

Remuneration Report on the Remuneration of Employees

2022

pursuant to Section 16 of the German Remuneration Ordinance
for Institutions (IVV) of 16 November 2022



Table of Contents

1	Introduction	3
2	Remuneration strategy	4
3	Compensation governance structure	6
3.1	Remuneration Control Committee	6
3.2	Remuneration Officer	7
3.3	Remuneration Committee	8
3.4	London Branch Remuneration Committee	8
3.5	Decision Board	9
4	Remuneration system	10
4.1	Remuneration parameters	11
4.2	Determination of the disbursement volume for variable remuneration	12
4.3	Profit sharing for pay-scale employees	13
4.4	Variable remuneration for non-pay-scale employees	13
4.4.1	NPS model	14
4.4.2	Employees in control units	15
4.4.3	Variable remuneration for executives from 2023 onwards	16
4.4.4	Remuneration of the Board of Managing Directors	16
4.5	Variable remuneration regulations applicable to all models	16
4.5.1	Risk Taker identification	16
4.5.2	Remuneration rules for Risk Takers	17
4.5.3	Performance assessment for Risk Takers	19
4.5.4	Prohibition on hedging transactions	21
4.6	Other remuneration regulations	21
5	Group-wide implementation	22
5.1	Group-wide remuneration strategy	22
5.2	Remuneration systems of affiliated institutions	23
5.2.1	Commerzbank (Eurasija) AO	23
6	Remuneration information	24
6.1	Quantitative information on remuneration by business area	24
6.2	Quantitative information on remuneration of Risk Takers	25
6.2.1	Remuneration paid for the 2022 financial year	25
6.2.2	Sign-on bonuses and guarantees granted or paid to Risk Takers	27
6.2.3	Outstanding and deferred variable remuneration from previous years	28
6.2.4	Quantitative data on remuneration of Risk Takers broken down by business segment	30
6.3	Number of persons with high remuneration	31

1 Introduction

The German banking sector continues to operate in a challenging environment, characterised by inflationary pressures, economic uncertainties, increasing regulatory requirements, and the consequences of the Russian war of aggression against Ukraine.

Given the difficult economic conditions, Commerzbank performed well in the 2022 financial year. The Group lowered costs as planned and actually exceeded the net profit target. That shows that the “Strategy 2024” programme is taking effect and that the turnaround has been achieved. The transformation of the Bank is progressing well, and the new business model is in place in Germany and abroad. The planned staff reductions have also been regulated to a large extent. In the adjustment of its branch network, Commerzbank achieved its target of 450 sites in Germany by mid-2022. In the current financial year, the new target level of around 400 branches will be addressed.

Consequently, after the first half of the transformation process, Commerzbank is well on the way to becoming *the* digital advisory bank for Germany. As such, it combines the advantages of a fully digitalised bank with personal advice, a consistent customer focus, and sustainability.

To successfully address the challenges, Commerzbank is also continually reviewing its remuneration strategy and structures. This relates both to the remuneration model for employees, which this Remuneration Report covers, as well as the Management Board remuneration model as described in the Remuneration Report pursuant to Section 162 of the German Stock Corporation Act (AktG), which Commerzbank published separately in the 2022 Remuneration Report in March 2023.

As a major institution, Commerzbank is obliged, pursuant to Section 16 Paragraph 1 of the German Remuneration Ordinance for Institutions (German: Institutsvergütungsverordnung, IVV), in conjunction with Article 450 of Regulation (EU) No 575/2013, to disclose information on its remuneration structures and, pursuant to Section 27 Paragraph 1 Sentence 3 IVV, further information in the Group context. Along with information on its remuneration policy in general, this disclosure includes in particular explanations on the remuneration systems, remuneration governance, and quantitative information on the overall

amount of all remuneration, and in particular on the remuneration of so-called Risk Takers¹.

At the European level, the remuneration regulations for banks and financial institutions have been laid down in EU legislation such as the Capital Requirements Directive (CRD)² and the Capital Requirements Regulation (CRR)³, in their respective current versions.

At the national level, the remuneration requirements of CRD are implemented in German law through the German Remuneration Ordinance for Institutions 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 compensation-related regulations of CRD are anchored in national law.

The “Guidelines on Sound Remuneration Policies under Directive 2013/36/EU” (from the European Banking Authority, EBA) define the European-level provisions fixed in CRD IV more concretely in order to harmonise the sometimes-heterogeneous legislation implementing CRD IV in the various EU states. The EBA guidelines are implemented in German law through the German Remuneration Ordinance for Institutions as well as through the German Banking Act (Kreditwesengesetz).

This Remuneration Report summarises the employee remuneration systems applicable in Commerzbank AG and in the Group context for the 2022 financial year and provides supplementary information on subsidiaries included in the companies consolidated for regulatory purposes, which do not provide their own disclosures.

¹ For the definition of Risk Takers, see Chapter 4.5.1.

² Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013.

³ 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 Commerzbank Group in order to ensure competitive remuneration of employees in line with their performance and to satisfy the various regulatory requirements. The remuneration strategy is derived from the human resources strategy and is in harmony with the business strategy and risk strategy of Commerzbank Group. It is generally applicable to the entire Group.

In a challenging regulatory and economic environment, the human resources strategy, which is aligned to the Group's business and risk strategy, defines an operational framework and medium- and long-term goals of HR work (strategic core issues). These core issues will contribute to the Bank's future viability.

Consequently, the HR (Human Resources) strategy defines action areas through which material support can be provided to a culture that fosters the development of each individual employee and promotes respectful collaboration in the Commerzbank Group. To harmonise these objectives with sustainable success, the Bank has set guidelines to provide all employees with orientation for appropriate actions and behaviour fully in compliance with legal and ethical standards.

The remuneration strategy is developed under the auspices of the Human Resources Division and coordinated with the experts and managers responsible for the HR strategy. The remuneration strategy is submitted to the Remuneration Committee (please see Chapter 3.3) for review and approval and then passed by the Board of Managing Directors of Commerzbank AG.

The remuneration strategy was first approved by the Board of Managing Directors of Commerzbank AG in the 2015 financial year and subsequently acknowledged by the Supervisory Board. Since then, it has been reviewed regularly and amended as needed, especially with regard to the continually changing regulatory requirements, an increased focus on results and performance in conjunction with employee behaviour crucial to the Bank's success, and possible options to optimise the remuneration structures from a business-oriented point of view.

In December 2021, Commerzbank AG updated its remuneration strategy in response to the "Strategy 2024" business strategy and the fourth version of the German Remuneration Ordinance for Institutions (IVV). In addition to the amendments required by the new version of the IVV, in particular with regard to retention periods and the amended regulation regarding the Risk-Taker threshold (see Chapter 4.5.2), supplementary provisions were added

especially in connection with the implementation of the strategy and the establishment of the principle of gender-neutral remuneration on a common Group-wide basis and also to reinforce sustainability aspects in the Group's remuneration systems. The updated remuneration strategy has been in effect at Commerzbank AG since the beginning of the 2022 financial year and is gradually replacing the old version in the subsidiaries of Commerzbank Group.

The remuneration strategy applies to Commerzbank AG and the subsidiaries of Commerzbank's regulatory group, i.e., the entities included in the companies consolidated for regulatory purposes covered by the IVV and is implemented within those companies in accordance with their internal regulations (see Chapter 5). The business and risk strategy as well as the HR and remuneration strategy are accessible to all Bank employees via the company intranet.

The remuneration systems for the 2022 financial year supported the Bank in achieving its strategic goals in the period under review. At the same time, they ensure that the Bank will be able to attract and retain sufficient numbers of qualified employees 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 oriented towards long-term business success and 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 geared to the company's success, the Bank seeks to place equal emphasis on the interests of shareholders and employees while supporting long-term corporate success.

In addition, the Bank grants further non-discretionary additional benefits for defined groups of employees.

- 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 overall remuneration, taking into account an appropriate balance of variable to fixed remuneration.

The continuous further development of the remuneration models continues to ensure employee conduct supportive of the Group's success in the context of changing regulatory requirements.

In accordance with sections 3 and 4 of the German Remuneration Transparency Act (German: Entgelttransparenzgesetz), all remuneration and assessment structures at Commerzbank AG are consistently designed in a gender-neutral manner. In this context, Commerzbank supports the professional development of employees of all genders in equal measure, thereby enabling them to apply their qualifications to challenging specialist, project, and management positions – irrespective of differing employment biographies and changing life circumstances.

Adequate and equal remuneration for equal activities irrespective of gender is one of the basic principles of the Bank's remuneration strategy.

Even beyond remuneration matters, Commerzbank does not tolerate people being disadvantaged in any way for reasons pertaining to gender, ethnic background, religion or world views, disability, age, or sexual orientation.

3 Compensation governance structure

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

The Remuneration Committee ensures the proper involvement of control units in the structuring and monitoring of the employee remuneration systems as required in Section 3 Paragraph 3 IVV.

In addition, a Decision Board (see Chapter 3.5) supports the Board of Managing Directors, among other things, in the context of the entitlement process with regard to the deferred components of the variable remuneration of Risk Takers.

Commerzbank's compensation governance structure ensures that compliance with all remuneration-related matters is decided and monitored appropriately.

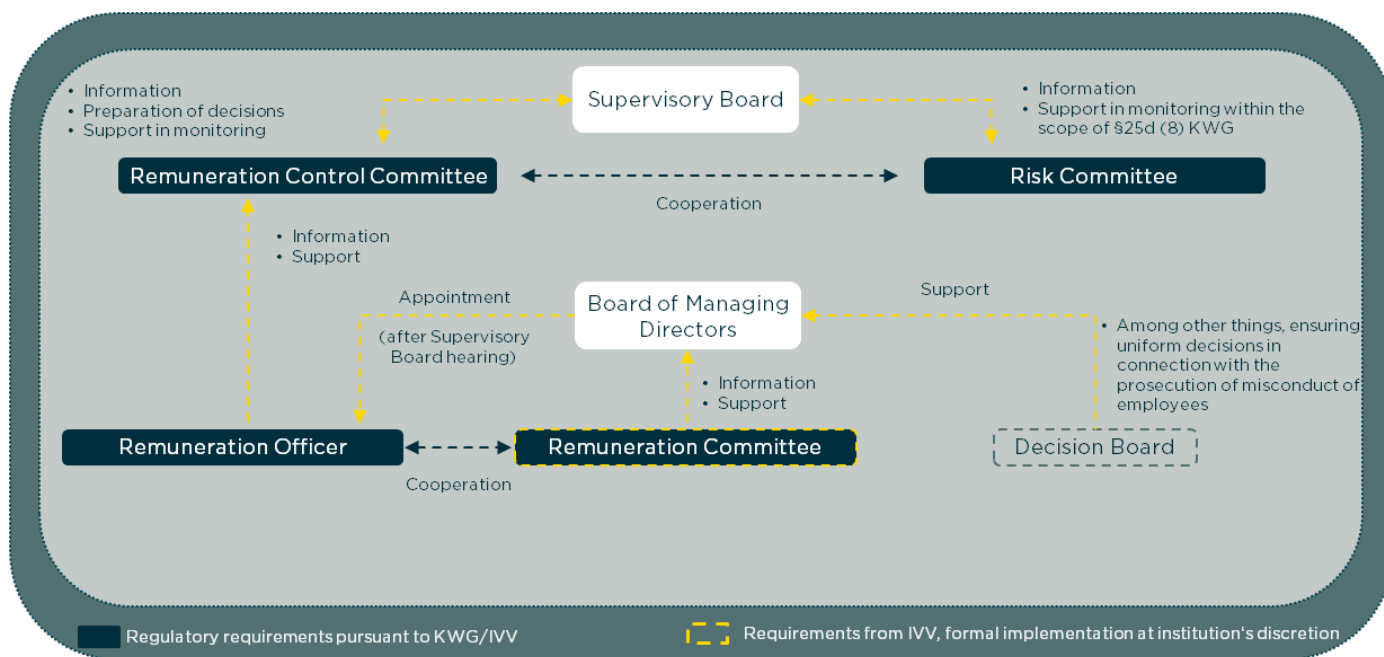


Figure 1: Overview of the compensation governance structure at Commerzbank

3.1 Remuneration Control Committee

Pursuant to Section 25d Paragraph 7 in conjunction with Paragraph 12 KWG, Commerzbank has set up a Remuneration Control Committee. Pursuant to Section 10a Paragraph 1 and 2 KWG, the Remuneration Control Committee⁴ can, in principle, perform the function of the Remuneration Control Committee as defined in Section 25d

Paragraph 7 in conjunction with Paragraph 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 Codetermination Act, two other shareholder representatives and one employee representative. At least one member of the Remuneration Control Committee must have sufficient

⁴ See the Rules of Procedure of the Remuneration Control Committee on the Commerzbank website in the section Investor Relations/Corporate Governance/Supervisory Board.

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 Bank's risk appetite and risk strategy and its capital resources. A member of the Remuneration Control Committee (not necessarily the same member) should also be a member of the Risk Committee and the ESG (Environment, Social, Governance) Committee. The Remuneration Control Committee and the Supervisory Board are supported by the Remuneration Officer in performing their monitoring and structuring duties with regard to the remuneration systems.

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, taking into account the provisions of Section 7 IVV. It also prepares the resolutions to set appropriate remuneration parameters, performance contributions, performance 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, focussing in particular on the remuneration systems for the heads of risk controlling and the compliance

function and the employees with a material influence on the Bank's overall risk profile (Risk Takers). In addition, the Remuneration Control Committee supports the Supervisory Board in monitoring the process for determining Risk Takers and Group Risk Takers.

It supports the Supervisory Board in its monitoring tasks to ensure proper inclusion of the internal control units and all other areas relevant to the structuring of the remuneration systems.

As part of its responsibilities, the Remuneration Control Committee assesses the effects of the remuneration systems on the Bank's risk, capital, and liquidity situation and monitors them to ensure that they are aligned with the Bank's business and risk strategy and take the corporate culture into account.

The Remuneration Control Committee cooperates in particular with the Risk Committee and the ESG Committee and shall obtain advice from persons who are independent of the Board of Managing Directors.

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

In the 2022 financial year, the Remuneration Control Committee of Commerzbank convened five times. Among other topics, the Remuneration Control Committee addressed the appropriate structuring of the employee remuneration system of Commerzbank AG and prepared proposals for the further development of those systems. More information on the contents of the meetings is available in the report of the Supervisory Board, which is part of the Annual Report.

3.2 Remuneration Officer

As a major institution pursuant to Section 1 Paragraph 3c KWG, Commerzbank AG is required, pursuant to Section 23 IVV, to appoint a remuneration officer and a deputy in order to ensure appropriate, ongoing, and effective monitoring of the employee remuneration systems.

The tasks of the Remuneration Officer are defined in Section 24 IVV and are published in the Bank's internal organisational guidelines. The Remuneration Officer has the necessary authority and adequate material and staff resources, both in terms of quantity and quality, to perform his

monitoring activities effectively and independently, and he takes part in training activities on a regular basis.

The Remuneration Officer monitors the employee remuneration systems and the related internal regulations and processes in particular with regard to the IVV. A particular focus is placed on the requirements for remuneration systems for Risk Takers.

In this context, the Remuneration Officer is involved in the conceptual development of new and existing employee remuneration systems for Commerzbank AG and in their ongoing processes. He supports the chairman of the Remuneration Control Committee and the committee in the performance of their monitoring duties with regard to the employee remuneration systems.

To support the Remuneration Control Committee, the Remuneration Officer checks, inter alia, whether the total amount of variable remuneration for employees for the financial year in question was set taking into account Section 7 IVV. Moreover, he reviews, among other things, whether the principles for assessing remuneration parameters, performance contributions, and the performance and deferral periods as well as for defining the criteria for complete cancellation or partial reduction of variable remuneration of the employees are in line with the regulatory requirements.

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. The Committee shall also ensure that the control units are involved in the process for determining Risk Takers in accordance with Section 25a (5b) KWG and Group Risk Takers in accordance with Section 27 Paragraph 2 sentence 1 and Paragraph 4 IVV within Commerzbank Group pursuant to Section 3 Paragraph 3 IVV.

For this reason, the control units as defined in Section 2 Paragraph 11 IVV⁵ along with the divisions Group Human Resources, Group Finance, and Group Legal have permanent representatives on the Remuneration Committee. The Remuneration Committee is chaired by Group Human

Resources. The Remuneration Officer is a non-voting participant in the Remuneration Committee.

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 IVV.

Section 12 IVV notwithstanding, the Remuneration Committee is obliged to inform the 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, which are published on the Bank's intranet.

In the 2022 financial year, the Remuneration Committee convened six times and, in addition, was kept up to date on current issues by means of the circulation procedure.

3.4 London Branch Remuneration Committee

In the context of Brexit, Commerzbank AG worked with external consultants to assess whether the London branch would be subject to UK regulations supplementing or deviating from the provisions of the IVV after the end of the Brexit transition period. In this context, the Bank concluded that the London Branch, due to its classification through the British Prudential Regulation Authority (PRA) and the resulting expectations of the supervisory authority, will be

⁵ At Commerzbank the Group Risk Management, Group Compliance, and Group Audit divisions are considered control units. Group Audit sends a non-voting representative to the Remuneration Committee.

required to set up a separate, local remuneration committee for additional oversight of remuneration-related topics at the branch on the basis of the PRA regulations.

Consequently, the Commerzbank AG Remuneration Committee approved the establishment of a separate committee from the 2022 financial year onward. The rules of procedure for the London Remuneration Committee were approved by the Board of Managing Directors of Commerzbank AG. The composition of the committee is similar to that of the Remuneration Committee of Commerzbank AG, with the branch director and head of Human Resources in London participating as non-voting members.

The London Remuneration Committee can be consulted on the structuring of the remuneration systems of Commerzbank AG when decisions affect the London branch, in particular in the Risk Taker identification process and when setting the remuneration of local Risk Takers.

In addition, the committee is responsible for structuring the remuneration systems, guidelines, processes and procedures for the London Branch. This relates in particular to the identification and classification of Risk Takers at the branch, possible (appropriate) adjustments to the variable remuneration pool of the branch and ensuring that remuneration guidelines and procedures are in place for compliance with the British regulations.

If the committee determines that adjustments are needed, it will submit proposals to the Remuneration Committee of Commerzbank AG. Within the framework of its tasks, it must also make note of possible adverse developments.

The London Remuneration Committee conducts an annual review of the remuneration systems at the branch, taking into account the provisions of British law pursuant to the PRA/FCA guidelines and informs the Remuneration Committee of Commerzbank AG of the results.

3.5 Decision Board

The sustainable entrenchment of the Culture of Integrity is of essential importance at Commerzbank not only in the wake of increasing regulation but is also one of the fundamental pillars of its corporate values, thereby forming part of the Bank's self-conception.

In order to ensure fundamentally uniform decisions in connection with the sanctioning of misconduct by

employees and managers, the full Board of Managing Directors of Commerzbank AG has had a cross-segment Decision Board in place for several years in addition to the central publication of all of the Bank's rules and regulations and the creation of an Evidence Office as a central control and documentation office.

In this context, the Decision Board is to contribute towards strengthening the Culture of Integrity and guaranteeing sustainable consequence management, which, in turn, supports compliance with the Code of Conduct and the corporate values and promotes these sustainably.

In the context of the remuneration policy, the following matters are presented to the Decision Board:

- All cases in which the manager proposes a (percentage) reduction in variable remuneration due to identified incidents of misconduct.
- All negligent or grossly negligent violations of known rules and regulations as well as statutory or regulatory provisions that result in major/significant damage and/or pose a potential threat to the company's existence.
- All deliberate/intentional violations of known rules and regulations and legal or regulatory provisions that result in medium or extensive/significant damage and/or pose a significant or existential risk potential.

In addition, the Decision Board supports the full Board of Managing Directors of Commerzbank AG as well as the management board or senior management and supervisory or advisory boards of subsidiaries in the context of the entitlement process with regard to the deferred components of the variable remuneration of Risk Takers in Germany and abroad. It ensures consistent and uniform assessment of the violations and claims identified.

In these cases, the Decision Board also examines whether the conditions for a reduction of the deferred variable remuneration up to the complete loss of the same or the conditions for the clawback of a variable remuneration already paid out within the meaning of Section 20 Paragraph 6 IVV are met. The final decision in this regard rests with the Board of Managing Directors of Commerzbank AG or the management or supervisory board of the subsidiary in question.

4 Remuneration system

For the employees of Commerzbank, the fixed remuneration⁶ 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 of Commerzbank AG in Germany, the remuneration is set in accordance with the criteria of the Framework Collective Agreement for the Private Banking Sector. For non-pay-scale (NPS) employees and employees abroad, the requirements are described in successive career levels (Commap levels). Through the career levels, the Bank's non-pay-scale functions are structured in ascending order in relation to their internal importance. For this purpose, the Bank has defined a remuneration bandwidth for each career level on the basis of external market comparisons.

At the end of 2022/early in 2023, employees of Commerzbank AG and some subsidiaries received an inflation compensation benefit under the regulation passed by the German government in addition to the agreed payments under the collective agreement and remuneration models. The benefit was tax-free and exempt from payroll deductions.

The fixed remuneration may be supplemented by variable remuneration. Along with fixed, market-oriented remuneration on all levels, this guarantees a performance-oriented variable remuneration which takes into consideration the Group's and the various segments' contributions to overall success. In the case of Risk Takers and all employees abroad, their individual performance contributions are also taken into account when determining their variable remuneration.

In the 2022 financial year, the following remuneration models were applied:

- Pay-scale remuneration: for all pay-scale employees at Commerzbank Germany
- Non-pay-scale (NPS) model: for all non-pay-scale employees of Commerzbank AG

- Board of Managing Directors model: for all members of the Board of Managing Directors of Commerzbank AG⁷

In terms of minimising remuneration-induced risks, the various remuneration models are aligned to the respectively applicable regulatory requirements and harmonised as far as possible.

This applies in particular with regard to the remuneration parameters, budgeting, the pool proviso pursuant to Section 7 IVV, and the individual distribution. As a result of this, the remuneration system is transparent and understandable for all groups of employees. To achieve this objective, following the amendments to the German Remuneration Ordinance for Institutions of 2017, the various NPS remuneration models were harmonised and merged. The goal of the harmonisation was, inter alia, to allow managers to focus more on their actual management and sales responsibilities and to increase employee satisfaction. In this context, the guidelines for severance payments have also been adapted in line with the provisions of the German Remuneration Ordinance for Institutions.

In the next step, the goal is to harmonise the remuneration models of the Board of Managing Directors and employees in order to strengthen links between remuneration and performance. To begin with, from the 2023 financial year onwards, variable compensation for the management level immediately below the Board of Managing Directors (executives of Commerzbank AG) will be more closely aligned with the Board remuneration model.

The NPS model, still in effect in financial year 2022 for all non-pay-scale employees, distinguishes for purposes of bonus distribution between Germany and the international locations and between Risk Takers and employees without a material influence on the Bank's risk profile. It takes into account both market practices in the Anglo-Saxon countries, among others, and the special requirements of the German Remuneration Ordinance for Institutions with regard to the remuneration of Risk Takers. The NPS model has been in effect at Commerzbank AG since the 2019 financial year.

⁶ In addition to the base monthly salary, "fixed salary" or "fixed remuneration" refers to allowances (for international assignments, specific functions), premiums for working on Sundays, on public holidays, and at night, capital accumulation benefits (CAB), discretionary pension contributions, anniversary bonuses, sick pay/transitional allowances, cost reimbursements

for ongoing education, relocations, or costs for maintaining two households, as well as certain non-cash benefits.

⁷ For detailed information on the Board of Managing Directors remuneration system, please refer to the Remuneration Report pursuant to Section 162 of the German Stock Company Act on the Commerzbank website.

Commerzbank AG has not engaged the services of external consultants for the implementation of the remuneration regulatory requirements under IVV in its employee remuneration systems.

The sections below describe the remuneration parameters and models in effect for the employees of Commerzbank AG in the 2022 period under review. For details on the sustainability components of the remuneration models, please refer to Chapter 4.5.2.

Further information on remuneration systems in subsidiaries of the Commerzbank Group is provided in Chapter 5.

4.1 Remuneration parameters

The remuneration parameters relevant to the remuneration system are derived from the strategic objectives of Commerzbank and take the Bank's risk strategy into account. In particular, they ensure that the targets are sufficiently ambitious, can provide an effective and sustainable contribution to the business objectives and do not create incentives to incur excessive risks. The remuneration system supports the sustainable development of the group strategy of Commerzbank. It is geared to the strategic objectives and the overall risk strategy and is aligned with the Bank's risk, capital, and liquidity structure. As a rule, the target agreement contains quantitative and qualitative targets.

This ensures that the remuneration system supports the sustainable development of the Group strategy of Commerzbank.

Prior to each financial year, the Commerzbank Board of Managing Directors decides upon guidelines for the targets of employees within Commerzbank Group. Along with the strategic units, the control units play an essential role in defining these guidelines, inter alia, within the scope of their involvement in the Remuneration Committee. These target guidelines ensure that the employees' targets are geared to the business and risk strategy as well as to the HR strategy of Commerzbank Group. In addition to segment-specific and division-specific targets of the Group, the strategic targets of the multi-year planning and other project and/or

line-related targets are taken into account, alongside the corporate culture as an overarching goal.

For all identified Group Risk Takers, the model also calls for the agreement of a subsidiary-specific target that can be derived from the business strategy of Commerzbank AG.

Under the NPS model, which applies to all non-pay-scale employees of Commerzbank AG, the variable remuneration of non-Risk Takers in Germany is determined exclusively on the basis of Group and segment performance and the achievement of qualitative targets. It is not necessary to set individual targets for these employees.

For all other employees outside Germany and for all Risk Takers at Commerzbank Group, it is ensured that the individual 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 are taken into account.⁸ Consequently, when setting the targets in those units, particular consideration is given to the targets "customer satisfaction" and "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.

Furthermore, the Board of Managing Directors defines so-called performance curves⁹ for the Group and its individual segments as well as the Group Treasury unit at the beginning of the financial year. These are geared to the Bank's long-term strategy and serve as a basis for calculating a target for Economic Value Added (EVA) and the volume for variable remuneration.

Since the 2021 financial year, further qualitative targets have been used to determine the bonus volume. For the 2022 financial year, these were customer satisfaction, the increased level of digitalisation in private and corporate banking, the entrenchment of sustainability in the Bank's self-conception, the observance of integrity, and progress in the restructuring of the business models.

⁸ Inter alia, minimum compliance requirements, special Section 8 (MaComp-BT8) of the Directive on credit agreements for consumers relating to residential immovable property (Wohnimmobilienkreditrichtlinie), Dodd-Frank Act (so-called Volcker Rule).

⁹ Performance curves were also defined for the subgroup mBank, Commerzbank (Eurasija) AO, CommerzFactoring GmbH and Commerz Real Group.

4.2 *Determination of the disbursement volume for variable remuneration*

After the end of each financial year, the Board of Managing Directors determines the success of the Group and the segments/Group Treasury business unit on the basis of the quantitative and qualitative targets and parameters set at the beginning of the year. For calculating the volume of variable remuneration, a weighting of 40 per cent is allocated to Group performance and 60 per cent to the respective segment result¹⁰ or the result of the Group Treasury unit. This weighted target achievement factor is then multiplied by the factor reflecting the achievement of the qualitative targets.

In case of extraordinary conditions beyond the influence of the Bank, the Bank is entitled, pursuant to the Interpretative Guideline on Section 19 IVV, to raise or lower the funding quota for the Group by up to 20 percentage points in order to neutralise positive or negative effects on the Group funding quota to an appropriate extent. Such an adjustment is permitted only if

- there is an unforeseeable change in the economic environment that can neither be influenced nor controlled and
- it was entirely the result of the change in the economic environment and not the fault of the Group or actions taken by it (e.g. through a decrease in earnings due to damage to the reputation of the entire industry through a scandal involving a competitor or extreme natural catastrophes) that the Group target was not achieved at all or that the target was achieved in full or even exceeded (“windfall profits”).

When determining the payment volume for the variable remuneration, it must be examined within the meaning of Section 7 IVV whether and in what amount a total amount for the variable remuneration can be determined (so-called pool proviso). The variable remuneration can be reduced or cancelled entirely if defined regulatory or economic factors are not achieved at the beginning of the year.

Within the scope of the **economic factors**, sufficient consideration is given to risk-bearing capacity, multi-year capital planning, and the earnings situation. In the

remuneration models of Commerzbank Group for the 2022 financial year, EVA is generally used as a quantitative benchmark when setting the disbursement volume for variable remuneration. This takes into account the operating profit adjusted for non-performance-related special effects 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.

The operating profit and the EVA are risk-adjusted indicators that represent an economic concept geared to the long term. The operating profit and the EVA both incorporate the risk result. The risk result takes into account write-downs on loans and their reversals in the current financial year. In addition, provisions and their reversals for risks arising in the current year are included in the operating profit because the valuation regulations of IFRS 9 require the Bank’s portfolio to be measured on an ongoing basis. The risks incurred through the business units are consistent with the external and internal guidelines on risk bearing capacity. The risks incurred are adequately reflected in the operating profits of the segments and the Group. And finally, the Bank’s overall risk profile has an indirect but sufficiently sensitive influence on the Group EVA. For example, a capital increase through core or subordinate capital made necessary through increased risk will result in a reduction in Group EVA and thus in a lower variable remuneration volume.

An assessment is also made to ensure compliance with the **regulatory requirements** for capital and liquidity resources and the combined capital buffer requirements. The relevant indicators are reported on a regular basis to the internal Asset Liability Committee.

In this process, the underlying requirements are considered separately and evaluated accordingly. When determining the disbursement volume for variable remuneration, consideration must be given to the Bank’s risk-bearing capacity, multi-year capital planning and the earnings situation as well as the Bank’s ability to maintain or regain adequate capital cover and liquidity and meet the combined capital buffer requirements pursuant to Section 10i of the German Banking Act in the long term.

¹⁰ For employees working in a group management, services or cluster unit, the average of all segments is taken as the basis for assessment.

If one or more basic “yellow” or “red” thresholds (limits defined at the beginning of the year) of the above-mentioned factors or requirements are reached (so-called “pool proviso”), a possibly reduced variable remuneration budget can be set aside only if deemed appropriate after an overall assessment (“positive overall assessment”).

If variable remuneration is paid, the Board of Managing Directors determines the final disbursement volume for the segments, the Group Treasury business area, and the group management and services units on the basis of the performance determined in each case. In this process, the control units must be involved inter alia within the framework of their participation in the Remuneration Committee (see Chapter 3.3).

The Bank conducts a review pursuant to Section 7 IVV several times a year. This ensures that, in addition to determining an overall variable remuneration volume for a financial year, full compliance with the provisions of Section 7 IVV is also ensured for interim commitments, for instance guaranteed payments (see Chapter 4.6).

The disbursement for deferred variable remuneration components of Risk Takers (see Chapter 4.5.2) is subject to a positive pool assessment followed by an additional performance assessment. This includes an assessment of whether the original calculation of the variable remuneration appears appropriate in retrospect, e.g., whether risks were suppressed or underestimated or whether new risks have been identified or unexpected losses have occurred (see Chapter 4.5.3 Performance assessment for Risk Takers).

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 in Germany can receive a profit share as a variable remuneration component. The profit share of pay-scale employees is 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 unethical conduct or conduct contrary to duties that would justify a warning or dismissal. 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 2022 financial year, the defined threshold for payment of a profit share to pay-scale employees was not reached. As a result, it was not possible to pay out a profit share 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 upper limits, differentiated by career level, for the variable remuneration of 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”)¹¹.

In addition, the Bank has possibilities to reduce or cancel bonuses in case of unethical conduct or conduct contrary to duties that would justify a warning or dismissal.

¹¹ For the specifics regarding control units, please see Chapter 4.4.2.

4.4.1 NPS model

With the sale of the Equity Markets & Commodities division in the Corporate Clients segment and the expiry of the transitional regulations for employees of that division remaining with Commerzbank, the NPS model in its current form has applied to all non-pay-scale employees of Commerzbank AG since 2021.

As a basis for the subsequent calculation of the variable remuneration, the Board of Managing Directors defines targets for the Group, each segment, and the Group Treasury unit using a parameter (currently EVA) and a target volume corresponding to the expected earnings. This consists of the sum of the variable compensation potential (VCP) values, which serve as orientation values for the individual variable remuneration of the employees.

It is calculated using the individual gross monthly salary, multiplied by a factor based on the employee's career level and Risk Taker status (see Figures 2 and 3). The variable remuneration potential indicates the potential amount of variable remuneration for the financial year in question if the targets set by the Bank for the Group and the segments – including the qualitative goals specified in Chapter 4.1 – are reached in full.

VCP factors for employees - Germany							
Commap	1	2	3	4	5	6	E
Non-Risk Takers	n/a	1.0	1.5	2.0	2.5	n/a	n/a
Risk Takers	n/a	n/a	3.0	3.0	4.0	5.0	6.0

Figure 2: Multiplication factors for calculating the variable remuneration potential at Commerzbank AG in Germany

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

remuneration components were converted to fixed remuneration, resulting in an overall reduction in the variable remuneration. In defining the amounts, local remuneration levels were taken into account by distinguishing between employment in Germany or at an international location of Commerzbank AG when setting the factors for determining the variable remuneration potential. As a result, the variable remuneration component generally represents a larger share of remuneration at international locations than in Germany.

VCP factors for employees - foreign locations							
Commap	1	2	3	4	5	6	E
Non-Risk Takers	2.0	2.5	3.0	3.5	4.0	n/a	n.v.
Risk Takers	n/a	n/a	4.0	5.0	6.0	7.0	7.0

Figure 3: Multiplication factors for calculating the variable remuneration potential at international locations

The disbursement volume in the NPS model is generated after the end of the financial year on the basis of the results of the Group and the individual segments and/or the Group Treasury unit, on the basis of the achievement of the EVA targets. 40 per cent of the funding quota determined in this manner is based on the target achievement of the Group and 60 per cent on the target achievement of the segment where the individual is employed¹² (see Chapter 4.2).

As of the 2021 financial year, qualitative targets will also be set in addition to EVA to determine the disbursement volume made available. The achievement (performance) of these non-financial targets will be included as a multiplier in the funding quota and thus in the determination of the segment-specific disbursement volumes.

When determining the individual disbursement amounts, the Bank distinguishes between Risk Takers and employees

¹² For employees working in a group management, services, or cluster unit, the average of all segments is taken as the basis for assessment.

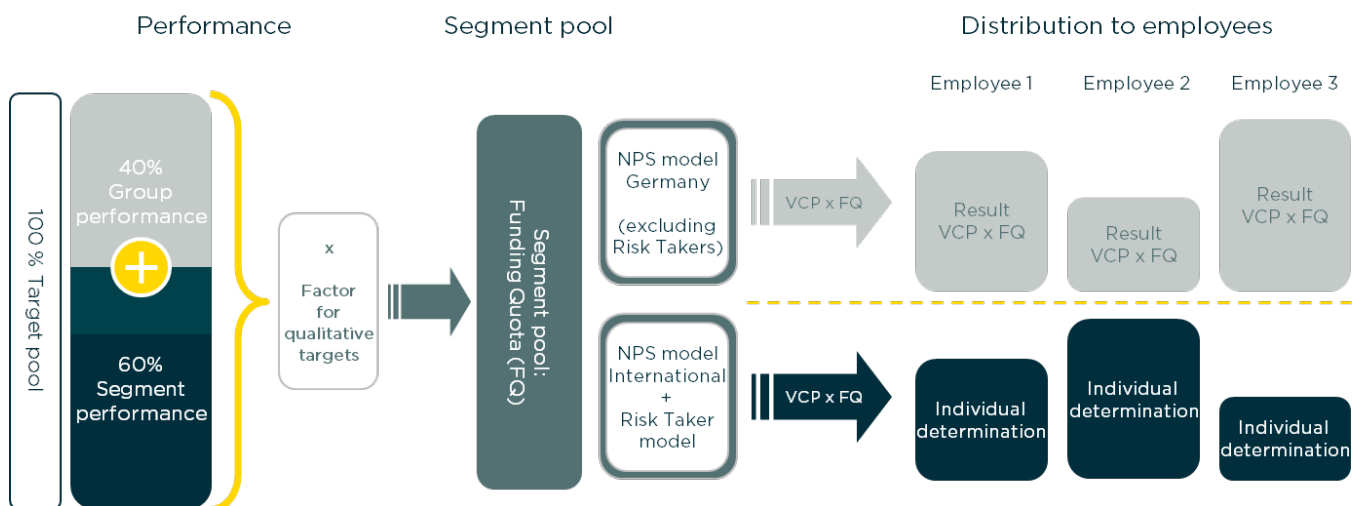


Figure 4: Overview of how Commerzbank's NPS model for financial year 2022 works

with no material influence on the risk profile of the institution (Non-Risk Takers) and also between employees who work in Germany or at international locations.

For employees in Germany who are not Risk Takers, the disbursement amount of variable remuneration is non-discretionary and is determined exclusively on the basis of the individual variable remuneration potential multiplied by the respectively applicable funding quota.

The variable remuneration for Risk Takers and employees at the international locations is determined at the reasonably exercised discretion of the executive, taking into account the employee's individual contribution to performance.

The amount of the individual variable remuneration in the NPS model is limited to 200 per cent of the variable compensation potential (VCP). 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 Employees in control units

In the 2022 financial year, the divisions Group Risk Management (including Group Compliance) and Group

Audit were considered control units pursuant to Section 2 Paragraph 11 IVV.

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 remuneration, 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 achievable by employees in control units represents one third or less of their total remuneration.

The variable remuneration of the employees in control units 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 and of the qualitative targets. For employees in control units for whom an individual target agreement is required (see Chapter 4.4.1), possible conflicts of interest are avoided when performing the monitoring function through target agreements with the employees of these units.

Depending on their function, the employees in the control units were subject to the rules of the pay-scale or NPS models in the 2022 financial year.

4.4.3 *Variable remuneration for executives from 2023 onwards*

As a first step in the harmonisation of the remuneration models of the Board of Managing Directors and the employees to strengthen links between remuneration and performance, from the 2023 financial year onwards, the variable remuneration of Commerzbank AG executives will be aligned with the Board remuneration model with regard to several parameters.

As a basis for determining target achievement in a financial year, as in the Board model, the decisive factor in the future will be the achievement of the revenue target approved for the given financial year in the multi-year planning.

The disbursement volume is determined after the end of the financial year on the basis of the results of the Group as well as the individual segments and the Group Treasury unit. 40 per cent of the funding quota determined in this manner is based on the target achievement of the Group and 60 per cent on the target achievement of the segment to which the executives belong (see Chapter 4.2)¹³.

For calculating the Group target achievement, 50 per cent is based on the non-adjusted operating result before tax and 50 per cent on RoCET (return on CET 1). As in the Board model, a minimum target achievement of 60 per cent of the operating result is the lower threshold for making a budget available for disbursement. If this threshold is not reached, the target achievement in the Group component is set to zero.¹⁴

All other targets used to determine the disbursement volume, such as segment targets calculated on the basis of the non-adjusted operating result of the individual segment and of the Group Treasury unit, and qualitative targets are not subject to a minimum threshold above which variable remuneration is made available for disbursement. The maximum possible target achievement can amount to 200 per cent.

To determine the funding quota in the executive model, the performance percentages for the Group and the

segments/Group Treasury are multiplied by the qualitative target factor, as in the NPS model.

The total budget generated in this way forms the basis for determining the individual variable remuneration of the executives. The distribution of the variable remuneration takes place on an individual basis at the discretion of the Board of Managing Directors, taking into account individual contributions to success.

4.4.4 *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, including other remuneration information, were published in the 2022 Remuneration Report pursuant to Section 162 of the German Stock Corporate Act and can be found there. Chapter 6 of this Remuneration Report supplements the previous publication on the remuneration of the Board of Managing Directors with regard to the quantitative requirements pursuant to Section 16 IVV and Article 450 of EU Regulation No 575/2013.

4.5 *Variable remuneration regulations applicable to all models*

While the amount of variable remuneration is based on the regulations of the remuneration model in conjunction with the Risk Taker or Non-Risk Taker status, the specific disbursement arrangements depend on whether an employee is classified as Risk Taker I or Risk Taker II.

For employees who are not Risk Takers, the variable remuneration is paid out as a lump sum after the end of a financial year. No other conditions apply. For those classified as Risk Takers, the disbursement of variable remuneration is subject to special conditions (please see Chapter 4.5.2).

4.5.1 *Risk Taker identification*

Pursuant to Section 25a Paragraph 5b KWG, major financial institutions must conduct a risk analysis to identify

¹³ For Executives in charge of a group management, services, or cluster unit, the average of all segments is taken as the basis for assessment.

¹⁴ If the operating result is below the 60 per cent threshold of the budgeted result, then both partial targets, i.e., the operating result and RoCET are

assigned a value of 0 per cent for purposes of the Group target achievement.

employees with a material influence on the overall risk profile of the financial institution (institution Risk Taker) or the Group (Group Risk Taker).

The applicable qualitative and quantitative criteria are set out for the 2022 financial year in the Regulatory Technical Standards (RTS) of the Delegated Commission Regulation (EU) No 2021/923 of 25 March 2021, supplementing Article 92 Paragraph 3 of Directive 2013/36/EU (CRD) and the provisions of the German Banking Act, inter alia Section 1 Paragraph 21).

To date, Commerzbank has not utilised the exemption option for identifying Risk Takers pursuant to Article 6 Paragraph 2 in conjunction with Paragraphs 3 and 4 of the Delegated Regulation (EU) No 2021/923.

The details of the Risk Taker identification were documented in a risk analysis. In addition to the Risk Taker identification on the institute level, all major institutes of Commerzbank Group¹⁵ were asked by Group Human Resources to carry out an internal risk analysis using the RTS criteria to check whether, from a Group perspective, any employees in the company have a material influence on the risk profile of Commerzbank Group.

At Commerzbank, the criteria by means of which Risk Takers are identified are differentiated on the basis of management responsibility, risk responsibility, and remuneration:

- Management responsibility: all employees on the first and second management levels of the Group, heads of material business units¹⁶, their direct reports (with management responsibility), heads of control units and their direct reports (with management responsibility), and heads of special functions;
- 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 cate-

gories 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 and all employees with remuneration of €500,000 or more.

In addition, other employees may be identified as Risk Takers based on an institute's own criteria. The following additional employee groups are classified accordingly as Risk Takers:

- Employees on the third management level in certain units of the Corporate Clients segment;
- Managers of Risk Takers;
- Special functions in Finance, Compliance, Audit, and Treasury;
- Employees in the Corporate Clients segment with total remuneration of €250,000 or more.

If an employee was identified as a Risk Taker for at least 90 days in 2022, then the employee's entire variable remuneration for the financial year was subject to the special entitlement and disbursement modalities for Risk Takers (please see Chapter 4.5.2). The number of employees who were identified at Commerzbank Group on a consolidated level as "Risk Takers" or "Group Risk Takers", including the members of Commerzbank AG's Board of Managing Directors and Supervisory Board as well as one local Risk Taker, was 1,199 (1,158 full-time equivalents (FTEs)), as compared to 1,253 in 2021 (1,194 FTEs).

4.5.2 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.

Commerzbank distinguishes between Risk Takers I and Risk Takers II, depending on the hierarchy level and the risk content of the employee's activities. All members of the first

¹⁵ In the Commerzbank Group alongside Commerzbank AG, the Polish institution mBank S.A. is considered a major institution.

¹⁶ Material business unit: A business unit within the meaning of Article 142 Paragraph 1 No 3 of Regulation (EU) No 575/2013, to which internal

capital as defined in Article 73 of Directive 2013/36/EU representing at least 2 per cent of the internal capital of the institution is allocated.

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

For Risk Takers whose variable remuneration does not exceed €50,000 or one third of their total remuneration, the total variable remuneration for the previous financial year is paid in a single lump sum payment¹⁷.

For the 2022 financial year, 582 Risk Takers or Group Risk Takers with overall fixed remuneration of approx. €95 million and variable remuneration of approx. €27 million benefited from the exception pursuant to Article 94 Paragraph 3b of Directive 2013/36/EU because their variable remuneration did not exceed the exemption threshold.

If the variable remuneration of a Risk Taker exceeds the exemption limit, the entire variable remuneration for the financial year in question 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.

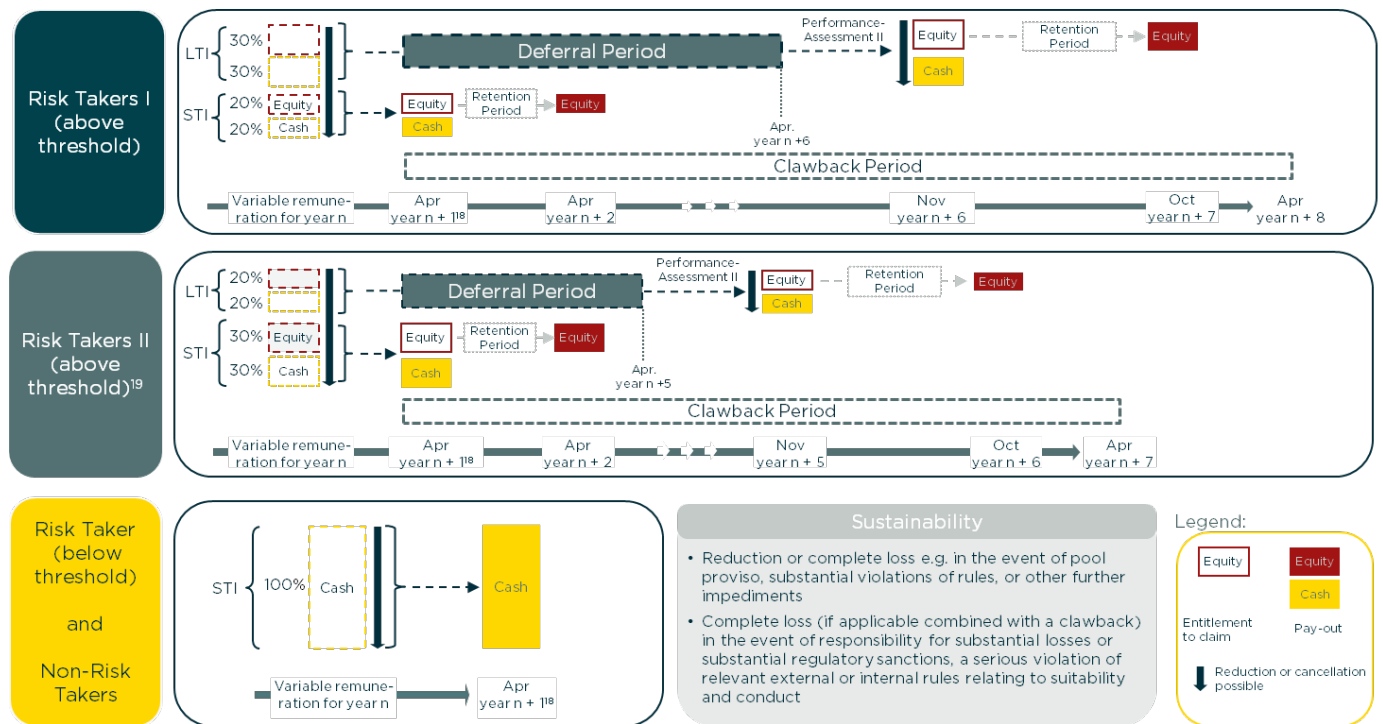


Figure 5: Disbursement procedures and sustainability components based on variable remuneration for 2022

¹⁷ 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 Section 18 Paragraph 1 IVV. The supplementary regulation from the fourth version of the IVV, under which the variable remuneration of Risk Takers can be split into a short-term and long-term component (STI and LTI) if the variable remuneration does not exceed €50,000 but exceeds one-third of the employee's total remuneration, will be applied in Commerzbank from the 2022 financial year onwards.

¹⁸ Date of information on amount and distribution of variable remuneration; exception: some international locations (disbursement already in March of year n + 1).

¹⁹ If the threshold pursuant to Section 20 Paragraph 3 IVV is exceeded, the variable remuneration is split into STI and LTI as in the case of Risk Takers I.

The STI represents 40 per cent of variable compensation for Risk Takers I and 60 per cent for Risk Takers II. It is determined after the end of the financial year (n). The cash component is disbursed within a short time. The equity-based share of the STI is paid out only after a retention period of at least 12 months.

The LTI represents 60 per cent of variable compensation for Risk Takers I or 40 per cent for Risk Takers II. It is determined on an indicative basis after the end of the financial year (n). The LTI claim is vested only after a deferral period has elapsed. For Risk Takers II this is three years with respect to the 2021 financial year and four years for all financial years from 2022 onwards. For Risk Takers I the deferral period is five years. The equity-based share of the LTI is subject to an additional retention period of at least 12 months subsequent to the deferral period.

Pursuant to Section 20 Paragraph 3 IVV, major institutions must also define a threshold above which the share of the deferred variable remuneration for Risk Takers must amount to at least 60 per cent regardless of the Risk Taker status. At Commerzbank, this threshold amount currently is €180,000.

An employee can acquire a claim to the LTI only if there are no impediments that would entirely or partially prevent the claim from vesting when the deferral period ends (see Chapter 4.5.3).

Variable remuneration for the financial year (n) is 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, up to and including the 2021 financial year, the LTI Cash component will be disbursed in November of the fourth year (n + 4) and LTI Equity in October of the fifth year (n + 5). From financial year 2022 onward, LTI Cash will be disbursed in November of the fifth year (n + 5) and LTI Equity in October of the sixth year (n + 6) (see Figure 5).

Under the executive model, in effect from the 2023 financial year onwards, the individual tranches of LTI Cash and LTI Equity will be allocated on a pro rata basis over the term of the LTI (annual vesting), depending on the applicable deferral period.

The disbursement date for LTI cash will be in November from year (n + 2) to (n + 6) inclusive and in October for LTI Equity from year (n + 3) to (n + 7) inclusive.

4.5.3 Performance assessment for Risk Takers

For all employees whose individual performance serves as the basis for setting the personal variable remuneration, the performance will be assessed on the basis of individual quantitative and qualitative targets at the end of a financial year. This Performance Assessment I forms the basis for setting the amount of individual variable compensation and thus establishes the claim to the STI. In the case of Risk Takers whose variable remuneration for a financial year exceeds the exemption limit, the calculation of the LTI is merely indicative, i.e., there is no direct vested claim or entitlement to the LTI.

The variable compensation may be cancelled in whole or in part in the event of a negative deviation in performance from the targets agreed upon. In this respect, unethical conduct or conduct contrary to duties within the meaning of the German Remuneration Ordinance for Institutions in the respective financial year (n) cannot be offset through positive individual performance contributions. Instead, such conduct must lead to the variable compensation being reduced or, under certain circumstances, completely eliminated for the financial year (n) in question, regardless of the individual target achievement quota.

The complete cancellation of an employee's variable compensation for financial year (n) will occur in particular in case:

- the employee is materially involved in or responsible for conduct in financial year (n) resulting in substantial losses for the Bank, significant regulatory penalties, or a material supervisory measure.

An indication of a substantial loss is present, for example, when the amount is sufficient for the mere expectation of the loss to trigger a mandatory ad hoc disclosure or if the amount represents at least 1.0 per cent of the Bank's actual equity reserves.

Significant regulatory penalties include, for example, a measure imposed in case of a risk as defined in Section 46 of the German Banking Act (KWG), the dismissal of a managing director as stipulated in Section 36 KWG, or, a fine and/or a financial penalty if the total amount is equal to or exceeds 1.0 per cent of the Bank's equity reserves.

The complete cancellation of an employee's variable compensation for financial year (n) will also occur in case of:

- serious breaches of external or internal regulations relevant to suitability and conduct in financial year (n) on the part of the employee.

“Relevant” regulations with regard to suitability and conduct include all those pertaining to the conduct and professional suitability which must be complied with to maintain a proper business organisation within the meaning of Section 25a Paragraph 1 Sentence 1 KWG.

For assessing when a breach of duties is “serious”, the Bank conducts an overall assessment of the blameworthy actions and the extent of the actual damage caused or other consequences detrimental to the Bank. In case of gross negligence or intentional actions, the criterion for a full cancellation is generally deemed to be met.

In the aforementioned cases, the Bank is entitled, within a period beginning with the disbursement of the cash component of the STI for the relevant financial year (n) and ending two years after the vesting of the LTI share for the relevant financial year (n), to claw back any variable remuneration already disbursed to the Risk Taker concerned on the basis of Section 20 Paragraph 6 IVV. This applies equally to the STI and the LTI.

In order to be able to take a decision on a Risk Taker’s entitlement to the LTI component, additional individual and collective risk reviews are conducted in each year of the deferral period as well as for up to two subsequent years at an individual level to determine whether causes have arisen in the meantime that may justify the cancellation or reduction of claims to LTI components (malus).

Causes may include: 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 Performance Assessment I and the employee’s conduct 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, a negative performance deviation from the targets agreed upon, 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 entirely, or, in the cases outlined above, in the clawback of the entire variable remuneration already paid out.

The decision on the vested claim to the LTIs is supported by the Decision Board (see Chapter 3.5), which ensures a systematic and uniform assessment of the risk reviews and Performance Assessment II in case these show abnormalities.

The Decision Board also examines whether the conditions for a clawback of variable remuneration already paid out have been met. The final decision on this rests with the full Board of Managing Directors. The Decision Board supports the Board’s decision in these cases by recommending appropriate measures, taking into account all available information.

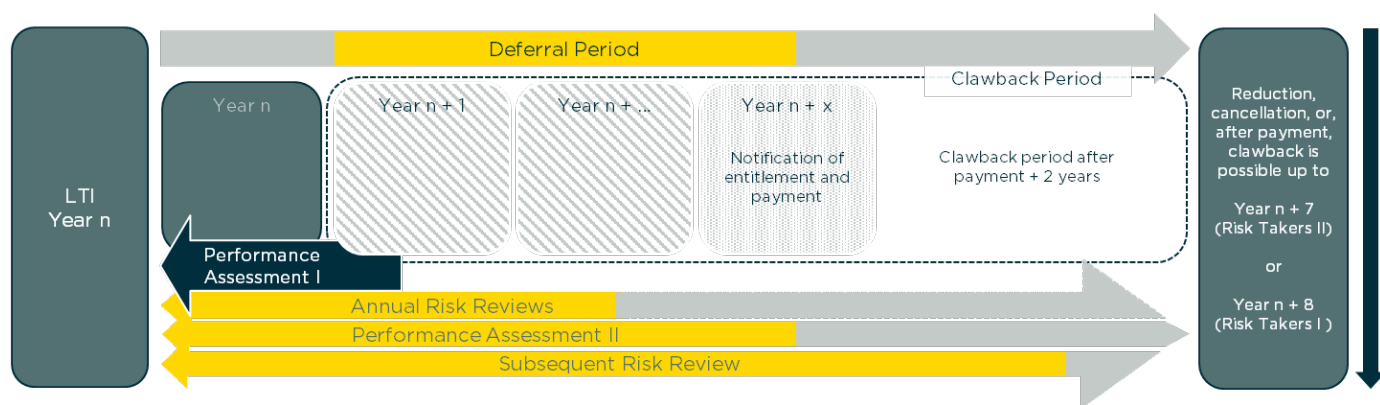


Figure 6: Schematic illustration of the performance assessment for Risk Takers at Commerzbank for the deferred compensation components

4.5.4 Prohibition on hedging transactions

At Commerzbank, the prohibition on hedging transactions has been incorporated in the remuneration system pursuant to Section 8 IVV. The prohibition stipulates that employees are not permitted to take personal hedging measures or other countermeasures in order to limit or eliminate the risk adjustment of their variable remuneration. In particular, no instruments or methods may be applied which could be used to circumvent requirements of the IVV.

To ensure compliance with the prohibition on hedging, the Remuneration Officer conducts regular spot checks in cooperation with the Group Compliance Division. Employees are required to support the spot checks and provide the Bank with any requested information.

In case of a violation of the prohibition on hedging transactions or a persistent refusal by an employee to cooperate in the spot checks, the Bank is entitled to take disciplinary actions against the employee in accordance with labour law. Moreover, the Bank will regard this as a serious breach of relevant contractual obligations which will result in the loss of the employee's individual variable compensation claims.

4.6 Other remuneration regulations

If the Bank makes commitments to grant other variable remuneration components to an employee such as **retention bonuses** or – at the beginning of an employment relationship – **guarantees**, sign-on bonuses or **buy-outs**, these are fully subject to the provisions of the IVV with regard to the conditions for granting the payments, the vesting of claims, and disbursement.

In general, no retention bonuses are paid in Commerzbank AG or the Commerzbank Group. In strategic projects or during restructuring, however, it may prove necessary to grant retention bonuses, for example to prevent the departure of employees who are needed to achieve the project objectives, to comply with regulatory standards or for maintaining business operations.

For this reason, in the course of implementing “Strategy 2024”, Commerzbank AG has granted retention bonuses for selected international locations and recommended that selected foreign subsidiaries grant them as well. The Board of Managing Directors has set a target volume for these payments for the locations concerned.

Individual amounts have been agreed with selected employees as a result. These amounts were determined on a discretionary basis under uniform rules, taking into account the admissible cap on variable remuneration and in compliance with regulatory standards. The rules outlined in Chapter 4.5 also apply.

For **severance payments**, binding regulations apply in Commerzbank AG that define criteria for determining the amounts of the payments as well as upper limits. The binding severance regulations are set out in writing and in electronic form and apply to all employees of Commerzbank AG in Germany and abroad. For subsidiaries within the regulatory group of Commerzbank AG pursuant to Section 10a of the German Banking Act, these regulations are recommended as best practice.

In addition, the severance scheme agreed with the employee representatives (Master Severance Scheme to Implement the “Strategy 2024” Programme) is applicable in Commerzbank AG in Germany. It is a severance scheme in accordance with Section 112 Paragraph 1 of the Works Constitution Act and also defines binding rules for severance payments for its scope of application.

The severance payments granted under the severance regulations and the severance scheme must be documented appropriately. Commerzbank AG is of the opinion that all severance payments granted in accordance with the severance regulations and the severance scheme are in compliance with Section 5 Paragraph 6 sentence 5 IVV.

5 Group-wide implementation

5.1 Group-wide remuneration strategy

A group's superordinated companies are, pursuant to Section 27 Paragraph 1 and 2 IVV, required to define a group-wide remuneration strategy to implement the regulatory requirements of Section 25a Paragraph 5 KWG and Sections 4 to 13 IVV regarding all employees of Group companies and the requirements pursuant to Section 25a Paragraph 5 KWG and of Section 18 Paragraph 1 and 3–5 and Paragraph 19–22 IVV with regard to Group Risk Takers.

This applies in principle to all companies included in Commerzbank's regulatory group within the meaning of Section 10a Paragraph 1 and 2 KWG.

Commerzbank AG'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 Commerzbank Group for which it is necessary to implement a Group-wide remuneration strategy pursuant to Section 27 IVV is carried out by Commerzbank AG 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 are institutions pursuant to Section 1 (1b) and Section 53 (1) KWG to which Section 25a KWG is applicable and thus fall directly within the scope of application of Section 1 IVV. Such companies must therefore directly fulfil the requirements of the German Remuneration Ordinance for Institutions at the stand-alone level. For companies outside Germany, it shall be verified as to whether they are financial institutions to which comparable local regulations apply (regulatory group).

All other entities included in the regulatory group are subject to the requirements of the German Remuneration Ordinance

for Institutions under Section 27 Paragraph 1 exclusively at the consolidated level (personnel policy group).

As a result, in the 2022 financial year, 31 companies in Germany and at the international locations²⁰, in addition to Commerzbank AG, were subject to the requirements of the Institute Remuneration Ordinance for Institutions. Of these subsidiaries, 10 fell within the immediate scope of the IVV or other sector-based or local legal regulations. The remaining 21 companies were subject to the requirements of the Institute Remuneration Ordinance only on the basis of the regulatory group concept as defined pursuant to Section 10a Paragraph 1 and 2 KWG in conjunction with Section 27 IVV²¹.

The remuneration strategy and the requirements of the German Remuneration Ordinance for Institutions within 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 defines the requirements for the structuring of fringe benefits in the Group. The goal of both policies is to concretely define and implement the regulatory requirements for Commerzbank Group, to implement the remuneration strategy within Commerzbank Group, and to define regulations for the employee remuneration systems.

These two policies thus serve jointly to implement Commerzbank Group's remuneration policy at a global level as well as at further Group companies. They are a part of the Group-wide 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 AG, its branches in Germany and at the international locations, and to subsidiaries belonging to the regulatory group to which

²⁰ mBank S.A.; Commerzbank Finance & Covered Bond S.A.; Commerzbank Zrt. (until 30 November 2022); mBank Hipoteczny S.A.; Commerz Real Investmentges. mbH; Commerz Real KVG mbH; Commerz Real Fund Management S.á r.l.; Commerz Markets LLC; Commerzbank Eurasija AO; Commerzbank Brasil S.A. - Banco Multipló; 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; Main Incubator GmbH; CERI International Sp. z o.o.; Commerz Trade

Services Sdn. Bhd.; mFinanse S.A.; mFinanse CZ s.r.o.; mFinanse SK s.r.o.; Kenstone GmbH.

²¹ Since its fourth version, a further 5 companies in the supervisory group of consolidated companies are no longer directly or indirectly subject to the requirements of the IVV. In these companies, the Group Risk Takers must be identified in accordance with Section 27 Paragraph 4 IVV. For the identified persons, the IVV requirements for Risk Takers must be implemented. This applied to the following Group companies in the 2022 financial year: CommerzFactoring GmbH, Commerz Real AG, Commerz Real Mobilienleasing GmbH, mFaktoring S.A., mLeasing Sp. z o.o.

the provisions of IVV apply. In addition, it serves to provide guidance to other subsidiaries and can be applied by them in whole or in part.

In conjunction with the amendments to the German Remuneration Ordinance for Institutions, which came into force on 24 September 2021, the Group-wide remuneration strategy was revised and adopted by the Board of Managing Directors of Commerzbank AG. It will gradually succeed the old version in the companies of the regulatory group.

5.2 Remuneration systems of affiliated institutions

The subsidiaries of Commerzbank Group's companies consolidated for regulatory purposes have introduced the Group-wide remuneration strategy applicable to the 2022 financial year without exception (see Chapter 5.1) in accordance with Section 27 Paragraph 1 IVV. It formed the basis for implementing the requirements of the IVV in the 10 regulatory group institutions in the year under review as well as in the other consolidated companies in the regulatory group.²²

Those regulatory Group institutions that do not publish their own information on their remuneration systems in accordance with Section 16 IVV or Article 450 (EU) No 575/2013 are generally required to disclose further information on the remuneration systems. Institutions that did not issue their own disclosure in the period under review were Commerzbank Finance & Covered Bond S.A., Commerz Markets LLC, Commerzbank (Eurasija) AO and Commerzbank Brasil S.A. – Banco Multipló. With the exception of Commerzbank (Eurasija) AO, all Group institutions applied the systems described in this remuneration report in the 2022 financial year, so that further disclosure is required only for Commerzbank (Eurasija) AO.

Since Commerzbank Finance & Covered Bond S.A. does not publish its own remuneration report, it refers to the analogous application of the remuneration systems of

Commerzbank AG in its annual report²³, as do Commerz Markets LLC²⁴, based in New York, and Commerzbank Brasil S.A. – Banco Multipló²⁵ in São Paulo.

The quantitative disclosure, i.e., the disclosure of the companies' remuneration data, is complied with at the consolidated level through the disclosure in Chapter 6 of this report.

5.2.1 Commerzbank (Eurasija) AO

Commerzbank (Eurasija) AO, like all other Commerzbank Group companies, has introduced the Group-wide remuneration strategy and, with regard to its remuneration systems, is aligned with the Group-wide standards to the extent that that being possible under Russian regulations. In that respect, the Bank's remuneration systems have a number of special characteristics.

When setting the total amount available for variable remuneration, the Bank takes the Group and segment results into account along with the performance of Commerzbank (Eurasija) AO itself. On the individual level, the NPS model described in Chapter 4.4.1 is generally applied to all Bank employees. In addition to the regulations under the model described there, the performance of Risk Takers is not assessed solely on the basis of the previous year, but also over a three-year period. In accordance with Russian regulations, the variable remuneration for Risk Takers is paid out in cash. Pay-outs in stocks or other financial instruments of Commerzbank AG are not permitted due to the requirements of the Russian regulator.

As in Commerzbank AG, the variable remuneration of employees in control units in Commerzbank (Eurasija) AO is determined independently of the revenue targets of the monitored units. The performance of these units is determined on the basis of qualitative indicators with which the effectiveness and functionality of the internal control units are evaluated. However, the individual target achievement of employees cannot exceed 100 per cent.

²² Further information on the remuneration regulations of Commerzbank Group can be found in the company-related disclosures of the respective subsidiary. Commerz Real AG discloses information on the remuneration regulations of Commerz Real Group in a separate annual report and remuneration report. Information on the remuneration arrangements of mBank and the mBank Group can be found in the Annual Report as well as the "Disclosures regarding capital adequacy of mBank S.A. Group", the Report of mBank S.A. on Remuneration of the Management Board Members and Supervisory Board Members, and the "Remuneration policy for

employees having a material impact on the risk profile of mBank S.A.". Information on the remuneration systems of Commerzbank (Eurasija) AO (not published for the 2022 financial year) can be found in the "Annual financial statements of 'Commerzbank (Eurasija)' AO". The reports can be viewed on the websites of the respective companies. The publication dates of the companies differ in part from those of Commerzbank AG.

²³ Annual Report 2022 of Commerzbank Finance & Covered Bond S.A.

²⁴ Annual Report of Commerzbank Brasil S.A. – Banco Multipló.

²⁵ Annual Report of Commerzbank Brasil S.A. – Banco Multipló.

6 Remuneration information

The disclosure of remuneration data pursuant to Section 16 IVV in conjunction with Article 450 of Regulation (EU) No 575/2013 is carried out for Commerzbank's regulatory group. The information on Risk Takers in Chapter 6.2 includes remuneration information on Risk Takers of Commerzbank AG and on senior managers 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 disclosed in this Remuneration Report only if the institution does not publish the remuneration data of the local Risk Takers itself. For the 2022 financial year, this did not affect any of the Commerzbank Group companies consolidated for regulatory purposes.²⁶

6.1 Quantitative information on remuneration by business area

Pursuant to Section 16 Paragraph 1 No 3 IVV, the quantitative information on the aggregate remuneration of all employees must be broken down by business area.

For the 2022 financial year, a total of 27,109 employees at Commerzbank Group received variable remuneration.

Segment	Supervisory Board of Commerzbank AG	Board of Managing Directors of Commerzbank AG	Private and Small-Business Customers	Corporate Clients (excl. Investment Banking)	Investment Banking ³⁰	Asset Management	Corporate Functions	Independent Control Functions ³¹	Group Total
amounts in Euro									
Number of Managing Directors /Supervisory Board Members ²⁷	20	7	14,482	4,097	1,530	682	15,922	3,312	40,052
Number of Employees in full time equivalents (FTEs)	20	7	12,496	3,715	1,477	640	14,738	3,125	36,219
Total remuneration	3,482,667	17,480,726	964,398,068	331,628,156	326,702,178	85,454,414	1,302,819,664	386,460,697	3,418,426,568
Fixed remuneration (incl. pension benefits)²⁸	3,482,667	11,567,017	892,617,275	273,313,581	280,278,850	72,936,118	1,227,113,736	341,108,331	3,102,417,574
Base salary and allowances	3,482,667	8,772,093	817,139,170	256,528,228	261,517,308	69,255,038	1,139,518,473	314,110,993	2,870,323,970
Pension benefits	-	2,794,924	75,478,105	16,785,352	18,761,542	3,681,080	87,595,263	26,997,337	232,093,603
Variable remuneration²⁹	-	5,913,709	71,780,793	58,314,575	46,423,328	12,518,296	75,705,927	45,352,366	316,008,995
Number of beneficiaries of variable remuneration of Commerzbank AG ²⁷	-	7	5,080	1,348	1,480	-	7,985	3,125	19,025

²⁶ The remuneration data as presented in Chapter 6.2 follow the sample tables of the Implementing Technical Standards on public disclosures by institutions of the information referred to in Titles II and III of part eight of Regulation (EU) No 575/2013 of 20 June 2020 and therefore differ from the disclosure in previous remuneration reports.

²⁷ Natural persons.

²⁸ In addition to the basic salary, "Fixed remuneration" includes allowances and expenses for retirement provision and social contributions (all disclosures in accordance with IFRS).

²⁹ "Variable remuneration" includes, in addition to the performance-related variable remuneration described in Chapter 4, other payments that are made on the occasion of the commencement or termination of employment (guarantees, sign-ons, buy-outs, and severance payments), including social charges and the reversal of provisions from previous years (all disclosures in accordance with IFRS).

³⁰ Including Group Treasury.

³¹ Group Compliance and Group Audit are deemed control units at Commerzbank within the meaning of Section 2 Paragraph 11 IVV.

6.2 Quantitative information on remuneration of Risk Takers

In accordance with Regulation Article 450 (EU) No 575/2013 Paragraph 1g and h, aggregate quantitative information on remuneration, broken down by senior management (Supervisory Board and Board of Managing

Directors) and members of staff whose actions have a material impact on the risk profile of the institution or the Group, is shown here. This information is also broken down by business area in Chapter 6.2.4.

6.2.1 Remuneration paid for the 2022 financial year

Pursuant to i and ii in Article 450 Paragraph 1h of Regulation (EU) No 575/2013, the remuneration amounts for the 2022 financial year are disclosed, split into fixed and

variable remuneration, the number of beneficiaries and the amounts and forms of variable remuneration, split into cash, shares, share-linked instruments and any other types.

		a	b	c	d	
		Supervisory Board of Commerzbank AG	Board of Managing Directors of Commerzbank AG	Other senior management ³⁵	Other identified staff ³⁶	
amounts in Euro						
1	Fixed remuneration	Number of identified staff ³²	20	7	43	1,088
2		Total fixed remuneration	3,482,667	11,567,017	20,543,201	203,665,718
3		Of which: cash-based ³³	3,482,667	8,772,093	17,738,064	184,606,287
EU-4a		Of which: shares or equivalent ownership interests	-	-	-	-
5		Of which: share-linked instruments or equivalent non-cash instruments	-	-	-	-
EU-5x		Of which: other instruments	-	-	-	-
7		Of which: other forms ³⁴	-	2,794,924	2,805,137	19,059,431

³² Persons who received remuneration amounts listed in this table (Supervisory Board and Board of Managing Directors in natural persons; other identified employees in FTEs).

³³ Supervisory function including committee remuneration and attendance fees.

³⁴ Pension benefits pursuant to the International Financial Reporting Standards (IFRS).

³⁵ "Other senior management" is defined as the management level below the Board of Managing Directors of Commerzbank AG.

³⁶ "Other identified staff" includes persons identified as Group Risk Takers among Supervisory/Advisory Board members and managing directors of subsidiaries of Commerzbank Group consolidated for regulatory purposes.

		a	b	c	d
		Supervisory Board of Commerzbank AG	Board of Managing Directors of Commerzbank AG	Other senior management ³⁹	Other identified staff ⁴⁰
		amounts in Euro			
9	Number of identified staff who received variable compensation ³⁷	-	7	43	982
10	Total variable remuneration	-	5,913,709	12,737,795	79,696,412
11	Of which: cash-based	-	2,956,855	4,966,933	42,399,778
12	Of which: deferred	-	1,774,113	2,922,518	10,047,160
EU-13a	Of which: shares or equivalent ownership interests	-	-	-	965,654
EU-14a	Of which: deferred	-	-	-	548,470
EU-13b	Of which: share-linked instruments or equivalent non-cash instruments	-	2,956,855	4,870,863	21,560,099
EU-14b	Of which: deferred	-	1,774,113	2,922,518	9,446,559
EU-14x	Of which: other instruments	-	-	-	-
EU-14y	Of which: deferred	-	-	-	-
15	Of which: other forms ³⁸	-	-	2,900,000	14,770,882
16	Of which: deferred	-	-	-	-
17	Total fixed and variable remuneration	3,482,667	17,480,726	33,280,996	283,362,131

³⁷ Persons who received remuneration amounts listed in this table (Supervisory Board and Board of Managing Directors in natural persons; other identified employees in FTEs).

³⁸ Compensation in connection with the early termination of employment.

³⁹ "Other senior management" is defined as the management level below the Board of Managing Directors of Commerzbank AG.

⁴⁰ "Other identified staff" includes persons identified as Group Risk Takers among Supervisory/Advisory Board members and managing directors of subsidiaries of Commerzbank Group consolidated for regulatory purposes.

6.2.2 Sign-on bonuses and guarantees granted or paid to Risk Takers

Pursuant to Regulation (EU) No 575/2013 Article 450 Paragraph 1h v–vii, the new sign-on payments paid during the financial year and the number of beneficiaries of such payments, the amounts of severance payments for previous

periods and the new severance payments granted during the financial year, the numbers of beneficiaries of these payments, and the highest such award to a single person are disclosed.

	a	b	c	d
	Supervisory Board of Commerzbank AG	Board of Managing Directors of Commerzbank AG	Other senior management ⁴²	Other identified staff ⁴³
	amounts in Euro			
	Guaranteed variable remuneration awards			
1	Guaranteed variable remuneration awards - Number of identified staff ⁴¹	-	-	1
2	Guaranteed variable remuneration awards	-	-	125,000
3	Of which guaranteed variable remuneration awards paid during the financial year, that are not taken into account in the bonus cap	-	-	-
	Severance payments awarded in previous periods, that have been paid out during the financial year			
4	Severance payments awarded in previous periods, that have been paid out during the financial year - Number of identified staff ⁴¹	-	-	-
5	Severance payments awarded in previous periods, that have been paid out during the financial year	-	-	-
	Severance payments awarded during the financial year			
6	Severance payments awarded during the financial year - Number of identified staff	-	2	47
7	Severance payments awarded during the financial year ⁴¹	-	2,900,000	14,932,662
8	Of which paid during the financial year	-	2,900,000	14,932,662
9	Of which deferred	-	-	-
10	Of which severance payments paid during the financial year, that are not taken into account in the bonus cap	-	2,900,000	14,770,882
11	Of which highest payment that has been awarded to a single person	-	1,900,000	1,575,000

⁴¹ Persons who received remuneration amounts listed in this table (Supervisory Board and Board of Managing Directors in natural persons; other identified employees in FTEs).

⁴² "Other senior management" is defined as the management level below the Board of Managing Directors of Commerzbank AG.

⁴³ "Other identified staff" includes persons identified as Group Risk Takers among Supervisory/Advisory Board members and managing directors of subsidiaries of Commerzbank Group consolidated for regulatory purposes.

6.2.3 Outstanding and deferred variable remuneration from previous years

Pursuant to Regulation (EU) No 575/2013 Article 450 Paragraph 1h iii and iv, the amounts of outstanding deferred remuneration, split into vested and unvested portions, the amounts of deferred remuneration awarded during the

financial year, paid out and reduced through performance adjustments, are disclosed in detail.

		a	b	c	d	e	f	EU-g	EU-h	
	Deferred and retained remuneration	Total amount of deferred remuneration awarded for previous performance periods ⁴⁴	Of which due to vest in the financial year	Of which vesting in subsequent financial years	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in the financial year	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in future performance years	Total amount of adjustment during the financial year due to ex post implicit adjustments (i.e. changes of value of deferred remuneration due to the changes of prices of	Total amount of deferred remuneration awarded before the financial year actually paid out in the financial year	Total amount of deferred remuneration awarded for previous performance period that has vested but is subject to retention periods	
amounts in Euro										
1	Supervisory Board of Commerzbank AG	-	-	-	-	-	-	-	-	
2	Cash-based	-	-	-	-	-	-	-	-	
3	Shares or equivalent ownership interests	-	-	-	-	-	-	-	-	
4	Share-linked instruments or equivalent non-cash instruments	-	-	-	-	-	-	-	-	
5	Other instruments	-	-	-	-	-	-	-	-	
6	Other forms	-	-	-	-	-	-	-	-	
7	Board of Managing Directors of Commerzbank AG	14,062,730	3,756,922	10,305,808	-	846,000	-	407,529	2,503,393	1,047,932
8	Cash-based	7,031,365	1,878,461	5,152,904	-	423,000	-	-	1,455,461	-
9	Shares or equivalent ownership interests	-	-	-	-	-	-	-	-	-
10	Share-linked instruments or equivalent non-cash instruments	7,031,365	1,878,461	5,152,904	-	423,000	-	407,529	1,047,932	1,047,932
11	Other instruments	-	-	-	-	-	-	-	-	-

⁴⁴ The instruments shown in the retained remuneration amounts linked to shares or equivalent non-liquid instruments are disclosed at their value when the amounts are granted.

⁴⁵ Total amount of adjustments in the financial year due to anticipated subsequent adjustments (e.g., due to departures or other claims to deferred variable remuneration or the realisation of share price changes at the time of the allocation of shares.

		a	b	c	d	e	f	EU-g	EU-h
Deferred and retained remuneration		Total amount of deferred remuneration awarded for previous performance periods ⁴⁸	Of which due to vest in the financial year	Of which vesting in subsequent financial years	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in the financial year	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in future performance years	Total amount of adjustment during the financial year due to ex post implicit adjustments (i.e. changes of value of deferred remuneration due to the changes of prices of instruments) ⁴⁹	Total amount of deferred remuneration awarded before the financial year actually paid out in the financial year	Total of amount of deferred remuneration awarded for previous performance period that has vested but is subject to retention periods
	amounts in Euro								
12	Other forms	-	-	-	-	-	-	-	-
13	Other senior management ⁴⁶	8,282,277	1,402,043	6,880,233	-	-	108,618	1,510,662	-
14	Cash-based	4,140,800	701,938	3,438,861	-	-	-	701,938	-
15	Shares or equivalent ownership interests	-	-	-	-	-	-	-	-
16	Share-linked instruments or equivalent non-cash instruments	4,141,477	700,105	3,441,372	-	-	108,618	808,723	-
17	Other instruments	-	-	-	-	-	-	-	-
18	Other forms	-	-	-	-	-	-	-	-
19	Other identified staff ⁴⁷	24,582,531	5,355,583	19,226,948	-	75,699	-	224,951	4,340,188
20	Cash-based	11,427,903	2,293,797	9,134,106	-	37,850	-	228,635	2,027,312
21	Shares or equivalent ownership interests	3,293,387	1,241,458	2,051,929	-	-	-	560,418	681,040
22	Share-linked instruments or equivalent non-cash instruments	9,861,241	1,820,328	8,040,913	-	37,849	-	3,684	1,587,800
23	Other instruments	-	-	-	-	-	-	-	-
24	Other forms	-	-	-	-	-	-	-	-
25	Total amount	46,927,538	10,514,548	36,412,990	-	921,699	-	523,862	8,354,243

⁴⁶ "Other senior management" is defined as the management level below the Board of Managing Directors of Commerzbank AG.

⁴⁷ Including persons identified as Group Risk Takers among Supervisory/ Advisory Board members and managing directors of subsidiaries of Commerzbank Group consolidated for regulatory purposes.

⁴⁸ The instruments shown in the retained remuneration amounts linked to shares or equivalent non-liquid instruments are disclosed at their value when the amounts are granted.

⁴⁹ Total amount of adjustments in the financial year due to anticipated subsequent adjustments (e.g., due to departures or other claims to deferred variable remuneration or the realisation of share price changes at the time of the allocation of shares).

6.2.4 Quantitative data on remuneration of Risk Takers broken down by business segment

Pursuant to Regulation (EU) No 575/2013 Article 450 Paragraph 1g, aggregate quantitative information is disclosed on remuneration of Risk Takers, broken down by business segment.

	a	b	c	d	e	f	g	h	j	
	Supervisory Board of Commerzbank AG	Board of Managing Directors of Commerzbank AG	Total Management Body	Investment Banking ⁵¹	Retail Banking ⁵²	Asset Management	Corporate functions	Independent internal control functions ⁵³	Total	
amounts in Euro										
1	Total number of identified staff	20	7	27	267	441	28	214	182	1,158
2	Of which: members of the Management Body	20	7	27	-	-	-	-	-	27
3	Of which: other senior management	-	-	-	6	13	-	17	7	43
4	Of which: other identified staff ⁵⁰	-	-	-	261	428	28	197	175	1,088
5	Total remuneration of identified staff	3,482,667	17,480,726	20,963,393	109,496,534	97,723,021	4,973,827	59,941,181	44,508,565	337,606,520
6	Of which: variable remuneration	-	5,913,709	5,913,709	30,538,126	29,278,299	1,377,771	19,788,120	11,451,892	98,347,917
7	Of which: fixed remuneration	3,482,667	11,567,017	15,049,684	78,958,408	68,444,722	3,596,056	40,153,061	33,056,673	239,258,603

⁵⁰ "Other identified staff" include inter alia the advisory boards and executives of companies in the regulatory group of Commerzbank Group.

⁵¹ Including Group Treasury.

⁵² "Retail banking" in accordance with the definition in the Implementing Technical Standards on public disclosures by institutions of the information referred to in Titles II and III of part eight of Regulation (EU) No 575/2013

of 20 June 2020. Includes the corporate banking segment (excluding investment banking) and private clients.

⁵³ Pursuant to Section 2 Paragraph 11 IVV, Commerzbank Group Risk Management (including Group Compliance) and Group Audit are deemed control units at Commerzbank.

6.3 Number of persons with high remuneration

Pursuant to Regulation Article 450 (EU) No 575/2013 Paragraph 1i, the following table shows a breakdown of the number of Risk Takers of Commerzbank AG and Group Risk Takers whose remuneration exceeded €1 million in the 2022 financial year. For remuneration between €1 million and

€5 million, this is broken down into pay bands of €500.000 and, for remuneration of €5 million and above, into pay bands of €1 million. This includes the costs for pension benefits based on years of service in accordance with IFRS.

		a
Identified staff that are high earners as set out in Article 450(i) CRR ⁵⁴		
1	€1.000.000 to €1.499.999	12
2	€1.500.000 to €1.999.999	1
3	€2.000.000 to €2.499.999	7
4	€2.500.000 to €2.999.999	1
5	€3.000.000 to €3.499.999	-
6	€3.500.000 to €3.999.999	-
7	€4.000.000 to €4.499.999	1
8	€4.500.000 to €4.999.999	-
9	€5.000.000 to €5.999.999	-
10	€6.000.000 to €6.999.999	-

Frankfurt/Main, July 2023

Commerzbank Aktiengesellschaft

⁵⁴ Including the Supervisory Board and Board of Managing Directors of Commerzbank AG (see "Remuneration Report pursuant to Section 162 of

the German Stock Company Act"). Including pension benefits pursuant to the IFRS.