

Remuneration Report on the Remuneration of Employees

2023

pursuant to Section 16 of the German Remuneration Ordinance
for Institutions (IVV) of February 14, 2023



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1 Introduction

The German banking sector continues to operate in a demanding environment, characterised by economic uncertainties and, in Germany, a stagnating economy as well as increasing regulatory requirements. In addition, the year 2023 was overshadowed by wars and political turmoil.

Given the challenging economic conditions, Commerzbank experienced an excellent 2023 financial year. We achieved the key objectives of our "Strategy 2024" ahead of time and even exceeded some of them. This means we have achieved the best result in 15 years. This was followed in November 2023 by the publication of our strategic plan up to 2027. Commerzbank is aiming for further profitable growth in the coming years. Its main aim is to increase commission income in order to become less dependent on the interest rate environment. As the bank for Germany, Commerzbank wants to support its customers in the green and digital transformation and act as an advisor in uncertain times. The goal is to consolidate the trust regained on the capital market and to enable shareholders to participate increasingly in the Bank's success.

To successfully address the challenges, Commerzbank is also continually reviewing its remuneration strategy and structures. This applies to all remuneration models – both to the remuneration model for employees and the Management Board remuneration model – as described in the Remuneration Report pursuant to Section 162 of the German Stock Corporation Act (AktG), and which Commerzbank published separately in the 2023 Remuneration Report in March 2024.

Commerzbank revised its variable remuneration system for employees at the end of 2023. In doing so, the Bank is harmonising the remuneration system for pay-scale and non-pay-scale employees and rewarding success in sales more strongly than before. The new model has been in place since January 2024 and will come into effect for the first time in 2025 upon payment of the variable remuneration for employees.

As a major institution, Commerzbank AG 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"⁴ (from the European Banking Authority, EBA) define the European-level provisions fixed in CRD more concretely in order to harmonise the sometimes-heterogeneous legislation implementing CRD 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 at Commerzbank AG and in the Group context for the 2023 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.

⁴ EBA/GL/2021/04 of 02 July 2021.

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 for HR work (strategic core issues). To this end, the HR requirements of the 2027 strategy program (Group strategy) were analysed and fields of action and core topics for HR management were derived from this.

The three pillars of the Group strategy – growth, excellence and responsibility – also form the core of the HR strategy, with employees at its centre. With this in mind, the Bank is striving to achieve a sustainably high level of employee satisfaction through its HR work. Consequently, the HR strategy defines action areas through which a culture of trust within the Group can be supported and promoted in order to make both the people and the organisation sustainably successful through the development of each individual employee and respectful cooperation between employees.

The core topics identified include the development of a Bank-wide young talent strategy (Attraction & Sustainability), the digitalisation of the HR portfolio (Employee Experience), the further development of an innovative learning portfolio (Learning & Development) as well as increasing employee engagement and promoting fair remuneration (Culture & Leadership).

The remuneration strategy is developed within 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 (Institutsvergütungsverordnung, 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 was gradually replacing the old version in the subsidiaries of Commerzbank Group.

As a result of the Strategy adjustment through the strategic programme up to 2027 and the derivation of a new HR strategy, the remuneration strategy will also be reviewed during the 2024 financial year to identify requirements for change.

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 strategies are accessible to all Bank employees via the company intranet.

The remuneration systems for the 2023 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 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 benefits for defined groups of employees.

- With **voluntary fringe benefits**, the Bank also creates a working environment that encourages performance, recognises employee performance, and supports employees 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.

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 identity.

3 Compensation governance structure

Pursuant to Section 25d Paragraph 7 KWG, Commerzbank has 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 have been 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, for example, 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.

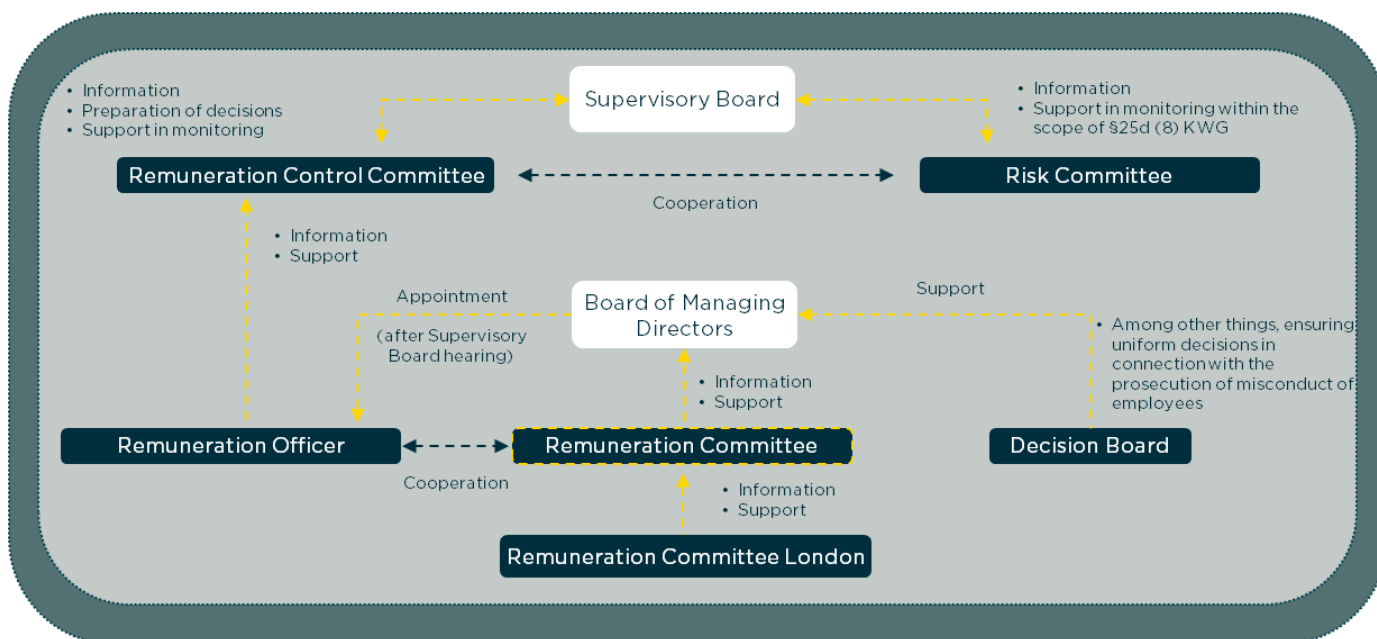


Figure 1: Overview of the compensation governance structure at Commerzbank

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 Committee⁵ 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 knowledge and professional experience in the area of risk

⁵ See the Rules of Procedure of the Remuneration Control Committee on the Commerzbank website in the section Group/Investor Relations/Corporate Governance/Supervisory Board.

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 Environmental Social Governance Committee (ESG 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. If 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 division 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 2023 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. The Remuneration Control Committee also reviewed the control units' remuneration system and monitored the control units' and all other relevant divisions' involvement in structuring the employee remuneration system. 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 to appoint a remuneration officer and a deputy, pursuant to Section 23 IVV, 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 their

monitoring activities effectively and independently, and they take 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 new and ongoing conceptual development of remuneration systems for Commerzbank AG and in their ongoing processes. They support the chairperson of the Remuneration Control Committee and the supervisory 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 was set taking into account Section 7 IVV. Moreover, the Remuneration Officer 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 employee remuneration systems. The Committee shall also ensure that the control units are involved appropriately 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 IVV⁶ 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 HR 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 2023 financial year, the Remuneration Committee convened seven 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 required to set up a separate, local remuneration committee

⁶ At Commerzbank AG the Group Risk Management, including Group Compliance, and Group Audit divisions are considered as control units.

Group Audit sends a non-voting representative to the 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 which commenced its work at the beginning of the 2022 financial year. 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 includes in particular 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 notify 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.

The London Remuneration Committee convened three times in the 2023 financial year.

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. It 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 publishing all of the Bank's rules and regulations centrally and creating 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 a 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 (malus) 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 and the management or supervisory board of the subsidiary in question.

4 Remuneration system

For employees of Commerzbank, the fixed remuneration⁷ 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 them. 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 band for each career level on the basis of external market comparisons.

In the 2023 financial year, too, employees of Commerzbank AG and some subsidiaries received inflation compensation benefits 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 2023 financial year, apart from the employees' fixed remuneration the following variable remuneration models were applied:

- Profit sharing: for all pay-scale employees at Commerzbank AG in Germany
- Non-pay-scale (NPS) model: for all non-pay-scale employees of Commerzbank AG with the exception of the

management level below the Board of Managing Directors

- Executive model: for all employees of Commerzbank AG working at the management level below the Board of Managing Directors
- Board of Managing Directors model: for all members of the Board of Managing Directors of Commerzbank AG⁸

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. Subsequently, the aim was to harmonise all existing models further.

Within this scope, the remuneration models of the Board of Managing Directors and employees were aligned with each other in order to strengthen links between remuneration and performance.

Starting from the 2023 financial year, the first step was to align variable compensation more closely for the management level immediately below the Board of Managing Directors (executives of Commerzbank AG) with the Board remuneration model (see Chapter 4.4.2). This will be followed by the variable remuneration models for other employees in the 2024 financial year. To this end, the variable remuneration models for pay-scale and non-pay-scale employees, with the exception of the management level below the Board of Managing Directors, have been merged, with the parameters for calculating the variable remuneration budgets being aligned with the Board and executive models (see Chapter 4.4.3).

Both the current version of the NPS model for all non-pay-scale employees from the 2023 financial year and the version in effect from the financial year 2024 distinguish, in terms of bonus distribution, between Germany and the international locations and between Risk Takers and

⁷ 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, inter alia, ongoing education, relocations, or costs for maintaining two households, as well as certain non-cash benefits.

⁸ 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 (AktG) on the Commerzbank website.

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. For local employees at the various representative offices, there is currently another remuneration model that will also be harmonised with the other existing remuneration models from the 2024 financial year onwards.

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 initially describe the remuneration parameters and models in effect for the employees of Commerzbank AG in the 2023 period under review and then provide an outlook on the changes that will apply from 2024. 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, provide an effective and sustainable contribution to the business objectives and do not create incentives to incur excessive risks. 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. It is geared to the strategic objectives and the overall risk strategy and is aligned with the Bank's risk, capital, and liquidity structure.

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 towards 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, other project and/or line-related targets and the Group's corporate culture are taken into account as targets.

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 applied to all non-pay-scale employees of Commerzbank AG apart from the management level immediately below the Board of Managing Directors in the year under review, the variable remuneration of non-Risk Takers in Germany for the 2023 financial year was determined exclusively on the basis of Group and segment performance and the achievement of qualitative targets. It was not necessary to set individual targets for these employees.

For all 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.⁹ Consequently, when setting the targets in those units, particular consideration is given to the targets "customer satisfaction" and "customer orientation". From the 2024 financial year onwards, individual targets will also be agreed upon to strengthen performance-related elements for other employees working in sales in the Private and Small-Business Customers, Corporate Clients and Group Treasury segments.

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 levels of requirements¹⁰ for the Group and its individual segments as well as the Group Treasury unit at the beginning of the financial year. These are geared towards the Bank's long-term strategy and serve as a basis

⁹ Inter alia, the BaFin circular on the minimum compliance requirements, (MaComp BT 8). Directive on credit agreements for consumers relating to residential immovable property (Wohnimmobilienkreditrichtlinie), Dodd-Frank Act (so-called Volcker Rule).

¹⁰ Levels of requirements were also defined for the subgroup mBank, Commerzbank (Eurasija) AO, CommerzFactoring GmbH and Commerz Real Group.

for calculating the volume for variable remuneration by means of a target figure. 2023 was the last year to use the Economic Value Added (EVA) as the key performance indicator (KPI) for this target figure for the NPS and pay-scale models.

From the 2024 financial year onwards, the EVA will be replaced by the adjusted operating result before taxes and the (adjusted) RoCET (return on common equity tier 1 capital) as the KPI for the remuneration models for all employees (see Chapters 4.4.2 and 4.4.3).

Apart from this, further qualitative targets will be used to determine the bonus volume. For the 2023 financial year, these included targets with regard to the envisaged customer satisfaction, strengthening sustainability in the Bank's self-conception, observing the culture of integrity, and further refining the of business models. For further information about the current qualitative targets, please refer to the sustainability portal on the Commerzbank AG website.¹¹

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 result¹² or the performance 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 for NPS and pay-scale employees for the 2023 financial year, EVA will be used as a quantitative benchmark when setting the disbursement volume for variable remuneration. For the executive model, the operating result and the RoCET will be used as quantitative benchmarks. EVA 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

¹¹ <https://www.commerzbank.de/sustainability/>

¹² For employees working in a group management, services or cluster unit, and not in a segment or in Group Treasury, the average of the segments

Private and Small-Business Customers as well as Corporate Clients is taken as the basis for assessment.

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 EVA and the Group's RoCET. For example, a capital increase through core or subordinate capital made necessary through increased risk will result in a reduction in EVA or a reduction in the Group's RoCET 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 KWG in the long term (so-called "pool proviso").

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, a potentially 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, the group management and services units as well as the cluster organisation 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 proviso followed by an additional performance assessment. This includes an assessment of

whether the original calculation of the variable remuneration appears appropriate in retrospect, for example, 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 received a profit share for the 2023 financial year as a variable remuneration component as the Group performance threshold required for a payout was reached.

The profit share budget was made available for disbursement the pay-scale employees according to their individual performance, applying the respective segment performance and the individual pro-rata monthly salary. In the case of unethical conduct or conduct contrary to duties that would justify a warning or dismissal the Bank was entitled to reduce or cancel any disbursements. In addition to the rule laid out above, the pool proviso in accordance with Chapter 4.2 also applied to profit sharing for pay-scale employees.

From the 2024 financial year onwards, the profit-sharing scheme will be replaced by a new remuneration model (see Chapter 4.4.3).

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 multiplication factors, differentiated by career level, for the NPS model which are used to determine the variable target remuneration. It has also limited the maximum target achievement used to calculate the budget for disbursement in the system. Independent of these system restrictions 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”)¹³.

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

4.4.1 NPS model

As a basis for the 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 (the 2023 financial year will be the last one based on the 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.

The calculation of the variable compensation potential (VCP) is based on 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	Pay-scale	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 (VCP) at Commerzbank AG in Germany

With the initial 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.

VCP factors for employees - foreign locations							
Commap	0A/1	2	3	4	5	6	E
Non-Risk Takers	2.0	2.5	3.0	3.5	4.0	n/a	n/a
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 (VCP) at international locations

The 2023 financial year was the last to generate the disbursement volume in the NPS model on the basis of the achievement of the EVA targets. This happened after the end of the financial year and on the basis of the results of the Group and the individual segments and/or 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 where the individual is employed see Chapter 4.2).¹⁴

¹³ For the specifics regarding control units, please see Chapter 4.4.2.

¹⁴ For employees working in a group management, services, or cluster unit, the average of the Private and Small-Customer and Corporate Clients segments is taken as the basis for assessment.

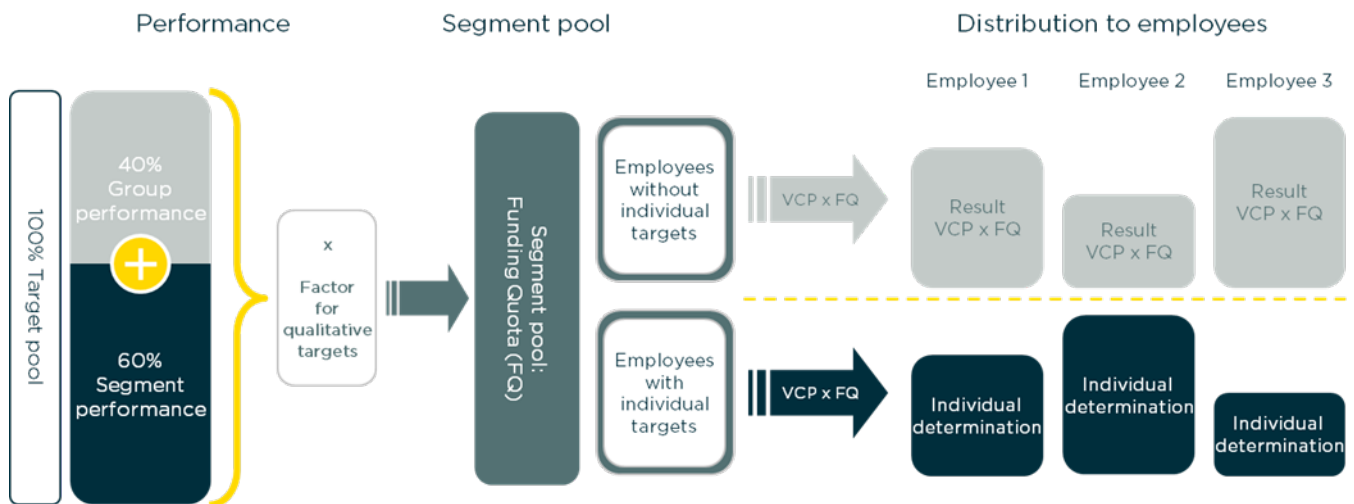


Figure 4: Overview of how Commerzbank's NPS model for financial year 2023 works

In addition to the quantitative targets, qualitative targets will also be set 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 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 for the 2023 financial year 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 Bank ensures that the amount of the individual variable remuneration in the NPS model 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.

In the 2023 financial year, the NPS model applied to all non-pay-scale employees of Commerzbank AG with the exception of the management level below the Board of Managing Directors.

4.4.2 Variable remuneration for executives

To strengthen links between remuneration and performance, the variable remuneration of Commerzbank AG executives has been aligned with the Board remuneration model with regard to several parameters since the 2023 financial year.

The financial targets are based, as in the Board model, on the multi-year planning for the given financial year.

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)¹⁵.

For calculating the Group target achievement, 50 per cent is based on the non-adjusted operating result before tax and 50 per cent on the non-adjusted 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 percent for both sub-targets, i.e. for both the operating result and the RoCET.

The 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 funding quota calculated on the basis of the Group and segment targets and the qualitative factors may not exceed 200 per cent in total.

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.

4.4.3. Adaptions to the NPS model from the 2024 financial year onwards

From the 2024 financial year onwards, the calculation of variable remuneration for all employees below executive level will be aligned with the Board and executive models as a further step towards harmonising the remuneration models. In the process, the models for pay-scale and non-pay-scale employees will also be consolidated so that the

variable remuneration of both employee groups is both calculated and paid out in accordance with the same rules.

The calculation of the variable remuneration potential for pay-scale employees is also based on their individual gross monthly salary (see Chapter 4.4.1), for which an additional multiplication factor has been defined (see Fig. 5).¹⁶

VCP factors for employees - Germany							
Commap	Pay-scale ¹⁶	2	3	4	5	6	E
Non-Risk Takers	0,75	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 5: Multiplication factors for calculating the variable remuneration potentials (VCP) at Commerzbank AG in Germany

The new “employee model” is only slightly different from the executive model outlined in the previous chapter. The main difference between the two models is the calculation of the total pool of variable remuneration available: for employees, the pool is calculated on the basis of adjusted results, whereas the variable remuneration in the executive model is calculated on the basis of unadjusted results. There is a further difference between the models with regard to the accrual of the deferred variable remuneration of the risk takers (for details, please refer to Chapter 4.5.2).

As in the previous NPS model, the total budget calculated under the new employee model for employees in Germany who do not work in sales will be allocated arithmetically to employees who do not constitute Risk Takers. In the sales units of the Private and Small-Business Customers, Corporate Clients and Group Treasury segments, the individual variable remuneration for certain employee groups in Germany will in the future also be calculated on the basis of individual performance in order to strengthen entrepreneurial spirit and conduct.

¹⁵ For Executives in charge of a group management, services, or cluster unit, the average of the Private and Small-Business as well as the Corporate Client segments is taken as the basis for assessment.

¹⁶ By way of derogation, a factor of 0.5 is initially applied for the 2024 financial year.

The budget in both segments may be reduced or increased by a defined percentage based on the performance of the segment budgets determined on the basis of the KPIs. The adjusted budgets are then distributed to the employees individually at reasonable discretion, taking into account the respective individual performance contributions.

4.4.4. Employees in control units

In the 2023 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 defines the main focus as being that the maximum variable compensation for employees in control units is one third of the 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 also 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, NPS or executive models in the 2023 financial year.

4.4.5. Remuneration of the Board of Managing Directors

Remuneration of the members of the Board of Managing Directors is subject to a separate model. The details, including other remuneration information, were published in the 2023 Remuneration Report pursuant to Section 162 of the German Stock Corporate Act (AktG) 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 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 were set out for the 2023 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) which were supplemented by the institute's own criteria.

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 Group¹⁷ 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 units¹⁸, 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 categories or for risk categories within the meaning of EU Directive 2013/36/EU, Articles 79–87;
- **Remuneration amount:** the 0.3 per cent of employees with the highest total remuneration 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 and, from the 2024 financial year onwards, also on the fourth management level in Capital Markets;
- Managers of Risk Takers;

- Special functions in Finance, Compliance, Audit, and Treasury;

- Up until the 2023 financial year: 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 2023, 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 1,167 (1,121 full-time equivalents (FTEs), as compared to 1,199 in 2022 (1,158 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 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 Board members 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 (threshold pursuant to Section 18 Paragraph 1 IVV), the total variable remuneration for the previous financial year is paid in a single lump sum payment.

¹⁷ In the Commerzbank Group alongside Commerzbank AG, the Polish institution mBank S.A. is considered a major institution.

¹⁸ 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.

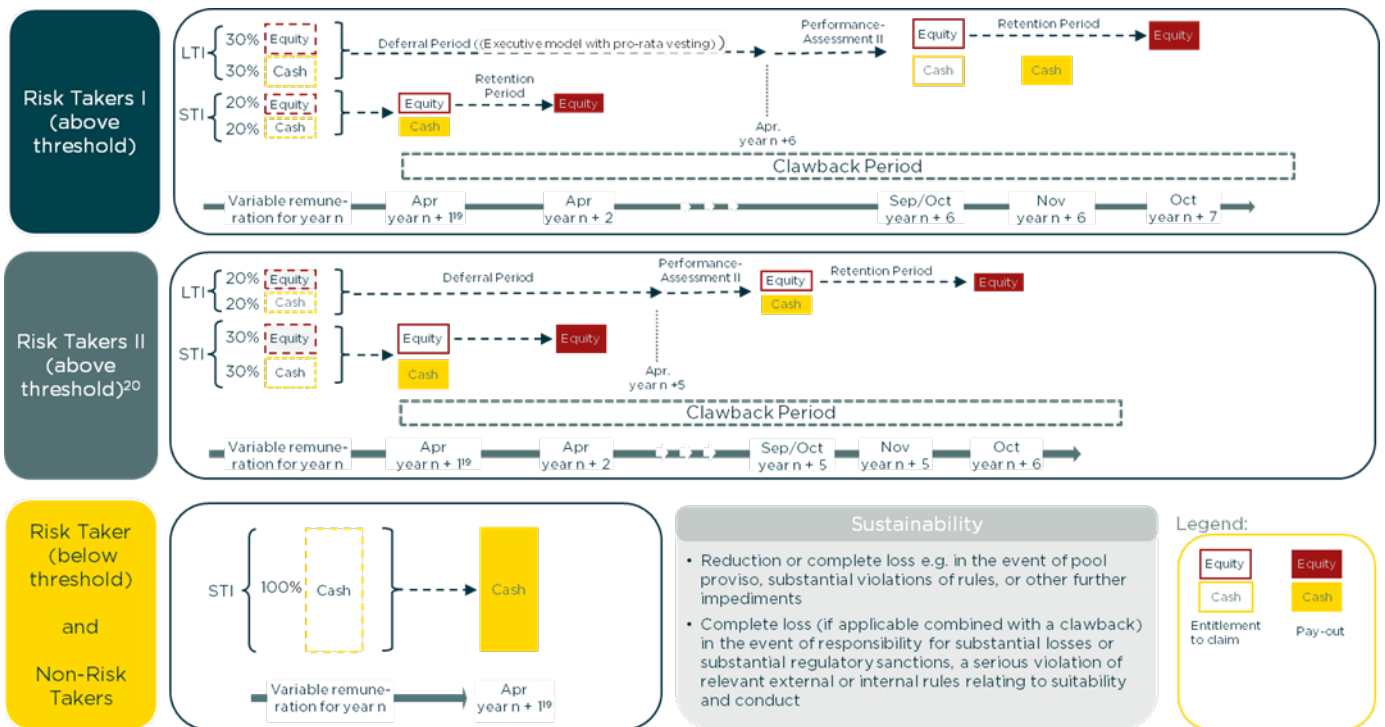


Figure 6: Exemplary disbursement procedures and sustainability components based on variable remuneration for 2023

For the 2023 financial year, 396 Risk Takers or Group Risk Takers with overall fixed remuneration of approx. €45 million and variable remuneration of approx. €17 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 threshold, 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.

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 no earlier than the expiry of a deferral period. For Risk Takers II the deferral period is four years. 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

¹⁹ Date of information on amount and distribution of variable remuneration; exception: some international locations (disbursement already in March of year n + 1).

²⁰ 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.

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

The deferred 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, the LTI Cash component 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, which has been in effect since the 2023 financial year, the individual tranches of LTI Cash and LTI Equity will be allocated after the respective Performance Assessment II and the accrual of entitlements in the respective calendar year 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 remuneration and thus establishes the claim to the STI. In the case of Risk Takers whose variable remuneration for a financial year exceeds the threshold as referred to in Chapter 4.5.2, the calculation of the LTI is merely indicative, i.e., there is no direct entitlement or claim 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 Board member 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.

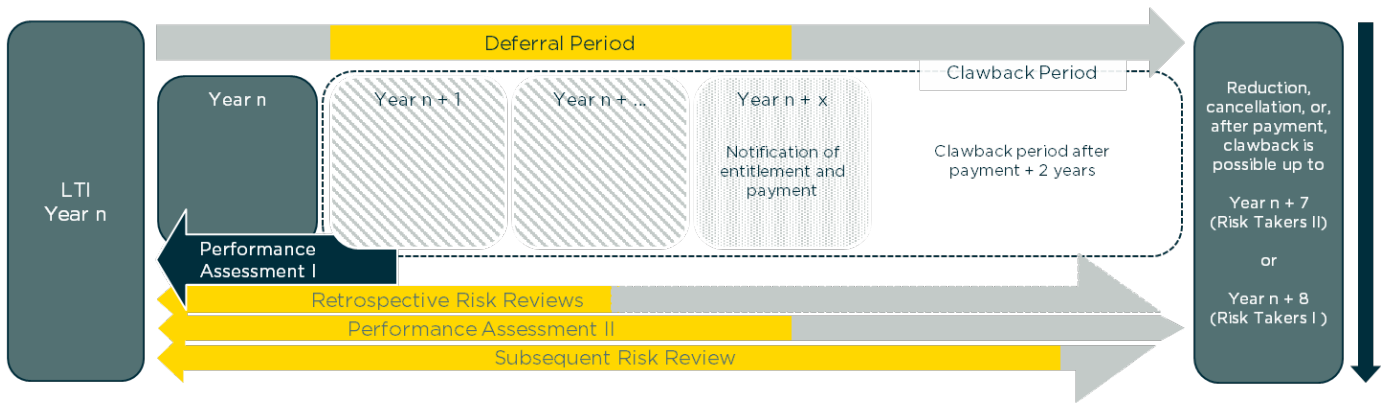


Figure 7: Schematic illustration of the performance assessment for Risk Takers at Commerzbank for the deferred compensation components

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, retrospective performance assessments 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.

Prior to the pro-rata disbursement of the variable compensation in the executive model and after the expiry of the deferral period in the NPS model, Performance Assessment II reviews Performance Assessment I and the employee's conduct for the financial year in question. In addition, after the expiry of the deferral period the collective review of the entitlement process also includes the pool proviso review as described in Chapter 4.2 as well as any order by the supervisory authorities.

In summary, a retrospectively established 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 retrospective performance assessments and Performance Assessment II in case where 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.

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 Group Compliance. 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 at 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 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 Paragraph 1b and Section 53 Paragraph 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 2023 financial year, 25 companies²¹ in Germany and at the international locations, in addition to Commerzbank AG, were subject to the requirements of the IVV. Of these subsidiaries, 5 fell within the immediate scope of the IVV or other sector-based or local legal regulations.

The remaining 20 companies were subject to the requirements of the IVV 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 IVV.²²

The remuneration strategy and the requirements of the IVV 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 generally 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 the provisions of IVV apply. In addition, it serves to provide

²¹ mBank S.A.; Commerzbank Finance & Covered Bond S.A.; mBank Hipoteczny S.A.; Commerz Markets LLC; Commerzbank (Eurasija) AO; Yellowfin Asset Management GmbH; Commerz Business Consulting GmbH; Commerz Direktservice GmbH; ComTS Finance GmbH; ComTS Logistics GmbH; ComTS GmbH; Commerz Service-Center Intensive GmbH; SOLTRX Transaction Services GmbH; Dresdner Lateinamerika AG; LSF Loan Solutions Frankfurt GmbH; CommerzVentures GmbH; Main Incubator GmbH; CERL International Sp. z o.o.; Commerz Global Service Solution Sdn. BHD (formerly Commerz Trade Services Sdn. Bhd.); mFinanse S.A.; mFinanse CZ s.r.o.; mFinanse SK s.r.o.; Kenstone GmbH; mTowarzystwo Funduszy Inwestycyjnych S.A.; Commerzbank Brasil Holding Ltda.

²² Since its fourth version, a further 8 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 2023 financial year: Commerz Real Investmentges. mbH, Commerz Real KVG mbH, Commerz Real Fund Management S.à r.l., CommerzFactoring GmbH, Commerz Real AG, Commerz Real Mobilienleasing GmbH, mFaktoring S.A., mLeasing Sp. z o.o.

guidance to other subsidiaries and can be applied by them in whole or in part.

In conjunction with the amendments to the IVV, 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.

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 (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 regulatory group institutions in the year under review as well as in the other consolidated companies in the regulatory group.²³

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, Yellowfin Asset Management GmbH and Commerzbank (Eurasija) AO. With the exception of Commerzbank (Eurasija) AO, all Group institutions applied the systems described in this remuneration report in the 2023 financial year, so that further disclosure is required only for Commerzbank (Eurasija) AO.

Commerzbank Finance & Covered Bond S.A.²⁴ and Commerz Markets LLC²⁵, based in New York, explicitly refer to the analogous application of the remuneration systems of Commerzbank AG in their annual reports.

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 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 (STI and LTI) for Risk Takers is paid out entirely 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.

²³ 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, the "Remuneration Policy for Members of the Management Board and Supervisory Board of mBank S.A." and the "Remuneration policy for employees having a material impact on the risk profile of mBank S.A.". 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.

²⁴ Annual Report 2023 of Commerzbank Finance & Covered Bond S.A.

²⁵ „Statement of Financial Condition" for the 2023 financial year.

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 2023 financial year, this did not affect any of the Commerzbank Group companies consolidated for regulatory purposes.

6.1 Quantitative information on remuneration by business area²⁶

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 2023 financial year, a total of 38,194 employees at Commerzbank Group received variable remuneration.

Segment	Supervisory Board of Commerzbank AG	Board of Managing Directors of Commerzbank AG	Private Customers	Corporate banking (excl. Investment Banking)	Investment Banking ³¹	Asset Management	Corporate functions	Independent internal control functions ³²	Group total
in Euro									
Number of Managing Directors /Supervisory Board Members ²⁷	20	7	12,847	2,888	2,018	847	19,827	3,769	42,223
Number of Employees in full time equivalents (FTEs)	20	7	11,263	2,548	1,926	773	18,596	3,548	38,681
Total remuneration	3,688,400	17,987,685	817,846,296	226,068,749	344,954,464	89,319,271	1,407,354,417	420,497,616	3,327,716,897
Fixed remuneration (incl. pension benefits)²⁸	3,688,400	11,718,440	753,232,838	180,188,797	278,163,368	79,237,669	1,288,061,807	361,450,408	2,955,741,727
Base salary and allowances	3,688,400	8,983,324	697,762,114	167,670,230	262,210,332	75,451,044	1,213,878,362	339,380,371	2,769,024,177
Pension benefits	-	2,735,116	55,470,725	12,518,567	15,953,035	3,786,625	74,183,445	22,070,037	186,717,549
Variable remuneration²⁹	-	6,269,245	64,613,458	45,879,952	66,791,096	10,081,603	119,292,609	59,047,208	371,975,171
Number of beneficiaries of variable remuneration of Commerzbank Group ³⁰	-	7	12,273	2,862	1,919	824	16,499	3,810	38,194

²⁶ The remuneration data as presented in Chapter 6.2 follow the sample tables of the Implementing Regulation (EU) 2021/637.

²⁷ Natural persons as of the reference date 31.12.2023.

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 Individuals who have received variable compensation for 2023. This includes resignations that were no longer employees of the Commerzbank Group as of the 31.12.2023 reporting date.

³¹ Including Group Treasury.

³² 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 Article 450 Paragraph 1h and g of the Regulation (EU) No 575/2013, 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 2023 financial year - REM 1

Pursuant to Article 450 Paragraph 1h i and ii of Regulation (EU) No 575/2013, the remuneration amounts for the 2023 financial year (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) are disclosed.

		a	b	c	d
		Supervisory Board of Commerzbank AG	Board of Managing Directors of Commerzbank AG	Other senior management ³⁶	Other identified staff ³⁷
amounts in Euro					
1	Number of identified staff ³³	20	7	43	1,051
2	Total fixed remuneration	3,688,400	11,718,440	20,508,834	205,960,112
3	Of which: cash-based ³⁴	3,688,400	8,983,324	18,457,959	191,057,000
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 ³⁵	-	2,735,116	2,050,874	14,903,113

³³ Persons who received remuneration amounts listed in this table (Supervisory Board and Board of Managing Directors in natural persons; other identified employees in FTEs).

³⁴ Supervisory function including committee remuneration and attendance fees.

³⁵ Pension benefits pursuant to the International Financial Reporting Standards (IFRS).

³⁶ "Other senior management" is defined as the management level below the Board of Managing Directors of Commerzbank AG.

³⁷ "Other identified staff" includes persons identified as Group Risk Takers among Supervisory/Advisory Board members and Board members 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 ⁴⁰	Other identified staff ⁴¹
		amounts in Euro			
9	Number of identified staff who received variable compensation ³⁸	-	7	43	971
10	Total variable remuneration	-	6,269,245	12,550,312	85,202,026
11	Of which: cash-based	-	2,507,698	6,434,950	48,840,315
12	Of which: deferred	-	1,504,619	3,669,217	15,606,026
EU-13a	Of which: shares or equivalent ownership interests	-	-	-	1,338,294
EU-14a	Of which: deferred	-	-	-	770,685
EU-13b	Of which: share-linked instruments or equivalent non-cash instruments	-	3,761,547	6,115,362	32,911,502
EU-14b	Of which: deferred	-	2,256,928	3,669,217	14,634,390
EU-14x	Of which: other instruments	-	-	-	-
EU-14y	Of which: deferred	-	-	-	-
15	Of which: other forms ³⁹	-	-	-	2,111,915
16	Of which: deferred	-	-	-	-
17	Total fixed and variable remuneration	3,688,400	17,987,685	33,059,146	291,162,139

³⁸ Persons who received remuneration amounts listed in this table (Supervisory Board and Board of Managing Directors in natural persons; other identified employees in FTEs).

³⁹ Compensation in connection with the early termination of employment.

⁴⁰ "Other senior management" is defined as the management level below the Board of Managing Directors of Commerzbank AG.

⁴¹ "Other identified staff" includes persons identified as Group Risk Takers among Supervisory/Advisory Board members and Board members of subsidiaries of Commerzbank Group consolidated for regulatory purposes.

6.2.2 Sign-on bonuses and guarantees granted or paid to Risk Takers – REM 2

Pursuant to Article 450 Paragraph 1h v–vii, of Regulation (EU) No 575/2013 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
	amounts in Euro	Supervisory Board of Commerzbank AG	Board of Managing Directors of Commerzbank AG	Other senior management ⁴³	Other identified staff ⁴⁴
	Guaranteed variable remuneration awards				
1	Guaranteed variable remuneration awards - Number of identified staff ⁴²	-	-	-	3
2	Guaranteed variable remuneration awards	-	-	-	534,911
3	Of which guaranteed variable remuneration awards paid during the financial year, that are not taken into account in the bonus cap	-	-	-	428,757
	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 ⁴²	-	-	-	-
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	-	-	-	15
7	Severance payments awarded during the financial year ⁴²	-	-	-	2,111,915
8	Of which paid during the financial year	-	-	-	2,111,915
9	Of which deferred	-	-	-	-
10	Of which severance payments paid during the financial year, that are not taken into account in the bonus cap	-	-	-	2,111,915
11	Of which highest payment that has been awarded to a single person	-	-	-	576,602

⁴² Persons who received remuneration amounts listed in this table (Supervisory Board and Board of Managing Directors in natural persons; other identified employees in FTEs).

⁴³ "Other senior management" is defined as the management level below the Board of Managing Directors of Commerzbank AG.

⁴⁴ "Other identified staff" includes persons identified as Group Risk Takers among Supervisory/Advisory Board members and Board members of subsidiaries of Commerzbank Group consolidated for regulatory purposes.

6.2.3 Outstanding and deferred variable remuneration from previous years – REM 3

Pursuant to Article 450 Paragraph 1h iii and iv of the Regulation (EU) No 575/2013, the amounts of outstanding deferred remuneration from previous years, 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 ⁴⁵	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) ⁴⁶	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	10,305,808	1,235,840	9,069,968	-	162,000	-	232,976	1,306,816	769,896
8	Cash-based	5,152,904	617,920	4,534,984	-	81,000	-	-	536,920	-
9	Shares or equivalent ownership interests	-	-	-	-	-	-	-	-	-
10	Share-linked instruments or equivalent non-cash instruments	5,152,904	617,920	4,534,984	-	81,000	-	232,976	769,896	769,896
11	Other instruments	-	-	-	-	-	-	-	-	-

⁴⁵ 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.

⁴⁶ 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).

Deferred and retained remuneration		a	b	c	d	e	f	EU-g	EU-h
		Total amount of deferred remuneration awarded for previous performance periods ⁴⁹	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) ⁵⁰	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									
12	Other forms	-	-	-	-	-	-	-	-
13	Other senior management ⁴⁷	12,719,008	-	12,719,008	-	-	-	-	-
14	Cash-based	6,359,224	-	6,359,224	-	-	-	-	-
15	Shares or equivalent ownership interests	-	-	-	-	-	-	-	-
16	Share-linked instruments or equivalent non-cash instruments	6,359,785	-	6,359,785	-	-	-	-	-
17	Other instruments	-	-	-	-	-	-	-	-
18	Other forms	-	-	-	-	-	-	-	-
19	Other identified staff ⁴⁸	46,010,482	9,213,181	36,797,301	-	-	2,262,449	10,651,388	5,601,037
20	Cash-based	20,915,982	3,908,640	17,007,342	-	-	-	3,908,640	-
21	Shares or equivalent ownership interests	7,460,192	2,712,474	4,747,718	-	-	-	1,936,670	775,804
22	Share-linked instruments or equivalent non-cash instruments	17,634,307	2,592,066	15,042,241	-	-	2,262,449	4,806,078	4,825,233
23	Other instruments	-	-	-	-	-	-	-	-
24	Other forms	-	-	-	-	-	-	-	-
25	Total amount	69,035,298	10,449,021	58,586,278	- 162,000	-	2,495,425	11,958,204	6,370,933

⁴⁷ "Other senior management" is defined as the management level below the Board of Managing Directors of Commerzbank AG.

⁴⁸ "Other identified staff" includes persons identified as Group Risk Takers among Supervisory/Advisory Board members and Board members of subsidiaries of Commerzbank Group consolidated for regulatory purposes.

⁴⁹ 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.

⁵⁰ 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 – REM 5

Pursuant to Article 450 Paragraph 1g of the Regulation (EU) No 575/2013 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 ⁵²	Retail Banking ⁵³	Asset Management	Corporate functions	Independent internal control functions ⁵⁴	Total	
amounts in Euro										
1	Total number of identified staff	20	7	27	322	324	9	256	183	1,121
2	Of which: members of the Management Body	20	7	27	-	-	-	-	-	27
3	Of which: other senior management	-	-	-	7	13	-	17	6	43
4	Of which: other identified staff ⁵¹	-	-	-	315	311	9	240	177	1,051
5	Total remuneration of identified staff	3,688,400	17,987,685	21,676,085	135,901,786	76,912,072	2,154,335	61,696,158	47,556,933	345,897,369
6	Of which: variable remuneration	-	6,269,245	6,269,245	44,107,811	21,185,994	493,306	18,378,647	13,586,580	104,021,583
7	Of which: fixed remuneration	3,688,400	11,718,440	15,406,840	91,793,974	55,726,078	1,661,029	43,317,511	33,970,353	241,875,786

⁵¹ "Other identified staff" include inter alia the advisory boards and executives of companies in the regulatory group of Commerzbank Group (all figures - except Supervisory Board and Management Board - in full-time equivalents).

⁵² Including Group Treasury.

⁵³ "Retail banking" includes the corporate banking segment (excluding investment banking) and private clients.

⁵⁴ 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 – REM 4

Pursuant to Article 450 of the Regulation (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 2023 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.

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Identifizierte Mitarbeitende, die ein hohes Einkommen im Sinne von Art. 450 Abs. 1 i CRR beziehen ⁵⁵		
1	1,000,000 bis 1,499,999 Euro	4
2	1,500,000 bis 1,999,999 Euro	1
3	2,000,000 bis 2,499,999 Euro	6
4	2,500,000 bis 2,999,999 Euro	1
5	3,000,000 bis 3,499,999 Euro	-
6	3,500,000 bis 3,999,999 Euro	-
7	4,000,000 bis 4,499,999 Euro	1
8	4,500,000 bis 4,999,999 Euro	-
9	5,000,000 bis 5,999,999 Euro	-
10	6,000,000 bis 6,999,999 Euro	-

Frankfurt/Main, July 2024

Commerzbank Aktiengesellschaft

⁵⁵ 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.