



**Letter from the Chairman of the  
Supervisory Board**  
Frankfurt/Main, April 2022

*Dear shareholders,*

On the occasion of convening our Annual General Meeting and in my capacity as Chairman of the Supervisory Board, I would like to invite you to join a dialogue and personally inform you about the focus of our work.

The past year has been an intensive one for Commerzbank and ended with a higher-than-planned operating profit of €1,183m and net profit of €430m. Despite adversities, such as the ongoing coronavirus pandemic in particular, we achieved all the key milestones when implementing our strategy. This is very gratifying, and I would like to thank the Board of Managing Directors and the employees of Commerzbank.

**“Strategy 2024” programme and sustainability**

With its “Strategy 2024” programme, Commerzbank has geared its operations toward a customer-focussed, sustainable, and, above all, profitable business model. The Supervisory Board fully supports the “Strategy 2024” programme. Constructive support for the implementation of the strategy was a top priority for the members of the Supervisory Board and myself in the 2021 financial year, and this will continue to be the case going forward. The Supervisory Board fully supported the Board of Managing Directors in developing and refining the strategy. It also monitors the timely implementation of the strategy on an ongoing basis.

As one of the four cornerstones of the strategy, the topic of sustainability has become enormously important at Commerzbank ([https://www.commerzbank.de/de/nachhaltigkeit/home\\_1/home\\_neu\\_1.html](https://www.commerzbank.de/de/nachhaltigkeit/home_1/home_neu_1.html)). Commerzbank established the core of its sustainability strategy last year with its voluntary commitment to become a “net-zero bank” and has already made substantial progress since then. Commerzbank sees itself as a financier of the green transformation and aims to achieve a sustainable business volume of around €300bn by 2025. The Supervisory Board also attaches great importance to the topic of sustainability and has transformed what had previously been its Social Welfare Committee into the ESG Committee, which now focusses intensely on various sustainability considerations and monitors in particular how environmental and social sustainability are factored into the Bank’s strategic direction. We have also expanded the tasks of the Digital Transformation Committee: It now assists the Supervisory Board by monitoring in particular the progress made by the Board of Managing Directors to implement the projects and processes that are part of the Bank’s digital transformation.

### **Corporate governance roadshow**

As part of my corporate governance roadshow in December 2021, I conducted intensive, constructive discussions with investors about Commerzbank and the work of the Supervisory Board. We have already embraced some of the suggestions and tips that emerged as a result of these discussions. In the planned new remuneration system for the Board of Managing Directors, for example, we have included a requirement that members of the Board must purchase Commerzbank shares in the amount of their basic annual salary and hold them for the entire term of their appointment. We have also significantly increased the transparency in the remuneration report. In particular, the targets and target achievement of the members of the Board of Managing Directors are shown in much greater detail than in previous years. Furthermore, we are taking up investors' suggestion us to shorten the term of office for Supervisory Board members, and we will propose to the 2022 Annual General Meeting that the regular term of office of all Supervisory Board members be reduced to four years. In addition, the Annual General Meeting is to be granted the right to determine an even shorter term of office when electing shareholder representatives, which will enable the Annual General Meeting to stagger the terms of office.

### **Remuneration system for the Board of Managing Directors**

As we enhanced the remuneration system for members of the Board of Managing Directors, we placed a deliberate emphasis on reducing complexity and creating clarity and transparency. In future, the Group's target achievement will be determined on the basis of consolidated operating profit, return on tangible equity (NetRoTE) and ESG targets: The operating profit is a simple and transparent measure of the Commerzbank Group's performance. The NetRoTE targets the return on capital, making it particularly important for aligning the interests of the Board of Managing Directors with those of shareholders. Anchoring ESG targets as part of the Group target clearly demonstrates the strategic importance of sustainable corporate governance for Commerzbank.

We also seek to strengthen the performance-oriented mindset among the members of the Board of Managing Directors in order to boost confidence in Commerzbank's ability to deliver on its promises. To that end, a threshold of 60% of the planned operating profit is envisaged for the Group's target achievement in the future. This is intended to take account of the fact that financial success justifying payment of variable remuneration for the Group target only exists above this threshold. Furthermore, in addition to the new shareholding requirement already mentioned above, the share-based portion of variable remuneration will be increased to 60% in future. The further development of the remuneration system for the Board of Managing Directors is therefore intended to provide the best possible support for Commerzbank's successful transformation by ensuring that the remuneration system is optimally adapted to the situation. Details of the new remuneration system planned for members of the Board of Managing Directors are included in the document relating to agenda item 6 and in the remuneration report, which is published on Commerzbank Aktiengesellschaft's website.

### **Composition of the Board of Managing Directors and Supervisory Board**

Dr. Manfred Knof, who has served as CEO since 1 January 2021, is a chairman who stands for innovation, customer proximity, and cost discipline. He also plays a key role in promoting the topic of sustainability, both in the Bank and in customer business. The Supervisory Board collaborated with Dr. Manfred Knof to enhance the structure of the Board of Managing Directors. For example, our Chief Financial Officer, Dr. Bettina Orlopp, has served as Deputy Chairperson of the Board of Managing Directors since mid-June 2021; this not only contributes to the stability of the Board of Managing Directors, it also ensures its freedom of action at all times. Thomas Schaufler, who just became Commerzbank's new Board member responsible for Private and Small-Business Customers in December 2021, is an experienced and competent expert in the retail banking business. Dr. Jörg Oliveri del Castillo-Schulz has been appointed to the Board of Managing Directors to take over for Jörg Hessenmüller, the Board member responsible for IT and the Delivery Organisation, who left at the end of September. Sabine Schmittroth has announced that she will leave Commerzbank when her contract expires at the end of the current year. Until then, we will find a suitable successor and continue our ongoing efforts to refine the structure of the Board of Managing Directors.

The Supervisory Board is also well positioned. At the last Annual General Meeting, four new shareholder representatives were elected to the Supervisory Board in addition to myself. The composition of the Supervisory Board, which is based on our competence profile published at [https://www.commerzbank.de/media/de/konzern\\_1/konzerninfo/aufsicht/Kompetenzprofil\\_Aufsichtsrat.pdf](https://www.commerzbank.de/media/de/konzern_1/konzerninfo/aufsicht/Kompetenzprofil_Aufsichtsrat.pdf), is extremely good and stable. Not only do we prioritise a high level of competence and expertise, but independence and diversity as well. Collaboration between all members of the Supervisory Board is both constructive and dedicated.

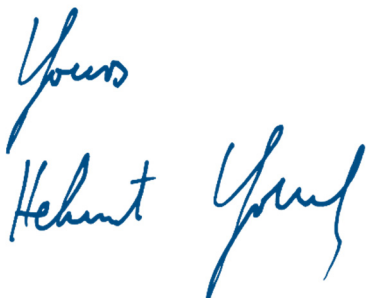
### Ukraine

As mentioned earlier and despite the ongoing coronavirus pandemic, Commerzbank has achieved all its key milestones and is successfully pushing its transformation ahead. Unfortunately, 2022 has already been overshadowed by the war in Ukraine. We are quite concerned about current events. This war is bringing unimaginable suffering to the people of Ukraine. It is both sad and shocking. Of course, the situation also has an impact on the Bank and the Supervisory Board. The Supervisory Board and the Risk Committee in particular have been monitoring the Bank's financial and business performance as well as its risk situation more closely since the outbreak of the war. The Supervisory Board also advises the Board of Managing Directors on the war's impact on the economy and the Bank.

### Virtual Annual General Meeting

Finally, the ongoing pandemic continues to impact the Bank. This means that we will unfortunately be unable to welcome you in person to our Annual General Meeting again this year. Despite progress made in combating the pandemic, we have decided to hold a virtual Annual General Meeting in the interests of everyone's health and given the unpredictability surrounding the further course of the pandemic. We do hope you understand. Since maintaining a highly interactive dialogue with our shareholders is important to us, we already started thinking last year about what else we could do to go beyond the minimum legal requirements and improve the virtual Annual General Meeting. We are one of very few companies that has given you the opportunity to ask follow-up questions about our answers to the questions you submitted prior to the virtual Annual General Meeting and will do so again this year. In addition to your questions, you will once again have the chance to submit statements and video messages in advance, which we will make available to the shareholders registered for the Annual General Meeting. We will give you advance access to Dr. Manfred Knof's speech and my introductory remarks on the Annual General Meeting website at [www.commerzbank.com/hv](http://www.commerzbank.com/hv) to ensure that you have a chance to respond with your own questions.

I look forward to further exchanges with you.

A handwritten signature in blue ink, reading "Yours Helmut Gottschalk". The word "Yours" is written in a cursive style above the name "Helmut Gottschalk", which is also written in a cursive style.

**Helmut Gottschalk**  
Chairman of the Supervisory Board