



GM-HR – Group Human Resources

2018 Remuneration Report

pursuant to Section 16 of the German Remuneration Ordinance for Institutions (InstitutsVergV) of 25 July 2017



Table of Contents

1	Introduction	3
2	Remuneration strategy	4
3	Compensation governance structure	5
3.1	Remuneration Control Committee	5
3.2	Remuneration Officer	6
3.3	Remuneration Committee	7
4	Remuneration system	8
4.1	Remuneration parameters	9
4.2	Determination of the disbursement volume for variable remuneration	9
4.3	Profit sharing for pay-scale employees	10
4.4	Variable remuneration for non-pay-scale employees	10
4.4.1	NPS model	10
4.4.2	Investment Banking (IB) model	12
4.4.3	Management Model	12
4.4.4	Employees in control functions	13
4.4.5	Remuneration of the Board of Managing Directors	13
4.5	Variable remuneration regulations applicable to all models	13
4.5.1	Risk Taker identification	13
4.5.2	Special remuneration rules for Risk Takers	14
4.5.3	Performance assessment for Risk Takers	15
4.5.4	Ban on hedging transactions	16
5	Group-wide implementation	17
6	Remuneration information	18
6.1	Quantitative information on remuneration by business area	18
6.2	Quantitative information on remuneration of senior management and Risk Takers	19
6.3	Number of persons with high remuneration	21

References made to persons in the masculine for reasons of readability apply equally in the feminine. For the purpose of equal treatment, references apply to both genders equally.

1 Introduction

Following the further tightening of the statutory requirements for remuneration systems in the banking sector in 2017 with the third version of the German Remuneration Ordinance for Institutions (InstitutsVergV), an important priority in the 2018 financial year was the implementation of those changes as clarified in the corresponding Guidance Notice in the institutions. The persistently high degree of regulation of remuneration systems in the European Union continues to restrict banks' scope for action as compared to other industries or less tightly regulated areas of the financial sector in the competition to attract talent. One of the biggest challenges faced by Commerzbank in the coming years will include that of recruiting and retaining the employees with the right skills for the digital transformation of the Bank despite these regulatory restrictions.

At the European level, the remuneration regulations for banks and financial institutions have been enshrined in such EU legislation as the Capital Requirements Directive IV (CRD IV)¹ and Capital Requirements Regulation (CRR)², among other regulations.

The requirements of CRD IV are implemented at the national level mainly through the German Remuneration Ordinance for Institutions (Institutsvergütungsverordnung, InstitutsVergV) and the German Banking Act (Kreditwesengesetz, KWG). As the final stage in a three-stage implementation process, they ensure that the principles and standards of the Financial Stability Board (FSB) and the remuneration-related regulations of CRD IV are anchored in national law.

With the "Guidelines on Sound Remuneration Policies and Disclosures" (from the European Banking Authority – EBA), the European-level provisions fixed in CRD IV are defined more concretely in order to harmonise the sometimes heterogeneous legislation implementing CRD IV in the various EU states. The EBA guidelines are now implemented in German law through the third version of the German Remuneration Ordinance for Institutions of 25 July 2017.

Both regulations result in further restrictions on the structure of remuneration systems as well as an expansion of control mechanisms as compared to existing regulations.

This Remuneration Report is based on the German Remuneration Ordinance for Institutions of 25 July 2017, which was applicable to the 2018 financial year. It summarises the remuneration systems applicable in Commerzbank for the 2018 financial year and the adjustments to them for the 2019 financial year.

¹ Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013.

² Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013.

2 Remuneration strategy

The remuneration strategy sets the guidelines for the remuneration policy within the Commerzbank Group in order to ensure competitive remuneration of employees in line with their performance. The remuneration strategy is derived from the human resources strategy and is in harmony with the business strategy and risk strategy. It is generally applicable to the entire Group.

The human resources strategy defines in a challenging regulatory and economic environment an operational framework and core strategic issues that contribute to the Bank's future viability.

The remuneration strategy of Commerzbank is developed under the auspices of the Human Resources (HR) Division, and coordinated with the experts and managers responsible for the HR strategy, with involvement of the remuneration officer. Further coordination of the remuneration strategy takes place with the divisions represented in the Remuneration Committee. To the extent that a review of the remuneration strategy will result in substantial changes to the strategic approach, the core issues of the strategy are also discussed in advance with selected subsidiaries.

The remuneration strategy was first approved by the Board of Managing Directors in the 2015 financial year and subsequently acknowledged by the Supervisory Board. After amendments to the Group strategy, the remuneration strategy was reviewed in November 2016 and again in December 2018 as part of the "Commerzbank 4.0" strategy and approved by the Board of Managing Directors of Commerzbank AG. The remuneration strategy applies to Commerzbank AG and the subsidiaries included in the companies consolidated for regulatory purposes (referred to below as the "regulatory group" or "the Commerzbank Group") and is implemented within those companies in accordance with their internal regulations (see Chapter 5).

The "Commerzbank 4.0" corporate strategy, which was published in September 2016, has three cornerstones: a "focussed business model", "digital enterprise" and "enhancing efficiency". It came into effect at the beginning of the 2017 financial year and is accessible to all Bank employees via the company intranet.

The remuneration systems for the 2018 financial year, which are based on this remuneration strategy, supported the Bank in achieving its strategic goals. At the same time, they ensured a remuneration level that will enable the Bank to attract and retain sufficient numbers of qualified staff in a dynamic market environment. In that regard, the Bank ensures at all times that both the remuneration models and

parameters and the remuneration components are sustainable, i.e. that they are geared to long-term business success and are structured transparently.

In particular, the remuneration strategy and systems help to avoid false incentives that run counter to fair and competent advice and to the needs of customers.

In line with the objectives of the remuneration strategy, overall remuneration at Commerzbank consists of several components:

- With **competitive remuneration based on results and performance**, primarily oriented towards the company's success, the Bank seeks to place equal emphasis on the interests of shareholders and employees while supporting long-term corporate success.
- With **voluntary fringe benefits**, the Bank also creates a working environment that encourages performance, offers recognition to employees, and supports them beyond the immediate workplace.
- In addition to statutory and private pension schemes, the Bank offers its employees a **company pension scheme** with various implementation options. This company pension scheme helps to ensure that employees can retire with a high level of security.

The various remuneration components result in competitive remuneration for employees, taking into account an appropriate balance of variable to fixed remuneration.

In the ongoing development of its remuneration models, the Bank continues to pursue the aims of rewarding performance and fostering the employee behaviour which supports corporate success while complying with regulatory requirements.

In connection with remuneration issues – or in any other area – Commerzbank does not tolerate any form of discrimination with regard to gender, ethnic background, sexual orientation, age, religion or disabilities.

3 Compensation governance structure

Pursuant to Section 15 InstitutsVergV, Commerzbank established a Remuneration Control Committee as a committee of the Supervisory Board, and a Remuneration Officer and a deputy were appointed, pursuant to Section 23 et. seq. InstitutsVergV.

Moreover, the additionally created Remuneration Committee ensures the proper involvement of control units in the structuring and monitoring of the remuneration systems as required in Section 3 Paragraph 3 InstitutsVergV.

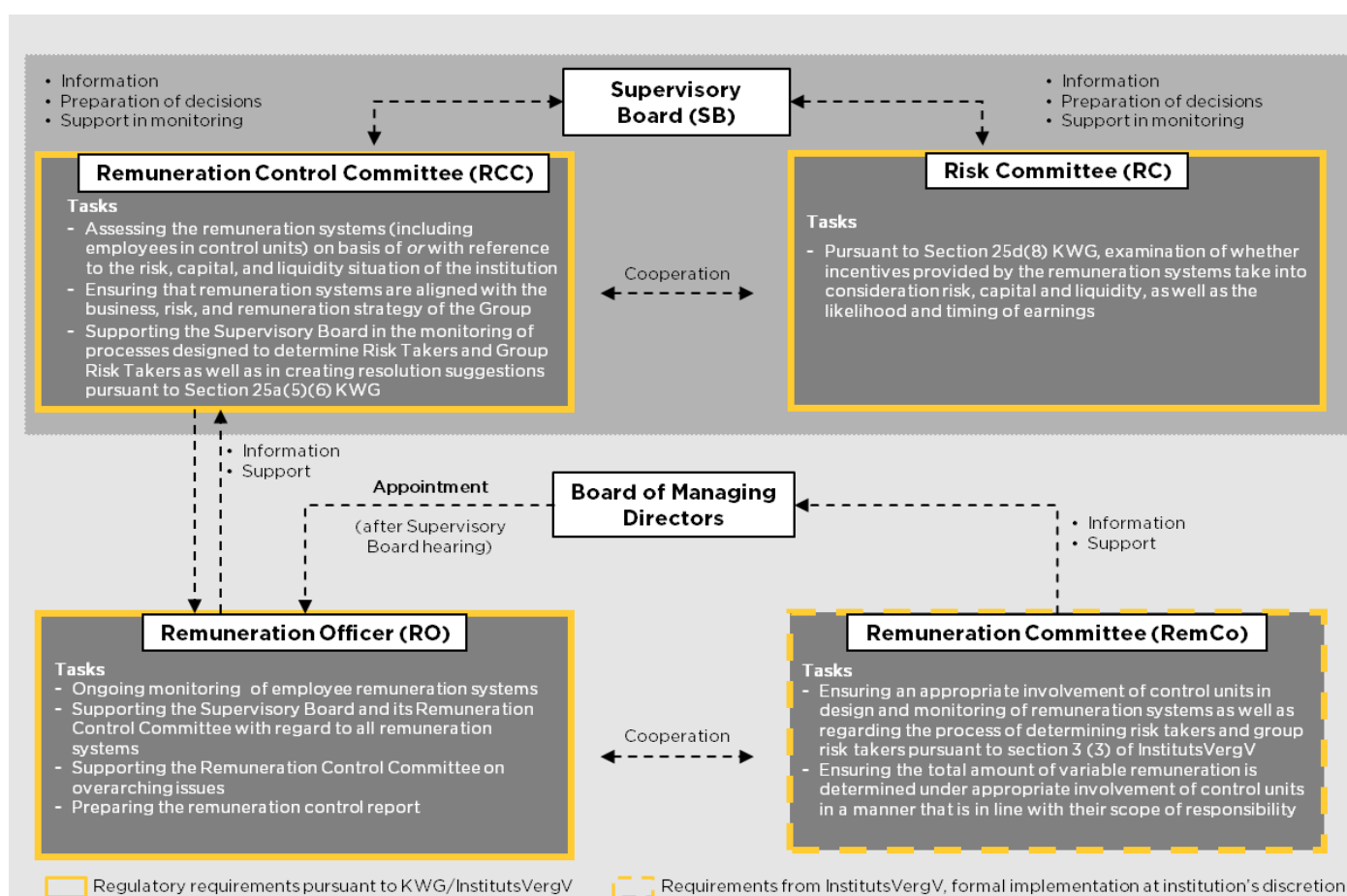


Figure 1: Overview of the compensation governance structure at Commerzbank

3.1 Remuneration Control Committee

Pursuant to Section 25d Paragraph 12 in conjunction with Paragraph 7 KWG, Commerzbank has set up a Remuneration Control Committee. Pursuant to Section 10 a Par. 1 – 3 KWG, the Remuneration Control Committee can, in principle, perform the function of the remuneration

control committee as defined in Section 25 d Par. 7 in conjunction with Par. 12 KWG for other institutes in the Commerzbank Group .

The Remuneration Control Committee is made up of the Chairman of the Supervisory Board, its Deputy Chairman pursuant to Section 27 Paragraph 1 of the Co-determination Act, and one member each from the shareholder and employee representatives. At least one member of the Remuneration Control Committee must have sufficient knowledge and professional experience in the area of risk management and risk controlling, in particular with regard to the mechanisms governing the alignment of the remuneration systems with the Company's risk appetite and risk strategy as well as its capital resources. The Remuneration Control Committee and the Supervisory Board are supported by the Remuneration Officer in performing their monitoring and structuring duties.

The Remuneration Control Committee supports the Supervisory Board in appropriately structuring the remuneration systems of the Board of Managing Directors. To this end, it prepares the resolutions of the Supervisory Board on the remuneration of the members of the Board of Managing Directors and on the determination of the total amount of variable remuneration pursuant to Section 45 (2) sentence 1 No. 5 a KWG, taking into account the provisions of Section 7 InstitutsVergV. It also prepares the resolutions to set appropriate remuneration parameters, performance contributions, disbursement and deferral periods, including the criteria for complete cancellation or partial reduction of deferred variable remuneration, or the clawback of variable remuneration amounts after disbursement. In performing those tasks, it considers in particular the effects of the resolutions on the company's risks and the risk management and takes into account the long-term interests of the shareholders, investors, other stakeholders, and the public.

It conducts regular reviews, at least once a year, of whether the resolutions are still appropriate. In case deficiencies are identified, a set of measures is drawn up without undue delay to eliminate them.

The Remuneration Control Committee also supports the Supervisory Board in monitoring the appropriate structure of the remuneration systems for employees who are not executive managers. In particular, it checks on a regular basis, and at least once a year, whether the total amount of variable remuneration for the employees has also been determined in accordance with the regulatory requirements and whether the principles for determining remuneration parameters, performance contributions, disbursement and deferral periods are appropriate. It checks whether the criteria for the complete cancellation or partial reduction of the variable remuneration and the

remuneration systems for the employees in control units meet the regulatory requirements, focusing in particular on the remuneration systems for the heads of risk controlling and the compliance function as well as the employees with a material influence on the Bank's overall risk profile. In addition, the Remuneration Control Committee supports the Supervisory Board in monitoring the process for determining Risk Takers and group Risk Takers³.

It supports the Supervisory Board in monitoring the proper inclusion of the internal control units and all other important units in structuring the remuneration systems. It assesses the effects of the remuneration systems, including those of employees in control units, on the risk, capital, and liquidity situation. In this context, the Committee ensures that the remuneration strategy and systems are geared to achieving the goals fixed in the business strategy and risk strategies.

In addition, the Remuneration Control Committee supports the Supervisory Board in compiling proposed resolutions pursuant to Section 25a Paragraph 5 Sentence 6 KWG.

The tasks of the Remuneration Control Committee are set out in the Rules of Procedure of the Supervisory Board, which are published on the Commerzbank AG websites.

In the 2018 financial year, the Remuneration Control Committee of Commerzbank convened six times, including one joint meeting with the Presiding Committee of the Supervisory Board.

3.2 Remuneration Officer

As a major institution, Commerzbank AG is required pursuant to Section 23 Paragraph 1 Sentence 2 and Paragraph 6 InstitutsVergV to appoint a remuneration officer and a deputy in order to ensure appropriate, long-term, and effective monitoring of the remuneration systems of the employees.

The tasks of the Remuneration Officer are defined in Section 24 InstitutsVergV and are published as a mandate in the Bank's organisational guidelines. The Remuneration Officer has the necessary authority and the required material and staff resources, both in terms of quantity and quality, to perform his tasks effectively and independently, and he takes part in training courses on a regular basis.

The Remuneration Officer monitors the appropriateness of the staff remuneration systems and the related internal

³ For a definition of Risk Takers, see Chapter 4.5.1.

regulations and processes in accordance with the requirements of the InstitutsVergV. In that regard, he monitors proper compliance with all documentation and information obligations pursuant to the InstitutsVergV and maintains communications with the regulatory authorities on remuneration-related issues.

In the context of his monitoring tasks, the Remuneration Officer checked, inter alia, whether the total amount of variable remuneration for staff for the financial year in question was set into account Section 7 of the InstitutsVergV. Moreover, he reviewed whether the policies for setting remuneration parameters and performance contributions as well as for defining the requirements for complete cancellation or partial reduction of variable remuneration of the employees for the 2018 financial year were appropriate. A particular focus was placed on the remuneration requirements for Risk Takers.

The Remuneration Officer and his deputy are appropriately integrated into the conceptual development of new and existing staff remuneration systems and in their ongoing processes. They communicate with the chairman of the Remuneration Control Committee and support him in the performance of his monitoring and structuring duties with regard to the remuneration systems.

3.3 Remuneration Committee

The Remuneration Committee was set up in order to involve the Bank's control units appropriately in the structuring and monitoring of the remuneration systems as well as in the process for determining Risk Takers and Group Risk Takers within the Commerzbank Group pursuant to Section 3 Paragraph 3 of the InstitutsVergV. For this reason, the control units as defined in Section 2 Paragraph 9 InstitutsVergV along with the divisions Group Finance and Group Legal have permanent representatives on the Remuneration Committee. The Remuneration Officer is a non-voting participant of the Remuneration Committee.

The Remuneration Committee is involved to an appropriate extent in the structuring and monitoring of the remuneration systems in the Commerzbank Group. It is also appropriately involved in the process, pursuant to Section 3 Paragraph 3 InstitutsVergV, of identifying the Risk Takers as defined in Section 18 Paragraph 2 InstitutsVergV and the Group Risk Takers as defined in Section 27 Paragraph 2 Sentence 1 InstitutsVergV. This includes in particular being provided with detailed information and having its views heard when remuneration

systems are designed, changed, developed or withdrawn from use. In these cases, the Remuneration Committee is involved prior to the decision in question being implemented.

In that context, the Remuneration Committee assesses whether the remuneration systems are compatible with the Bank's business, risk and personnel strategy and whether they must be adjusted or changed in case of changes to the above-mentioned internal standards.

In addition, the Remuneration Committee is involved, giving due regard to the functions of its members, when the total bonus pool is determined. It also performs the appropriateness assessment pursuant to Section 12 of the InstitutsVergV.

Section 12 of the InstitutsVergV notwithstanding, the Remuneration Committee is obliged to inform the Full Board of Managing Directors of Commerzbank AG of any adverse developments and, if applicable, to suggest possible courses of action to correct them.

The tasks, composition and regulations on passing resolutions and the organisation of the Remuneration Committee are set forth in Rules of Procedure included in the Bank's organisational guidelines.

In the 2018 financial year, the Remuneration Committee convened three times and, in addition, was kept up to date on current issues by means of the circulation procedure and newsletters.

4 Remuneration system

For the employees of Commerzbank the fixed remuneration constitutes the main part of their remuneration. The fixed remuneration is based primarily on the employee's qualifications and competencies and the requirements of the function exercised by him. For **pay-scale employees**, the remuneration is oriented to the criteria of the Framework Collective Agreement for the Private Banking Sector. For **non-pay-scale employees**, the requirements are described in six successive career levels. Through the career levels, the Bank's non-pay-scale functions are structured in ascending order in relation to their internal importance.

The fixed remuneration may be supplemented by variable remuneration. The different target group-oriented remuneration models guarantee a fixed, market-oriented, and performance-oriented variable remuneration at all levels which – apart from the Group's and the individual segments' contributions to overall success – also takes into consideration the employee's individual performance contribution. To this end, the Bank has determined salary band-widths both for fixed remuneration as well as for variable remuneration, which depend on the individual career levels and remuneration models.

In 2018, the remuneration models of Commerzbank were geared to the various employee groups, depending on the Bank's business model. The following remuneration models were applied:

- Pay-scale remuneration: for all pay-scale employees at Commerzbank Germany
- Non-pay-scale (NPS) model: for non-pay-scale employees not covered by the investment banking or Management Model
- Investment banking model: in 2018 for all non-pay-scale employees in the Equity Markets & Commodities division within the Corporate Clients segment.
- Management model: for the first and second management levels of the Bank and selected project management functions (excluding Equity Markets & Commodities)
- Board of Managing Directors model: for all members of the Board of Managing Directors of Commerzbank AG⁴

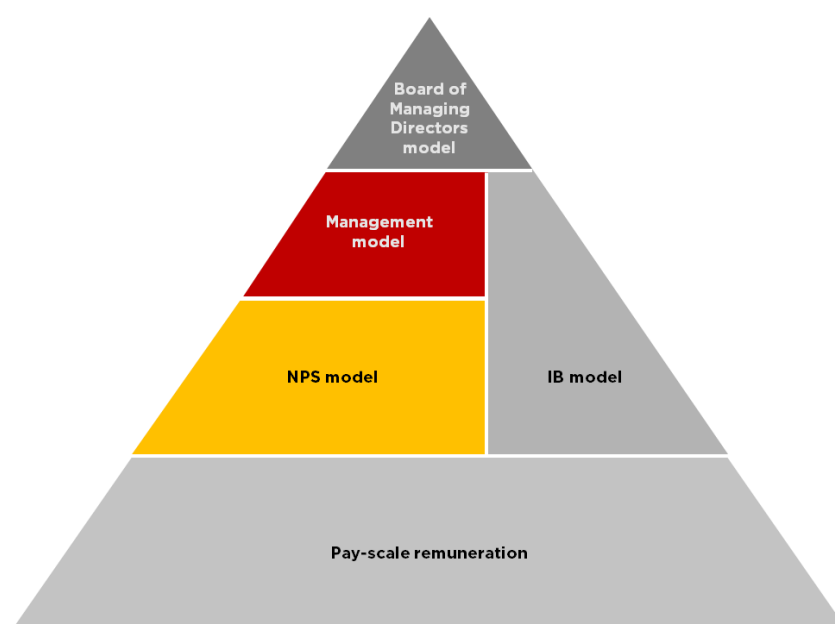


Figure 2: Overview of all currently applicable remuneration models at Commerzbank

⁴ For detailed information on the Board of Managing Directors remuneration system, please refer to the 2018 Annual Report of Commerzbank (p. 29 et. seq.).

The remuneration models for employees and managers were revised already in the 2014 financial year, when the InstitutsVergV was amended, with the aim of minimising remuneration-induced risks. In addition to the regulatory adjustments required, the non-pay-scale models were harmonised to a greater extent. This applied in particular with regard to the remuneration parameters, budgeting, the pool proviso pursuant to Section 7 InstitutsVergV, and the individual distribution. As a result of this, the remuneration system became more transparent and understandable for all groups of employees.

The amendments to the InstitutsVergV of 25 July 2017 resulted in greater consistency across the various remuneration models. The management and NPS models were merged into a single model. This model, with differing characteristics for Germany and the international locations and for Risk Takers and employees without material influence on the Bank's risk profile, will apply in Commerzbank AG as of the 2019 financial year. In addition, the guidelines for severance payments have been adapted in line with the provisions of the new InstitutsVergV.

Should the Bank decide to pay other variable remuneration components such as retention bonuses, these payments would be entirely subject to the provisions of the InstitutsVergV with regard to the conditions for granting the payments, the vesting of claims and the disbursement.

The sections below describe the remuneration parameters and models in effect in the 2018 period under review. For details on the sustainability components of the remuneration models, please refer to Chapter 4.5.2.

4.1 Remuneration parameters

Prior to each financial year, the Commerzbank Board of Managing Directors decides upon guidelines for targets in the Commerzbank Group. These guidelines ensure that the targets of the employees are geared to the business and risk strategy as well as to the HR strategy of the Commerzbank Group. Furthermore, the strategic targets of the multi-year planning and other project and/or line-related targets as well as the corporate culture are taken into consideration in addition to the segment-specific and division-specific targets of the Group.

Moreover, it is ensured that the targets for managers and employees are set on the basis of uniform criteria and in consideration of the target guidelines. In sales units, additional regulatory objectives must be taken into

account⁵. Consequently, when setting the targets in those units, particular consideration is given to the targets "customer satisfaction" or "customer orientation".

The above-mentioned approach ensures that the employees' individual targets agreed upon at the beginning of each financial year are in line with the Bank's strategic targets. When it comes to setting the individual targets, particular attention is paid to the fact that the remuneration-related targets are sufficiently ambitious, make an effective and sustainable contribution to achieving the company targets, and create no incentive to take inappropriately high risks. The target agreement contains, in principle, quantitative and qualitative targets.

Furthermore, the Board of Managing Directors defines so-called performance curves for the Group and its individual segments, which are geared to the Bank's long-term strategy and which serve as a basis for calculating the volume for variable remuneration.

4.2 Determination of the disbursement volume for variable remuneration

At the end of each financial year, the disbursement volume for variable remuneration will be calculated on the basis of defined parameters. In this context, the Group result is allocated a weighting of 40 per cent for the calculation of the disbursement budget; the respective segment result⁶ is allocated a weighting of 60 per cent.

Independent of the budget calculation described, an assessment is made under a formalised, transparent, and readily understandable process as set out in Section 45 Paragraph 2 Sentence 1 No. 5a KWG to determine whether a certain volume of funds can be made available for the disbursement of variable remuneration.

To meet the regulatory requirements, the budget for variable remuneration is reviewed, taking various factors into account as well as the regulatory requirements. A budget is set aside only in case of a positive overall assessment. The underlying requirements are considered separately and evaluated accordingly. The process takes into account economic factors – in particular risk bearing capacity, multi-year planning, and the profit position of the Group – as well as regulatory factors such as the ability to regain appropriate capital and liquidity resources or

⁵ Inter alia, minimum compliance requirements, special section 8 (MaCompBT8) of the Directive on credit agreements for consumers relating to residential immovable property (Wohnimmobilienkreditrichtlinie), Dodd-Frank Act (so-called Volcker Rule).

⁶ If employees work in a group management and services unit, the average of all segments will be taken as a basis for assessment.

maintain them in the long term. The process ensures that the Bank's ability to maintain or regain compliance with the combined capital buffer requirements pursuant to Section 10i of the German Banking Act (KWG) is not impaired. It also ensures, in case of a negative overall assessment, in particular if this involves a decrease in company value, that it is generally not permissible to set aside a budget for variable remuneration (pool proviso).

The **economic factors** pursuant to Section 7 Sentence 3 InstitutsVergV are fulfilled through the use of economic value added (EVA) based on the definition applied by Commerzbank. EVA is generally used in the remuneration models of the Commerzbank Group when setting budgets for variable remuneration. It takes into account the operating profit and the capital costs by deducting the capital costs from the operating profit of the unit under consideration. The capital costs are calculated as the product of capital and the capital cost rate defined in the annual budget. As a result, EVA meets all regulatory requirements.

An assessment is also made to ensure compliance with the **regulatory requirements** for capital and liquidity resources and the combined capital buffer requirements. These are reviewed on a regular basis by the internal Asset Liability Committee. The Board of Managing Directors is informed of these parameters on a quarterly basis.

Within the framework of an overall assessment, all parameters of the pool assessment are also evaluated in the general context prior to determining the variable remuneration. This includes an examination of the influence and effects of the variable remuneration and extraordinary events, among other factors, with reference to the balance sheet, on the current and future situation of the Bank as a whole. In case of a **negative overall assessment**, the pool for variable remuneration payments will generally be cancelled or reduced.

4.3 Profit sharing for pay-scale employees

In addition to the 13th monthly salary payment stipulated in the Framework Collective Agreement for the private banking sector, pay-scale employees at Commerzbank can receive a profit share as a variable remuneration component. Starting in the 2016 financial year, the profit share of pay-scale employees has been calculated on the basis of EVA in line with the other remuneration models. In general, in the case of a Group target achievement below a defined threshold, no budget will be made available for disbursement.

If a budget is made available for disbursement, it will be disbursed to the employees, according to their individual performance, applying the respective segment performance and the individual pro-rata monthly salary, whereby the Bank is entitled to reduce or cancel any disbursements in the case of non-compliant behaviour. In addition to the rule laid out above, the pool proviso in accordance with Chapter 4.2 also applies to profit sharing for pay-scale employees.

For the 2018 financial year, the defined threshold for payment of a profit share to pay-scale employees was not reached. As a result, no profit share was paid to pay-scale employees.

4.4 Variable remuneration for non-pay-scale employees

In addition to the annual fixed salary, generally paid out in the form of 12 monthly salary payments, non-pay-scale employees can receive variable remuneration. To this end, credit institutions are obliged to determine an upper limit for an appropriate relation between the variable and fixed remuneration of their employees pursuant to Section 25 a Paragraph 5 KWG. Commerzbank implemented this by defining differentiated upper limits for variable remuneration for its non-pay-scale remuneration systems. Independent of these upper limits and subject to a resolution to the contrary being passed by the Annual General Meeting, the variable remuneration of individual employees is not allowed to exceed 100 per cent of their individual annual fixed remuneration ("bonus cap"). In addition, the Bank has possibilities under all remuneration models to reduce or cancel bonuses in case of non-compliant conduct.

The main features of the different variable remuneration models for non-pay-scale employees are set out below.

4.4.1 NPS model

In the 2018 financial year, the NPS model applied to all non-pay-scale employees, who did not belong to the Investment Banking or Management Model.

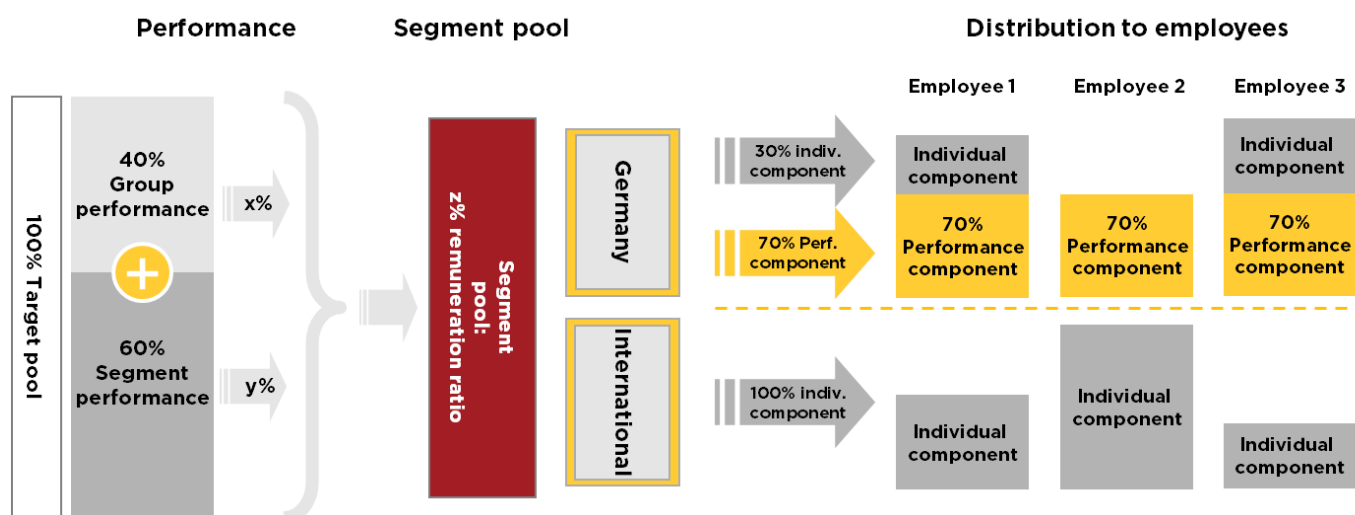


Figure 3: Overview of functioning of the NPS model of Commerzbank for the 2018 financial year

The Board of Managing Directors defined a target volume for variable remuneration for the employees under the NPS model at the beginning of the financial year. This target volume was divided up in the form of individual target amounts allocated to the employees for the 2018 financial year for the last time. These individual target amounts for variable remuneration, which were reviewed annually and communicated in writing to the employees, served as an orientation value for variable remuneration. They were aligned with the target volume bandwidths defined by the Bank for each career stage, which allowed the target volume to lie between 8 and 35 per cent of the total remuneration.

The disbursement budget in the NPS model was generated at the end of the financial year on the basis of the results of the Group and the individual segments and – as in the other models – was exclusively determined by performance. The main features of this approach are described in Chapters 4.1 and 4.2.

Within the segments, the distribution among the units was subject to the reasonably exercised discretion of the manager, giving due consideration to the unit's contribution to performance. In this respect, in Commerzbank Germany, 70 per cent of the pro-rata disbursement volume was to be paid out as a performance component with no distinction made for individual performance. Each employee thus received 70 percent of

his individual target amount multiplied by the remuneration ratio for the segment in question⁷.

If the individual unit received a budget exceeding the sum of the performance components determined in this manner, the employee was eligible to receive an additional share of the disbursement volume. The determination of the so-called individual component was subject to the reasonably exercised discretion of the manager, taking into account the contributions to performance of the employee in question and the other employees. At the international locations of Commerzbank, the variable remuneration was determined solely as an individual component.

From the 2019 financial year, a new remuneration model will apply to the variable remuneration of all non-pay-scale employees of Commerzbank AG, not covered by the Investment Banking model.

The new model replaced the previous NPS and Management Model as of 1 January 2019, and differs only with regard to a small number of characteristics. The "target amount" of variable remuneration will be replaced by the "variable remuneration potential" (VRP), which serves as an orientation value for employees' individual variable remuneration. It is calculated using the individual gross monthly salary, multiplied by a factor based on the employee's career level and Risk Taker status.

With the transition to the new NPS remuneration model, depending on the target amount, variable remuneration

⁷ If employees work in a group management and services unit, the average of all segments will be taken as a basis for assessment.

components can be converted to fixed remuneration, resulting in an overall reduction in the risk-oriented variable remuneration. In defining the amounts, the Bank took the local remuneration levels into account. In general, the VRP amount takes into account whether the employee works in Germany or at an international location.

Moreover, when distributing the actual disbursement amounts, the Bank distinguishes between Risk Takers and Non Risk Takers and between employees who work in Germany or at international locations.

For employees in Germany who are not Risk Takers, the variable remuneration amount actually paid out depends on the VRP and the remuneration ratio. As before, the variable remuneration for Risk Takers and employees at the international locations is determined at the reasonably exercised discretion of the manager, taking into account the individual contributions to performance.

The amount of the individual variable remuneration in the NPS model is limited to twice the target amount or twice the future variable remuneration potential (VRP). Independently of this restriction, the Bank ensures that the variable remuneration does not exceed the amount of the individual annual fixed remuneration. In addition, the NPS model is also subject to the cross-model provisions stipulated in Chapter 4.5.

4.4.2 Investment Banking (IB) model

The Investment Banking model applied in 2018 to all non-pay-scale employees in the Equity Markets & Commodities division in the Corporate Clients segment.

At the beginning of the financial year, the Board of Managing Directors set a target volume for employees under the IB model. As is customary in the market, no individual target amounts are agreed.

The disbursement volume in the IB model was determined at the end of the 2018 financial year on the basis of Group and segment performance (in this case: the Corporate Clients segment). The main features of this approach are described in Chapters 4.1 and 4.2.

The distribution of the disbursement budget to the employees was then conducted on a discretionary basis according to uniform rules, taking into account the contributions of the unit and the individual employee to the Bank's success.

For setting the individual variable remuneration under the Investment Banking model, no bandwidths for the indi-

vidual career stages were defined. By setting a uniform upper limit, the Bank ensures, however, that the bonus cap amounting to a maximum of 50 per cent of total remuneration is generally adhered to. Furthermore, the cross-model provisions pursuant to Chapter 4.5 applied.

4.4.3 Management Model

The Management Model applied Group-wide in 2018 to the first and second management levels of Commerzbank that do not belong to the Investment Banking model. That means that the remuneration of members of the senior management of subsidiaries on the first and second management levels was subject to the same criteria as that of employees of Commerzbank AG. In addition, for managing directors in the regulatory group (see Chapter 5), a multi-year time period applies when determining the individual variable remuneration instead of the usual one-year period.

As with the other variable remuneration models, the Board of Managing Directors defined a target volume for the employees in the Management Model at the beginning of the financial year. The target volume was allocated to the employees on the first and second management levels. The individual target amount for variable remuneration defined in this way, which was reviewed annually and communicated to the employee in writing, served as an orientation value for the employee. Depending on the employee's individual career level and the responsibilities inherent in his function, the target amounts were generally between 30 and 40 per cent of total remuneration. In some cases, the target amount could be as much as 50 per cent of total remuneration.

The disbursement volume in the Management Model was determined at the end of the financial year on the basis of the results of the Group and the segment. The main features of this approach are described in Chapters 4.1 and 4.2.

The distribution of the success-based disbursement budget to the employees was then conducted on a discretionary basis according to uniform rules, taking into account the contributions of the unit and the individual employee to the Bank's success.

Independently of the distribution, function-related upper limits defined by the Bank ensure at all career levels that employees' variable remuneration does not exceed their individual annual fixed remuneration. Furthermore, the Management Model was also subject to the cross-model regulations pursuant to Chapter 4.5.

From the beginning of the 2019 financial year, the Management Model will be absorbed into the NPS model.

4.4.4 Employees in control functions

The divisions Group Risk Management, Group Compliance, Group Audit and Group Human Resources are considered control units pursuant to Section 2 Paragraph 11 InstitutsVergV.

Commerzbank has not implemented separate remuneration models for the control units. However, the employee remuneration systems are structured to ensure that they do not run counter to the monitoring function of those units. The remuneration systems ensure that the main focus of remuneration lies on the fixed salary component, so that employees in the Bank's control functions are also not dependent on receiving an additional variable remuneration. Commerzbank deems this "main focus" criterion to be fulfilled when the maximum variable remuneration received by employees in control units represents one third or less of their total remuneration.

The variable remuneration of the employees in control functions is not calculated on the basis of the targets of the monitored segments, but on the basis of the Group result and the average target achievement of the segments. Possible conflicts of interest when performing the monitoring function are avoided through target agreements with the employees of the control units.

Depending on their function, the employees in the control units were subject to the rules of the pay-scale, NPS or Management Model in 2018.

4.4.5 Remuneration of the Board of Managing Directors

Remuneration of the members of the Board of Managing Directors is subject to a separate model. The details and the related remuneration information were published in the 2018 Annual Report (p. 29 et. seq.) as well as in the Annual Financial Statements and Management Report 2018 (p. 7 et. seq.) and can be found there.

4.5 Variable remuneration regulations applicable to all models

Although the amount of variable remuneration is based on the applicable remuneration model, the specific disbursement arrangements depend on the group to which an employee belongs.

Employees not classified as Risk Takers are paid the full amount of variable remuneration immediately. For those classified as Risk Takers, the disbursement of variable remuneration is subject to special conditions.

4.5.1 Risk Taker identification

Pursuant to the InstitutsVergV, major financial institutions must conduct a risk analysis to identify employees with a material influence on the overall risk profile of the financial institution and the group.

The applicable qualitative and quantitative criteria are set out in the Regulatory Technical Standards (RTS) of Regulation (EU) No. 604/2014 of 4 March 2014, Article 94 Paragraph 2 of Directive 2013/36/EU (CRD IV), which was amended with Delegated Regulation (EU) No. 2016/861 of 18 February 2016. Since the 2017 financial year, any exceptions pursuant to Article 4 Paragraph 2 of Delegated Regulation (EU) No. 604/2014 are approved by the Commerzbank AG Board of Managing Directors and subsequently presented to the Supervisory Board.

All major institutions of the Commerzbank Group⁸ were instructed by Group Human Resources to apply the criteria of the RTS and document them in a separate risk analysis.

At Commerzbank, the criteria by means of which Risk Takers are identified are differentiated on the basis of management responsibility, risk responsibility and remuneration. As a result, the following employee groups are classified as Risk Takers:

- Management responsibility: all employees on the first and second management levels of the Group, heads of material business units⁹, their direct reports, and the managers of Risk Takers
- Risk responsibility: Risk responsibility: employees whose credit risk responsibility (all-in competency) per transaction amounts to at least 0.5 per cent of the Common Equity Tier 1 capital (CET 1) or whose market risk responsibility (value-at-risk limit) exceeds 5 per cent of the Group value-at-risk limit, or who are voting members of a permanent committee responsible for these risk categories or for risk categories within the meaning of EU Directive 2013/36/EU, Articles 79-87.
- Remuneration amount: the 0.3 per cent of employees with the highest total remuneration, i.e. all employees with remuneration of €500,000 or more.

In addition, other employees may be identified as Risk Takers. Pursuant to Section 18 InstitutsVergV, the details of the Risk Taker identification process were documented accordingly in a risk analysis.

⁸ In addition to Commerzbank AG, major institutions in the Commerzbank Group pursuant to Section 17 of the InstitutsVergV were Commerzbank Finance & Covered Bonds S.A., comdirect bank AG and mBank S.A.

⁹ Material business unit: A business unit within the meaning of Art. 142 Par. 1 No. 3 of Regulation (EU) 575/2013, to whom internal capital representing at least 2 percent of the internal capital of the institution is allocated in accordance with Article 73 of Directive 2013/36/EU.

If an employee was identified as a Risk Taker at any time in 2018, then his entire variable remuneration for the financial year was subject to the Risk Taker regulations. The number of employees who were identified at the Commerzbank Group on a consolidated level as “Risk Takers” or “Group Risk Takers” 1,427 employees (1,283 full-time equivalents (FTE)) excluding the Commerzbank AG Board of Managing Directors and Supervisory Board, as compared to 1,269 in 2017 (1,225 FTEs).

4.5.2 Special remuneration rules for Risk Takers

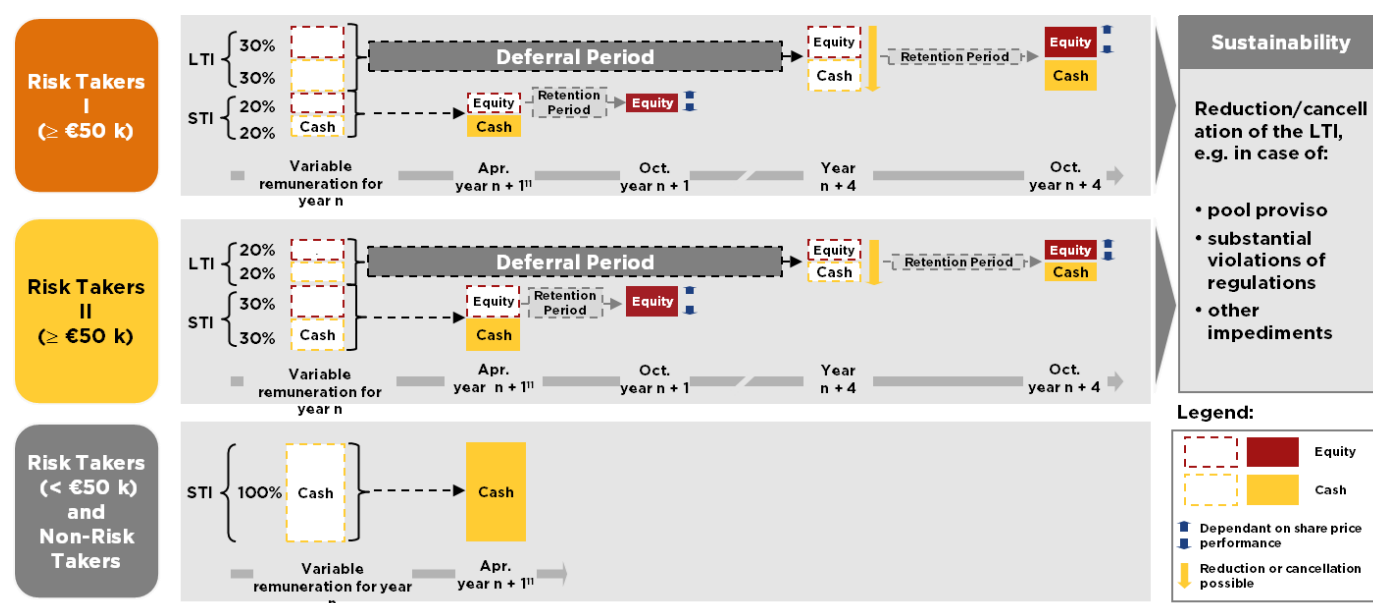
Due to their importance for the Bank’s overall risk profile, special rules apply when assessing the performance of Risk Takers and determining and disbursing their variable remuneration.

At Commerzbank, two groups are distinguished: Risk Takers I and Risk Takers II. All members of the first Group management level who report to the Board of Managing Directors of Commerzbank as well as any other employees who report to the top management of another major institution at the Commerzbank Group are classified as Risk Takers I. Also classified as Risk Takers I are managing directors and direct reports in companies subject to the provisions of the Alternative Investment Fund Manager Directive (AIFMD). All other Risk Takers are classified as Risk Takers II.

For amounts of €50,000¹⁰ and higher, the total variable remuneration is divided into two components: A Short-Term Incentive (STI) and a Long-Term Incentive (LTI). The STI and LTI are both paid out in equal amounts of cash and shares.

The STI represents 40 per cent of variable remuneration for Risk Takers I and 60 per cent for Risk Takers II, and is determined after the end of the financial year in question. It is disbursed within a short time; however, the equity-based share of the STI is paid out only after a retention period of at least six months. From the 2019 financial year onward, the retention period will be at least 12 months.

The LTI represents 60 per cent of variable remuneration for Risk Takers I and 40 per cent for Risk Takers II, and is also determined on an indicative basis after the end of the financial year in question. It is disbursed only after a defined period – consisting of a three-year deferral period, followed by a retention period of at least six months. From the 2019 financial year onward, the retention period will be at least five years for Risk Takers I and three years for Risk Takers II.



¹⁰ Amount up to which the disbursement of the entire variable remuneration of Risk Takers for a financial year as a cash-only STI is permitted pursuant to Paragraph 18 Section 1 InstitutsVergV.

¹¹ Exception: Investment Banking model and some international locations (disbursement in March of Year n + 1).

Under the regulatory requirements, Risk Takers can acquire a claim to the LTI only after the deferral period has expired and only if there are no impediments to disbursement at that time that would partially or entirely prevent the claim from vesting (see Section 4.5.3).

The threshold pursuant to Section 20 Paragraph 3 of the InstitutsVergV above which the share of the deferred variable remuneration for Risk Takers, regardless of the Risk Taker status, must amount to at least 60 percent was set at EUR 180,000.

With regard to variable remuneration for the 2018 financial year (year n), this means that the STI is payable in FY 2019 (year n+1) and the LTI – subject to any reduction or complete cancellation of the amount determined in 2019 (year n+1) – is payable in 2022 (year n+4).

Variable remuneration determined in the financial year 2020 (for 2019) and in Subsequent years will be disbursed after completion of the Performance assessment II for Risk Takers I in November of the sixth year (n + 6) for LTI Cash and in October of the seventh year (n + 7) for LTI Equity. For Risk Takers II, the LTI Cash component will be paid out in November of the fourth year (n + 4) LTI Equity in October of the fifth year (n + 5).

4.5.3 Performance assessment for Risk Takers

After the end of a financial year, the performance of Risk Takers – like that of all other employees – is assessed on the basis of individual quantitative and qualitative

targets. This so-called Performance assessment I forms the basis for the amount of individual variable remuneration and establishes the immediate claim to the STI. To facilitate a decision on claims to LTI components for Risk Takers, other individual and collective reviews are carried out.

At the individual level, additional risk reviews are conducted in each year of the deferral period to determine whether causes have arisen in the meantime that may justify the cancellation or reduction of claims to LTI components. Such reasons are deemed to exist primarily in case of violations of rules and guidelines (Code of Conduct), a lack of sustainability in the performance serving as the basis for the Performance Assessment I, or the employee's risk behaviour.

After the expiry of the deferral period, Performance Assessment II reviews the Performance Assessment I and the employee's behaviour during the deferral period. In addition, the collective review also includes the review as described in Chapter 4.2 as regards the pool proviso for each year of the deferral period.

In summary, negative individual contributions to success, a negative result of the review as regards the pool proviso, or an order issued by the supervisory authorities may result in the claim to the LTI component being reduced or cancelled.

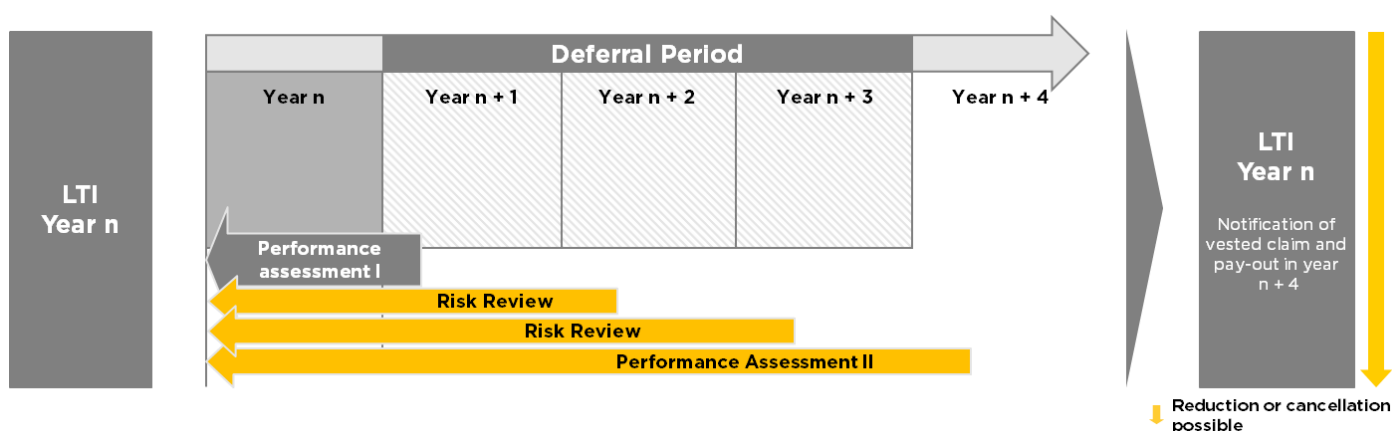


Figure 5: Schematic illustration of the performance assessment for Risk Takers at Commerzbank

4.5.4 Ban on hedging transactions

At Commerzbank, the ban on hedging pursuant to Section 8 InstitutsVergV was enshrined in all remuneration models. The ban stipulates that employees are not permitted to take personal hedging measures or other counter-measures for STI and LTI in order to limit or eliminate the risk adjustment of the variable remuneration. In particular, no instruments or methods may be applied which could be used to circumvent requirements as per InstitutsVergV.

To ensure compliance with the ban on hedging, the Remuneration Officer conducts regular random checks of employees' securities accounts with Commerzbank and other institutions in cooperation with the Group Compliance Division. Employees are obliged to cooperate with the checks and provide the Bank with any requested information.

In case of a violation of the ban on hedging transactions or a persistent refusal by an employee to co-operate in the random checks, the Bank is entitled to impose measures against the employee in accordance with labour law. Moreover, the Bank will regard this as a relevant violation of contractual obligations that may result in a reduction in or the complete loss of all LTI claims by the employee.

5 Group-wide implementation

Pursuant to Section 27 Paragraph 1 InstitutsVergV, a group's superordinated companies must define a group-wide remuneration strategy to implement the regulatory requirements of Section 25a Paragraph 5 KWG and Sections 4 to 13 InstitutsVergV regarding all employees of the companies within the group. This applies to all companies included in Commerzbank's regulatory group within the meaning of Section 10 a Paragraph 1 to 3 KWG.

The Commerzbank Group's international locations and its subsidiaries in Germany and abroad included in the regulatory group are obliged to implement and abide by the guidelines of the Group-wide remuneration strategy, provided they are not subject to more stringent national regulations.

The identification of the companies within the Commerzbank Group for which it is necessary to implement a Group-wide remuneration strategy pursuant to Section 27 InstitutsVergV is carried out by Commerzbank in a multi-stage process. First the companies not included in the regulatory group and the special purpose vehicles are ruled out. For the remaining companies, an assessment is made to determine which fall directly within the scope of application of Section 1 InstitutsVergV and must therefore directly fulfil the requirements of the InstitutsVergV at the standalone level (regulatory group).

All other entities included in the regulatory group are subject to the requirements of the InstitutsVergV under Section 27 Paragraph 1 exclusively at the consolidated level (personnel policy group).

As a result, 37 subsidiaries¹² in Germany and at the international level, in addition to Commerzbank, met the criteria of the InstitutsVergV in the 2018 financial year. For the companies that do not meet the regulatory group criteria, the result of the assessment was documented in writing.

The remuneration strategy and the requirements of the InstitutsVergV within the Commerzbank Group are, in principle, implemented by means of the Compensation Policy in conjunction with the Benefit Policy. The

Compensation Policy defines the general requirements for the structure of remuneration systems in the Group. The Benefit Policy serves the same purpose for employee benefits. The goal of both policies is to concretely define and implement the regulatory requirements of Sections 4 to 13 InstitutsVergV for the Commerzbank Group, implement the remuneration strategy within the Commerzbank Group and define regulations for the employee remuneration systems.¹³

These two policies thus serve jointly to implement Commerzbank Group's Compensation Policy at a global level. They are a part of the Groupwide remuneration strategy, which applies to the subsidiaries in the regulatory group. At the same time, the two policies are intended to further harmonise the Group-wide structuring of the remuneration policy and reinforce the sense of Group identity.

The remuneration strategy applies to Commerzbank, its branches in Germany and at the international locations, and to subsidiaries that belong to the regulatory group. In addition, it serves to provide guidance to subsidiaries that do not belong to the regulatory group, and can be applied by them in whole or in part.

The Group-wide remuneration strategy adopted in the 2015 financial year has already been introduced and fully implemented in the former regulatory and personnel policy group. In conjunction with the amendments to the InstitutsVergV, which came into force on 25 July 2017, the Group-wide remuneration strategy was revised and adopted by the Board of Managing Directors of Commerzbank AG. It is gradually being introduced in all companies in the regulatory group and will replace the old version.

¹² comdirect bank AG; Commerz Real AG; CommerzFactoring GmbH; ebase GmbH, mBank S.A.; Commerzbank Finance & Covered Bond S.A.; Commerzbank Zrt.; mBank Hipoteczny S.A.; mFaktoring S.A.; mFinance France S.A.; mLeasing Sp. z o.o.; Commerz Real Investmentges. mbH; Commerz Real KVG mbH; Commerz Real Mobilienleasing GmbH; Commerz Funds Solutions S.A. (Lux.); Commerz Markets LLC; Commerzbank Eurasija; Commerzbank Brasil; Commerz Business Consulting GmbH; Commerz Direktservice GmbH; ComTS Finance GmbH; ComTS Rhein Ruhr GmbH; ComTS Logistics GmbH; ComTS Mitte GmbH; ComTS Nord GmbH; ComTS Ost GmbH; ComTS West GmbH; Commerz Service-Center Intensive GmbH; SOLTRX Transaction Services GmbH; Dresdner Lateinamerika AG; LSF Loan Solutions Frankfurt GmbH; CommerzVentures GmbH, CERI International Sp. z o.o.; mCentrum Operacji Sp. z o.o.; mFinanse S.A.

¹³ Further information on the individual subsidiaries is available, among other sources, in the annual reports and remuneration reports of comdirect bank AG and Commerz Real AG for the 2018 financial year. Information on the remuneration regulations for the senior management of mBank is available in the annual report of mBank. All reports are available on the websites of the companies in question.

6 Remuneration information

The disclosure of remuneration data pursuant to Section 16 InstitutsVergV in conjunction with Art. 450 of Regulation (EU) No. 575/2013 is carried out for the Commerzbank Group. The information on Risk Takers under Chapter 6.2 includes remuneration information on Risk Takers of

Commerzbank AG and on managing directors of subsidiaries identified as so-called Group Risk Takers at the consolidated level. Risk Takers identified by the subsidiaries themselves, exclusively on the basis of local regulations, are not included in this Remuneration Report.

6.1 Quantitative information on remuneration by business area

Pursuant to Section 16 Paragraph 1 No. 3 InstitutsVergV, the quantitative information on remuneration must be broken down by business area.

Segment	Supervisory Function	Managing Directors ¹⁷	Private and Small Business Customers	Corporate Clients (excl. Investment Banking)	Investment-banking ¹⁸	Corporate Functions	Independent Control Functions ¹⁹	Group Total
Amounts in Euro	Amount/number	Amount/number	Amount/number	Amount/number	Amount/number	Amount/number	Amount/number	Amount/number
No. of Managing Directors / Supervisory Board Members ¹⁴	203	82						285
No. Employees ¹⁴			23,032	3,540	2,178	14,469	3,893	47,112
Total remuneration	4,163,539	29,818,026	1,299,139,788	361,957,363	379,591,427	1,096,347,344	386,423,975	3,556,451,923
Fixed remuneration ¹⁵	4,163,539.31	22,889,106	1,240,984,465	328,322,716	363,480,688	1,061,682,069	371,088,444	3,391,621,488
Variable remuneration ¹⁶	-	6,928,919	58,155,323	33,634,647	16,110,739	34,665,275	15,335,531	164,830,435
of which: severance payments	-	626,045	3,275,496	555,343	1,397,894	760,598	432,047	7,047,423

¹⁴ Natural persons.

¹⁵ In addition to the base salary, 'fixed remuneration' includes bonuses and pension benefits.

¹⁶ In addition to the performance-based variable remuneration as described in Chapter 4, variable remuneration includes other payments made on the occasion of the commencement or termination of the employment relationship (guarantees, sign-ons, buy-outs and severance payments), including social security contributions and release of provisions from previous years.

¹⁷ Including the Supervisory Board and senior managers of Commerzbank AG (see 2018 Annual Report, p. 29 et. seq. and Annual Financial Statements and Management Report 2018 p. 7 et. seq.).

¹⁸ Including Group Treasury.

¹⁹ Group Human Resources, Group Compliance, Group Risk Management and Group Audit are deemed control units in Commerzbank within the meaning of Section 2 Paragraph 11 InstitutsVergV.

6.2 Quantitative information on remuneration of senior management and Risk Takers

Pursuant to Art. 450 (EU) 575/2013 Par.1 h) the quantitative information on remuneration must be broken down according to senior management and employees with a material influence on the risk profile of the institution as shown in the following table

Segment	Supervisory Function	Managing Directors ²³	Private and Small Business Customers	Corporate Clients (excl. Investment Banking)	Investment Banking ²⁴	Corporate Functions	Independent Control Functions ²⁵	Group Total
Amounts in Euro	Amount/number	Amount/number	Amount/number	Amount/number	Amount/number	Amount/number	Amount/number	Amount/number
No. of Managing Directors / Supervisory Board Members ²⁰	203	61	-	-	-	-	-	264
No. of Risk Takers in headcount	-	-	135	324	328	162	214	1,163
No. of Risk Takers in full time equivalents	-	-	115.7	277.8	292.2	143.9	189.0	1,018.5
Number of risk takers belonging to the subordinate management level (according to FTE)	-	-	9.0	11.0	8.0	13.0	7.0	48.0
Fixed remuneration ²¹	4,163,539	20,753,331	19,636,677	47,650,036	93,712,791	29,335,589	31,058,560	246,310,523
of which: in cash/Allocation to retirement provisions / non-cash benefits	4,163,539	20,753,331	19,636,677	47,650,036	93,712,791	29,335,589	31,058,560	246,310,523
of which: in shares or share-linked instruments	-	-	-	-	-	-	-	-
of which: in other financial instruments	-	-	-	-	-	-	-	-
Variable remuneration ²²	-	6,088,983	2,402,396	6,222,227	14,173,032	4,342,473	5,137,834	38,366,945
of which: variable in cash/Allocation to retirement provisions / non-cash benefits	-	3,415,949	2,328,396	5,569,668	11,130,210	3,654,607	4,478,057	30,576,886
of which: variable in shares or share-linked instruments	-	2,673,034	74,000	652,559	3,042,822	687,866	659,777	7,790,059
of which: variable in other financial instruments	-	-	-	-	-	-	-	-
Share of deferred variable remuneration for 2018 (Deferral)	-	3,071,395	88,800	514,664	2,581,353	759,204	468,899	7,484,315
of which: deferred portion in cash	-	1,535,697	44,400	275,865	1,290,677	379,602	241,333	3,767,574
of which: deferred portion in shares or share-linked instruments	-	1,535,697	44,400	238,799	1,290,677	379,602	227,566	3,716,741
of which: deferred portion in other financial instruments	-	-	-	-	-	-	-	-

²⁰ Natural persons.

²¹ In addition to the base salary, 'fixed remuneration' includes bonuses and pension benefits.

²² In addition to the performance-based variable remuneration as described in Chapter 4, variable remuneration includes other payments made at the beginning or end of the employment relationship (guarantees, sign-ons, buy-outs and severance payments).

²³ Including the Supervisory Board and senior managers of Commerzbank AG (see 2018 Annual Report, p. 29 et. seq. and Annual Financial Statements and Management Report 2018 p. 7 et. seq.).

²⁴ Including Group Treasury.

²⁵ Group Human Resources, Group Compliance, Group Risk Management and Group Audit are deemed control units in Commerzbank within the meaning of Section 2 Paragraph 11 InstitutsVergV.

Segment	Supervisory Function	Managing Directors ²³	Private and Small Business Customers	Corporate Clients (excl. Investment Banking)	Investment Banking ²⁴	Corporate Functions	Independent Control Functions ²⁵	Group Total
Amounts in Euro	Amount/number	Amount/number	Amount/number	Amount/number	Amount/number	Amount/number	Amount/number	Amount/number
Additional information regarding the amount of total variable remuneration								
Article 450 h (iii) CRR ²⁶ – Total amount of outstanding deferred remuneration from previous years	-	10,251,649	7,235,002	12,774,992	62,840,700	11,828,479	9,601,022	114,531,845
of which: in 2018 earned amounts	-	85,501	2,326,710	3,355,847	26,318,933	2,952,736	2,763,796	37,803,522
of which: paid in 2018	-	85,501	2,326,710	3,355,847	26,318,933	2,952,736	2,763,796	37,803,522
of which: not earned amounts	-	10,166,148	4,908,293	9,419,145	36,521,768	8,875,743	6,837,227	76,728,323
Amount of explicit ex post performance adjustment for previously awarded remuneration in 2018	-	-	9,601	22,352	-	-	-	31,953
Number of beneficiaries of guaranteed variable remuneration ²⁷	n/s ³¹	n/s ³¹	n/s ³¹	n/s ³¹	n/s ³¹	n/s ³¹	n/s ³¹	1
Total amount of guaranteed variable remuneration	n/s ³¹	n/s ³¹	n/s ³¹	n/s ³¹	n/s ³¹	n/s ³¹	n/s ³¹	21,000.00
Number of beneficiaries of buy out / sign on payments ²⁷ in 2018	n/s ³¹	n/s ³¹	n/s ³¹	n/s ³¹	4	n/s ³¹	5	12
Total amount of buy out / sign on payments paid in 2018	n/s ³¹	n/s ³¹	n/s ³¹	n/s ³¹	190,643	n/s ³¹	673,215	1,079,327
Number of beneficiaries of severance payments awarded in 2018 ²⁷	n/s ³¹	n/s ³¹	n/s ³¹	11	7	n/s ³¹	10	32
Total amount of severance payments awarded in 2018	n/s ³¹	n/s ³¹	n/s ³¹	2,695,764	2,179,356	n/s ³¹	2,898,664	8,539,178
Article 450 h (v) – highest severance payment to a single person	n/s ³¹	n/s ³¹	n/s ³¹	506,000	800,000	n/s ³¹	700,000	800,000
Number of beneficiaries of severance payments paid in 2018 ²⁷	n/s ³¹	n/s ³¹	n/s ³¹	5	8	n/s ³¹	n/s ³¹	19
Total amount of severance payments paid in 2018	n/s ³¹	n/s ³¹	n/s ³¹	1,092,450	2,837,927	n/s ³¹	n/s ³¹	5,082,560
Number of beneficiaries of contributions to discretionary pension benefits in 2018 ²⁷	-	-	-	-	-	-	-	-
Total amount of contributions to discretionary pension benefits	-	-	-	-	-	-	-	-
Total amount of potential variable remuneration awarded for multi-year periods under programmes which are not revoked annually	-	-	-	-	-	-	-	-

²⁶ Capital Requirements Regulation.

²⁷ Natural persons.

²⁸ Including the Supervisory Board and senior managers of Commerzbank AG (see 2018 Annual Report, p. 29 et. seq. and Annual Financial Statements and Management Report 2018 p. 7 et. seq.).

²⁹ Including Group Treasury.

³⁰ Group Human Resources, Group Compliance, Group Risk Management and Group Audit are deemed control units in Commerzbank within the meaning of Section 2 Paragraph 11 InstitutsVergV.

³¹ Payments granted on the occasion of commencing or terminating an individual's employment relationship (guarantees, sign-ons, buy-outs and severance payments) are stated in aggregate form to protect confidentiality in case fewer than four people received the benefit in question.

6.3 Number of persons with high remuneration

Pursuant to Art. 450 (EU) 575/2013 Par.1 i), the following table shows a breakdown of the number of persons whose remuneration exceeded EUR 1 million in the financial year. The breakdown is based on remuneration increments of EUR 500,000.

Number of persons whose remuneration amounts to €1m or more ³²	
€1,000,000 to €1,500,000	10
€1,500,000 to €2,000,000	1
€2,000,000 to €2,500,000	-
€2,500,000 to €3,000,000	1
€3,000,000 to €3,500,000	-
€3,500,000 to €4,000,000	-
€4,000,000 to €4,500,000	-
€4,500,000 to €5,000,000	-
> €5,000,000	-

Frankfurt am Main, July 2019

Commerzbank Aktiengesellschaft

³² Including the Supervisory Board and senior managers of Commerzbank AG (see 2018 Annual Report, p. 29 et. seq. and Annual Financial Statements and Management Report 2018 p. 7 et. seq.).

Commerzbank AG
Head Office
Kaiserplatz
Frankfurt am Main
www.commerzbank.de

Mailing address
60261 Frankfurt am Main

Tel.: +49 69 136-20
Email: info@commerzbank.com

