comprehensive | URL(s) or Direct Response   | Omission   |
|---|-----------------------|---|--|
| GRI 101: Foundation 2016  |                       |   |  |
| General Disclosures   |                       |   |  |
| GRI 102: Organizational Profile                                     |                       |   |  |
| 102-1 Name of the organization                                      | Core                  | Comerica Bank   | —  |
| 102-2 Activities, brands, products, and services                    | Core                  | <a href="#">Our Company</a>   | —  |
| 102-3 Location of headquarters                                      | Core                  | Comerica Corporate Headquarters: Comerica Bank Tower, 1717 Main Street Dallas, Texas 75201  | —  |
| 102-4 Location of operations  | Core                  | <a href="#">Our Company</a>   | —  |
| 102-5 Ownership and legal form                                      | Core                  | <a href="#">Our Company</a> , <a href="#">2016 Annual Report</a>  | —  |
| 102-6 Markets served  | Core                  | <a href="#">Our Company</a>   | —  |
| 102-7 Scale of the organization                                     | Core                  | <a href="#">Our Company</a> , <a href="#">Employee Diversity and Inclusion</a> , <a href="#">Key Statistics Table</a>   | —  |
| 102-8 Information on employees and other workers                    | Core                  | <a href="#">Our Company</a> , <a href="#">Supporting our Colleagues, Prioritizing Diversity and Inclusion</a> , <a href="#">Key Statistics Table</a><br><br>The majority of work is performed by Comerica payroll employees. Non-employee contingent workers represent 13% of our total workforce. There are no seasonal variations in employment. At Comerica, we track all contingent workers who access our systems by adding them to our human resource information system. | Total number of supervised (contingent) workers by gender is omitted. We do not collect data by gender for our contingent workforce. |
| 102-9 Supply chain  | Core                  | <a href="#">Supply Chain</a> , <a href="#">Supplier Diversity</a>   | —  |
| 102-10 Significant changes to the organization and its supply chain | Core                  | <a href="#">Message from our Chairman and CEO</a> , <a href="#">Supply Chain</a> , <a href="#">2016 Annual Report</a>   | —  |
| 102-11 Precautionary Principle or approach                          | Core                  | <a href="#">Risk Management</a>   | —  |
| 102-12 External initiatives   | Core                  | Comerica does not currently subscribe to or endorse externally developed charters or principles.  | —  |
| 102-13 Membership of associations                                   | Core                  | <a href="#">Risk Management</a> , <a href="#">Public Policy and Government Relations</a> , <a href="#">Supplier Diversity</a> , <a href="#">Community Reinvestment and Development</a>  | —  |

| GRI Standard Disclosure  | Core vs Comprehensive | URL(s) or Direct Response  | Omission                 |
|--|-----------------------|--|--------------------------|
| <b>GRI 101: Foundation 2016</b>  |                       |  |                          |
| <b>Strategy</b>  |                       |  |                          |
| 102-14 Statement from senior decision-maker  | Core                  | <a href="#">Message from our Chairman and CEO</a> , <a href="#">Message from our Director of Corporate Sustainability</a>  | —                        |
| 102-15 Key impacts, risks, and opportunities   | Comprehensive         | <a href="#">Stakeholder Engagement and Relevancy Assessment</a> , <a href="#">Risk Management</a> , <a href="#">2017 CDP Response</a>  | —                        |
| <b>Ethics and integrity</b>  |                       |  |                          |
| 102-16 Values, principles, standards, and norms of behavior                          | Core                  | <a href="#">Our Company</a> , <a href="#">The Comerica Promise</a> , <a href="#">Corporate Governance</a> , <a href="#">Risk Management</a> , <a href="#">Ethics</a> , <a href="#">Anti-Corruption and Countering Bribery</a>  | —                        |
| 102-17 Mechanisms for advice and concerns about ethics                               | Comprehensive         | <a href="#">The Comerica Promise</a> , <a href="#">Responsible Business Practices</a> , <a href="#">Corporate Governance</a> , <a href="#">Risk Management</a> , <a href="#">Ethics</a> , <a href="#">Anti-Corruption and Countering Bribery</a> , <a href="#">Supporting our Colleagues</a> , <a href="#">Corporate Governance Guidelines</a> | —                        |
| <b>Governance</b>  |                       |  |                          |
| 102-18 Governance structure  | Core                  | <a href="#">Message from our Chairman and CEO</a> , <a href="#">Responsible Business Practices</a> , <a href="#">Corporate Governance</a> , <a href="#">Corporate Governance Guidelines</a>  | —                        |
| 102-19 Delegating authority  | Comprehensive         | <a href="#">Message from our Director of Corporate Sustainability</a> , <a href="#">Responsible Business Practices</a> , <a href="#">Risk Management</a> , <a href="#">Supporting our Colleagues</a> , <a href="#">Prioritizing Diversity and Inclusion</a> , <a href="#">Supporting our Communities</a>                                       | Disclosure partially met |
| 102-20 Executive-level responsibility for economic, environmental, and social topics | Comprehensive         | <a href="#">Message from our Director of Corporate Responsibility</a> , <a href="#">Responsible Business Practices</a> , <a href="#">Corporate Governance</a> , <a href="#">Risk Management</a> , <a href="#">Prioritizing Diversity and Inclusion</a> , <a href="#">Supporting our Communities</a>  | Disclosure partially met |
| 102-21 Consulting stakeholders on economic, environmental, and social topics         | Comprehensive         | <a href="#">Stakeholder Engagement and Relevancy Assessment</a>  | —                        |
| 102-22 Composition of the highest governance body and its committees                 | Comprehensive         | <a href="#">Responsible Business Practices</a> , <a href="#">Corporate Governance</a> , <a href="#">Proxy Statement</a> , <a href="#">Corporate Governance Guidelines</a>  | —                        |
| 102-23 Chair of the highest governance body  | Comprehensive         | <a href="#">Message from our Chairman and CEO</a> , <a href="#">Proxy Statement</a>  | —                        |
| 102-24 Nominating and selecting the highest governance body                          | Comprehensive         | <a href="#">Prioritizing Diversity and Inclusion</a> , <a href="#">Board Diversity</a> , <a href="#">Proxy Statement</a> , <a href="#">Corporate Governance Guidelines</a>   | —                        |
| 102-25 Conflicts of interest   | Comprehensive         | <a href="#">Proxy Statement</a> , <a href="#">Corporate Governance Guidelines</a>  | —                        |
| 102-26 Role of highest governance body in setting purpose, values, and strategy      | Comprehensive         | <a href="#">Proxy Statement</a>  | —                        |
| 102-27 Collective knowledge of highest governance body                               | Comprehensive         | <a href="#">Proxy Statement</a>  | —                        |
| 102-28 Evaluating the highest governance body's performance                          | Comprehensive         | <a href="#">Responsible Business Practices</a> , <a href="#">Corporate Governance</a> , <a href="#">Proxy Statement</a>  | —                        |
| 102-29 Identifying and managing economic, environmental, and social impacts          | Comprehensive         | <a href="#">Responsible Business Practices</a> , <a href="#">Risk Management</a> , <a href="#">Stakeholder Engagement and Relevancy Assessment</a> , <a href="#">2017 CDP Response</a>   | —                        |
| 102-30 Effectiveness of risk management processes                                    | Comprehensive         | <a href="#">Responsible Business Practices</a> , <a href="#">Risk Management</a>   | —                        |
| 102-31 Review of economic, environmental, and social topics                          | Comprehensive         | <a href="#">Message from our Director of Corporate Sustainability</a> , <a href="#">Stakeholder Engagement and Relevancy Assessment</a> , <a href="#">Corporate Governance</a> , <a href="#">2017 CDP Response</a>   | —                        |

| GRI Standard Disclosure   | Core vs Comprehensive | URL(s) or Direct Response   | Omission |
|---|-----------------------|---|----------|
| <b>GRI 101: Foundation 2016</b>                                   |                       |   |          |
| 102-32 Highest governance body's role in sustainability reporting | Comprehensive         | Our CFO reviews and approves Comerica's Corporate Responsibility Report   | —        |
| 102-33 Communicating critical concerns                            | Comprehensive         | <a href="#">Risk Management</a> , <a href="#">Employee Engagement</a>   | —        |
| 102-34 Nature and total number of critical concerns               | Comprehensive         | —   | —        |
| 102-35 Remuneration policies                                      | Comprehensive         | <a href="#">Corporate Governance-Executive Compensation</a> , <a href="#">Proxy Statement</a> , <a href="#">Corporate Governance Guidelines</a> | —        |
| 102-36 Process for determining remuneration                       | Comprehensive         | <a href="#">Corporate Governance-Executive Compensation</a> , <a href="#">Proxy Statement</a> , <a href="#">Corporate Governance Guidelines</a> | —        |
| 102-37 Stakeholders involvement in remuneration                   | Comprehensive         | <a href="#">Corporate Governance-Executive Compensation</a> , <a href="#">Proxy Statement</a> , <a href="#">Corporate Governance Guidelines</a> | —        |
| 102-38 Annual total compensation ratio                            | Comprehensive         | —   | —        |
| 102-39 Percentage increase in annual total compensation ratio     | Comprehensive         | —   | —        |
| <b>Stakeholder engagement</b>                                     |                       |   |          |
| 102-40 List of stakeholder groups                                 | Core                  | <a href="#">Message from our Director of Corporate Sustainability, Stakeholder Engagement and Relevancy Assessment</a>                          | —        |
| 102-41 Collective bargaining agreements                           | Core                  | 0% of employees are covered by collective bargaining agreements   | —        |
| 102-42 Identifying and selecting stakeholders                     | Core                  | <a href="#">Stakeholder Engagement and Relevancy Assessment</a>   | —        |
| 102-43 Approach to stakeholder engagement                         | Core                  | <a href="#">Stakeholder Engagement and Relevancy Assessment</a>   | —        |
| 102-44 Key topics and concerns raised                             | Core                  | <a href="#">Stakeholder Engagement and Relevancy Assessment</a>   | —        |
| <b>Reporting practice</b>   |                       |   |          |
| 102-45 Entities included in the consolidated financial statements | Core                  | <a href="#">2016 Annual Report</a>  | —        |
| 102-46 Defining report content and topic Boundaries               | Core                  | <a href="#">Stakeholder Engagement and Relevancy Assessment</a>   | —        |
| 102-47 List of material topics                                    | Core                  | <a href="#">Stakeholder Engagement and Relevancy Assessment</a>   | —        |
| 102-48 Restatements of information                                | Core                  | There were no material restatements of information provided in our 2016 Sustainability Report.  | —        |
| 102-49 Changes in reporting                                       | Core                  | <a href="#">Message from our Director of Corporate Sustainability, Reporting Methodology</a>  | —        |
| 102-50 Reporting period   | Core                  | <a href="#">Reporting Methodology</a>   | —        |
| 102-51 Date of most recent report                                 | Core                  | <a href="#">Reporting Methodology</a>   | —        |
| 102-52 Reporting cycle  | Core                  | <a href="#">Reporting Methodology</a>   | —        |
| 102-53 Contact point for questions regarding the report           | Core                  | <a href="#">Message from the Director of Corporate Sustainability</a>   | —        |
| 102-54 Claims of reporting in accordance with the GRI Standards   | Core                  | <a href="#">Reporting Methodology</a>   | —        |
| 102-55 GRI content index  | Core                  | This GRI Content Index  | —        |
| 102-56 External assurance   | Core                  | <a href="#">2017 CDP Response</a>   | —        |

| GRI Standard                            | Disclosure   | Is this topic material? | URL(s) or Direct Comments  | Omission |
|---|--|-------------------------|--|----------|
| Topic-Specific Disclosures              |  |                         |  |          |
| GRI 200 Economic Standard Series        |  |                         |  |          |
| Economic Performance                    |  | Yes                     |  |          |
| GRI 103: Management Approach 2016       | 103-1 Explanation of the material topic and its Boundary                             | Yes                     | <a href="#">Stakeholder Engagement and Relevancy Assessment</a> , <a href="#">Financial Performance</a>  | —        |
|   | 103-2 The management approach and its components                                     | Yes                     | <a href="#">Financial Performance</a>  | —        |
|   | 103-3 Evaluation of the management approach  | Yes                     | <a href="#">Financial Performance</a>  | —        |
| GRI 201: Economic Performance 2016      | 201-1 Direct economic value generated and distributed                                | Yes                     | <a href="#">Economic Impact</a> , <a href="#">Financial Performance</a> , <a href="#">Key Statistics Table</a>   | —        |
|   | 201-2 Financial implications and other risks and opportunities due to climate change | Yes                     | <a href="#">Managing our Environmental Impacts</a> , <a href="#">Climate Change</a> , <a href="#">Energy and GHG Emissions</a> , <a href="#">Green Lending</a> , <a href="#">2017 CDP Response</a>   | —        |
| Market Presence                         |  | No                      |  |          |
| Indirect Economic Impacts               |  | Yes                     |  |          |
| GRI 103: Management Approach 2016       | 103-1 Explanation of the material topic and its Boundary                             | Yes                     | <a href="#">Stakeholder Engagement and Relevancy Assessment</a> , <a href="#">Indirect Economic Impact</a>   | —        |
|   | 103-2 The management approach and its components                                     | Yes                     | <a href="#">Economic Impact</a> , <a href="#">Indirect Economic Impact</a> , <a href="#">Improving Banking Access and Serving the Underbanked</a> , <a href="#">Community Reinvestment and Development</a> , <a href="#">Philanthropy</a> , <a href="#">Volunteerism</a> | —        |
|   | 103-3 Evaluation of the management approach  | Yes                     | <a href="#">Economic Impact</a> , <a href="#">Indirect Economic Impact</a> , <a href="#">Improving Banking Access and Serving the Underbanked</a> , <a href="#">Community Reinvestment and Development</a> , <a href="#">Philanthropy</a> , <a href="#">Volunteerism</a> | —        |
| GRI 203: Indirect Economic Impacts 2016 | 203-1 Infrastructure investments and services supported                              | Yes                     | <a href="#">Economic Impact</a> , <a href="#">Indirect Economic Impact</a> , <a href="#">Improving Banking Access and Serving the Underbanked</a> , <a href="#">Community Reinvestment and Development</a> , <a href="#">Philanthropy</a> , <a href="#">Volunteerism</a> | —        |
|   | 203-2 Significant indirect economic impacts  | Yes                     | <a href="#">Economic Impact</a> , <a href="#">Indirect Economic Impact</a> , <a href="#">Improving Banking Access and Serving the Underbanked</a> , <a href="#">Community Reinvestment and Development</a> , <a href="#">Philanthropy</a> , <a href="#">Volunteerism</a> | —        |
| Procurement Practices                   |  | No                      |  |          |
| GRI 103: Management Approach 2016       | 103-1 Explanation of the material topic and its Boundary                             | No                      | <a href="#">Stakeholder Engagement and Relevancy Assessment</a> , <a href="#">Supply Chain</a>   | —        |
|   | 103-2 The management approach and its components                                     | No                      | <a href="#">Supply Chain</a> , <a href="#">Reducing Environmental Impacts in our Supply Chain</a>  | —        |
|   | 103-3 Evaluation of the management approach  | No                      | <a href="#">Supply Chain</a> , <a href="#">Reducing Environmental Impacts in our Supply Chain</a>  | —        |
| GRI 204: Procurement Practices 2016     | 204-1 Proportion of spending on local suppliers                                      | No                      | <a href="#">Supply Chain</a>   | —        |

| GRI Standard                            | Disclosure  | Is this topic material? | URL(s) or Direct Comments   | Omission |
|---|---|-------------------------|---|----------|
| Anti-corruption                         |   | Yes                     |   |          |
| GRI 103: Management Approach 2016       | 103-1 Explanation of the material topic and its Boundary                              | Yes                     | <a href="#">Stakeholder Engagement and Relevancy Assessment, Ethics, Anti-Corruption and Countering Bribery</a> | —        |
|   | 103-2 The management approach and its components                                      | Yes                     | <a href="#">Ethics, Anti-Corruption and Countering Bribery</a>  | —        |
|   | 103-3 Evaluation of the management approach   | Yes                     | <a href="#">Ethics, Anti-Corruption and Countering Bribery</a>  | —        |
| GRI 205: Anti-corruption 2016           | 205-1 Operations assessed for risks related to corruption                             | Yes                     | <a href="#">Corporate Governance, Ethics, Anti-Corruption and Countering Bribery</a>                            | —        |
|   | 205-2 Communication and training about anti-corruption policies and procedures        | Yes                     | <a href="#">Ethics, Anti-Corruption and Countering Bribery</a>  | —        |
|   | 205-3 Confirmed incidents of corruption and actions taken                             | Yes                     | <a href="#">Ethics, Anti-Corruption and Countering Bribery</a>  | —        |
| Anti-competitive Behavior               |   | Yes                     |   |          |
| GRI 103: Management Approach 2016       | 103-1 Explanation of the material topic and its Boundary                              | Yes                     | <a href="#">Stakeholder Engagement and Relevancy Assessment, Responsible Marketing &amp; Sales</a>              | —        |
|   | 103-2 The management approach and its components                                      | Yes                     | <a href="#">Ethics, Anti-Corruption and Countering Bribery, Responsible Marketing and Sales</a>                 | —        |
|   | 103-3 Evaluation of the management approach   | Yes                     | <a href="#">Ethics, Anti-Corruption and Countering Bribery, Responsible Marketing and Sales</a>                 | —        |
| GRI 206: Anti-competitive Behavior 2016 | 206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices | Yes                     | <a href="#">Responsible Marketing and Sales</a>   | —        |
| GRI 300 Environmental Standards Series  |   |                         |   |          |
| Materials                               |   | Yes                     |   |          |
| GRI 103: Management Approach 2016       | 103-1 Explanation of the material topic and its Boundary                              | Yes                     | <a href="#">Stakeholder Engagement and Relevancy Assessment, Material Consumption</a>                           | —        |
|   | 103-2 The management approach and its components                                      | Yes                     | <a href="#">Managing Environmental Impacts of our Operations, Material Consumption</a>                          | —        |
|   | 103-3 Evaluation of the management approach   | Yes                     | <a href="#">Managing Environmental Impacts of our Operations, Material Consumption</a>                          | —        |
| GRI 301: Materials 2016                 | 301-1 Materials used by weight or volume  | Yes                     | <a href="#">Material Consumption, Key Statistics Table</a>  | —        |
|   | 301-2 Recycled input materials used   | Yes                     | <a href="#">Material Consumption, Key Statistics Table</a>  | —        |
|   | 301-3 Reclaimed products and their packaging materials                                | Yes                     | <a href="#">Material Consumption, Key Statistics Table</a>  | —        |
| Energy                                  |   | Yes                     |   |          |
| GRI 103: Management Approach 2016       | 103-1 Explanation of the material topic and its Boundary                              | Yes                     | <a href="#">Stakeholder Engagement and Relevancy Assessment, Climate Change, Energy and GHG Emissions</a>       | —        |
|   | 103-2 The management approach and its components                                      | Yes                     | <a href="#">Climate Change, Energy and GHG Emissions</a>  | —        |
|   | 103-3 Evaluation of the management approach   | Yes                     | <a href="#">Climate Change, Energy and GHG Emissions</a>  | —        |

| GRI Standard                      | Disclosure   | Is this topic material? | URL(s) or Direct Comments   | Omission   |
|-----------------------------------|--|-------------------------|---|--|
| GRI 302: Energy 2016              | 302-1 Energy consumption within the organization                 | Yes                     | <a href="#">Climate Change, Energy and GHG Emissions, Key Statistics Table, 2017 CDP Response</a>         | —  |
|                                   | 302-2 Energy consumption outside of the organization             | Yes                     | <a href="#">Climate Change, Energy and GHG Emissions, Key Statistics Table, 2017 CDP Response</a>         | —  |
|                                   | 302-3 Energy intensity   | Yes                     | <a href="#">Climate Change, Energy and GHG Emissions, Key Statistics Table, 2017 CDP Response</a>         | —  |
|                                   | 302-4 Reduction of energy consumption                            | Yes                     | <a href="#">Climate Change, Energy and GHG Emissions, Key Statistics Table, 2017 CDP Response</a>         | —  |
|                                   | 302-5 Reductions in energy requirements of products and services | Yes                     | <a href="#">Climate Change, Energy and GHG Emissions, Key Statistics Table, 2017 CDP Response</a>         | —  |
| Water                             |  | Yes                     |   |  |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the material topic and its Boundary         | Yes                     | <a href="#">Stakeholder Engagement and Relevancy Assessment, Water Stewardship</a>                        | —  |
|                                   | 103-2 The management approach and its components                 | Yes                     | <a href="#">Water Stewardship</a>   | —  |
|                                   | 103-3 Evaluation of the management approach                      | Yes                     | <a href="#">Water Stewardship, Key Statistics Table</a>   | —  |
| GRI 303: Water 2016               | 303-1 Water withdrawal by source                                 | Yes                     | <a href="#">Water Stewardship, Key Statistics Table</a>   | Although we have a couple wells in Michigan for irrigation purposes, the only water metric that we are able to measure is the water which is sourced through local utilities and is tracked through the utility water meter. |
| Biodiversity                      |  | No                      |   |  |
| Emissions                         |  | Yes                     |   |  |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the material topic and its Boundary         | Yes                     | <a href="#">Stakeholder Engagement and Relevancy Assessment, Climate Change, Energy and GHG Emissions</a> | —  |
|                                   | 103-2 The management approach and its components                 | Yes                     | <a href="#">Climate Change, Energy and GHG Emissions</a>  | —  |
|                                   | 103-3 Evaluation of the management approach                      | Yes                     | <a href="#">Climate Change, Energy and GHG Emissions</a>  | —  |

| GRI Standard                                    | Disclosure  | Is this topic material? | URL(s) or Direct Comments   | Omission |
|---|---|-------------------------|---|----------|
|   | 305-1 Direct (Scope 1) GHG emissions                                | Yes                     | <a href="#">Climate Change, Energy and GHG Emissions, Key Statistics Table, 2017 CDP Response</a>   | —        |
|   | 305-2 Energy indirect (Scope 2) GHG emissions                       | Yes                     | <a href="#">Climate Change, Energy and GHG Emissions, Key Statistics Table, 2017 CDP Response</a>   | —        |
|   | 305-3 Other indirect (Scope 3) GHG emissions                        | Yes                     | <a href="#">Climate Change, Energy and GHG Emissions, Key Statistics Table, 2017 CDP Response</a>   | —        |
|   | 305-4 GHG emissions intensity                                       | Yes                     | <a href="#">Climate Change, Energy and GHG Emissions, Key Statistics Table, 2017 CDP Response</a>   | —        |
|   | 305-5 Reduction of GHG emissions                                    | Yes                     | <a href="#">Climate Change, Energy and GHG Emissions, Key Statistics Table, 2017 CDP Response</a>   | —        |
| Effluents and Waste                             |   | Yes                     |   |          |
| GRI 103: Management Approach 2016               | 103-1 Explanation of the material topic and its Boundary            | Yes                     | <a href="#">Stakeholder Engagement and Relevancy Assessment, Material Consumption</a>   | —        |
|   | 103-2 The management approach and its components                    | Yes                     | <a href="#">Managing our Environmental Impacts, Material Consumption</a>  | —        |
|   | 103-3 Evaluation of the management approach                         | Yes                     | <a href="#">Managing our Environmental Impacts, Material Consumption, Water Stewardship</a>   | —        |
| GRI 306: Effluents and Waste 2016               | 306-2 Waste by type and disposal method                             | Yes                     | <a href="#">Material Consumption, Key Statistics Table</a>  | —        |
| Environmental Compliance                        |   | Yes                     |   |          |
| GRI 103: Management Approach 2016               | 103-1 Explanation of the material topic and its Boundary            | Yes                     | <a href="#">Stakeholder Engagement and Relevancy Assessment, Environmental Risk Management</a>  | —        |
|   | 103-2 The management approach and its components                    | Yes                     | <a href="#">Environmental Risk Management</a>   | —        |
|   | 103-3 Evaluation of the management approach                         | Yes                     | <a href="#">Environmental Risk Management</a>   | —        |
| GRI 307: Environmental Compliance 2016          | 307-1 Non-compliance with environmental laws and regulations        | Yes                     | There were no significant fines or monetary sanctions associated with non-compliance of environmental laws and regulations in 2016 that would have a material adverse effect on our operations or ability to perform the services we offer. | —        |
| Supplier Environmental Assessment               |   | No                      |   |          |
| GRI 308: Supplier Environmental Assessment 2016 | 308-1 New suppliers that were screened using environmental criteria | No                      | <a href="#">Supply Chain, Reducing Environmental Impacts in our Supply Chain</a>  | —        |

| GRI Standard                             | Disclosure   | Is this topic material? | URL(s) or Direct Comments  | Omission |
|--|--|-------------------------|--|----------|
| <b>GRI 400 Social Standards Series</b>   |  |                         |  |          |
| <b>Employment</b>                        |  | Yes                     |  |          |
| GRI 103: Management Approach 2016        | 103-1 Explanation of the material topic and its Boundary   | Yes                     | <a href="#">Stakeholder Engagement and Relevancy Assessment, Talent Attraction, Development and Retention, Employee Engagement</a> | —        |
|  | 103-2 The management approach and its components   | Yes                     | <a href="#">Talent Attraction, Development and Retention, Employee Engagement</a>  | —        |
|  | 103-3 Evaluation of the management approach  | Yes                     | <a href="#">Talent Attraction, Development and Retention, Employee Engagement</a>  | —        |
| GRI 401: Employment 2016                 | 401-1 New employee hires and employee turnover   | Yes                     | <a href="#">Talent Attraction, Development and Retention</a>   | —        |
|  | 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees | Yes                     | <a href="#">Talent Attraction, Development and Retention</a>   | —        |
| <b>Labor/Management Relations</b>        |  | Yes                     |  |          |
| GRI 103: Management Approach 2016        | 103-1 Explanation of the material topic and its Boundary   | Yes                     | <a href="#">Stakeholder Engagement and Relevancy Assessment, Supporting Our Colleagues</a>   | —        |
|  | 103-2 The management approach and its components   | Yes                     | <a href="#">Supporting Our Colleagues</a>  | —        |
|  | 103-3 Evaluation of the management approach  | Yes                     | <a href="#">Supporting Our Colleagues, Talent Attraction, Development and Retention</a>  | —        |
| GRI 402: Labor/Management Relations 2016 | 402-1 Minimum notice periods regarding operational changes   | Yes                     | The minimum notice period for significant operational changes is 45 days (6.4 weeks).  | —        |
| <b>Occupational Health and Safety</b>    |  | No                      |  |          |
| <b>Training and Education</b>            |  | Yes                     |  |          |
| GRI 103: Management Approach 2016        | 103-1 Explanation of the material topic and its Boundary   | Yes                     | <a href="#">Stakeholder Engagement and Relevancy Assessment, Talent Attraction, Development and Retention</a>                      | —        |
|  | 103-2 The management approach and its components   | Yes                     | <a href="#">Talent Attraction, Development and Retention</a>   | —        |
|  | 103-3 Evaluation of the management approach  | Yes                     | <a href="#">Talent Attraction, Development and Retention</a>   | —        |
| GRI 404: Training and Education 2016     | 404-1 Average hours of training per year per employee  | Yes                     | <a href="#">Talent Attraction, Development and Retention</a>   | —        |
|  | 404-2 Programs for upgrading employee skills and transition assistance programs                          | Yes                     | <a href="#">Talent Attraction, Development and Retention</a>   | —        |
|  | 404-3 Percentage of employees receiving regular performance and career development reviews               | Yes                     | <a href="#">Talent Attraction, Development and Retention</a>   | —        |
| <b>Diversity and Equal Opportunity</b>   |  | Yes                     |  |          |
| GRI 103: Management Approach 2016        | 103-1 Explanation of the material topic and its Boundary   | Yes                     | <a href="#">Stakeholder Engagement and Relevancy Assessment, Prioritizing Diversity and Inclusion, Corporate Governance</a>        | —        |
|  | 103-2 The management approach and its components   | Yes                     | <a href="#">Corporate Governance, Prioritizing Diversity and Inclusion</a>   | —        |
|  | 103-3 Evaluation of the management approach  | Yes                     | <a href="#">Corporate Governance, Prioritizing Diversity and Inclusion</a>   | —        |

| GRI Standard                                     | Disclosure   | Is this topic material? | URL(s) or Direct Comments  | Omission  |
|--|--|-------------------------|--|---|
| GRI 405: Diversity and Equal Opportunity 2016    | 405-1 Diversity of governance bodies and employees   | Yes                     | <a href="#">Corporate Governance, Prioritizing Diversity and Inclusion</a>   | —   |
|  | 405-2 Ratio of basic salary and remuneration of women to men   | Yes                     | <a href="#">Prioritizing Diversity and Inclusion</a>   | Requested metric not provided in report. Aggregated data on remuneration without detailed accompanying context makes broad comparisons difficult. |
| Non-discrimination                               |  | No                      |  |   |
| Freedom of Association and Collective Bargaining |  | No                      |  |   |
| Child Labor                                      |  | No                      |  |   |
| Forced or Compulsory Labor                       |  | No                      |  |   |
| Security Practices                               |  | No                      |  |   |
| Rights of Indigenous Peoples                     |  | No                      |  |   |
| Human Rights Assessment                          |  | No                      |  |   |
| GRI 103: Management Approach 2016                | 103-1 Explanation of the material topic and its Boundary   | No                      | <a href="#">Supply Chain, Ethics, Anti-Corruption and Countering Bribery</a>   | —   |
|  | 103-2 The management approach and its components   | No                      | <a href="#">Supply Chain, Ethics, Anti-Corruption and Countering Bribery</a>   | —   |
|  | 103-3 Evaluation of the management approach  | No                      | <a href="#">Supply Chain, Ethics, Anti-Corruption and Countering Bribery</a>   | —   |
| GRI 412: Human Rights Assessment 2016            | 412-1 Operations that have been subject to human rights reviews or impact assessments  | No                      | <a href="#">Supply Chain</a>   | —   |
|  | 412-2 Employee training on human rights policies or procedures   | No                      | <a href="#">Ethics, Anti-Corruption and Countering Bribery</a>   | —   |
|  | 412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening | No                      | <a href="#">Ethics, Anti-Corruption and Countering Bribery</a>   | —   |
| Local Communities                                |  | Yes                     |  |   |
| GRI 103: Management Approach 2016                | 103-1 Explanation of the material topic and its Boundary   | Yes                     | <a href="#">Stakeholder Engagement and Relevancy Assessment, Supporting Our Communities, Indirect Economic Impact, Risk Management, Community Reinvestment and Development, Philanthropy, Volunteerism</a> | —   |
| GRI 413: Local Communities 2016                  | 103-2 The management approach and its components   | Yes                     | <a href="#">Indirect Economic Impact, Risk Management, Supporting Our Communities, Community Reinvestment and Development, Philanthropy, Volunteerism</a>  | —   |

| GRI Standard                         | Disclosure   | Is this topic material? | URL(s) or Direct Comments  | Omission |
|--------------------------------------|--|-------------------------|--|----------|
| GRI 413: Local Communities 2016      | 103-3 Evaluation of the management approach  | Yes                     | <a href="#">Indirect Economic Impact, Risk Management, Supporting Our Communities, Community Reinvestment and Development, Philanthropy, Volunteerism</a>  | —        |
|                                      | 413-1 Operations with local community engagement, impact assessments, and development programs     | Yes                     | <a href="#">Indirect Economic Impact, Risk Management, Supporting Our Communities, Community Reinvestment and Development, Philanthropy, Volunteerism</a>  | —        |
| Supplier Social Assessment           |  | No                      |  |          |
| Public Policy                        |  | Yes                     |  |          |
| GRI 103: Management Approach 2016    | 103-1 Explanation of the material topic and its Boundary   | Yes                     | <a href="#">Stakeholder Engagement and Relevancy Assessment, Public Policy and Government Relations</a>  | —        |
|                                      | 103-2 The management approach and its components   | Yes                     | <a href="#">Public Policy and Government Relations</a>   | —        |
|                                      | 103-3 Evaluation of the management approach  | Yes                     | <a href="#">Public Policy and Government Relations</a>   | —        |
| GRI 415: Public Policy 2016          | 415-1 Political contributions  | Yes                     | <a href="#">Public Policy and Government Relations</a>   | —        |
| Customer Health & Safety             |  | No                      |  |          |
| Marketing and Labeling               |  | Yes                     |  |          |
| GRI 103: Management Approach 2016    | 103-1 Explanation of the material topic and its Boundary   | Yes                     | <a href="#">Stakeholder Engagement and Relevancy Assessment, Responsible Marketing and Sales</a>   | —        |
|                                      | 103-2 The management approach and its components   | Yes                     | <a href="#">Responsible Marketing and Sales</a>  | —        |
|                                      | 103-3 Evaluation of the management approach  | Yes                     | <a href="#">Responsible Marketing and Sales</a>  | —        |
| GRI 417: Marketing and Labeling 2016 | 417-1 Requirements for product and service information and labeling                                | Yes                     | <a href="#">Responsible Marketing and Sales</a>  | —        |
|                                      | 417-2 Incidents of non-compliance concerning product and service information and labeling          | Yes                     | In 2016, there were no significant fines for non-compliance with laws and regulations concerning the provision and use of products and services that would have a material adverse effect on our operations or ability to perform the services we offer. | —        |
|                                      | 417-3 Incidents of non-compliance concerning marketing communications                              | Yes                     | <a href="#">Responsible Marketing and Sales</a>  | —        |
| Customer Privacy                     |  | Yes                     |  |          |
| GRI 103: Management Approach 2016    | 103-1 Explanation of the material topic and its Boundary   | Yes                     | <a href="#">Stakeholder Engagement and Relevancy Assessment, Supporting our Customers, Customer Privacy, Protection and Cybersecurity</a>  | —        |
|                                      | 103-2 The management approach and its components   | Yes                     | <a href="#">Customer Privacy, Protection and Cybersecurity</a>   | —        |
|                                      | 103-3 Evaluation of the management approach  | Yes                     | <a href="#">Customer Privacy, Protection and Cybersecurity</a>   | —        |
| GRI 418: Customer Privacy 2016       | 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data | Yes                     | <a href="#">Customer Privacy, Protection and Cybersecurity</a>   | —        |

| GRI Standard                           | Disclosure   | Is this topic material? | URL(s) or Direct Comments   | Omission |
|--|--|-------------------------|---|----------|
| Socioeconomic Compliance               |  | Yes                     |   |          |
| GRI 103: Management Approach 2016      | 103-1 Explanation of the material topic and its Boundary                       | Yes                     | <a href="#">Stakeholder Engagement and Relevancy Assessment</a> , <a href="#">Economic Impact</a>   | —        |
|  | 103-2 The management approach and its components                               | Yes                     | <a href="#">Economic Impact</a>   | —        |
|  | 103-3 Evaluation of the management approach                                    | Yes                     | <a href="#">Economic Impact</a>   | —        |
| GRI 419: Socioeconomic Compliance 2016 | 419-1 Non-compliance with laws and regulations in the social and economic area | Yes                     | No significant fines or non-monetary sanctions for non-compliance with laws or regulations in 2016 that would have a material adverse effect on our operations or ability to perform the services we offer. | —        |