



Strong operating profit despite provisions due to Russia



Fixed Income Presentation – Q1 2022 results



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Update strategy 2024

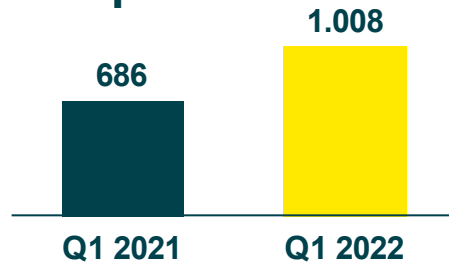


Strong delivery in Q1 2022



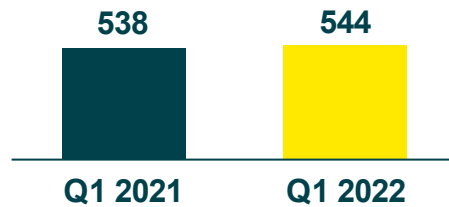
Pre-provision profit

(€m)



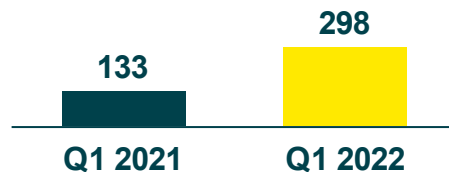
Operating Result

(€m)



Net Result

(€m)



Revenues up 12% to €2,795m

Pre-provision profit up 47% to €1,008m

Top level adjustment increased to €713m

Costs on target – CIR of 64%

Stable and comfortable CET1 ratio of 13.5%

Russia net exposure reduced by 36%



Russia exposure

Net exposure (€m)	18 Feb 2022	29 Apr 2022
Corporates	621	580
– thereof at Eurasija	392	374
Banks	528	78
Sovereign (at Eurasija)	127	137
Pre-export finance	590	396
Total	1,866	1,191

Group exposure net of ECA and cash held at Commerzbank reduced to €1.2bn

Exposure is generally short-term (<1Y) and well contained

Additionally, Eurasija holds domestic RUB deposits of ~€0.3bn at Russian central bank and clearing house

We continue to reduce exposures while supporting existing clients – in compliance with all sanctions regulations

Q1 with good progress of Strategy 2024



➤ Business model transformation PSBC

Launch of digitalized consumer loan for private clients and account opening for new customers within mobile banking app

New own asset management solution for wealthy clients

money mate: new investment management solution for retail clients

➤ Business model transformation CC

3,000 Mittelstand customers in migration to CC's direct bank coverage model

Overhaul of digital direct bank user interface for corporate clients

➤ Implementation of target structure

All managers selected and announced

Start of assignment process to target structure for all employees

Further build up of PSBC's advisory centers

➤ Sustainability

Sustainable business volume of €101bn already reached in Q1

Non-financial reporting (TCFD aligned)

Rollout of bilateral sustainable loan products for corporate clients

Key take-aways



-  Delivered strong financial performance across all customer segments in Q1
-  Transformation progress on track in all segments
-  Confident to reach 2022 target of a net result >€1bn

**Reaffirm our
intention to pay
a dividend for
FY 2022**

Financial Results

Q1 2022



Very good profitability in Q1



➤ Pre provision profit up 47% YoY to €1,008m

Strong operating result of €544m driven by higher underlying revenues

Net result of €298m

➤ Increase in underlying NII to €1,362m – up 21% YoY

Underlying NCI further improved to €972m

Increase in provisions for CHF loans by €41m – total provisions at €906m

➤ Costs of €1,787m include €347m compulsory contributions and are in line with target

CIR of 64% reached

➤ Risk result of €464m

New €334m top level adjustment (TLA) for Russia

Total available TLA (COVID and Russia) of €713m

NPE ratio at low 0.8%

➤ CET1 ratio at 13.5%

Buffer to MDA currently at ~410bps

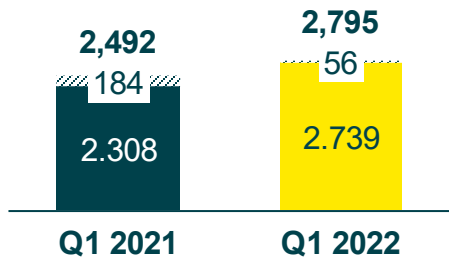
Accrual for 30% dividend started

Strong operating performance



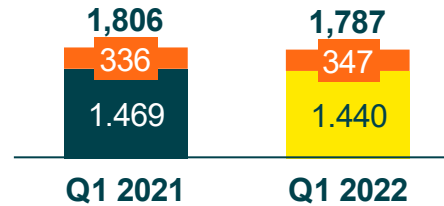
Revenues (€m)

▨ Exceptional revenue items

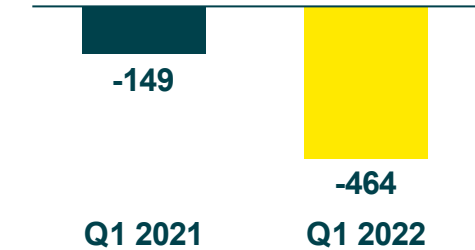


Costs (€m)

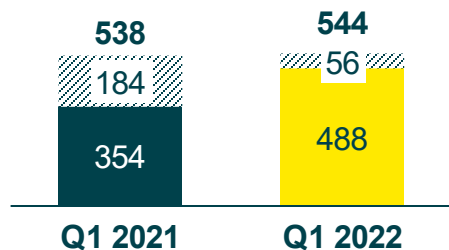
■ Compulsory contributions
■ Operating expenses



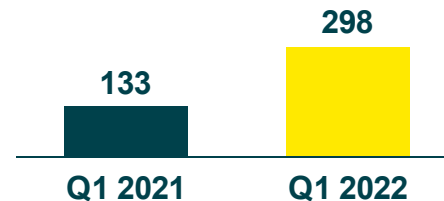
Risk result (€m)



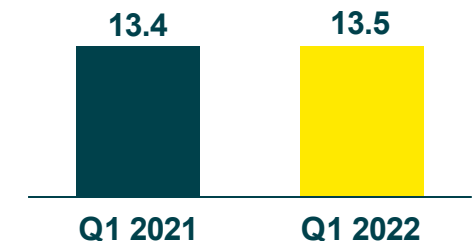
Operating result (€m)



Net result¹ (€m)



CET1 ratio² (%)



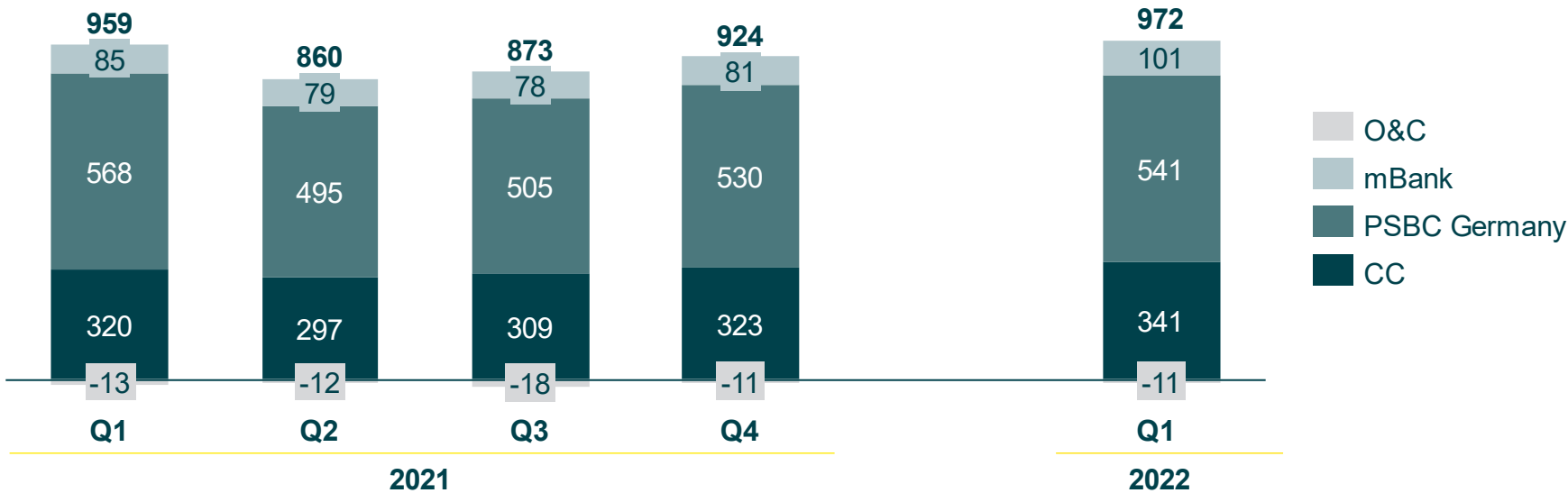
1) Consolidated result attributable to Commerzbankshareholders and investors in additional equity components

2) Includes net result reduced by dividend accrual if applicable and potential (fully discretionary) AT1 coupons

NCI on level of very good Q1 2021



Underlying net commission income (€m)



Highlights Q1

NCI in PSBC Germany reflects strong securities business – slightly below record Q1 2021

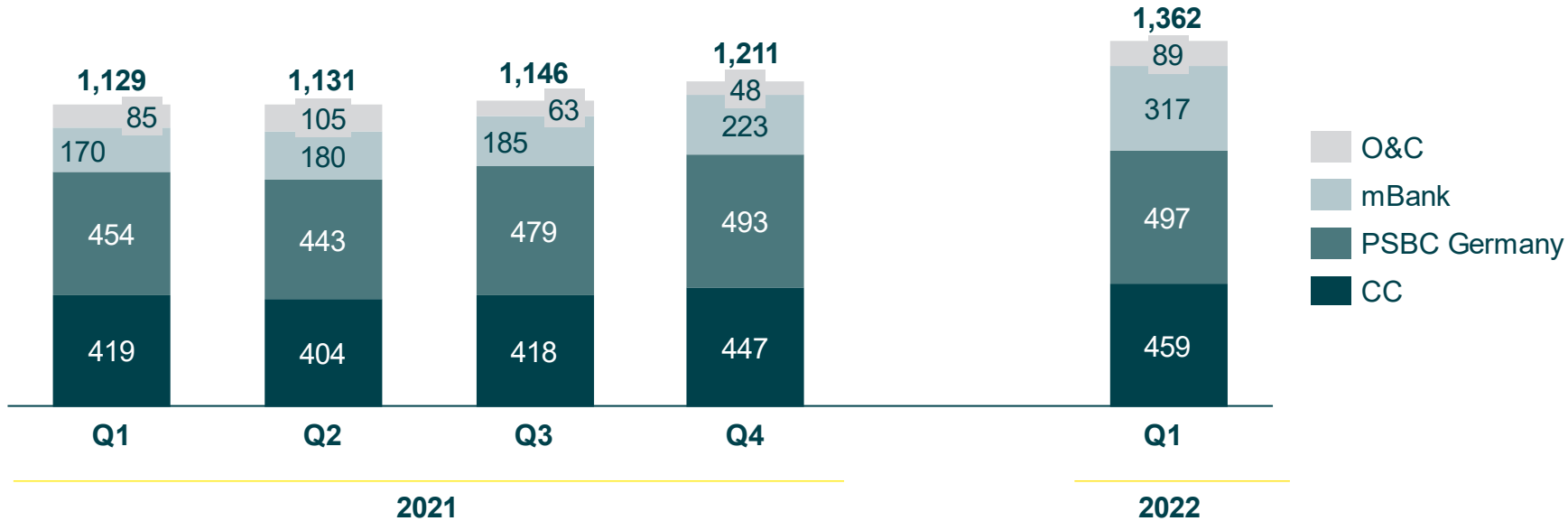
mBank benefiting from better transactional business, supported by one-off fees

Better commission income in CC from improved payment transactions and FX business

Significant growth in underlying NII



Underlying net interest income (ex TLTRO)
(€m)



Highlights Q1

Strong growth in mBank following interest rate increases in Poland

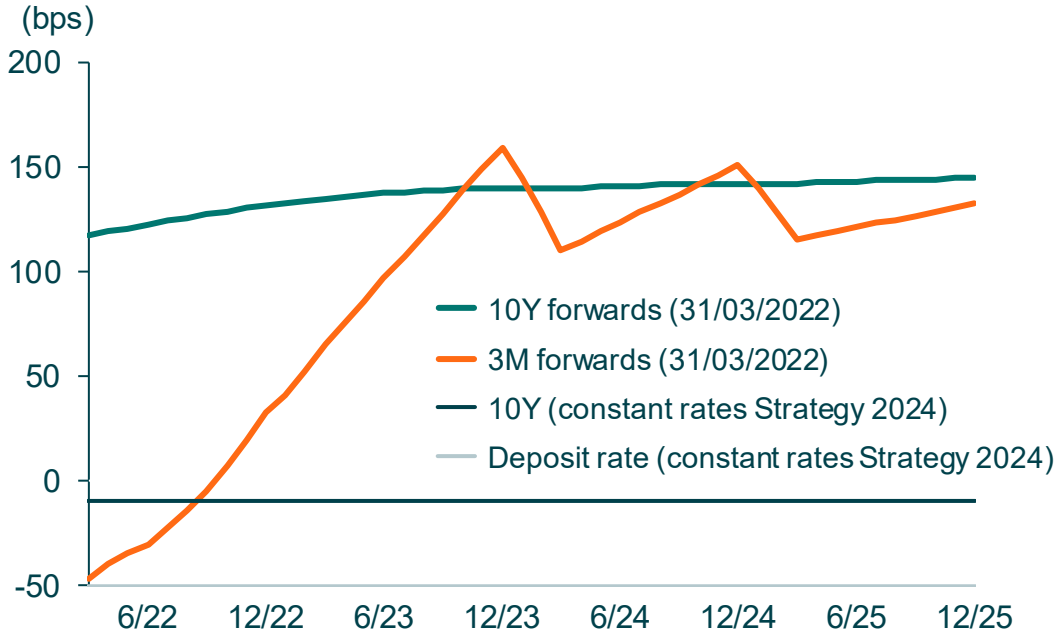
PSBC Germany with moderate increase, continuing the trend since Q2 2021

Better NII in CC with higher contributions from deposits and stable contributions from loans

Forwards imply increasing NII potential from deposits

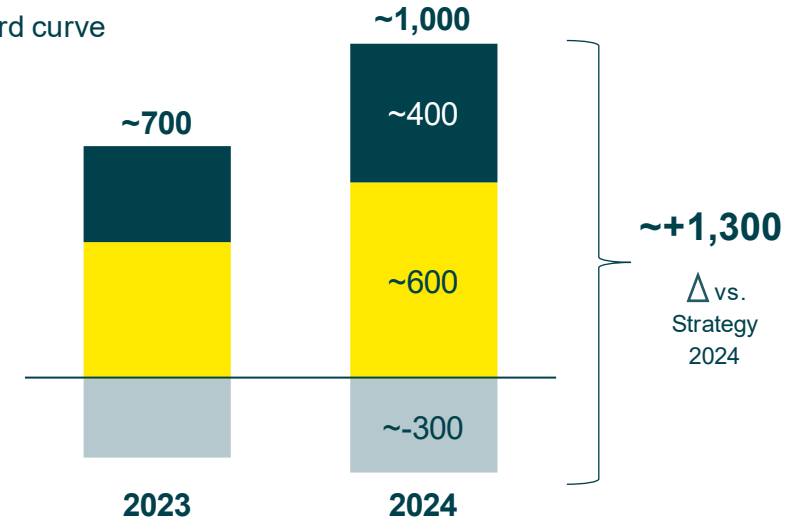


EUR interest rates



Change in NII vs. 2021 from EUR deposits at CC and PSBC Germany (€m)

- Δ NII CC on forward curve
- Δ NII PSBC Ger. on forward curve
- Strategy 2024



Additional notes on scenario calculation

Potential for NII increase based on forward curve as of 31 March 2022

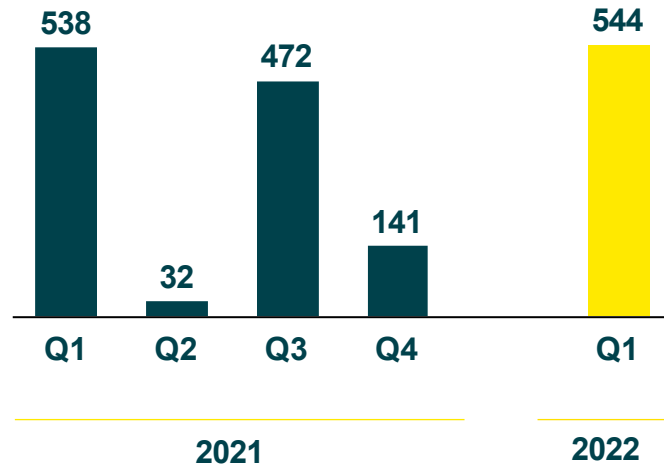
Constant deposit volumes and composition of deposit volumes as well as no deposit beta after leaving negative rates assumed in scenario calculation

Based on forward curve, deposit rate is positive from 2023. Therefore, no deposit charging assumed and loss of corresponding revenues included in scenario calculation

Good operating result based on higher revenues



Group operating result (€m)



Highlights Q1

YoY increase in operating result with strong revenue growth more than compensating increased risk result due to Russia

Pre-provision profit improved significantly due to 12% higher revenues and 2% lower operating expenses YoY

Group P&L

in €m	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022
Revenues	2,492	1,862	2,006	2,099	2,795
Exceptional items	184	-22	-9	235	56
Revenues excl. exceptional items	2,308	1,884	2,015	1,864	2,739
<i>o/w Net interest income</i>	1,129	1,131	1,146	1,211	1,362
<i>o/w Net commission income</i>	959	860	873	924	972
<i>o/w Net fair value result</i>	293	115	129	188	336
<i>o/w Other income</i>	-73	-222	-132	-459	69
Risk result	-149	-87	-22	-313	-464
Operating expenses	1,469	1,704	1,485	1,581	1,440
Compulsory contributions	336	39	27	65	347
Operating result	538	32	472	141	544
Restructuring expenses	465	511	76	26	15
Pre-tax profit Commerzbank Group	73	-478	396	115	529
Taxes on income	-83	40	-6	-199	199
Minority interests	23	8	-1	-107	32
Net result	133	-527	403	421	298
CIR (excl. compulsory contributions) (%)	59.0	91.5	74.0	75.3	51.5
CIR (incl. compulsory contributions) (%)	72.5	93.6	75.4	78.4	63.9
Net RoTE (%)	1.5	-9.3	5.8	6.0	4.0
Operating RoCET (%)	9.1	0.5	7.9	2.4	9.2

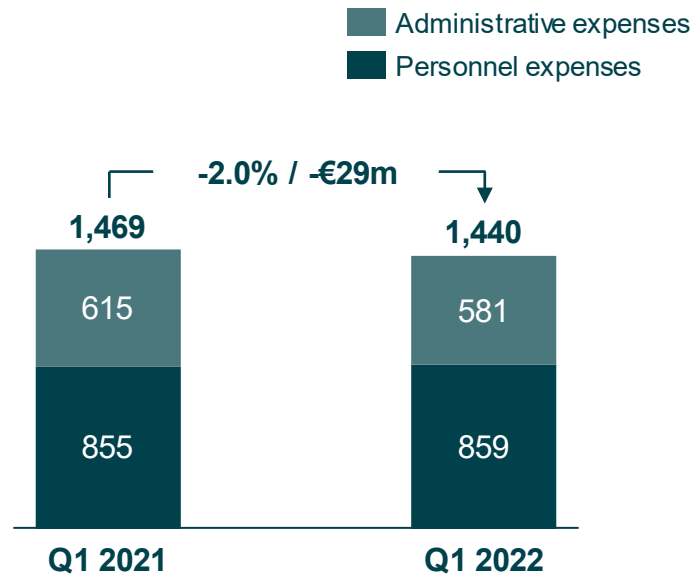
NFV result benefits from good capital markets business in CC and valuation effects from hedges in O&C

Other income reflects positive effects from hedge accounting and balance sheet management – more than offsetting €41m provisions for CHF loans in Poland

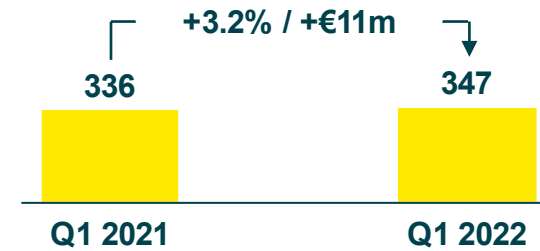
Operating expenses on track



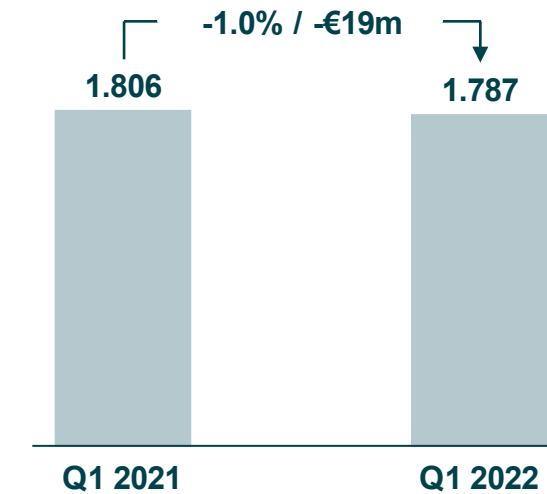
Operating expenses (€m)



Compulsory contributions (€m)



Total expenses (€m)



Highlights Q1

Personnel expenses benefit from a 1,868 net FTE reduction YoY to 36,955 – offset by higher accruals for variable compensation

Decrease in administrative expenses for consulting and occupancy, following branch closures

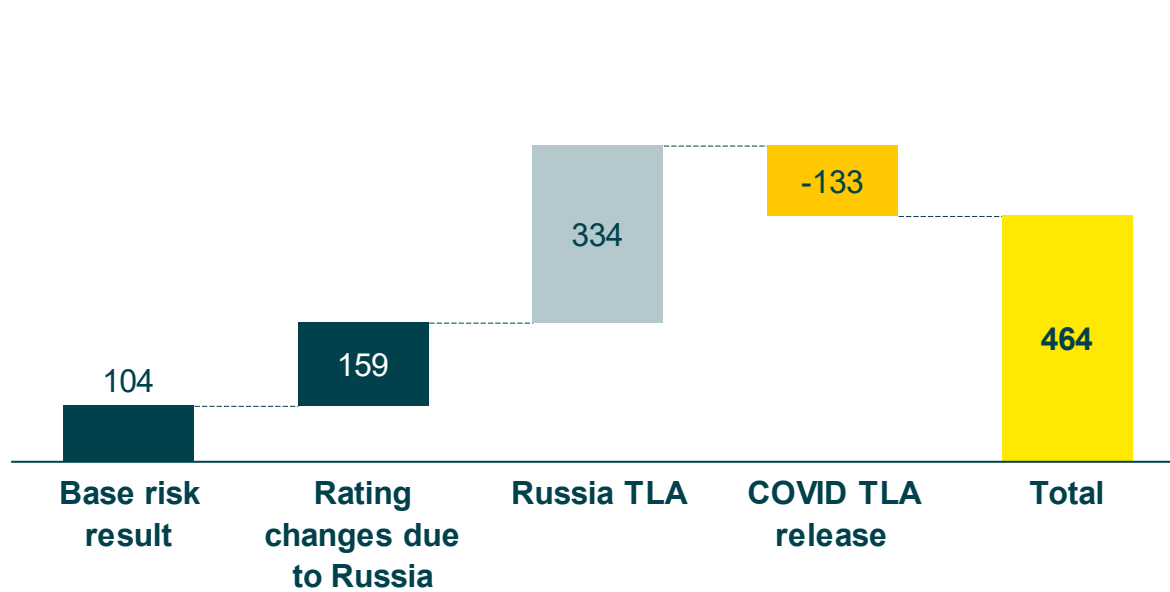
Increased European bank levy due to higher charges of the single resolution fund driven by deposit growth in Europe – largely offset by usage of payment commitments

FY cost target confirmed despite increasing pressure from inflation – higher energy prices and other inflationary effects to be compensated by cost management

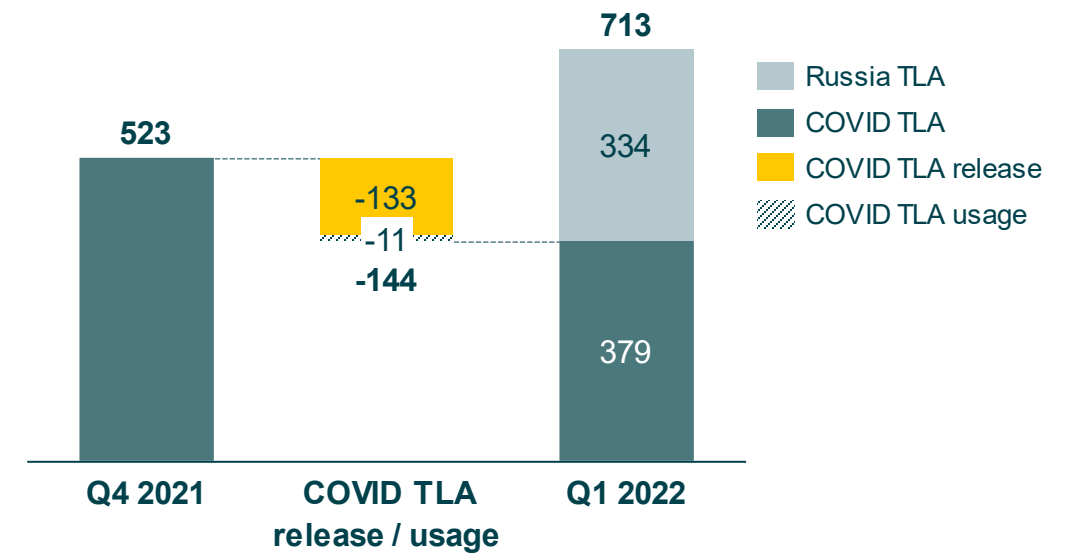
TLA increased to €713m



Q1 Risk result (€m)



Top level adjustment (TLA) (€m)



Highlights Q1

Total of €493m Russia related effect, partially compensated by €133m release of COVID TLA
 €11m COVID TLA used by incurred risks in Q1
 Total TLA increased by €190m

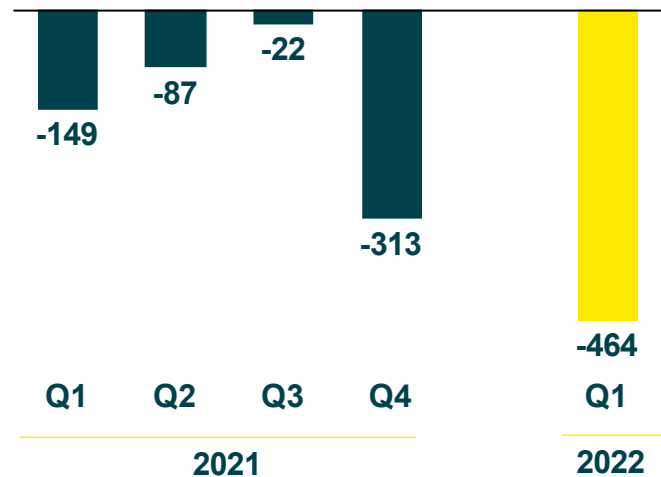
TLA increase in CC by €175m (Russia: €304m, COVID: -€118m TLA release and -€10m TLA usage) to €567m and in O&C by €29m (Russia: €30m, COVID: -€1m TLA release) to €35m

TLA decrease in PSBC by €15m (COVID: -€15m TLA release) to €111m

Risk result of €464m reflecting effects from Russia



Risk result (€m)



Risk result divisional split

Risk Result in €m	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022
Private and Small Business Customers	-64	-62	1	-194	-72
Corporate Clients	-52	13	-29	-81	-286
Others & Consolidation	-32	-37	6	-38	-106
Group	-149	-87	-22	-313	-464

NPE in €bn	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022
Private and Small Business Customers	2.0	2.0	1.9	1.8	1.8
Corporate Clients	2.3	2.2	2.2	2.1	1.9
Others & Consolidation	0.2	0.2	0.2	0.2	0.2
Group	4.6	4.5	4.3	4.2	3.9
Group NPE ratio (in %)	0.9	0.8	0.8	0.9	0.8
Group CoR (bps)	12	10	7	12	39
Group CoR on Loans (CoRL) (bps)	22	18	13	22	69

Highlights Q1

PSBC: risk result driven by mBank

CC: mainly Russia related effects (€452m), partly compensated by release of COVID TLA (-€118m)

O&C: mainly single name legacy position and Russia related effects

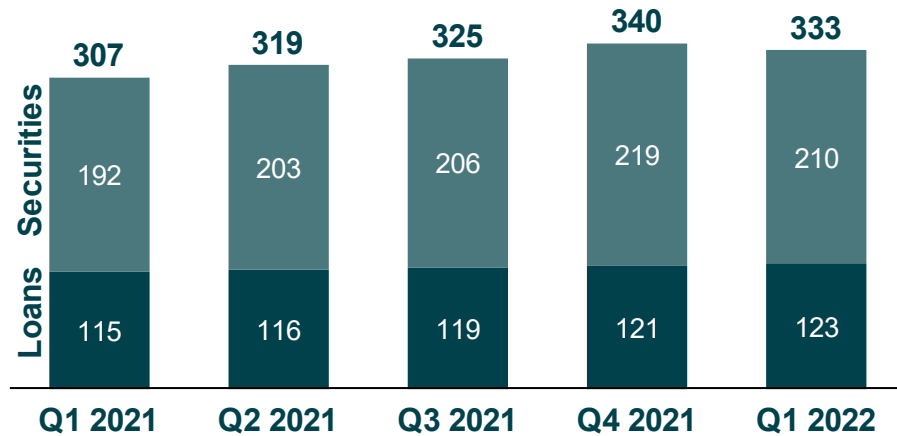
NPE ratio remains on a low level of 0.8%

CoRL increase to 69bps reflects Russia effects

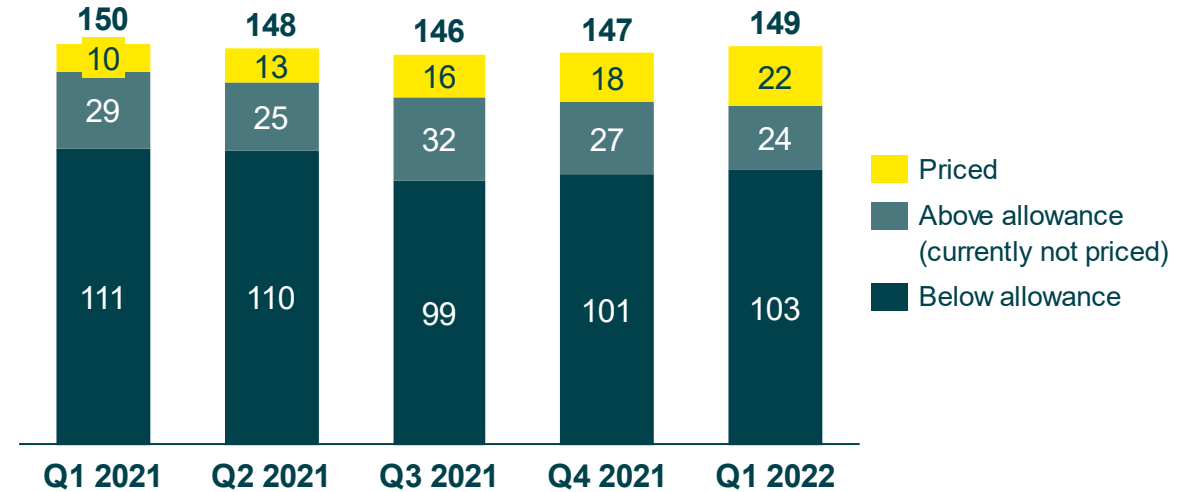
PSBC: continued growth in mortgage business



Loan and securities volumes (Germany)
(€bn | eop)



Deposits (Germany)
(€bn | eop)



Highlights Q1

Decrease in securities volume by €12bn due to market moves – partly offset by inflow of €3bn net new money

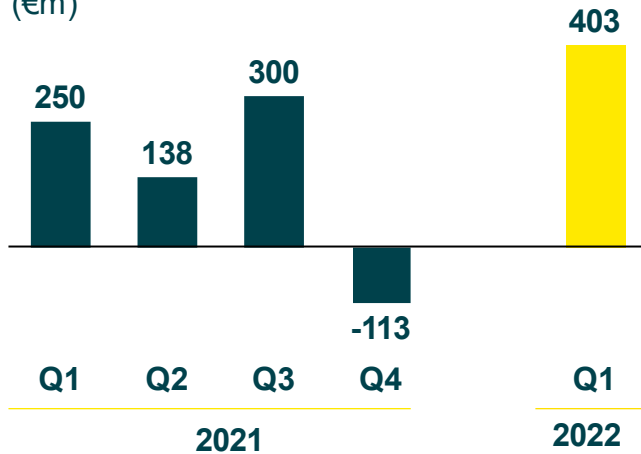
German mortgage business up 6% YoY to €93bn
Consumer finance book stable at €3.8bn

Increase of deposit volume by €1bn to €149bn – thereof increase of priced deposits by €3bn to €22bn

PSBC with increased revenues from all business units



Operating result (€m)



... excluding provisions for CHF loans of mBank

264	193	395	323	445
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Highlights Q1

YoY 10% (€138m) increase in underlying revenues mainly from mBank – 4% better revenues in the German operations

Net reduction of customer base in Germany by 67k in Q1 – customer and revenue churn below expectation

mBank YoY with strong growth in NII (86%) and NCI (19%) – €41m increase in provisions for CHF loans with outstanding volume of CHF loans at €1.9bn and provisions at €906m

Segmental P&L PSBC

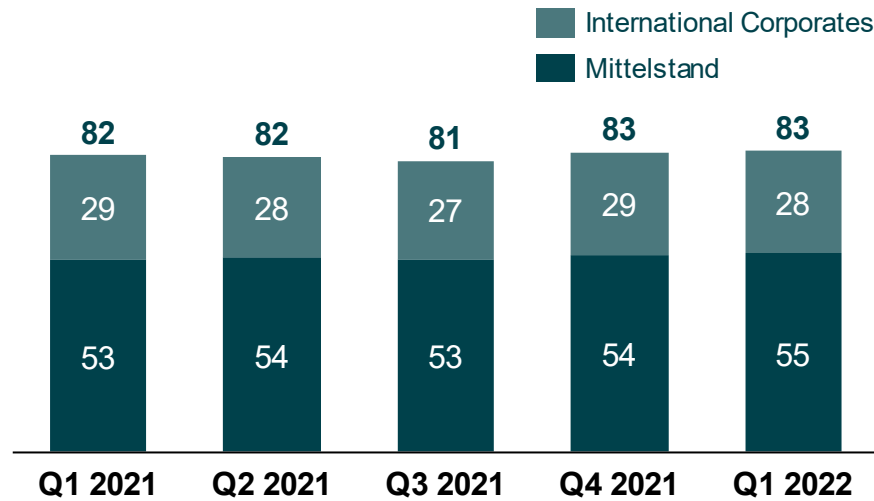
in €m	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022
Revenues	1,329	1,130	1,177	1,059	1,469
Exceptional items	-9	-71	-43	109	-7
Revenues excl. exceptional items	1,338	1,200	1,220	950	1,476
o/w Private Customers	768	693	736	766	782
o/w Small Business Customers	207	204	211	216	219
o/w mBank	309	254	223	-99	409
o/w Commerz Real	53	50	51	68	66
Risk result	-64	-62	1	-194	-72
Operating expenses	851	866	850	914	822
Compulsory contributions	163	63	27	64	171
Operating result	250	138	300	-113	403
RWA (end of period in €bn)	50.8	53.2	53.5	53.4	54.5
CIR (excl. compulsory contributions) (%)	64.1	76.7	72.2	86.3	56.0
CIR (incl. compulsory contributions) (%)	76.4	82.3	74.6	92.4	67.6
Operating return on equity (%)	17.2	8.9	18.8	-7.1	24.2
Provisions for CHF loans of mBank	-14	-55	-95	-436	-41
Operating result ex provisions for CHF loans	264	193	395	323	445

CC: stable loan volume with target customers



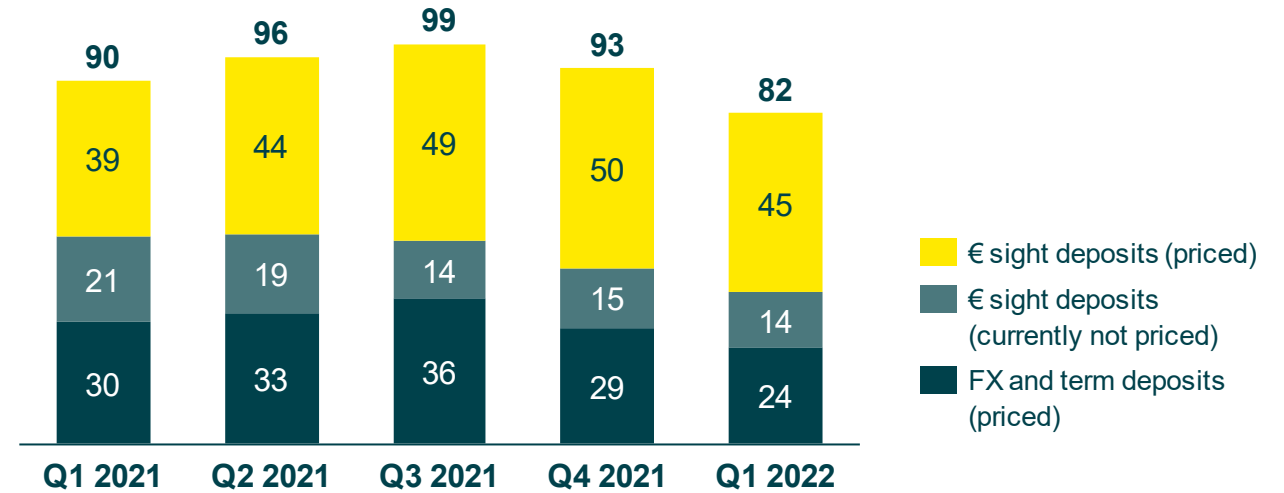
Loan volume Corporates

(€bn | quarterly avg. | Mittelstand and International Corporates)



Deposits

(€bn | quarterly avg.)



Highlights Q1

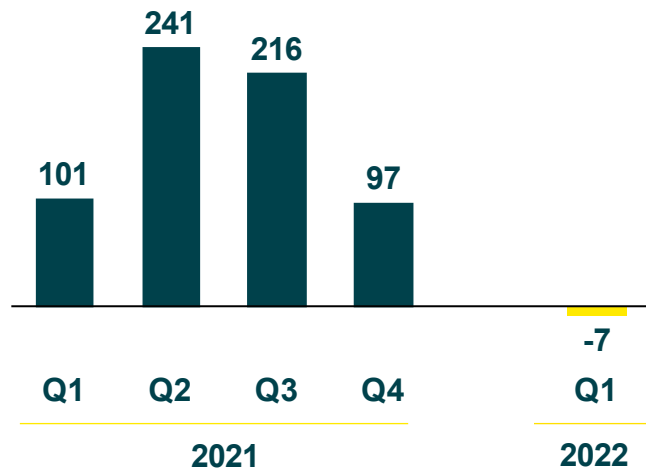
Quarterly average loan volume largely stable

Return of customer deposits following active YE deposit management in Mittelstand and Institutionals – volume back to ~€90bn at end of Q1

Average RWA efficiency of corporates portfolio further improved to 5.4% (5.2% 2021)

CC: strong revenue growth and Russia related provisions

Operating result (€m)



Segmental P&L CC

in €m	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022
Revenues	829	768	776	795	926
Exceptional items	17	11	15	12	2
Revenues excl. exceptional items	813	757	761	782	925
o/w Mittelstand	440	430	437	462	491
o/w International Corporates	227	187	198	211	228
o/w Institutionals	135	114	137	132	138
o/w others	11	25	-11	-22	68
Risk result	-52	13	-29	-81	-286
Operating expenses	562	559	531	615	533
Compulsory contributions	114	-19	-	1	115
Operating result	101	241	216	97	-7
RWA (end of period in €bn)	84.2	83.0	79.2	81.0	80.5
CIR (excl. compulsory contributions) (%)	67.8	72.7	68.4	77.4	57.5
CIR (incl. compulsory contributions) (%)	81.6	70.3	68.4	77.6	69.9
Operating return on equity (%)	3.9	9.8	8.9	4.1	-0.3

Highlights Q1

Mittelstand with improved revenues from lending, transaction banking and capital markets

International Corporates with improved transaction banking and capital markets compensating reduced loan business in line with strategy

Pre-provision result of €279m up 82% YoY based on higher revenues up 12% YoY

Underlying NII up 9% and NCI 6% YoY

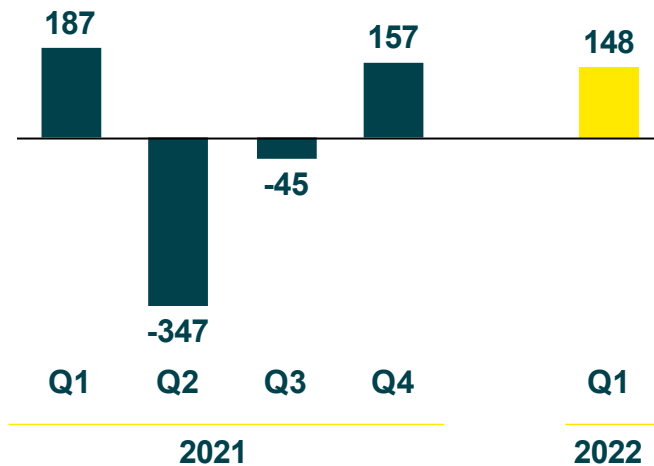
Underlying NFV of €113m up 27% YoY benefits from good capital markets business and lower loan hedging costs

Operating result reflects booking of Russia related rating downgrades and Russia TLA

O&C result in line with expectations



Operating result (€m)



Segmental P&L O&C

in €m	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022
Revenues	334	-36	53	246	400
Exceptional items	176	38	19	114	61
Revenues excl. exceptional items	158	-74	34	132	338
<i>o/w Net interest income</i>	85	105	63	48	89
<i>o/w Net commission income</i>	-13	-12	-18	-11	-11
<i>o/w Net fair value result</i>	146	-12	46	93	167
<i>o/w Other income</i>	-60	-155	-56	3	94
Risk result	-32	-37	6	-38	-106
Operating expenses	56	279	104	51	85
Compulsory contribution	59	-6	-	-	61
Operating result	187	-347	-45	157	148
RWA (end of period in €bn)	43.5	41.5	42.6	40.8	40.0

Highlights Q1

Operating result benefits from positive fair value result and other income – compensating higher risk result

neosfer (Main Incubator) with €26m valuation effects – CommerzVentures -€8m

NFV result benefits from valuation effects of interest rate and cross-currency funding hedges of commercial book

Other income reflects positive effects from hedge result and balance sheet management

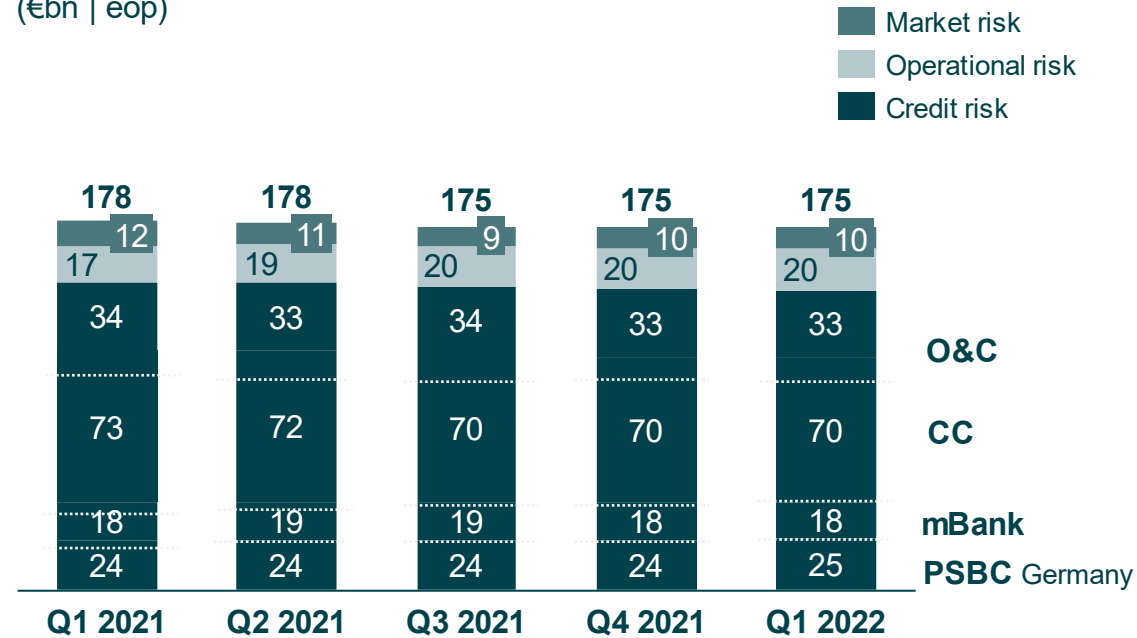
Increase in risk result mainly single name legacy position and Russia related effects

CET1 ratio of 13.5% and buffer to MDA of ~410bps



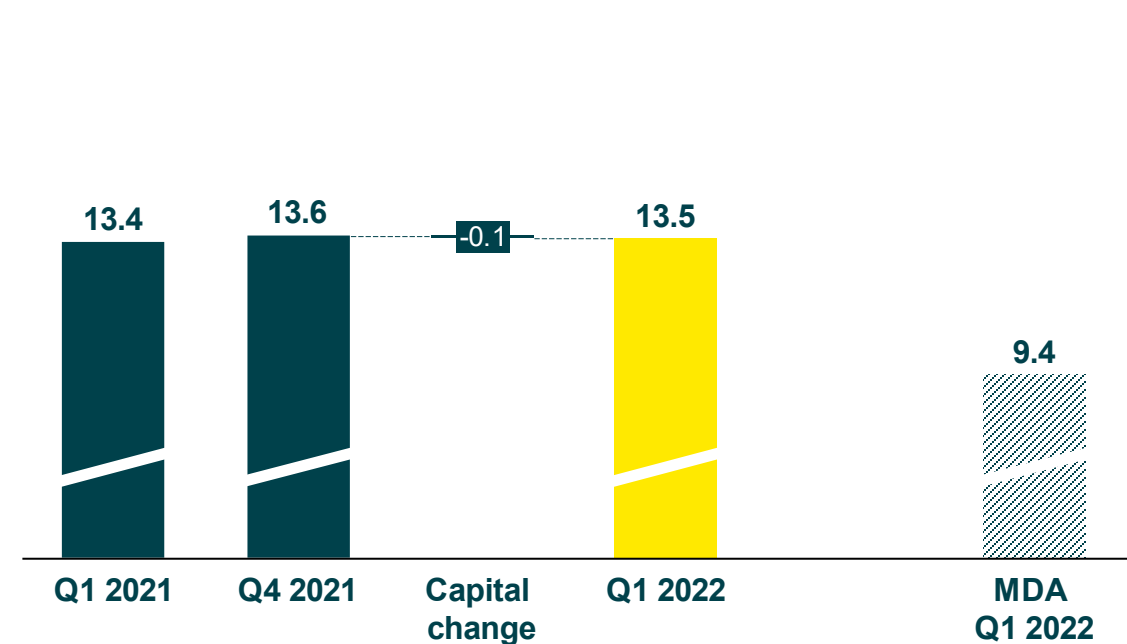
RWA development by risk types

(€bn | eop)



Transition of CET1 ratio

(%)



Highlights Q1

RWA stable QoQ

Credit risk RWA net stable – increases due to Russia related rating changes were compensated

Market risk RWA net stable despite increased market volatility

Operational risk RWA also stable

Slightly decreased capital – positive contribution from regulatory eligible net result and pension funds more than offset by decreased other comprehensive income and increased prudent valuation (regulatory capital deduction)

Unchanged objectives and expectations for 2022



> We expect underlying NII and NCI to increase driven by higher NII in mBank from rate increases in Poland

> We target costs of €6.3bn

> We expect a risk result below €700m assuming usage of TLA

> We expect a CET1 ratio > 13%

> We expect a net result of > €1bn and aim to pay a dividend with pay-out ratio of 30%¹

Note: Expectations are based on the assumption that there are no material additional provisions for the CHF loan portfolio at mBank in 2022 and that effects from Russia remain contained

1) Pay-out ratio based on net result after potential (fully discretionary) AT1 coupon payments

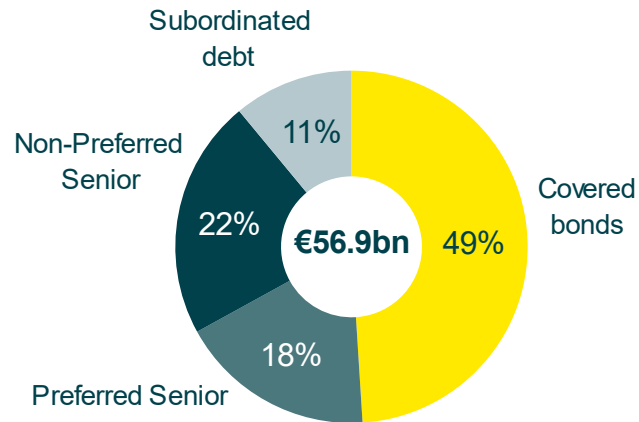
Funding



Capital markets funding – €2.9bn issued in Q1 2022



Funding structure¹ (as of 31 March 2022)

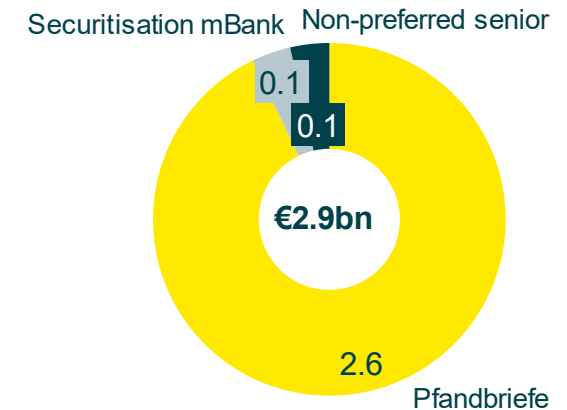


Highlights

- €1bn 10-year mortgage-Pfandbrief benchmark transaction
- €1.5bn 5-year mortgage-Pfandbrief benchmark transaction
- €0.2bn private placements via Pfandbriefe and non-preferred senior issuance
- Higher funding volume in 2022 reflects mainly preparation to replace maturing TLTRO financing

Funding plan 2022 adjusted to around €7.5bn

Group issuance activities Q1 2022² (€bn | nominal values)

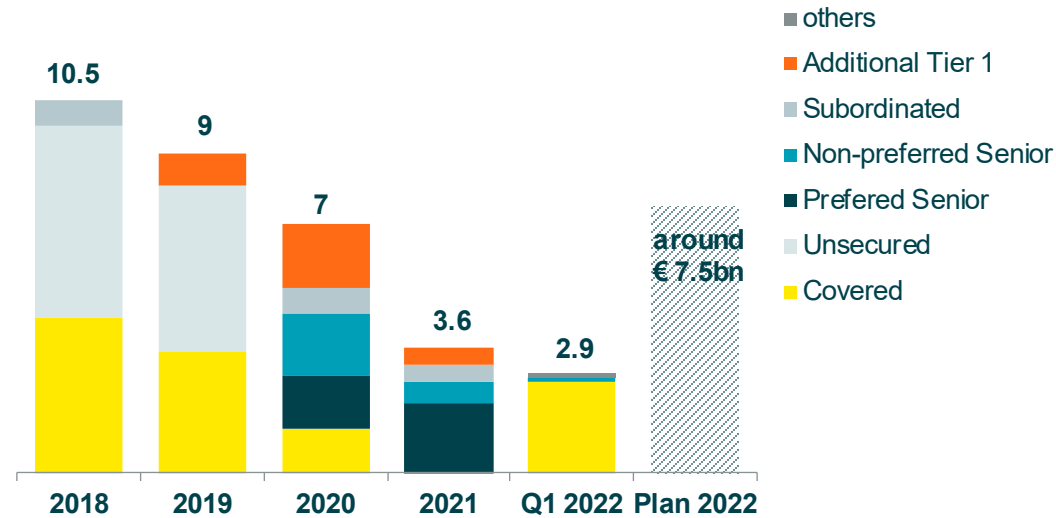


1) Based on balance sheet figures; senior unsecured bonds includes preferred and non-preferred senior bonds 2) Figures are subject to rounding

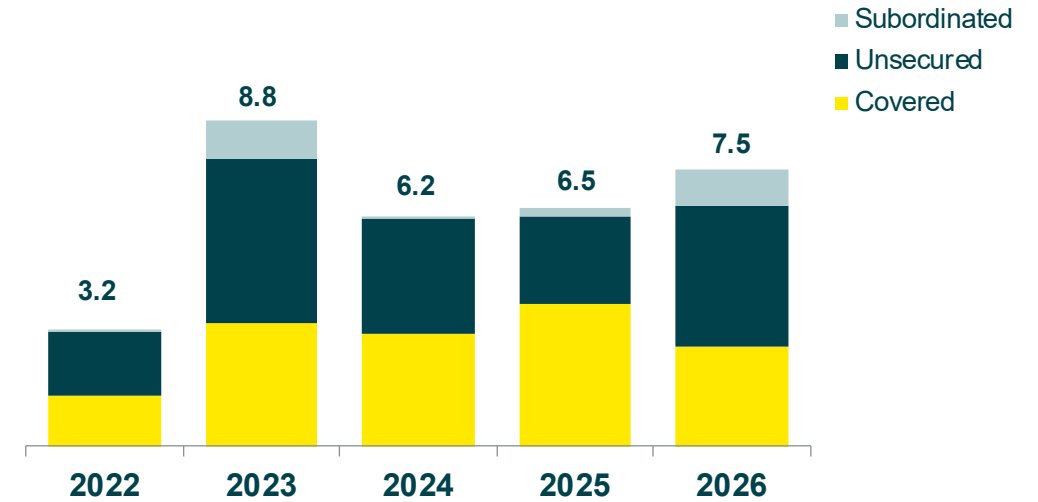
Capital markets funding plan 2022 around € 7.5bn



New issues activities¹
(€bn)



Maturities until 2026²:
(€bn)



Details

- Funding requirements influenced by participation in ECB's TLTRO III and RWA optimisation under new strategy
- Continued focus on diversification of funding

- Well balanced maturity profile

1) Nominal value

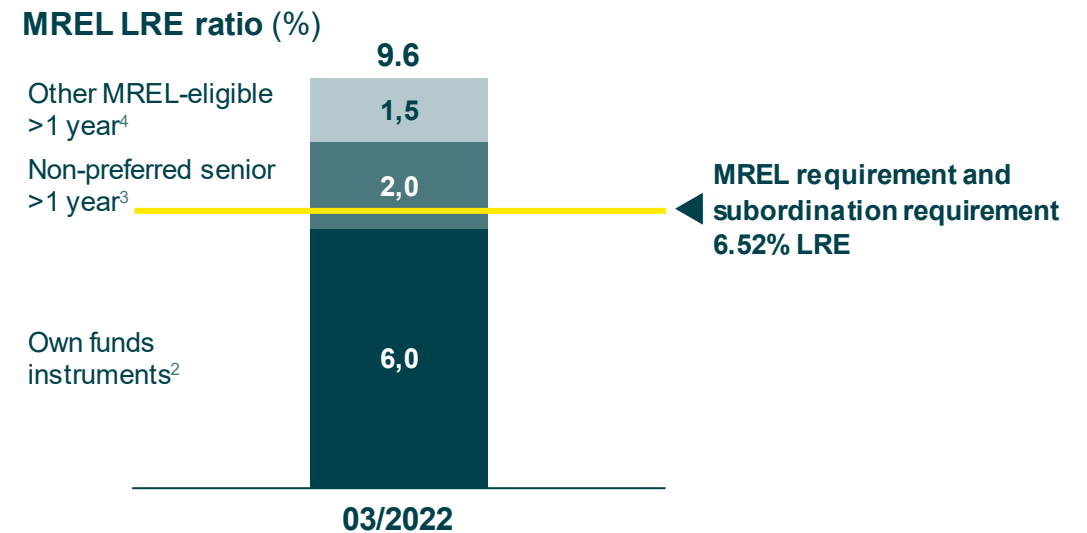
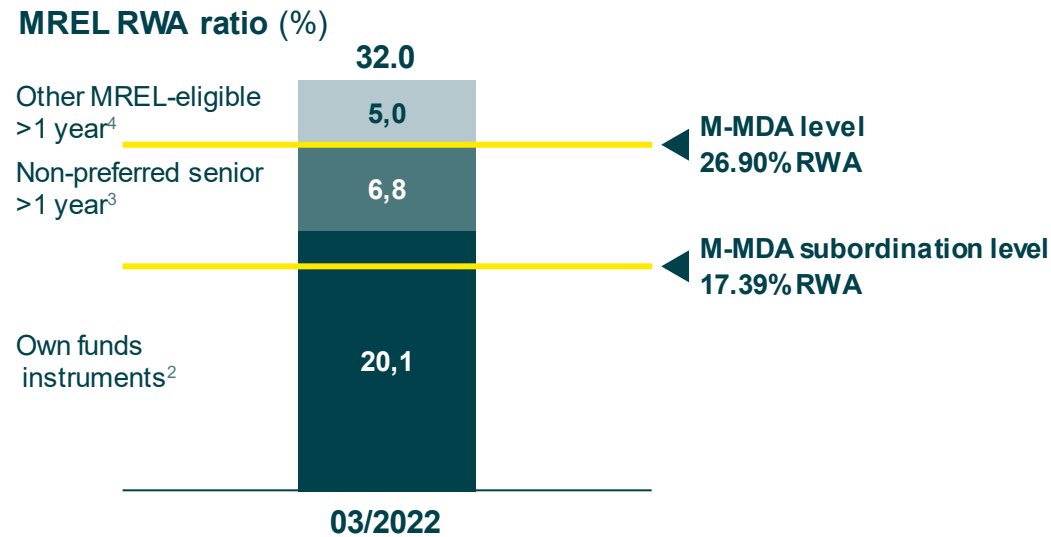
2) Based on balance sheet figures; senior unsecured bonds includes preferred and non-preferred senior bonds

Comfortable fulfilment of MREL requirements



MREL Requirements and M-MDA

- Based on data as of 31 March 2022, Commerzbank fulfils the MREL RWA requirement¹ of 23.13% plus the combined buffer requirement (CBR) of 3.77% with a MREL ratio of 32.0% and the MREL subordination requirement of 13.62% plus CBR of 3.77% with a ratio of 27.0% of RWA
- Both the MREL LRE ratio of 9.6% and MREL subordination LRE ratio of 8.1% comfortably meet the requirement of 6.52%, each as of 31 March 2022
- The issuance strategy is consistent with both RWA and LRE based MPE MREL requirements
- A new MREL requirement is expected within the next review cycle (H1 2022)



1) In December 2021, Commerzbank AG received its current MREL requirement calibrated based on data as of 31 Dec. 2019. The resolution approach is a multiple point of entry (MPE) with two separate resolution groups (resolution group A: Commerzbank Group without mBank subgroup; resolution group B: mBank subgroup). The legally binding MREL (subordination) requirement is defined as a percentage of risk-weighted assets (RWA) and leverage ratio exposure (LRE)

2) Includes amortized amount (regulatory) of Tier 2 instruments with maturity > 1 year

3) According to §46f KWG or non-preferred senior by contract

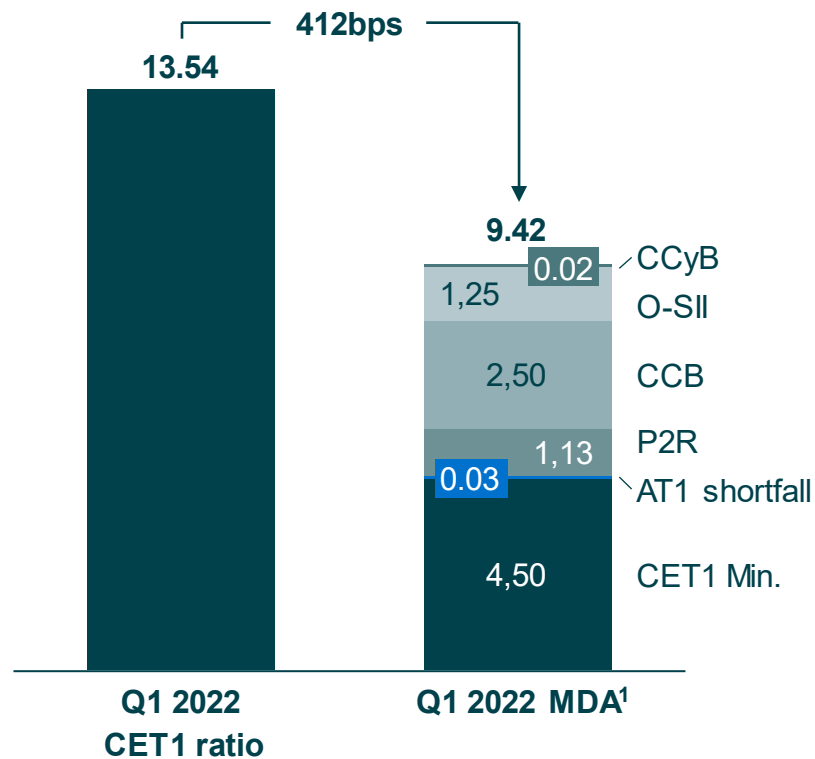
4) Non-covered / non-preferred deposits; preferred senior unsecured

Commerzbank's current MDA



Distance to MDA based on SREP requirement (transitional) for Q1 2022

(%)



Highlights

412bps distance to MDA based on Q1 2022 CET1 ratio of 13.54% and SREP requirement for 2022

Further regulatory comments:

- AT1 shortfall of 3bps due to phase-out of remaining €226m grandfathered AT1
- Tier 2 with moderate maturities and issuance needs in 2022
- Well prepared for upcoming MDA increase due to an activation of CCyBs in UK (Dec 2022 – impact on institution-specific CCyB ~9bps) and Germany (Feb 2023 – impact on institution-specific CCyB ~40bps)
- Activation of a 2% sectoral systemic risk buffer (sSyRB) on RWA from exposure secured by residential properties in Germany will lead to an institution-specific sSyRB of up to ~15bps

AT1 issuance strategy continues in light of economical decisions and in relation to distance to MDA while goal for the Tier 2 layer is $\geq 2.5\%$

1) Based on RWAs of €175.1bn as of Q1 2022. AT1 requirement of 1.875% and Tier 2 requirement of 2.5%

Rating overview Commerzbank



As of 12 May 2022

	S&P Global	Moody's <small>INVESTORS SERVICE</small>
Bank ratings	S&P	Moody's
Counterparty rating/assessment ¹	A-	A1/ A1 (cr)
Deposit rating ²	BBB+ negative	A1 stable
Issuer credit rating (long-term debt)	BBB+ negative	A1 negative
Stand-alone rating (financial strength)	bbb	baa2
Short-term debt	A-2	P-1
Product ratings (unsecured issuances)		
Preferred senior unsecured debt	BBB+ negative	A1 negative
Non-preferred senior unsecured debt	BBB-	Baa2
Subordinated debt (Tier 2)	BB+	Baa3
Additional tier 1 (AT1)	BB-	Ba2
Sustainability assessments		
Environment, social, governance	2, 2, 2	3, 4, 3
Credit impact score	-	3

Last rating events

S&P:

Ratings have been confirmed in March 2022. Introduction of ESG factors in the classic rating approach in January 2022. Commerzbank received a "2" in each of the individual scores.

Moody's:

Introduction of ESG factors in the classic rating approach in December 2021. Commerzbank received an overall score of "CIS-3".

1) Includes parts of client business (i.e. counterparty for derivatives)

2) Includes corporate and institutional deposits

ESG



Management view and core beliefs



With the new strategy sustainability is where it belongs: at CEO level



”Sustainability has become an integral part of our strategy. We have defined ambitious targets for the carbon footprint and we will actively seize the business opportunities from the green transformation.” (Manfred Knof at Capital Markets Day, March 2022)

Sustainability as a business opportunity

- Every client is affected by transformation – we offer innovative products and services to support our clients in the best way
- Customers expect sustainable banking – only if we offer credible products and solutions we will sustain
- Digitization and sustainability go hand in hand – we want to use those synergies

Sustainability has to be approached holistically

- We understand sustainability across all dimensions
- Sustainability affects all segments of our bank – operations, product offering, risk management

Sustainability needs to be managed consequently

- Climate and ESG related risks are potential risks for our clients and for us – we identify, monitor and manage these risks consequently
- Customer relationships which are not sharing our core beliefs will be carefully looked at

Status Quo

- Since Dr. Manfred Knof took over as CEO in 2021, sustainability is **directly within his responsibilities**, establishment of **Group Sustainability Management**
- **Sustainability** is besides **customer-centricity**, **digitization** and **profitability** an integral cornerstone of our strategy program for 2024
- Commerzbank recognizes sustainability not only as a trend but also as a **duty for our customers, society and future generations**
- Establishment of **Environmental, Social and Governance Committee** within the Supervisory Board to ensure a holistic anchoring of the topic

Our ESG Strategy follows a holistic view



» Our overarching goal is directed by our commitment to meet the global challenges as a responsible partner for sustainable economic and social development.



E



S



G

- Working steadily on reducing our **ecological footprint**
- Facing and supporting the transformation process of economy to reach **Paris climate goal**
- Offering customers **environmentally friendly products** and services according to demand of today's needs
- Accompanying customers **sustainable transition** as a valued partner

- Being a supportive and attractive **employer** for our employees and future talents
- We are only satisfied with our performance if our **stakeholders** are satisfied with us
- Actively supporting and fostering **community work** and **employee engagement**, especially in times of pandemic

- Foster compliance, responsibility and transparency as elements of our **corporate culture** and act in accordance with the law
- Assuming **responsibility** for our actions, our products and services, and their impact
- Ensuring Commerzbank's **long-term profitability** by assessing risks comprehensively
- Good **corporate governance** through a collaboration between the Supervisory Board and the Board of Managing Directors (two-tier-system)

Visibility of sustainable strategic progress through three key KPIs¹



Strategic KPI 1:

Net zero portfolio by 2050 at the latest

- Applies to the entire **lending and investment portfolio**
- In April 2021, we therefore joined the **NZBA²**
- Disclosure from reporting year **2023**



Strategic KPI 2:

Net zero banking operations² by 2040

- In addition, 100% climate-neutral **supplier portfolio** by 2040
- Total **emissions** of 84,048t CO₂ equivalents (2020)



Strategic KPI 3:

€300bn for sustainable financial products by 2025

- Commerzbank has committed to channel **€300bn** euros into sustainable products by 2025.
- Total volume of **€194bn** in 2021
- The bank aims for **€207bn** in 2022

1) For more KPIs: [Non-financial Report](#)

2) Net-Zero Banking Alliance

3) Own Banking Operations of Commerzbank Aktiengesellschaft

Good start for sustainable products in 2022

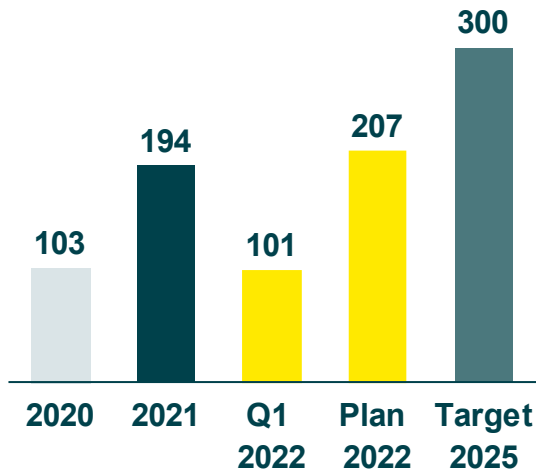


Advisory products
(no balance sheet impact, €bn)



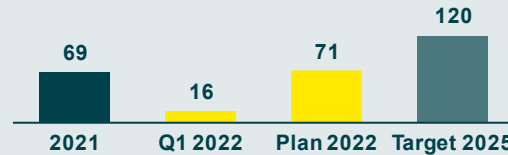
Loan products
(with balance sheet impact, €bn)

Sustainable products (€bn)

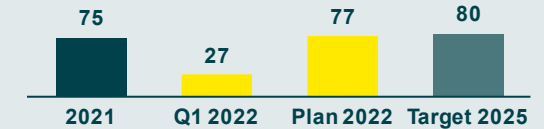


Corporate Clients

- Accompanied ESG bond transactions (e.g. green and social bonds)*
- Sustainable investment solutions for Corporate Clients**

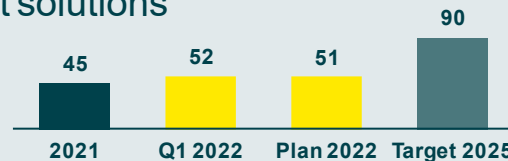


- Renewable energy loan portfolio**
- Accompanied sustainability linked loans*
- KfW sustainability linked programmes*

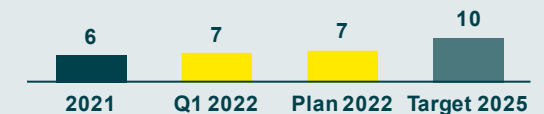


Private & Small-Business Customers¹

- Asset management, securities advisory and brokerage**
- Commerz Real products**
- Retirement solutions*



- Green mortgages**
- KfW programmes**



1) 2021 and Q1 2022 numbers based on different method of calculation due to broader scope of included advisory products.

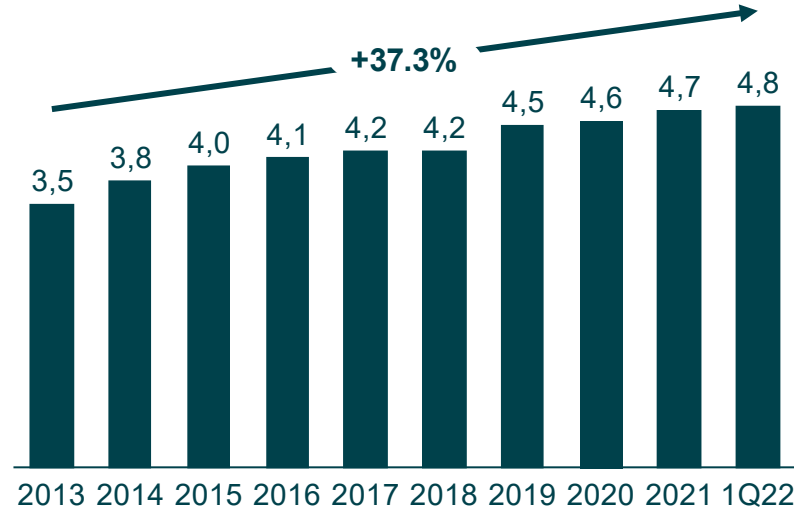
* Flow value / ** Stockvalue

Development of renewable energy portfolio

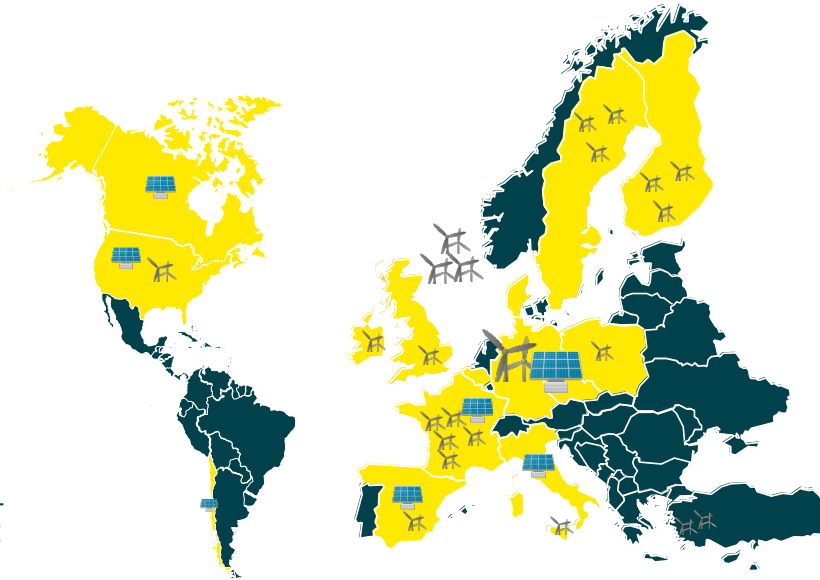


Renewable energies (RE) project finance portfolio

(EaD | €bn | eop)



Global footprint of renewable energy financing



Offshore:

Commerzbank active globally as MLA¹ and lender with offshore projects in Germany, France, Belgium, UK and Taiwan

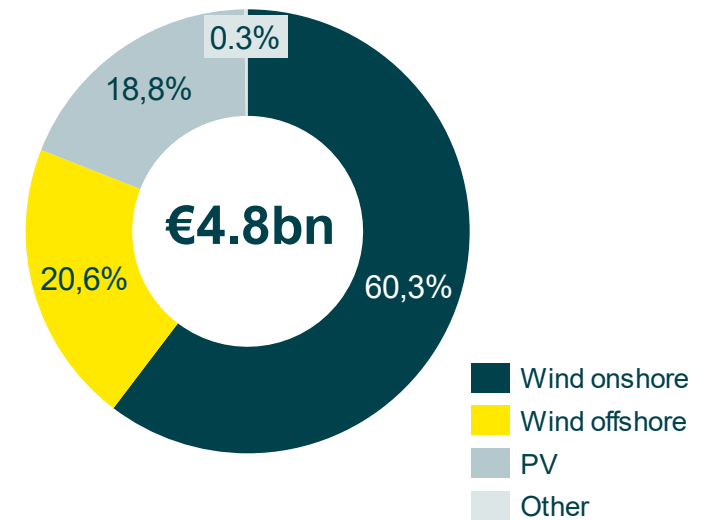
International RE project finance:

amongst others UK, France, Spain, US, Italy and Chile

Core market Germany:

approx. 51% of portfolio in Germany

Renewable energy portfolio



51% invested in Germany



49% invested globally

1) MLA = Mandated Lead Arranger

Clear plan for sustainability in 2022



Key achievements

Environmental

- **Clear target setting**
 - Banking operations Net Zero by 2040
 - Customer portfolio Net Zero by 2050
 - €300bn sustainable business volume
- Sustainability anchored in **strategy & governance**
- Issuance of **new policy** for **fossil fuels** to support coal phase out 2030

Social

- **>1,500** employees engage in different networks (e.g. female, LGBTQ and fathers network)
- **34%** women in management positions
- **Inclusion: 75%** of branches barrier-free

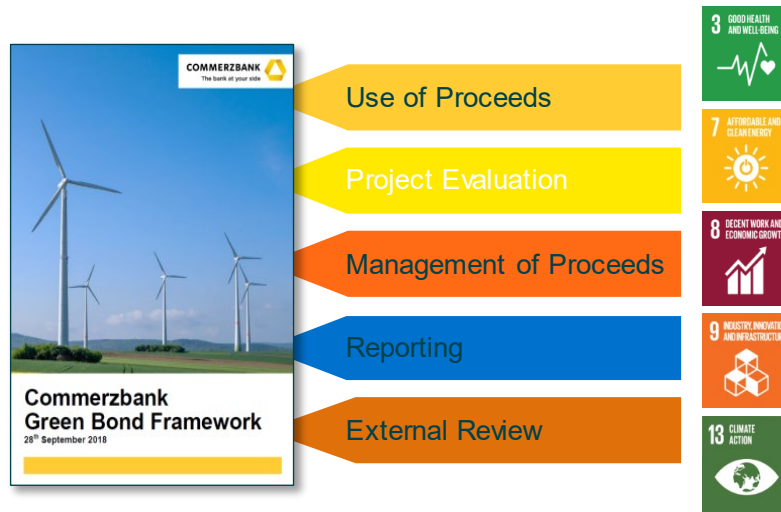
Future milestones

- **Achievement of €207bn** sustainable business volume in 2022
- **ESG portfolio steering** according to **SBTi**
 - Definition of roadmap for reduction of **CO2e-emissions**
 - Start with first sectors: **energy** portfolio by **>75%** and **automotive** portfolio by **>45%** until **2030**
- Improved, solid **regulatory and reporting** setup considering EU taxonomy & TCFD
- **40%** women in management positions by 2030



Commerzbank issued Green Bonds with a volume of €1bn

Commerzbank Green Bond Framework



We are also members of the green bond principles since mid-2014 and are subject to annual reviews by a second party opinion provider



Commerzbank is part of NSBN



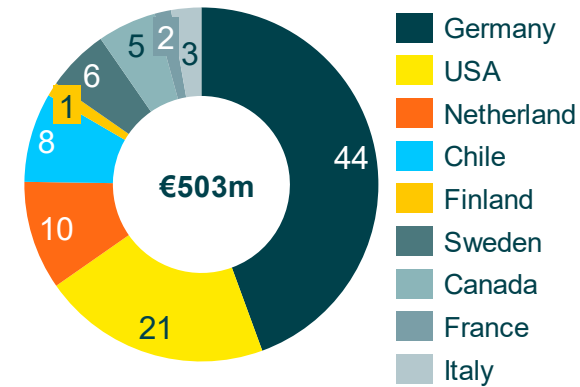
Copyright, Nasdaq 2021

In August 2020 we joined Nasdaq's Network which fosters transparency between Green Bond frameworks as first German Green Bond issuer

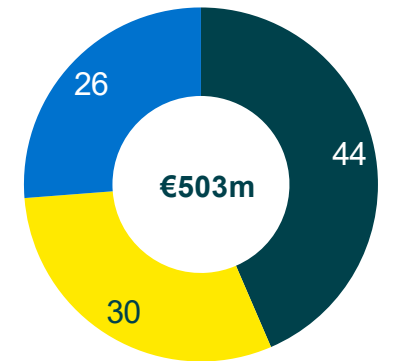
Green Bond I: Overview of assigned assets¹⁾

[in percent]

Allocation by country

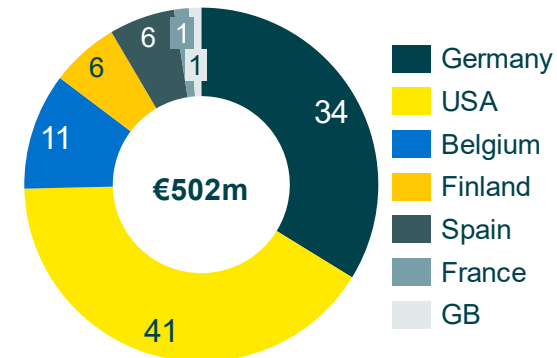


Allocation by technology

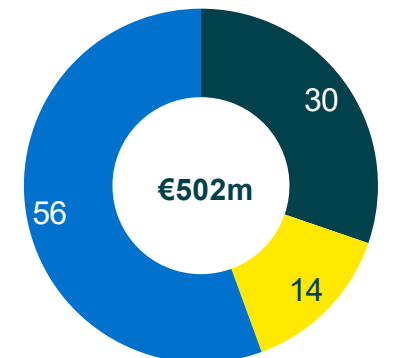


Green Bond II: Overview of assigned assets

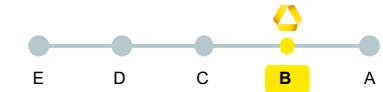
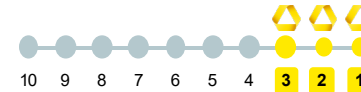
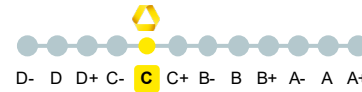
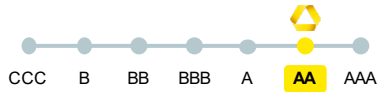
Allocation by country



Allocation by technology



Above-average ESG ratings prove that we are on the right track



ESG Rating

- Double A rated in the upper part of the MSCI ESG rating scale
- Above-average positions in terms of private & data security, financial product safety, human capital and financing environmental impact



ESG Risk Rating

- Commerzbank is at medium risk of experiencing material financial impacts from ESG factors (score of 24.1 / 100 with 0 being the best)
- Very well positioned above industry average on the 1st quantile



ESG Corporate Rating

- Rated in the ISS ESG prime segment – top 10% of industry group
- Excellent ratings especially in the categories environmental management, social, governance and business ethics



ESG QualityScores

- Commerzbank assigned with low ESG risks by ISS ESG QualityScores
- Social QualityScore 1, Environmental Score 2, Governance QualityScore 3



Climate Change Rating

- Commerzbank's rating is above-average of the financial sector (C)
- Positioned as “sector leader financials” in DACH region (ranked top 15% of financials in Germany, Austria and Switzerland)
- Supplier engagement leader rating: A





Appendix



German economy

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Commerzbank Group

2022 strategy KPI

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Loan and deposit volumes

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Risk provisions

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KfW loan demand

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Scenario: NII sensitivity

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Exceptional items mainly TLTRO benefit

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Commerzbank financials at a glance

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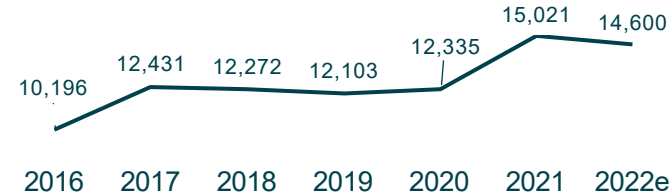
Glossary

50

German economy 2022 – slowed down by Russia and China

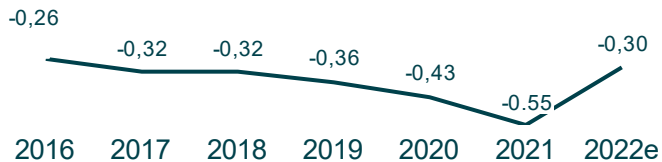
DAX

(avg. p.a.)



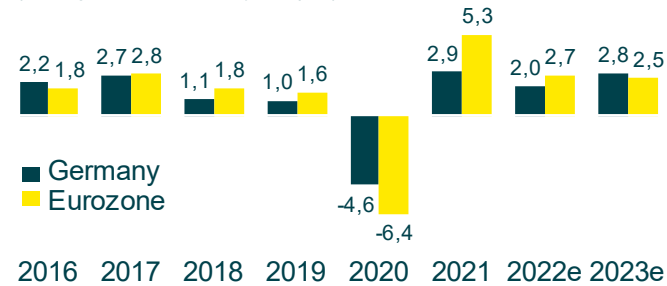
3m-Euribor

(avg. p.a. | %)



GDP

(change vs. previous year | %)



Current development

The significant rise in infection figures since last fall and the renewed restrictions imposed as a result have noticeably slowed the German economy. After a strong recovery in Q2 and Q3 of last year, growth came to a halt in the winter half-year 2021/2022.

Services again suffered particularly from the latest two waves of infections. By contrast, manufacturing has been able to increase its output again somewhat since last fall. However, at the end of Q1 the Russia-Ukraine war again exacerbated the problems in the supply chains, which noticeably slowed production in the automotive sector in particular.

Partly because of these supply bottlenecks, the inflation rate has risen sharply in recent months. In April, at 7.4%, it reached the highest level in almost 38 years. The main drivers are still energy prices but other prices are also rising faster.

The situation on the labor market has improved of late, with many companies creating new jobs again. This has brought the seasonally adjusted number of unemployed back below its pre-crisis level. However, a good 600 thousand people are still working short-time.

Our expectation for 2022

For much of this year, the boost to services from the widespread lifting of the COVID restrictions is likely to be neutralized by the weakness of the manufacturing sector. This is because the Russia-Ukraine war and the lockdowns imposed by the Chinese government as part of its zero-COVID strategy have tended to exacerbate the problems in supply chains. Added to this is the dramatic rise in the prices of energy.

However, as long as the Russia-Ukraine war does not trigger an energy crisis, the economy should still grow slightly, as monetary and fiscal policy will remain expansionary. If the war ends in the coming months, the economy could even pick up again towards the end of the year. This is because energy prices should then fall again somewhat and the problems in the supply chains should at least ease. But even in this scenario, real GDP will probably only increase by 2%.

The inflation rate will fall only slowly in the coming months, and this would probably only be due to less dynamic energy prices. Underlying inflation is more likely to increase.

In the Euro zone, too, inflation will remain high for the time being. In response, the ECB is likely to end its bond purchases in Q3 and raise its deposit rate by a total of 50 basis points by the end of the year.

2022 strategy KPIs



	KPI	Q4 2020	YE 2021	Q1 2022	Target 2022
PSBC	Domestic locations (#)	~800 (thereof ~600 open to customers)	~550 (all open to customers)	~550 (all open to customers)	450
	Active digital banking users (%)	66	70	71	71
	Loan and securities volumes (GER €bn)	290	340	333	360
	Net FTE reduction ¹ vs. YE 2020 (#)	-	1,728	1,635	3,000
CC	International locations exited (#)	-	6	6	10
	Digital banking users activated (%)	-	24	28	40
	Portfolio with RWA efficiency < 3% (%)	34	29	27	31
	Net FTE reduction ¹ vs. YE 2020 (#)	-	451	503	700
Operations & Head Office	IT capacity in nearshoring locations (%)	14	20	21	24
	Apps on cloud (%)	32	41	44	60
	Reduction of external staff (#)	Reduction starts 2023			
	Net FTE reduction ¹ vs. YE 2020 (#)	-	585	369	600

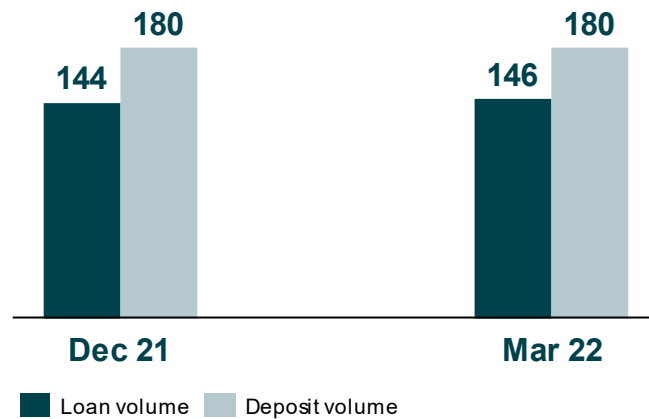
1) FTE numbers shown for YE 2021 are as of 1 January 2022

Loan and deposit development



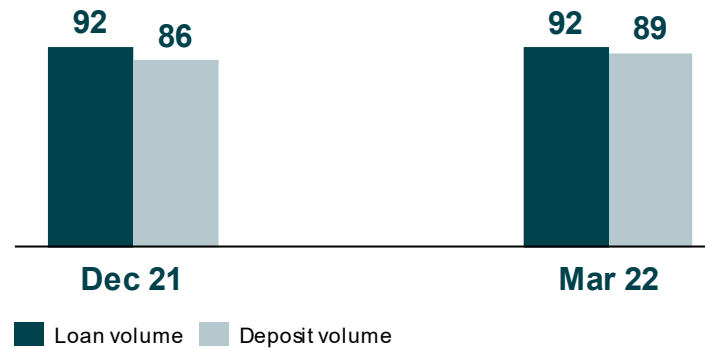
PSBC

(€bn | monthly average)



Corporate Clients

(€bn | monthly average)



Highlights

Loan growth in PSBC driven by residential mortgage business and investment loans in Germany

No significant changes in deposit base

Stable Loan volumes in CC: reduction in International Corporates compensated by increase in Mittelstand

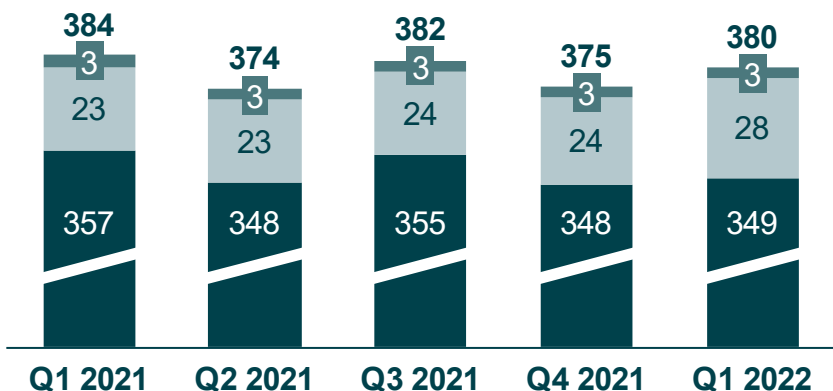
Increase in deposit volumes driven by Institutionals and International Corporates

Improved risk coverage in all stages



Exposure¹

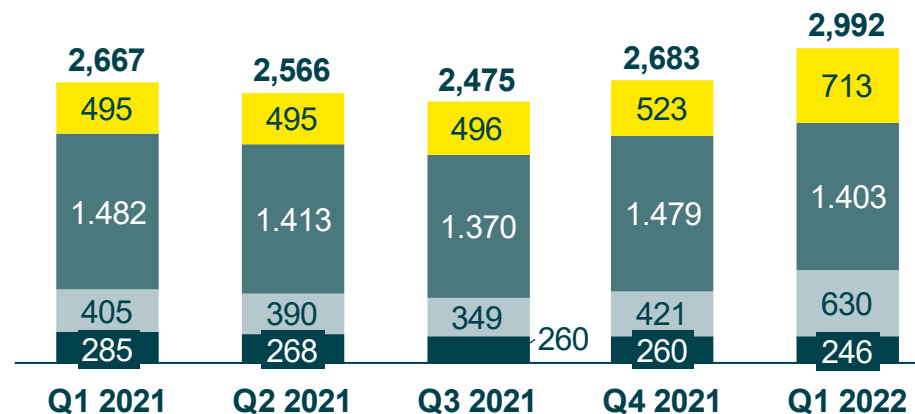
(€bn | excluding mBank)



■ Stage 1 ■ Stage 2 ■ Stage 3 ■ TLA

Risk provisions

(€m | excluding mBank)



Coverage²

Stage 3	44.0%	43.8%	44.0%	49.4%	50.3%
Stage 2	1.7%	1.7%	1.5%	1.7%	2.3%
Stage 1	0.1%	0.1%	0.1%	0.1%	0.1%

Highlights Q1

Exposure increase in stage 2 mainly driven by Russia related rating migrations

Increase of risk provisions and coverage especially in stage 2

Overall level of TLAs increased to €713m

TLA increases the effective coverage of our credit portfolio mainly in stage 2

1) Exposure at Default relevant for IFRS 9 accounting (on- and off-balance exposures in the accounting categories AC and FVOCI)

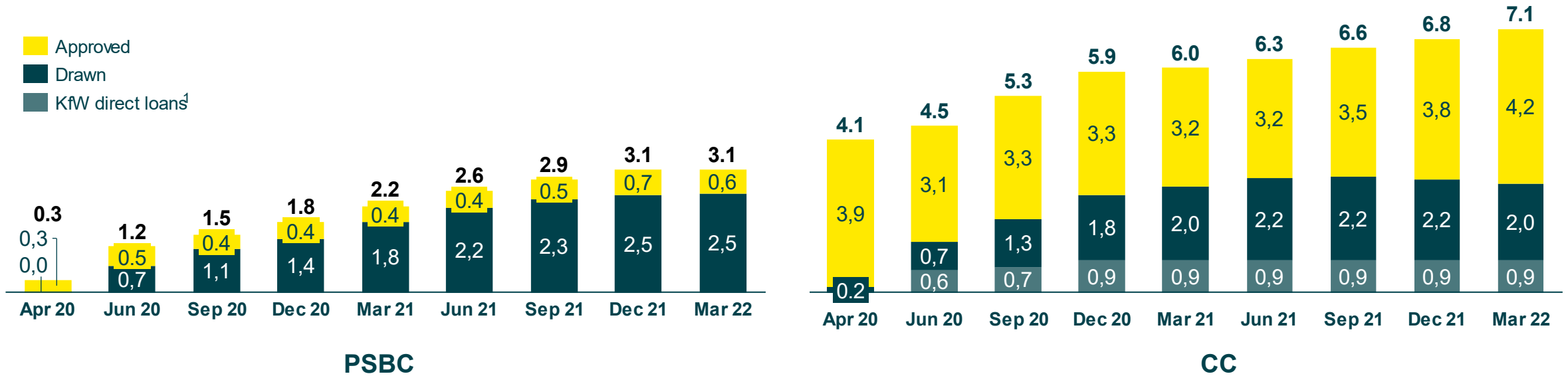
2) Note: TLA is not assigned to stages, hence it is not included in the coverage

Continued moderate demand for KfW loans by customers



Government guaranteed loans

(€bn | Germany)



Highlights Q1

Nearly unchanged drawings of small-business customers in PSBC

First net reduction in drawings in CC

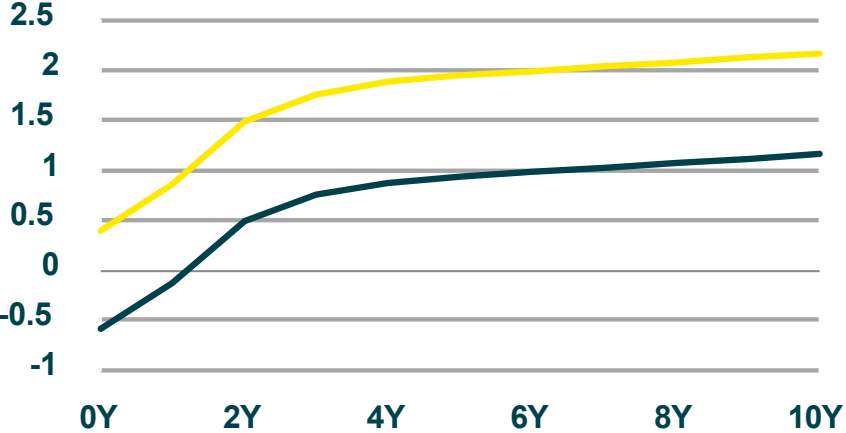
Application for KfW COVID-related loans was possible until 30 April 2022

Companies most impacted by the Russia-Ukraine war can apply for a new KfW program from 9 May 2022 until YE 2022

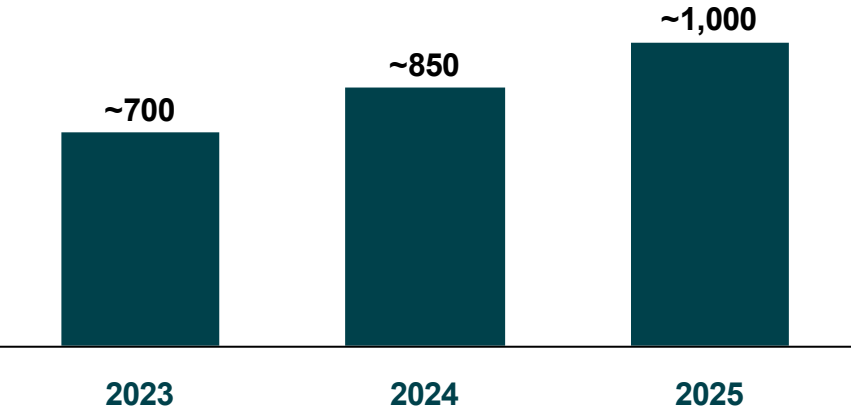
1) CBK share of KfW direct syndicated loans without CBK risk

NII potential from deposits in rising interest rates scenario

100 bps parallel up-shift in rates yield curve
(as of 31 March 2022 | %)



Scenario impact on NII from EUR deposits of CC and PSBC Germany
(€m)



Highlights

Effect driven by higher reinvestment yield of modelled deposits used to refinance longer term loans

Constant deposit volumes and deposit composition as well as deposit beta of zero assumed in scenario

Exceptional items mainly TLTRO benefit



2021 (€m)		Revenues	
Q1	Hedging & valuation adjustments	67	184
	PPA Consumer Finance (PSBC)	-9	
	TLTRO benefit (O&C)	126	
Q2	Hedging & valuation adjustments	10	-22
	PPA Consumer Finance (PSBC)	-8	
	TLTRO benefit (O&C)	42	
	Prov. re judgement on pricing of acc. (PSBC)	-66	
Q3	Hedging & valuation adjustments	32	-9
	PPA Consumer Finance (PSBC)	-8	
	Prov. re judgement on pricing of acc. (PSBC)	-33	
Q4	Hedging & valuation adjustments	31	235
	PPA Consumer Finance (PSBC)	-7	
	TLTRO benefit (O&C)	95	
	Valuation of participation (PSBC)	116	
FY		388	

2022 (€m)		Revenues	
Q1	Hedging & valuation adjustments	17	56
	PPA Consumer Finance (PSBC)	-6	
	TLTRO benefit (O&C)	45	
Q1		56	

Commerzbank Group



€m	Q1 2021	Q2 2021	Q3 2021	Q4 2021	FY 2021	Q1 2022
Total underlying revenues	2,308	1,884	2,015	1,864	8,071	2,739
Exceptional items	184	-22	-9	235	388	56
Total revenues	2,492	1,862	2,006	2,099	8,459	2,795
o/w Net interest income	1,254	1,173	1,122	1,300	4,849	1,401
o/w Net commission income	951	852	889	924	3,616	972
o/w Net fair value result	360	125	160	334	980	353
o/w Other income	-73	-288	-165	-459	-985	69
o/w Dividend income	1	6	3	11	22	-
o/w Net income from hedge accounting	-48	-4	-32	-12	-96	13
o/w Other financial result	19	-2	5	6	27	26
o/w At equity result	-	2	2	2	6	-
o/w Other net income	-45	-290	-143	-466	-944	30
Risk result	-149	-87	-22	-313	-570	-464
Operating expenses	1,469	1,704	1,485	1,581	6,239	1,440
Compulsory contributions	336	39	27	65	467	347
Operating result	538	32	472	141	1,183	544
Restructuring expenses	465	511	76	26	1,078	15
Pre-tax result Commerzbank Group	73	-478	396	115	105	529
Taxes on income	-83	40	-6	-199	-248	199
Minority Interests	23	8	-1	-107	-77	32
Consolidated Result attributable to Commerzbank shareholders and investors in additional equity components	133	-527	403	421	430	298
Total Assets	537,778	543,643	541,258	473,044	473,044	525,591
o/w Discontinued operations	2,143	1,809	1,368	62	62	-
Average capital employed	23,684	23,800	23,813	23,839	23,785	23,755
RWA credit risk (end of period)	149,314	148,183	146,691	145,209	145,209	144,783
RWA market risk (end of period)	12,467	10,850	8,731	10,180	10,180	10,432
RWA operational risk (end of period)	16,690	18,555	19,795	19,799	19,799	19,891
RWA (end of period) continued operations	178,471	177,588	175,217	175,188	175,188	175,106
RWA (end of period) discontinued operations	-	-	-	-	-	-
RWA (end of period)	178,471	177,588	175,217	175,188	175,188	175,106
Cost/income ratio (excl. compulsory contributions) (%)	59.0%	91.5%	74.0%	75.3%	73.8%	51.5%
Cost/income ratio (incl. compulsory contributions) (%)	72.5%	93.6%	75.4%	78.4%	79.3%	63.9%
Operating return on CET1 (RoCET) (%)	9.1%	0.5%	7.9%	2.4%	5.0%	9.2%
Operating return on tangible equity (%)	7.8%	0.5%	6.6%	2.0%	4.2%	7.6%
Return on equity of net result (%)	1.5%	-8.9%	5.6%	5.8%	1.0%	3.9%
Net return on tangible equity (%)	1.5%	-9.3%	5.8%	6.0%	1.0%	4.0%

Commerzbank financials at a glance



Group		Q1 2021	Q4 2021	Q1 2022
Total revenues	€m	2,492	2,099	2,795
Risk result	€m	-149	-313	-464
Personnel expenses	€m	855	862	859
Administrative expenses (excl. depreciation)	€m	392	492	376
Depreciation	€m	222	226	204
Compulsory contributions	€m	336	65	347
Operating result	€m	538	141	544
Net result	€m	133	421	298
Cost/income ratio (excl. compulsory contributions)	%	59.0	75.3	51.5
Cost/income ratio (incl. compulsory contributions)	%	72.5	78.4	63.9
Accrual for potential AT1 coupon distribution current year	€m	-42	-49	-48
Net RoE	%	1.5	5.8	3.9
Net RoTE	%	1.5	6.0	4.0
Total assets	€bn	538	473	526
Loans and advances (amortised cost)	€bn	269	268	272
RWA	€bn	178	175	175
CET1 ratio ¹	%	13.4	13.6	13.5
Total capital ratio (with transitional provisions) ¹	%	17.7	18.4	18.0
Leverage ratio (with transitional provisions) ¹	%	4.7	5.2	4.7
NPE ratio	%	0.9	0.9	0.8
Group CoR	bps	12	12	39
Group CoR on Loans (CoRL)	bps	22	22	69
Full-time equivalents excl. junior staff (end of period) ²		38,823	36,697	36,955

1) Capital reduced by dividend accrual if applicable and potential (fully discretionary) AT1 coupons

2) Q4 2021: FTE numbers as of 1 January 2022

Glossary – Key ratios



Key Ratio	Abbreviation	Calculated for	Numerator	Denominator		
				Group	Private and Small Business Customers and Corporate Clients	Others & Consolidation
Cost/income ratio (excl. compulsory contributions) (%)	CIR (excl. compulsory contributions) (%)	Group as well as segments PSBC and CC	Operating expenses	Total revenues	Total revenues	n/a
Cost/income ratio (incl. compulsory contributions) (%)	CIR (incl. compulsory contributions) (%)	Group as well as segments PSBC and CC	Operating expenses and compulsory contributions	Total revenues	Total revenues	n/a
Operating return on CET1 (%)	Op. RoCET (%)	Group and segments (excl. O&C)	Operating profit	Average CET1 ¹	12.5% ² of the average RWAs (YTD: PSBC €53,8bn, CC €81,1bn)	n/a (note: O&C contains the reconciliation to Group CET1)
Operating return on tangible equity (%)	Op. RoTE (%)	Group and segments (excl. O&C)	Operating profit	Average IFRS capital after deduction of goodwill and other intangible assets ¹	12.5% ² of the average RWAs plus average regulatory capital deductions (excluding goodwill and other intangible assets) (YTD: PSBC €0,4bn, CC €0,8bn)	n/a (note: O&C contains the reconciliation to Group tangible equity)
Return on equity of net result (%)	Net RoE (%)	Group	Consolidated Result attributable to Commerzbank shareholders and investors in additional equity components after deduction of potential (fully discretionary) AT1 coupon	Average IFRS capital without non-controlling interests and without additional equity components ¹	n/a	n/a
Net return on tangible equity (%)	Net RoTE (%)	Group	Consolidated Result attributable to Commerzbank shareholders and investors in additional equity components after deduction of potential (fully discretionary) AT1 coupon	Average IFRS capital without non-controlling interests and without additional equity components after deduction of goodwill and other intangible assets (net of tax) ¹	n/a	n/a
Non-Performing Exposure ratio (%)	NPE ratio (%)	Group	Non-performing exposures	Total exposures according to EBA Risk Dashboard	n/a	n/a
Cost of Risk (bps)	CoR (bps)	Group	Risk Result	Exposure at Default	n/a	n/a
Cost of Risk on Loans (bps)	CoRL (bps)	Group	Risk Result	Loans and Advances [annual report note (25)]	n/a	n/a
Key Parameter	Calculated for	Calculation				
Total underlying revenues	Group and segments	Total revenues excluding exceptional revenue items				
Underlying Operating Performance	Group and segments	Operating result excluding exceptional revenue items and compulsory contributions				

¹ reduced by potential dividend accrual and potential (fully discretionary) AT1 coupon

² charge rate reflects current regulatory and market standard

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Financial calendar 2022

3 August 2022

Q2 2022 results

9 November 2022

Q3 2022 results