

Corporate governance report and declaration on corporate governance

Commerzbank has always attached great importance to corporate governance, in the sense of responsible and transparent management and control aimed at sustainable value creation. That is why we – the Board of Managing Directors and the Supervisory Board – expressly support the German Corporate Governance Code and the goals and objectives it pursues.

Commerzbank's corporate governance officer is Günter Hugger, Divisional Board Member Group Legal. He is the point of contact for all corporate governance issues and has the task of advising the Board of Managing Directors and the Supervisory Board on the implementation of the German Corporate Governance Code and reporting on its implementation by the Bank.

In accordance with section 3.10 of the German Corporate Governance Code, we report below on corporate governance as practised at Commerzbank. This report also includes the declaration on corporate governance in accordance with Art. 289a of the German Commercial Code.

Recommendations of the German Corporate Governance Code

The Bank declares every year whether the recommendations of the Commission regarding conduct have been and are being complied with, and explains which recommendations are not being implemented and the reasons why. This declaration of compliance by the Board of Managing Directors and the Supervisory Board is published on the Commerzbank website (www.commerzbank.com). There is also an archive of all the declarations of compliance made since 2002. The latest declaration was made on 5 November 2014.

Commerzbank complies with virtually all of the recommendations of the German Corporate Governance Code; it deviates from them in only a few points:

- Section 4.2.1 of the Code recommends that rules of procedure should regulate the activities of the Board of Managing Directors, including the allocation of responsibilities to its members. The Board of Managing Directors has adopted rules of procedure with the approval of the Supervisory Board. However, the Board of Managing Directors determines the allocation of duties among the individual Board members itself, outside of the rules

of procedure. This provides it with the requisite flexibility if changes are needed, thus ensuring an efficient division of responsibilities. The Supervisory Board is informed of all changes, and is thus included in the process. The rules of procedure for the Board of Managing Directors and the specific responsibilities of the various members of the Board of Managing Directors are published on the Commerzbank website.

- According to section 4.2.3 (2) sentence 6 of the Code, the total remuneration of the members of the Board of Managing Directors and the upper limits on their variable remuneration components should be disclosed. The Bank's new remuneration system for the Board of Managing Directors, due to enter into effect from 1 January 2015, firstly provides for a fixed basic annual salary. In addition, in respect of variable remuneration, the Supervisory Board after the end of a financial year calculates a total goal achievement amount based on predefined goals. An absolute upper limit applies to this total goal achievement amount. 50% of this amount is paid in virtual Commerzbank shares, in respect of most of which a five-year holding period and a waiting period of a further 12 months normally apply. At the end of the waiting period, the value of the virtual Commerzbank shares is paid out in cash. Changes in the share price over this period do not affect the number of virtual shares to be granted but do change the amount to be paid out. There is no absolute upper limit on the latter amount. Under the concept behind the new remuneration system, the members of the Board of Managing Directors are intended to bear the risk of volatility in the virtual shares after the calculation of the total goal achievement amount, as a long-term element of remuneration. It would not be appropriate to cap the scope to participate in positive share price performance, especially given that no floor applies if the price should fall.
- In relation to the remuneration of the Board of Managing Directors, section 4.2.3 (2) sentence 8 of the Code recommends that there should be no subsequent changes to goals or the parameters for determining the variable remuneration components. Under the German Stock Corporation Act and the Banking Remuneration Regulation, the Supervisory Board should agree the possibility to restrict the variable remuneration of the Board of Managing Directors in exceptional circumstances. It is entitled under

this legislation to adjust the goals and other parameters for determining variable remuneration components in the case of extraordinary developments, to reasonably neutralise any positive or negative repercussions on the achievability of the goals.

- Section 4.2.3 (3) of the Code recommends that in the case of pension commitments to members of the Board of Managing Directors, the Supervisory Board should define the intended benefit level – based on the length of their term of office – and the annual and long-term expense for the company arising therefrom. In 2011, Commerzbank changed its pension system to a contribution-based defined benefit scheme. As such, a specific benefit is no longer defined. Instead, each member of the Board of Managing Directors has an entitlement to an annual pension module, the amount of which is determined as a fixed percentage of that individual's basic annual salary. Increases to the fixed basic annual salary lead to an increase in the pension module only when expressly approved by the Supervisory Board. The way in which this percentage rate is defined – disregarding other actuarial factors – means that the ultimate level of a member of the Board of Managing Directors' earned pension entitlement depends solely on the length of their term of office on the Board of Managing Directors. The application of a fixed percentage rate of each member's basic annual salary gives the Supervisory Board the most accurate idea possible of the annual and long-term expense for the company. The actual annual expense for the company depends on actuarial factors. It is increasingly common business practice not to define an intended pension benefit but to instead switch to a contribution-based defined benefit scheme.
- Section 5.3.3 of the Code recommends that the Supervisory Board establish a nomination committee made up exclusively of shareholder representatives. Based on the new Art. 25d (11) sentence 2 no. 1 of the German Stock Corporation Act, the nomination committee should support the Supervisory Board in identifying candidates to fill positions on bank management bodies. At Commerzbank, this task was formerly performed by the Presiding Committee, which also includes employee representatives. In order to maintain the existing involvement of both employee and shareholder representatives in the selection of candidates for the Board of Managing Directors, two members of the Commerzbank Supervisory Board's Nomination Committee are employee representatives.
- According to section 5.4.6 (2) sentence 2 of the Code, where the members of the Supervisory Board are granted performance-related remuneration, this should be based on long-term corporate performance. In addition to fixed remuneration, the members of the Supervisory Board of Commerzbank receive a variable bonus of €3,000 for each €0.05 of dividend in excess of a dividend of €0.10 per share distributed to shareholders for the financial year

just ended. No dividend was paid to shareholders for the 2013 financial year, so no performance-related bonus was paid to the members of the Supervisory Board either. If and when dividend payments are resumed, Commerzbank will look into reorganising the remuneration of members of the Supervisory Board.

Suggestions of the German Corporate Governance Code

Commerzbank also largely complies with the suggestions of the German Corporate Governance Code, deviating from them in only a few points:

- In a deviation from section 2.3.2, the proxy can only be reached up to the day prior to the Annual General Meeting. However, shareholders present or represented at the Annual General Meeting are able to give their proxy instructions at the meeting itself as well.
- In section 2.3.3, it is suggested that the Annual General Meeting be broadcast in its entirety on the internet. Commerzbank broadcasts the speeches of the Chairman of the Supervisory Board and the Chairman of the Board of Managing Directors, but not the general debate; it takes the view that it would not be appropriate to broadcast the entire proceedings given their length. This also liberates shareholders to discuss matters freely with the management, without a wide-scale public broadcast.

Board of Managing Directors

The Commerzbank Board of Managing Directors is responsible for independently managing the Bank in the Bank's best interest. In so doing, it must take into account the interests of shareholders, customers, employees and other stakeholders, with the objective of sustainable value creation. It develops the company's strategy, discusses it with the Supervisory Board and ensures its implementation. In addition, it sees that efficient risk management and risk control measures are in place. The Board of Managing Directors conducts Commerzbank's business activities in accordance with the law, the Articles of Association, its rules of procedure, internal guidelines and the relevant employment contracts. It cooperates on a basis of trust with Commerzbank's other corporate bodies and with employee representatives.

The composition of the Board of Managing Directors and the responsibilities of its individual members are presented on page 11 of this Annual Report. The work of the Board of Managing Directors is specified in greater detail in its rules of procedure, which may be viewed on Commerzbank's website at www.commerzbank.com.

Extensive details of the remuneration paid to the members of the Board of Managing Directors are given in the Remuneration Report on pages 31 to 44.

Supervisory Board

The Supervisory Board advises and supervises the Board of Managing Directors in its management of the Bank. It appoints and dismisses members of the Board of Managing Directors and, together with the Board of Managing Directors, ensures that there is long-term succession planning. The Supervisory Board conducts its business activities in accordance with legal requirements, the Articles of Association and its rules of procedure; it cooperates closely and on a basis of trust with the Board of Managing Directors.

The composition of the Supervisory Board and its committees is presented on pages 18 to 20 of this Annual Report. Details of the work of this committee, its structure and its control function can be found in the Report of the Supervisory Board on pages 12 to 17. Further details of how the Supervisory Board and its committees work can be found in the rules of procedure of the Supervisory Board, available online at www.commerzbank.com.

Section 5.4.1 (2) of the Code recommends that the Supervisory Board should set concrete objectives regarding its composition which, whilst taking into consideration the specific situation at the company, take into account the international activities of the company, potential conflicts of interest, the number of independent members of the Supervisory Board pursuant to section 5.4.2 of the Code, a specified age limit for members of the Supervisory Board and diversity. These concrete objectives should, in particular, stipulate an appropriate degree of female representation. The Supervisory Board of Commerzbank has approved the following concrete objectives:

- Maintaining the proportion of women on the Supervisory Board at 30% or more, on condition that the current proportion of female employee representatives is also maintained in the future.
- Retaining at least one international representative.
- Appointing members with expertise and knowledge of the Bank.
- Appointing members with particular knowledge and experience of the application of accounting principles and internal control procedures.
- Avoiding potential conflicts of interest.
- Ensuring that there are always at least eight independent members of the Supervisory Board within the meaning of section 5.4.2 of the Code elected by the Annual General Meeting.
- Complying with the age limit of 72 years.

The Supervisory Board of Commerzbank consists of 20 members, at present including one international representative and six women, one of whom is the international representative.

In accordance with section 5.4.2 of the German Corporate Governance Code, the Supervisory Board has ascertained that it has, in its view, an appropriate number of independent members.

The Supervisory Board has in the past five years examined the efficiency of its activities on three occasions by means of a detailed, anonymised questionnaire and once through the services of an external personnel consultant. The results of these efficiency audits were presented to the plenary session for discussion. The 2014 efficiency audit was conducted via a questionnaire. We believe that the Supervisory Board works in an efficient manner and to a high standard. Suggestions from members of the Supervisory Board have been and continue to be taken into account for future activities. From financial year 2015, the Supervisory Board will incorporate the efficiency audit into its assessment to be conducted pursuant to Art. 25d (11) of the German Banking Act and conduct it annually.

Under Art. 3 (6) of the rules of procedure of the Supervisory Board, each member of the Supervisory Board must disclose any conflicts of interest. No member of the Supervisory Board disclosed a conflict of interest pursuant to section 5.5.2 of the German Corporate Governance Code in the year under review.

Details of the remuneration paid to the members of the Supervisory Board are given in the Remuneration Report on pages 45 and 46.

Diversity

Within the scope of their respective responsibilities, the Board of Managing Directors and Supervisory Board of Commerzbank will ensure that greater attention is paid to diversity, and particularly to efforts to achieve an appropriate degree of female representation, in the composition of the Board of Managing Directors, appointments to managerial positions at the Bank and with respect to proposals for the election of members of the Supervisory Board (sections 4.1.5, 5.1.2 and 5.4.1 of the Code), as well as the composition of other committees.

The Board of Managing Directors initiated the “Women in management positions” project in 2010. The aim is to ensure a strong management team for Commerzbank and harness all the talent available. In-depth analyses produced a detailed picture of the initial situation. Specific measures were then developed and implemented on this basis with the aim of increasing the proportion of women in management positions. The Board of Managing Directors is informed every six months of progress made in implementing these measures and changes in the number of women in management positions. The top management in all Bank segments is responsible for the sustainable implementation of the goals. The “Women in management positions” project has boosted the proportion of women in senior management positions to over 28%.

In addition, Commerzbank is helping staff combine family life with a career by providing company-sponsored childcare, the “Keep in Touch” programme for staying in contact during parental leave and the “Comeback Plus” programme to help people return to work after parental leave. Commerzbank offers a comprehensive range of assistance with childcare, consisting of an advice on childcare, arranging childcare places and financial allowances. The “Kids & Co.” day care centre in Frankfurt for the children of employees has been open since 1 June 2005. “Kids & Co.” has crèches (for children aged 9 weeks to 3 years, six locations in Frankfurt), a kindergarten (age 3 to school entry, currently at two locations) and an after-school club, which was introduced in 2011. Since 2010, staff have been able to use crèches and kindergartens at a total of 23 different childcare facilities throughout Germany. Commerzbank Aktiengesellschaft makes a significant financial commitment to supporting these arrangements, and currently offers a total of around 320 childcare places. Emergency and holiday childcare is also available at 21 sites throughout the country.

Accounting

Accounting at the Commerzbank Group gives a true and fair view of the net assets, financial position and earnings performance of the Group. It applies International Financial Reporting Standards (IFRS), while the parent company financial statements of Commerzbank Aktiengesellschaft are prepared under the rules of the German Commercial Code (HGB). The Group financial statements and the financial statements of the parent bank are prepared by the Board of Managing Directors and approved or adopted by the Supervisory Board. The audit is performed by the auditor elected by the Annual General Meeting.

The annual financial statements also include a detailed risk report, providing information on the Bank’s responsible handling of the various types of risk. This appears on pages 107 to 144 of this Annual Report.

Shareholders and third parties receive additional information on the course of business during the financial year in the form of the semi-annual report as well as in two quarterly reports. These interim reports are also prepared in accordance with applicable international accounting standards.

Shareholder relations, transparency and communication

The Annual General Meeting of shareholders takes place once a year. It decides upon the appropriation of distributable profit (if any) and approves the actions of the Board of Managing Directors and the Supervisory Board, the appointment of the auditors and any amendments to the Articles of Association. If necessary, it authorises

the Board of Managing Directors to undertake capital-raising measures and approves the signing of profit-and-loss transfer agreements. Each share entitles the holder to one vote.

In 2010 the Board of Managing Directors and the Supervisory Board, as is permitted under Art. 120 (4) of the German Stock Corporation Act, gave the Annual General Meeting the opportunity to vote on the approval of the remuneration system for members of the Board of Managing Directors. The 2010 Annual General Meeting approved the principles of the variable remuneration system and fixed basic annual salary for members of the Board of Managing Directors. The new remuneration system for the Board of Managing Directors will also be presented to the 2015 Annual General Meeting for approval. The 2015 Annual General Meeting will also vote on the proportion of variable remuneration to the fixed basic annual salary for members of the Board of Managing Directors and employees pursuant to Art. 25a (5) sentence 5 of the German Banking Act.

The Bank’s shareholders may submit recommendations or other statements by letter or e-mail, or may present them in person. The Bank’s head office quality management unit is responsible for dealing with written communication. At the Annual General Meeting, the Board of Managing Directors or the Supervisory Board comment or reply directly. At the same time, shareholders may influence the course of the Annual General Meeting by means of counter motions or supplementary motions to the agenda. Shareholders may also apply for an Extraordinary General Meeting to be convened. The reports and documents required by law for the Annual General Meeting, including the Annual Report, may be downloaded from the internet, and the same applies to the agenda for the Annual General Meeting and any counter motions or supplementary motions.

Commerzbank informs the public – and consequently shareholders as well – about the Bank’s financial position and earnings performance four times a year. Corporate news items that may affect the share price are also published in the form of ad hoc releases. This ensures that all shareholders are treated equally. The Board of Managing Directors reports on the annual financial statements and the quarterly results in press conferences and analysts’ meetings. Commerzbank increasingly uses the possibilities offered by the internet for reporting purposes, offering a wealth of information about the Commerzbank Group at www.commerzbank.com. Materials including the Commerzbank Articles of Association and the rules of procedure of the Board of Managing Directors and the Supervisory Board are available online. The financial calendar for the current and the forthcoming year is also published in the Annual Report and on the internet. This contains the dates of all significant financial communications and the date of the Annual General Meeting.

We feel an obligation to communicate openly and transparently with our shareholders and all other stakeholders. We intend to continue to meet this obligation in the future as well.

Remuneration Report

The following Remuneration Report is also part of the Group Management Report.

This report follows the recommendations of the German Corporate Governance Code and complies with the requirements of IFRS.

Board of Managing Directors

Main features of the remuneration system

The remuneration system includes a fixed basic annual salary plus variable remuneration components in the form of a Short Term Incentive (STI) and a Long Term Incentive (LTI). The Annual General Meeting in 2010 approved the main features of variable remuneration and the fixed basic annual salary of members of the Board of Managing Directors pursuant to Art. 120 (4) of the German Stock Corporation Act (AktG).

In August 2011, the Supervisory Board resolved to amend this system to meet the requirements of the Banking Remuneration Regulation (Instituts-Vergütungsverordnung). The amendment was subsequently implemented at a contractual level. In addition, at the end of 2011, the Supervisory Board decided to change the pension arrangements for the members of the Board of Managing Directors to a contribution-based defined benefit scheme, with retrospective effect from 1 January 2011.

Fixed remuneration components (fixed basic annual salary)

The fixed remuneration components include the basic annual salary and non-monetary elements.

The fixed basic annual salary, which is paid in equal monthly amounts, is €750 thousand¹. The appropriateness of the fixed basic annual salary is checked at regular two-year intervals.

The non-monetary elements mainly consist of the use of a company car with driver, security measures and insurance contributions (accident insurance), as well as the tax thereon.

Performance-related remuneration (variable remuneration)

The remuneration system includes performance-related variable remuneration components in the form of a Short Term Incentive worth a target of €400 thousand in total per member and a Long Term Incentive worth a target of €600 thousand in total per member. The

target value of the variable salary components for a member of the Board of Managing Directors therefore totals €1m.² The maximum goal achievement is 200%, which corresponds to €800 thousand for the Short Term Incentive and €1,200 thousand for the Long Term Incentive. The minimum total value is €0 in each case.

Short Term Incentive (STI) The STI runs for one year. It consists of two equally weighted components: one linked to the STI performance component and one based on the economic value added (EVA)³. Entitlement to receive a payment for the STI is suspended pending the approval of the annual financial statements for the year in question and confirmation of the achievement of the STI goals for the member of the Board of Managing Directors by the Supervisory Board. Thereafter, 50% of the STI payments fall due and are payable in cash, with the remaining 50% payable in Commerzbank shares (or a cash sum based on the value of the shares) at the end of a further 12-month waiting period. The overall STI target is €400 thousand, and the targets for the individual components are €200 thousand each. Goal achievement can in principle vary between 0% and 200%.

› **STI EVA component** For the STI EVA component, the Supervisory Board sets a target amount for the Group EVA after tax prior to the beginning of the financial year; this amount corresponds to goal achievement of 100%. It also stipulates the EVA values that correspond to goal achievement of 0% and 200%.

› **STI performance component** The individual performance of each member of the Board of Managing Directors is assessed from an overall perspective using criteria determined by the Supervisory Board prior to the beginning of the financial year in question.

Long Term Incentive (LTI) The LTI runs for four years. It consists of two equally weighted components: one linked to economic value added (EVA) (the LTI EVA component) and the other based on share price performance (the LTI equity component). Entitlement to receive a payment for the LTI is suspended pending the approval of the annual financial statements for the final year of the four-year term of the LTI in question and confirmation of the achievement of the LTI goals by the Supervisory Board. Thereafter, 50% of the LTI payments fall due and are payable in cash, with the remaining 50% payable in Commerzbank shares (or a cash sum based on the value of the shares) at the end of a further 12-month waiting period. The overall LTI target is €600 thousand, and the targets for the individual components are €300 thousand each. Goal achievement can

¹ The fixed basic annual salary for the Chairman of the Board of Managing Directors is €1,312,500, which is 1.75 times the amount specified.

² The target values for the Chairman of the Board of Managing Directors are 1.75 times the amounts specified.

³ EVA is the consolidated surplus after tax and non-controlling interests less the Bank's capital costs (product of investors' capital excluding minority interests and capital cost rate after tax).

range between 0% and 200%; each of the two components can therefore range between €0 and €600 thousand. The provisional LTI payout sum of both LTI components will be increased or reduced by half the percentage by which the goals for the STI performance component are over- or underachieved in the first year of the four-year LTI term (goal achievement = 100%). This adjustment cannot exceed +/-20% of the target for the applicable LTI components. The member of the Board of Managing Directors is required each year to invest 50% of the net LTI payout sum payable to him/her in Commerzbank shares (personal investment), until such time as his/her personal investment reaches at least €350 thousand.

› **LTI equity component** The provisional payout sum of the LTI equity component is calculated based firstly on the relative total shareholder return (TSR) performance of Commerzbank (compared with the TSR performance of other banks in the Dow Jones EURO STOXX Banks Index) and secondly on the absolute price performance of Commerzbank shares. Prior to the commencement of the LTI term, the Supervisory Board specifies the number of Commerzbank shares that the member of the Board of Managing Directors will receive upon 100% goal achievement following the end of the four-year LTI term. The Board also defines which TSR-related ranking of Commerzbank (compared with the other relevant banks) corresponds to which goal achievements. The relative TSR performance then determines the number of virtually assigned shares; their value is determined by the absolute price performance of Commerzbank during the LTI term.

› **LTI EVA component** The target figures of the EVA-based LTI component are set by the Supervisory Board in advance for the entire LTI term and may differ for the individual years over the term. The Supervisory Board also determines which EVA amounts correspond to which goal achievements. The goal achievement is set each year during the four-year LTI term; as a rule, the goal achievement for the individual years can lie between -100% and +200%. After the end of the four-year LTI term, the Supervisory Board determines average goal achievement, which can range between 0% and 200%, and the resulting provisional payout sum.

In the event of exceptional developments that may have a considerable impact on the achievability of the STI or LTI target figures, the Supervisory Board can neutralise any positive or negative impact by adjusting the targets.

Remuneration of the Chairman of the Board of Managing Directors

The fixed basic annual salary and the target figures for the variable remuneration components for the Chairman of the Board of Managing Directors are set at 1.75 times the amounts specified for members of the Board.

Remuneration for serving on the boards of consolidated companies

The remuneration accruing to an individual member of the Board of Managing Directors from serving on the boards of consolidated companies counts towards the total remuneration paid to that member of the Board of Managing Directors. Any offsetting takes place on the designated payment date following the Annual General Meeting that approves the financial statements for the financial year in which the member of the Board of Managing Directors received payments arising from Group mandates.

Partial waiver by members of the Board of Managing Directors of variable remuneration for 2014

With regard to the legal requirements applicable from 1 January 2014, the members of the Board of Managing Directors have waived their variable remuneration for 2014 where this exceeds a ratio of fixed to variable remuneration of 1:1.

Pensions

The occupational pension scheme adopted in 2011 by the Supervisory Board for members of the Board of Managing Directors contains a contribution-based defined benefit.

Each member of the Bank's Board of Managing Directors receives a credit of a pension module to their pension account every year until the end of their appointment as such. The pension module for a calendar year is calculated by converting the relevant annual contribution into an entitlement to a retirement, disability and surviving dependants' pension. When the new remuneration system was introduced in 2010, the level of pension benefits was not adjusted. When the new pension scheme was introduced in 2011, the initial module and the pension modules were set so as to achieve equivalence to the commitments previously made to the members of the Board of Managing Directors.

Specifically, the member of the Board of Managing Directors is entitled to receive pension benefits in the form of a life-long pension when one of the following pensions is due:

- a retirement pension if employment ends on or after the Board member reaches the age of 65, or
- an early retirement pension if employment ends on or after the Board member reaches the age of 62, or after the Board member has served at least 10 years on the Board of Managing Directors and has reached the age of 58, or has served at least 15 years on the Board of Managing Directors, or
- a disability pension if the Board member is permanently unable to work.

If a member of the Board of Managing Directors leaves the Bank before the pension benefits become due, any entitlement to vested benefits that they have already accrued is retained.

The monthly amount of the retirement pension is calculated as a twelfth of the amount in the pension account when the pension benefits start.

When calculating the early retirement pension, the pension will be reduced to reflect the fact that the payments are starting earlier.

If the disability pension is taken before the age of 55, the monthly amount is supplemented by an additional amount.

If they retire after reaching the age of 62, members of the Board of Managing Directors can elect to receive a lump-sum payment or nine annual instalments instead of an ongoing pension. In this case, the amount paid out is calculated using a capitalisation rate based on the age of the Board member.

Instead of their pension, members of the Board of Managing Directors will continue to receive their pro-rata basic salary for six months as a form of transitional pay if they leave the Board on or after celebrating their 62nd birthday or they are permanently unable to work. If a member of the Board of Managing Directors receives an early retirement pension and has not yet reached their 62nd birthday, earned income from other activities will be deducted from the pension entitlement at a rate of 50% until that age is reached.

The widow's pension is 66 2/3% of the pension entitlement of the member of the Board of Managing Directors. If no widow's pension is paid, minor children or children still in full-time education are entitled to an orphan's pension amounting to 25% each of the pension entitlement of the member of the Board of Managing Directors, subject to a maximum overall limit of the widow's pension.

Rules for Board members who were appointed after the new provisions Pension provision for newly appointed members of the Board of Managing Directors was defined according to the Commerzbank capital plan for company pension benefits and was approved by the Supervisory Board on 2 December 2011. Under this agreement, a retirement pension in the form of a capital payment is paid out if the member of the Board of Managing Directors leaves the Bank:

- on or after reaching the age of 65 (retirement capital) or
- on or after reaching the age of 62 (early retirement capital) or
- before their 62nd birthday because they are permanently unable to work.

If a member of the Board of Managing Directors leaves the Bank before any of these pension benefits become due, their entitlement to vested benefits is retained.

For each calendar year during the current employment relationship until pension benefits start to be paid out, each member of the Board of Managing Directors joining after the new rules came into effect is credited an annual module equating to 40% of the fixed basic annual salary (annual contribution), multiplied by an age-dependent conversion factor. Until the member of the Board of Managing Directors leaves, the annual modules are managed in a

pension account. Upon reaching their 61st birthday, an additional 2.5% of the amount in the pension account at 31 December of the previous year is credited to the pension account of the member of the Board of Managing Directors on an annual basis until the pension benefits start to be paid out.

A portion of the annual contribution – determined by the age of the member of the Board of Managing Directors – is placed in investment funds and maintained in a virtual custody account.

The retirement capital or the early retirement capital will correspond to the amount in the virtual custody account or the amount in the pension account when the pension benefits start to be paid out, whichever is higher.

For the first two months after the pension benefits become due, the member of the Board of Managing Directors will receive transitional pay of one-twelfth of their fixed basic annual salary per month.

If a member of the Board of Managing Directors dies before the pension benefits become due, their dependants are entitled to receive the dependants' capital, which corresponds to the amount in the virtual custody account on the value date or the sum of the amount in the pension account and any additional amount, whichever is higher. An additional amount is payable if, at the time when pension benefits became due through inability to work or at the time of death, the Board member had served at least five consecutive years on the Bank's Board of Managing Directors and had not yet reached their 55th birthday.

Table 2 shows for active members of the Board of Directors the annual pension entitlements at pensionable age of 62 on 31 December 2014, the actuarial net present values on 31 December 2014, the service costs for 2014 contained in the net present value, and comparable amounts for the previous year. The net present values of the pension entitlements accrued for 2014 as shown in the table are considerably higher than the figures for 2013. This was mainly attributable to the lower discount rate used in the calculation according to IFRS, which is based on market expectations about future market interest rates. Expected market interest rates fell significantly year-on-year in 2014, which, in view of the long capitalisation period, had a substantial upward impact on the net present values listed above.

The assets backing these pension obligations have been transferred under a contractual trust arrangement to Commerzbank Pension-Trust e.V.

As at 31 December 2014, defined benefit obligations for current members of the Commerzbank Aktiengesellschaft Board of Managing Directors on the reporting date totalled €28.4m (previous year: €19.9m; see also table 2).

Table 2

€1,000		Pension entitlements Projected annual pension at pension- able age of 62 As at 31.12.	Cash values of pension entitlements ¹ As at 31.12.	Working time expenses
Martin Blessing	2014	297	7,555	434
	2013	269	4,658	455
Frank Annuscheit	2014	157	3,782	386
	2013	133	2,201	405
Markus Beumer	2014	147	3,498	353
	2013	124	1,974	372
Stephan Engels	2014	60 ²	891	316
	2013	40 ²	541	333
Jochen Klösches	2014 ³	–	–	–
	2013	109	1,450	399
Michael Reuther	2014	190	4,820	438
	2013	165	3,046	450
Dr. Stefan Schmittmann	2014	202	5,041	612
	2013	169	3,142	627
Ulrich Sieber	2014 ³	–	–	–
	2013	105	1,354	381
Martin Zielke	2014	126	2,861	456
	2013	97	1,505	478
Total	2014		28,448	2,995
	2013		19,871	3,900

¹ The increase in net present value was caused mainly by the lower discount rate, which is used in the calculation according to IFRS.

² Capital sum annuitised.

³ Jochen Klösches and Ulrich Sieber stepped down from the Board of Managing Directors on 31 December 2013, so the disclosure requirement does not apply to 2014.

Rules for termination of office

If the term of office of a member of the Board of Managing Directors is effectively terminated, the following applies:

If appointment to the Board of Managing Directors ends prematurely, the employment contract usually expires six months after the Board member's appointment ends (linking clause). In this case, the Board member continues to receive the fixed basic annual salary, STIs and LTIs – subject to Art. 615 (2) of the German Civil Code (offsetting of remuneration otherwise acquired) – until the end of the original term of office.

If, in the case of premature termination of appointment to the Board of Managing Directors, the contract of employment ends for reasons other than the linking clause described above, the fixed basic annual salary will continue to be paid – on a pro-rata basis where applicable – until the end of the contract of employment. The STIs and LTIs awarded for financial years prior to the termination of the contract of employment remain unaffected. The STI and LTI payments for the final year in office are reduced on a pro-rata basis where applicable.

If the contract of employment is not extended upon expiry of the current term of office, without there being good cause within the meaning of Art. 626 of the German Civil Code, or if the contract of employment ends as a result of a linking clause as described above, the Board member will continue to receive his or her fixed basic salary for a period of six months after the end of the original term of office. This payment ceases as soon as the Board member starts to receive pension payments.

In all these cases, the specified payments for the time after the effective termination of the term of office may not exceed two years' annual remuneration¹ (cap).

If the Bank terminates the term in office prematurely or does not extend the appointment at the end of the term in office due to circumstances that fulfil the requirements of Art. 626 of the German Civil Code, entitlement to STIs and LTIs awarded for the financial year in which the term of office was terminated will be forfeited without compensation and no further STIs and LTIs will be awarded if the employment contract ends at any later date.

¹ The cap is calculated with reference to the remuneration for the last financial year ending before the term of office was terminated.

Other

No members of the Board of Managing Directors received payments or promises of payment from third parties in the year under review in respect of their work as a member of the Board of Managing Directors.

Summary

Remuneration of the individual members of the Board of Managing Directors for 2014, along with the comparative figures from 2013, is shown in table 3.

Table 3 shows the amounts under German Accounting Standard 17 (DRS 17), which specifies the requirements with regard to reporting the remuneration of the Board of Managing Directors. Under DRS 17, share-based amounts or amounts compensated by STI and LTI shares must be shown at their original value at the time they were granted at the beginning of 2014, regardless of their actual change in value. They therefore reflect the payment made for the goal achievement expected at this point in time, which for “EVA-related STI and LTI components” with settlement in shares is based on the multi-year planning for 2014–2017. All other share-based components or components with settlement in shares reflect remuneration at 100% goal achievement. With respect to these components, table 3 accordingly shows theoretical values or payment amounts.

Under IFRS 2, remuneration settled in shares is recognised without any impact on equity and in respect of their future development in 2015 to 2017, at their original value at the grant date at the start of 2014. The Bank has since 2014 striven not to actually issue shares, but rather to make cash remuneration based on virtual shares the standard. It is therefore unlikely that any remuneration settled in shares will take place in respect of 2014. Accordingly, pursuant to IFRS 2, all share-based remuneration components are reported at their actual expected value as share-based remuneration settled in cash (see next paragraph) and no longer – as in the previous year – as remuneration settled in shares. In the previous year, these amounts totalled €4,187 thousand, of which €706 thousand was for Martin Blessing, €475 thousand for Martin Zielke, €451 thousand each for Frank Annuscheit and Michael Reuther, €434 thousand each for Jochen Klösge and Ulrich Sieber, €428 thousand for Dr. Stefan Schmittmann and €404 thousand each for Markus Beumer and Stephan Engels.

The cash-settled share-based payments taken through profit and loss pursuant to IFRS 2 for 2014 also included the remuneration components classified the previous year as remuneration settled in shares and are therefore higher than in the previous year. For 2014, they totalled €3,368 thousand, of which €771 thousand was for Martin Blessing, €452 thousand for Frank Annuscheit, €441 thousand each for Dr. Stefan Schmittmann and Martin Zielke, €429 thousand for Michael Reuther and €417 thousand each for Markus Beumer and Stephan Engels; in the previous year, the total was €145 thousand, of which €0 was for Martin Blessing in light of

his waiver, €19 thousand each for Frank Annuscheit, Michael Reuther and Martin Zielke, €18 thousand each for Jochen Klösge, Dr. Stefan Schmittmann and Ulrich Sieber, and €17 thousand each for Markus Beumer and Stephan Engels.

Loans to members of the Board of Managing Directors

Members of the Board of Managing Directors have been granted cash advances and loans with terms ranging from on demand to a due date of 2042 and at interest rates ranging between 1.5% and 5.5%, for amounts overdrawn in certain cases up to 15.4%. Loans are secured on a normal market basis, if necessary through land charges and rights of lien.

As at the reporting date, the aggregate amount of loans granted to members of the Board of Managing Directors was €3,165 thousand compared with €3,822 thousand in the previous year. With the exception of rental guarantees, Commerzbank Group companies did not enter into any contingent liabilities in favour of members of the Board of Managing Directors in the year under review.

Details of remuneration of the Board of Managing Directors in accordance with the German Corporate Governance Code

Under 4.2.5 of the 24 June 2014 edition of the German Corporate Governance Code, which is fleshed out by means of model tables appended to the Code, the benefits granted (target figures or assumptions) in the year under review and the allocation made (actual payouts made for the reporting year) should be reported for each member of the Board of Managing Directors. The benefits and allocations should be broken down into fixed remuneration, fringe benefits, one-year and multi-year variable remuneration and service cost within the meaning of IAS 19.

Table 4 implements these recommendations; however, for reasons of clarity, they are summarised in a single table.

Non-share-based one-year remuneration components (STI 2014 and STI 2013 in cash) and non-share-based multi-year remuneration components (LTI 2014 and LTI 2013 in cash) are, in accordance with the Code, stated in the benefits table assuming 100% goal achievement in each case. These values are considerably higher than those currently expected.

The partial waiver by members of the Board of Managing Directors of variable remuneration for 2014 described above under the heading “Partial waiver by members of the Board of Managing Directors of variable remuneration for 2014” only impacts remuneration where the variable remuneration of a member of the Board of Managing Directors exceeds a ratio of fixed to variable remuneration of 1:1. The allocations for financial year 2014 for the individual variable components are below this 1:1 ratio. Except for Martin Blessing, the partial waiver affects only the theoretical maximum amounts in the table and not the variable remuneration allocated for 2014.

Table 3

Remuneration of the individual members of the Board of Managing Directors for 2014 and in comparison with 2013

€1,000		Fixed components				Performance-related components with short-term incentive (STI)			
		Basic salary	Remuneration for serving as a director ²	Offsetting of payments arising from Group mandates in the following year ²	Other ³	Variable remuneration in cash ⁴		Variable remuneration with settlement in shares ⁵	
						dependent on EVA target achievement	dependent on achievement of individual targets	dependent on EVA target achievement	dependent on achievement of individual targets
Martin Blessing	2014	1,313	–	–	73	35	201	110	175
	2013	1,313	–	–	68	–	–	–	–
Frank Annuscheit	2014	750	–	–	57	20	120	63	100
	2013	750	–	–	50	32	120	22	100
Markus Beumer	2014	750	–	–	38	20	105	63	100
	2013	750	–	–	40	32	100	22	100
Stephan Engels	2014	750	41	–41	69	20	105	63	100
	2013	750	41	–41	66	32	100	22	100
Jochen Klösches	2014 ¹	–	–	–	–	–	–	–	–
	2013	750	–	–	36	32	113	22	100
Michael Reuther	2014	750	–	–	70	20	110	63	100
	2013	750	–	–	71	32	120	22	100
Dr. Stefan Schmittmann	2014	750	–	–	49	20	115	63	100
	2013	750	–	–	50	32	110	22	100
Ulrich Sieber	2014 ¹	–	–	–	–	–	–	–	–
	2013	750	36	–36	54	32	113	22	100
Martin Zielke	2014	750	–	–	68	20	115	63	100
	2013	750	–	–	59	32	130	22	100
Total	2014	5,813	41	–41	424	155	871	488	775
	2013	7,313	77	–77	494	256	906	176	800

¹ Jochen Klösches and Ulrich Sieber stepped down from the Board of Managing Directors on 31 December 2013.

² The remuneration accruing to an individual member of the Board of Managing Directors arising from Group mandates is netted against the total remuneration paid to that member of the Board of Managing Directors in the following year.

³ The heading "Other" includes non-monetary benefits granted in the year under review, tax due on non-monetary benefits and employer contributions to the BVV occupational retirement fund.

⁴ Payable in the subsequent year upon approval of the annual financial statements for the financial year just ended. "EVA goal achievement" describes the level of achievement of an economic value added target set by the Supervisory Board for the Commerzbank Group before the start of the financial year.

⁵ The remuneration is initially calculated as provisional payout sums. The number of shares to be granted is then calculated by dividing the provisional payout sums by a future average share price. Under DRS 17, these remuneration components are presented irrespective of their actual performance at the goal achievement originally expected when they were granted at the beginning of the year.

27 Corporate governance report

31 Remuneration Report

48 Details pursuant to Art. 315 of the German Commercial Code (HGB)

53 Corporate Responsibility

€1,000		Performance-related components with long-term incentive (LTI)				Total remuneration under DRS 17 ⁷
		Variable remuneration in cash ⁶	Variable remuneration ⁵			
			Cash-settled share-based remuneration	With settlement in shares		
		dependent on EVA target achievement in the four- year period	dependent on share price and TSR performance in the four- year period	dependent on EVA target achievement in the four- year period	dependent on share price and TSR performance in the four- year period	
Martin Blessing	2014	–	263	241	263	2,674
	2013	–	–	–	–	1,381
Frank Annuscheit	2014	–	150	138	150	1,548
	2013	–	150	118	150	1,492
Markus Beumer	2014	–	150	138	150	1,514
	2013	–	150	118	150	1,462
Stephan Engels	2014	–	150	138	150	1,545
	2013	–	150	118	150	1,488
Jochen Klösches	2014 ¹	–	–	–	–	–
	2013	–	150	118	150	1,471
Michael Reuther	2014	–	150	138	150	1,551
	2013	–	150	118	150	1,513
Dr. Stefan Schmittmann	2014	–	150	138	150	1,535
	2013	–	150	118	150	1,482
Ulrich Sieber	2014 ¹	–	–	–	–	–
	2013	–	150	118	150	1,489
Martin Zielke	2014	–	150	138	150	1,554
	2013	–	150	118	150	1,511
Total	2014	–	1,163	1,069	1,163	11,921
	2013	–	1,200	944	1,200	13,289

⁶ The payments depend in particular on how economic value added (EVA) performs over a four-year period and are made subject to approval of the annual financial statements for the final year of this four-year period in the subsequent year; e.g. for financial year 2014 and the four-year period 2014–2017, this will take place in 2018.

The possible payout ranges for financial year 2014 are between €0 and €300 thousand for a member of the Board of Managing Directors and between €0 and €525 thousand for the Chairman of the Board of Managing Directors, whereby in relation to the total amount of fixed remuneration, the partial waiver by all members of the Board of Managing Directors in respect of amounts in excess of a 1:1 ratio between fixed and variable remuneration must be borne in mind.

As a consequence of the limiting of Board of Managing Directors' remuneration in 2010 and 2011 and the waiving by members of the Board of Managing Directors of their entitlement to EVA-based components for financial year 2012, no payments in respect of these components will be made before 2017.

⁷ Total payments pursuant to DRS 17 include share-based and/or share price-dependent remuneration components in the event that the goal achievement expected at the time of grant materialises. By contrast, total payments pursuant to DRS 17 do not include possible long-term variable remuneration paid in cash, only actual payments received (see footnote 6).

Table 4

Martin Blessing Chairman Central & Eastern Europe						
€1,000	2014	Benefits granted		2013 ¹	Allocation	
		Minimum value	Maximum value		2014	2013
Fixed remuneration	1,313	1,313	1,313	1,313	1,313	1,313
Accessory considerations	73	73	73	68	73	68
Total	1,386	1,386	1,386	1,381	1,386	1,381
One year variable remuneration²	350	0	700	350	236	0
Multi-year variable remuneration^{2,3}	1,314	0	2,800	1,209	0	0
STI 2012 in shares (up to Q1/2014)	–	–	–	–	0	–
STI 2013 in shares (up to Q1/2015)	–	–	–	214	–	–
STI 2014 in shares (up to Q1/2016) ⁴	285	0	700	–	–	–
LTI 2012 in cash (up to 31.12.2015)	–	–	–	–	–	–
LTI 2012 in shares (up to Q1/2017)	–	–	–	–	–	–
LTI 2013 in cash (up to 31.12.2016)	–	–	–	525	–	–
LTI 2013 in shares (up to Q1/2018)	–	–	–	470	–	–
LTI 2014 in cash (up to 31.12.2017)	525	0	1,050	–	–	–
LTI 2014 in shares (up to Q1/2019) ⁴	504	0	1,050	–	–	–
Partial waiver of variable remuneration⁵	–164	–	–2,000	–	–	–
Total	2,886	1,386	2,886	2,940	1,622	1,381
Pension cost	434	434	434	455	434	455
Total remuneration	3,320	1,820	3,320	3,395	2,056	1,836

Frank Annuscheit
Chief Operating Officer
Human Resources

€1,000	2014	Benefits granted		2013	Allocation	
		Minimum value	Maximum value		2014	2013
Fixed remuneration	750	750	750	750	750	750
Accessory considerations	57	57	57	50	57	50
Total	807	807	807	800	807	800
One year variable remuneration²	200	0	400	200	140	152
Multi-year variable remuneration³	751	0	1,600	690	59	0
STI 2012 in shares (up to Q1/2014)	–	–	–	–	59	–
STI 2013 in shares (up to Q1/2015)	–	–	–	122	–	–
STI 2014 in shares (up to Q1/2016) ⁴	163	0	400	–	–	–
LTI 2012 in cash (up to 31.12.2015)	–	–	–	–	–	–
LTI 2012 in shares (up to Q1/2017)	–	–	–	–	–	–
LTI 2013 in cash (up to 31.12.2016)	–	–	–	300	–	–
LTI 2013 in shares (up to Q1/2018)	–	–	–	268	–	–
LTI 2014 in cash (up to 31.12.2017)	300	0	600	–	–	–
LTI 2014 in shares (up to Q1/2019) ⁴	288	0	600	–	–	–
Partial waiver of variable remuneration	0	–	–1,000	–	–	–
Total	1,758	807	1,807	1,690	1,006	952
Pension cost	386	386	386	405	386	405
Total remuneration	2,144	1,193	2,193	2,095	1,392	1,357

For footnotes see page 42.

27 Corporate governance report

31 Remuneration Report

48 Details pursuant to Art. 315 of the German Commercial Code (HGB)

53 Corporate Responsibility

Table 4 (continuation)

Markus Beumer						
Mittelstandsbank, Non-Core Assets (Deutsche Schiffsbank and Commercial Real Estate)						
€1,000	Benefits granted			Allocation		
	2014	Minimum value	Maximum value	2013	2014	2013
Fixed remuneration	750	750	750	750	750	750
Accessory considerations	38	38	38	40	38	40
Total	788	788	788	790	788	790
One year variable remuneration²	200	0	400	200	125	132
Multi-year variable remuneration³	751	0	1,600	690	76	0
STI 2012 in shares (up to Q1/2014)	–	–	–	–	76	–
STI 2013 in shares (up to Q1/2015)	–	–	–	122	–	–
STI 2014 in shares (up to Q1/2016) ⁴	163	0	400	–	–	–
LTI 2012 in cash (up to 31.12.2015)	–	–	–	–	–	–
LTI 2012 in shares (up to Q1/2017)	–	–	–	–	–	–
LTI 2013 in cash (up to 31.12.2016)	–	–	–	300	–	–
LTI 2013 in shares (up to Q1/2018)	–	–	–	268	–	–
LTI 2014 in cash (up to 31.12.2017)	300	0	600	–	–	–
LTI 2014 in shares (up to Q1/2019) ⁴	288	0	600	–	–	–
Partial waiver of variable remuneration	0	–	–1,000	–	–	–
Total	1,739	788	1,788	1,680	989	922
Pension cost	353	353	353	372	353	372
Total remuneration	2,092	1,141	2,141	2,052	1,342	1,294

Stephan Engels

Chief Financial Officer

Stephan Engels						
Chief Financial Officer						
€1,000	Benefits granted			Allocation		
	2014	Minimum value	Maximum value	2013	2014	2013
Fixed remuneration	750	750	750	750	750	750
Accessory considerations	69	69	69	66	69	66
Total	819	819	819	816	819	816
One year variable remuneration²	200	0	400	200	125	132
Multi-year variable remuneration³	751	0	1,600	690	48	0
STI 2012 in shares (up to Q1/2014)	–	–	–	–	48	–
STI 2013 in shares (up to Q1/2015)	–	–	–	122	–	–
STI 2014 in shares (up to Q1/2016) ⁴	163	0	400	–	–	–
LTI 2012 in cash (up to 31.12.2015)	–	–	–	–	–	–
LTI 2012 in shares (up to Q1/2017)	–	–	–	–	–	–
LTI 2013 in cash (up to 31.12.2016)	–	–	–	300	–	–
LTI 2013 in shares (up to Q1/2018)	–	–	–	268	–	–
LTI 2014 in cash (up to 31.12.2017)	300	0	600	–	–	–
LTI 2014 in shares (up to Q1/2019) ⁴	288	0	600	–	–	–
Partial waiver of variable remuneration	0	–	–1,000	–	–	–
Total	1,770	819	1,819	1,706	992	948
Pension cost	316	316	316	333	316	333
Total remuneration	2,086	1,135	2,135	2,039	1,308	1,281

For footnotes see page 42.

Table 4 (continuation)

Jochen Klösger						
Member of the Board of Managing Directors until 31.12.2013						
€1,000	Benefits granted			Allocation		
	2014 ⁶	Minimum value	Maximum value	2013	2014 ⁷	2013
Fixed remuneration	–	–	–	750	–	750
Accessory considerations	–	–	–	36	–	36
Total	–	–	–	786	–	786
One year variable remuneration²	–	–	–	200	–	145
Multi-year variable remuneration³	–	–	–	690	47	0
STI 2012 in shares (up to Q1/2014)	–	–	–	–	47	–
STI 2013 in shares (up to Q1/2015)	–	–	–	122	–	–
STI 2014 in shares (up to Q1/2016) ⁴	–	–	–	–	–	–
LTI 2012 in cash (up to 31.12.2015)	–	–	–	–	–	–
LTI 2012 in shares (up to Q1/2017)	–	–	–	–	–	–
LTI 2013 in cash (up to 31.12.2016)	–	–	–	300	–	–
LTI 2013 in shares (up to Q1/2018)	–	–	–	268	–	–
LTI 2014 in cash (up to 31.12.2017)	–	–	–	–	–	–
LTI 2014 in shares (up to Q1/2019) ⁴	–	–	–	–	–	–
Partial waiver of variable remuneration	–	–	–	–	–	–
Total	–	–	–	1,676	47	931
Pension cost	–	–	–	399	–	399
Total remuneration	–	–	–	2,075	47	1,330

Michael Reuther
 Corporates & Markets,
 Non-Core Assets (Public Finance)

€1,000	Benefits granted			Allocation		
	2014	Minimum value	Maximum value	2013	2014	2013
Fixed remuneration	750	750	750	750	750	750
Accessory considerations	70	70	70	71	70	71
Total	820	820	820	821	820	821
One year variable remuneration²	200	0	400	200	130	152
Multi-year variable remuneration³	751	0	1,600	690	59	0
STI 2012 in shares (up to Q1/2014)	–	–	–	–	59	–
STI 2013 in shares (up to Q1/2015)	–	–	–	122	–	–
STI 2014 in shares (up to Q1/2016) ⁴	163	0	400	–	–	–
LTI 2012 in cash (up to 31.12.2015)	–	–	–	–	–	–
LTI 2012 in shares (up to Q1/2017)	–	–	–	–	–	–
LTI 2013 in cash (up to 31.12.2016)	–	–	–	300	–	–
LTI 2013 in shares (up to Q1/2018)	–	–	–	268	–	–
LTI 2014 in cash (up to 31.12.2017)	300	0	600	–	–	–
LTI 2014 in shares (up to Q1/2019) ⁴	288	0	600	–	–	–
Partial waiver of variable remuneration	0	–	–1,000	–	–	–
Total	1,771	820	1,820	1,711	1,009	973
Pension cost	438	438	438	450	438	450
Total remuneration	2,209	1,258	2,258	2,161	1,447	1,423

For footnotes see page 42.

Table 4 (continuation)

Dr. Stefan Schmittmann						
Chief Risk Officer						
€1,000	Benefits granted			Allocation		
	2014	Minimum value	Maximum value	2013	2014	2013
Fixed remuneration	750	750	750	750	750	750
Accessory considerations	49	49	49	50	49	50
Total	799	799	799	800	799	800
One year variable remuneration²	200	0	400	200	135	142
Multi-year variable remuneration³	751	0	1,600	690	53	0
STI 2012 in shares (up to Q1/2014)	–	–	–	–	53	–
STI 2013 in shares (up to Q1/2015)	–	–	–	122	–	–
STI 2014 in shares (up to Q1/2016) ⁴	163	0	400	–	–	–
LTI 2012 in cash (up to 31.12.2015)	–	–	–	–	–	–
LTI 2012 in shares (up to Q1/2017)	–	–	–	–	–	–
LTI 2013 in cash (up to 31.12.2016)	–	–	–	300	–	–
LTI 2013 in shares (up to Q1/2018)	–	–	–	268	–	–
LTI 2014 in cash (up to 31.12.2017)	300	0	600	–	–	–
LTI 2014 in shares (up to Q1/2019) ⁴	288	0	600	–	–	–
Partial waiver of variable remuneration	0	–	–1,000	–	–	–
Total	1,750	799	1,799	1,690	987	942
Pension cost	612	612	612	627	612	627
Total remuneration	2,362	1,411	2,411	2,317	1,599	1,569

Ulrich Sieber

Member of the Board of Managing Directors until 31.12.2013

Ulrich Sieber						
Member of the Board of Managing Directors until 31.12.2013						
€1,000	Benefits granted			Allocation		
	2014 ⁶	Minimum value	Maximum value	2013	2014 ⁷	2013
Fixed remuneration	–	–	–	750	–	750
Accessory considerations	–	–	–	54	–	54
Total	–	–	–	804	–	804
One year variable remuneration²	–	–	–	200	–	145
Multi-year variable remuneration³	–	–	–	690	59	0
STI 2012 in shares (up to Q1/2014)	–	–	–	–	59	–
STI 2013 in shares (up to Q1/2015)	–	–	–	122	–	–
STI 2014 in shares (up to Q1/2016) ⁴	–	–	–	–	–	–
LTI 2012 in cash (up to 31.12.2015)	–	–	–	–	–	–
LTI 2012 in shares (up to Q1/2017)	–	–	–	–	–	–
LTI 2013 in cash (up to 31.12.2016)	–	–	–	300	–	–
LTI 2013 in shares (up to Q1/2018)	–	–	–	268	–	–
LTI 2014 in cash (up to 31.12.2017)	–	–	–	–	–	–
LTI 2014 in shares (up to Q1/2019) ⁴	–	–	–	–	–	–
Partial waiver of variable remuneration	–	–	–	–	–	–
Total	–	–	–	1,694	59	949
Pension cost	–	–	–	381	–	381
Total remuneration	–	–	–	2,075	59	1,330

For footnotes see page 42.

Table 4 (continuation)

Martin Zielke						
Private Customers						
€1,000	2014	Benefits granted		2013	Allocation	
		Minimum value	Maximum value		2014	2013
Fixed remuneration	750	750	750	750	750	750
Accessory considerations	68	68	68	59	68	59
Total	818	818	818	809	818	809
One year variable remuneration²	200	0	400	200	135	162
Multi-year variable remuneration³	751	0	1,600	690	53	0
STI 2012 in shares (up to Q1/2014)	–	–	–	–	53	–
STI 2013 in shares (up to Q1/2015)	–	–	–	122	–	–
STI 2014 in shares (up to Q1/2016) ⁴	163	0	400	–	–	–
LTI 2012 in cash (up to 31.12.2015)	–	–	–	–	–	–
LTI 2012 in shares (up to Q1/2017)	–	–	–	–	–	–
LTI 2013 in cash (up to 31.12.2016)	–	–	–	300	–	–
LTI 2013 in shares (up to Q1/2018)	–	–	–	268	–	–
LTI 2014 in cash (up to 31.12.2017)	300	0	600	–	–	–
LTI 2014 in shares (up to Q1/2019) ⁴	288	0	600	–	–	–
Partial waiver of variable remuneration	0	–	–1,000	–	–	–
Total	1,769	818	1,818	1,699	1,006	971
Pension cost	456	456	456	478	456	478
Total remuneration	2,225	1,274	2,274	2,177	1,462	1,449

¹ Martin Blessing, Chairman of the Board of Managing Directors, has waived all entitlement to variable remuneration for 2012 and 2013. Nevertheless, under the rules of the German Corporate Governance Code, the benefits granted should state the amounts originally granted at the start of 2013 and the corresponding target amounts.

² The one-year variable remuneration consists of the STI in cash, which is paid out the following year. All other variable remuneration components are shown under multi-year variable remuneration because their measurement periods do not end on the corresponding reporting date.

³ The terms of each cash component end on 31 December. However, the German Corporate Governance Code requires the actual allocation in the following year to be stated for the financial year just ended, as with one-year variable remuneration. The share components, on the other hand, take account of price performance not only in the following year but also in subsequent years until the payment date, and as such can only be reported as an allocation for that year.

⁴ The maximum amounts stated for the STI and LTI 2014 in shares could theoretically be exceeded if the share price rises in the last 12 months before payment. However, in view of the partial waivers, this would have no impact on the maximum total remuneration, even in the event of 200% goal achievement.

⁵ In respect of the partial waiver, the maximum amounts assumed for fixed remuneration are €1.5m for the Chairman of the Board of Managing Directors and €1m for the other members of the Board of Managing Directors. As these amounts are below the fixed remuneration actually paid, the partial waiver exceeds the legal requirements. As such, the partial waiver of the Chairman of the Board of Managing Directors affects the benefits granted under the German Corporate Governance Code, not the allocations (actual payouts) for 2014.

⁶ Benefits granted are stated only for active members of the Board of Managing Directors. Payments made under a contractual continuation of payment are reported under remuneration of former members of the Board of Managing Directors (see Notes).

⁷ The allocations to be stated here for Jochen Klösger and Ulrich Sieber in 2014 relate exclusively to deferred variable remuneration from 2012. Jochen Klösger and Ulrich Sieber also received payments made under a contractual continuation of payment, reported as a total under remuneration of former members of the Board of Managing Directors (see Notes).

New Board of Managing Directors remuneration system from 1 January 2015

In December 2014, the Supervisory Board ratified a new remuneration system for the members of the Board of Managing Directors. It had become necessary to introduce a new system from 2015 in order to bring the remuneration of the Board of Managing Directors into line with new and/or amended rules under CRD IV, the Banking Remuneration Regulation and the German Banking Act. The existing system also needed to be simplified, so as to improve its transparency and its clarity in respect of success measurement. The new remuneration system is to be introduced with retroactive effect from 1 January 2015. In designing the new remuneration system, the Supervisory Board drew on the support of the Remuneration Control Committee established in 2014. The committee's tasks include preparing resolutions of the Supervisory Board on the appropriate design of the remuneration system for the Board of Managing Directors. In so doing, it considers the impact of these resolutions on the Bank's risks and risk management and takes particular account of the interests of shareholders and investors. Under the recommendations of the German Corporate Governance Code, the Supervisory Board must consider the appropriateness of the remuneration, both in a cross-comparison with competitors and a vertical comparison with the remuneration of senior management and employee pay in Germany.

Main features of the new remuneration system for the Board of Managing Directors of Commerzbank Aktiengesellschaft The core elements of the new remuneration system are a fixed basic annual salary plus variable remuneration with a uniform target amount. The existing division of variable remuneration into multiple amounts with different targets and different measurement periods (Short Term Incentive and a Long Term Incentive) is being discontinued. Provided that the 2015 Annual General Meeting agrees the upper limit for variable remuneration of 140% of fixed remuneration, the basic annual salary of the ordinary members of the Board of Managing Directors will remain at €750 thousand and the target amount for variable remuneration will also remain unchanged at €1,000,000 per financial year. If the 2015 Annual General Meeting does not pass such a resolution and the upper limit for variable remuneration of 100% of fixed remuneration in accordance with Art. 25a (5) of the German Banking Act applies, the basic annual salary of the ordinary members of the Board of Managing Directors will be increased to €875 thousand with retroactive effect from January 2015 and the target amount for variable remuneration in the event of 100% goal achievement will be lowered to €806,040 in order to comply with this cap.

Under the old remuneration model, the weighting in the event of 100% goal achievement was 43% fixed remuneration to 57% variable remuneration (23 percentage points short-term and 34 percentage points long-term variable remuneration). If the Annual General Meeting agrees to raise the upper limit for variable remuneration, the ratio of fixed to variable remuneration will remain unchanged. If the 2015 Annual General Meeting does not agree to raise the upper limit for variable remuneration of the members of the Board of Managing Directors, the ratio would be 52% fixed salary to 48% variable remuneration (19 percentage points payable in the year it was set and 29 percentage points after the end of a retention period).

› **Fixed remuneration components** The fixed remuneration components include the basic annual salary and non-monetary elements. The basic annual salary remains at €750 thousand or, if the upper limit on the ratio variable to fixed remuneration is not raised, €875 thousand. It is payable in twelve equal monthly instalments at the beginning of the month. The non-monetary elements mainly consist of the use of a company car with driver, security measures and insurance contributions, as well as tax contributions thereon.

› **Performance-related remuneration components** The new remuneration system provides for a single uniform variable remuneration component linked to goals set at the start of the financial year, with a target value of €1,000,000 (or €806,040 if the upper limit on variable remuneration is not raised). Measurement of goal achievement for the company objectives is 70% based on the Group's commercial success, measured using economic value added (EVA), and 30% based on the results and goal achievement of the department for which the member of the Board of Managing Directors in question is responsible. The Group and department results are multiplied by a factor of between 0.7 and 1.3, depending on the individual performance of the member of the Board of Managing Directors in question. The target value of the variable remuneration will be paid if goal achievement by the Group and the department is 100% and the individual goal achievement is also 100%, producing a factor of 1.0. Goal achievement by the Group and the department in question is determined retrospectively over a weighted three-year measurement period, whereby the performance year to be evaluated is multiplied by three, the previous year by two and the year before that by one. The Supervisory Board sets target amounts for Group and department EVA prior to the beginning of the financial year; these amounts correspond to goal achievement of 100%. It also stipulates the levels of goal achievement to which that EVA values above and below this correspond. Goal achievement for the Group, the department and the individual performance can be between 0% and 200%; however, overall goal achievement is limited to 150% of the target amount for variable remuneration, even taking account of the factor measuring individual performance.

Variable remuneration will only be applied in the event of a positive overall performance by the Group in the performance year.

The Supervisory Board has also reserved the right to resolve to reduce or fully cancel the variable remuneration determined in accordance with the criteria described above, for example if the Bank's risk-bearing capacity, its capital or liquidity resources or its ability to meet the capital buffer requirements of the German Banking Act do not meet certain predefined levels.

40% of the variable remuneration is payable in the year in which it is determined, half in cash and the other half, after a 12-month waiting period, also in cash but share-based, i.e. linked to Commerzbank's share price performance during this waiting period. Of the remaining 60% of variable remuneration, half is payable in cash at the end of a five-year retention period and half after expiry of this retention period plus a further 12-month waiting period, in cash but share-based. However, this only applies if the Supervisory Board has not concluded in a retrospective performance evaluation at the end of the five-year retention period that the claim to the deferred variable remuneration needs to be reduced or cancelled. This would be the case, for example, if facts subsequently come to light that show the original determination to be incorrect, if the Bank's capital adequacy has significantly deteriorated or if the Bank's financial position at the time of the retrospective performance evaluation or at the end of the ensuing waiting period precludes payment. Unlike the old remuneration system, the new remuneration model for members of the Board of Managing Directors no longer includes an obligation to invest parts of the variable remuneration in Commerzbank shares.

Remuneration of the Chairman of the Board of Managing Directors If the upper limit for the ratio of fixed to variable remuneration is raised to 140%, the Chairman of the Board of Managing Directors will under the new remuneration system continue to receive 1.75 times the basic annual salary of an ordinary member of the Board of Managing Directors, i.e. €1,312,500. The target amount for variable remuneration in this case would be €1,628,640, and thus 1.63 times the target amount for an ordinary member of the Board of Managing Directors. If the Annual General Meeting does not pass the resolution to approve a higher ratio of variable to fixed remuneration, the fixed salary will be increased to €1,575,000 and the target amount for variable remuneration reduced to €1,338,300 (which equates to 1.66 times that of an ordinary member of the Board of Managing Directors).

Remuneration for serving on the boards of consolidated affiliated companies As under the old remuneration system for the Board of Managing Directors, the remuneration accruing to an individual member of the Board of Managing Directors from serving on the boards of consolidated affiliated companies counts towards the total remuneration paid to that member of the Board of Managing Directors.

Pension provision The rules on pension provision for members of the Board of Managing Directors have been amended only insofar as in future, increases in the fixed basic annual salary will no longer automatically translate into increased pension entitlements; these will require the express approval of the Supervisory Board.

Rules for termination of office Compared with the current remuneration system of the Board of Managing Directors, the new system provides clarity over how to measure the variable remuneration for periods in which the term of office is ended before the end of the contract of employment. In this case, from the moment the term of office is ended, the average goal achievement of the other members of the Board of Managing Directors will be used in future for the applicable performance year; however, the retrospective performance evaluation at the end of the retention period, as described in the paragraph "Performance-related remuneration components", remains fully available. For periods for which goal achievement has already been calculated before the termination of office, the member of the Board of Managing Directors receives this variable remuneration, which again is subject to retrospective performance evaluation. As before, a member of the Board of Managing Directors will under the future remuneration system receive no variable remuneration for the last year of his/her period of office if the conditions apply for extraordinary termination of the employment contract pursuant to Art. 626 of the German Civil Code upon termination of office or non-extension of an appointment. In future, this will also apply where a member of the Board of Managing Directors resigns his/her mandate without good cause triggered by the Bank. The same applies to the fixed basic annual salary from the end of the month in which the period of office ends.

Supervisory Board

Principles of the remuneration system and remuneration for financial year 2014

The remuneration of the Supervisory Board is regulated in Art. 15 of the Articles of Association; the current version was approved by the AGM on 16 May 2007 and has remained unchanged since then. This grants members of the Supervisory Board basic remuneration for each financial year, in addition to compensation for out-of-pocket expenses, comprising:

- fixed remuneration of €40 thousand per year and
- a variable bonus of €3 thousand per year for each €0.05 of dividend in excess of a dividend of €0.10 per share distributed to shareholders for the financial year just ended.

The Chairman receives triple and the Deputy Chairman double the aforementioned basic remuneration. For membership of a committee of the Supervisory Board which meets at least twice in any calendar year, the committee chairman receives additional remuneration in the amount of the basic remuneration and each committee member in the amount of half the basic remuneration; this additional remuneration is paid for a maximum of three committee appointments. In addition, each member of the Supervisory Board receives an attendance fee of €1.5 thousand for every meeting of the Supervisory Board or one of its committees. The fixed remuneration and attendance fees are payable at the end of each financial year and the variable remuneration after the Annual General Meeting that passes a resolution approving the actions of the Supervisory Board for the financial year concerned. The value-added tax payable on the remuneration is reimbursed by the Bank.

The remuneration is divided between the individual members of the Supervisory Board as follows:

Table 5

€1,000		Fixed remuneration	Variable remuneration	Attendance fee	Total	
	Klaus-Peter Müller	2014	200.0	–	31.5	231.5
		2013	200.0	–	36.0	236.0
	Uwe Tschäge	2014	117.7	–	22.5	140.2
		2013	100.0	–	24.0	124.0
	Hans-Hermann Altenschmidt	2014	80.0	–	30.0	110.0
		2013	80.0	–	34.5	114.5
	Dr.-Ing. Burckhard Bergmann (until 19 April 2013)	2014	–	–	–	–
		2013	12.0	–	4.5	16.5
	Dr. Nikolaus von Bomhard	2014	40.0	–	10.5	50.5
		2013	40.0	–	13.5	53.5
	Karin van Brummelen (until 19 April 2013)	2014	–	–	–	–
		2013	18.0	–	10.5	28.5
	Gunnar de Buhr (since 19 April 2013)	2014	60.0	–	19.5	79.5
		2013	42.0	–	13.5	55.5
	Stefan Burghardt (since 19 April 2013)	2014	40.0	–	10.5	50.5
		2013	28.0	–	10.5	38.5
	Karl-Heinz Flöther (since 19 April 2013)	2014	73.5	–	25.5	99.0
		2013	46.3	–	15.0	61.3
	Uwe Foullong (until 19 April 2013)	2014	–	–	–	–
		2013	12.0	–	3.0	15.0
	Daniel Hampel (until 19 April 2013)	2014	–	–	–	–
		2013	12.0	–	6.0	18.0
	Dr.-Ing. Otto Happel (until 19 April 2013)	2014	–	–	–	–
		2013	12.0	–	1.5	13.5
	Beate Hoffmann (until 19 April 2013)	2014	–	–	–	–
		2013	12.0	–	6.0	18.0
	Prof. Dr.-Ing. Dr.-Ing. E. h. Hans-Peter Keitel (until 8 May 2014)	2014	21.2	–	4.5	25.7
		2013	60.0	–	16.5	76.5
	Dr. Markus Kerber (since 19 April 2013)	2014	80.0	–	24.0	104.0
		2013	56.0	–	15.0	71.0
	Alexandra Krieger	2014	40.0	–	12.0	52.0
		2013	40.0	–	15.0	55.0

Table 5 (continuation)

€1,000		Fixed remuneration	Variable remuneration	Attendance fee	Total
Oliver Leiberich (since 19 April 2013)	2014 2013	40.0 28.0	– –	12.0 9.0	52.0 37.0
Dr. Stephan Lippe (since 8 May 2014)	2014 2013	32.3 –	– –	9.0 –	41.3 –
Dr. h. c. Edgar Meister (until 19 April 2013)	2014 2013	– 24.0	– –	– 12.0	– 36.0
Beate Mensch (since 19 April 2013)	2014 2013	40.0 28.0	– –	9.0 4.5	49.0 32.5
Prof. h. c. (CHN) Dr. rer. oec. Ulrich Middelmann (until 2 July 2013)	2014 2013	– 30.2	– –	– 13.5	– 43.7
Dr. Roger Müller (since 3 July 2013)	2014 2013	40.0 19.8	– –	12.0 7.5	52.0 27.3
Dr. Helmut Perlet	2014 2013	100.0 100.0	– –	27.0 25.5	127.0 125.5
Barbara Priester	2014 2013	40.0 40.0	– –	10.5 15.0	50.5 55.0
Mark Roach	2014 2013	40.0 40.0	– –	12.0 15.0	52.0 55.0
Petra Schadeberg-Herrmann (since 19 April 2013)	2014 2013	53.5 42.0	– –	15.0 10.5	68.5 52.5
Dr. Marcus Schenck (until 10 September 2013)	2014 2013	– 41.5	– –	– 9.0	– 50.5
Margit Schoffer (since 19 April 2013)	2014 2013	60.0 42.0	– –	21.0 13.5	81.0 55.5
Astrid Schubert (until 19 April 2013)	2014 2013	– 12.0	– –	– 6.0	– 18.0
Nicholas Teller (since 8 May 2014)	2014 2013	32.3 –	– –	10.5 –	42.8 –
Dr. Gertrude Tumpel-Gugerell	2014 2013	60.0 60.0	– –	19.5 25.5	79.5 85.5
Solms U. Wittig (since 11 September 2013 until 8. Mai 2014)	2014 2013	14.1 12.2	– –	4.5 4.5	18.6 16.7
Total	2014 2013	1,304.6 1,290.0	– –	352.5 396.0	1,657.1 1,686.0

As Commerzbank is not paying a dividend for financial year 2014, there is no variable remuneration for 2014. Members of the Supervisory Board received total net remuneration for financial year 2014 of €1,657 thousand (previous year: €1,686 thousand). Of this figure, the basic remuneration and remuneration for serving on committees amounted to €1,305 thousand (previous year: €1,290 thousand) and attendance fees to €352 thousand (previous year: €396 thousand). The value added tax (currently 19%) payable on the remuneration of the members of the Supervisory Board resident in Germany was reimbursed by Commerzbank Aktiengesellschaft.

Members of the Supervisory Board once again provided no advisory, intermediary or other personal services in 2014. Accordingly, no additional remuneration was paid.

Loans to members of the Supervisory Board

Members of the Supervisory Board have been granted loans with terms ranging from on demand up to a due date of 2047 and at interest rates ranging between 2.3% and 5.1%, and on amounts overdrawn in certain cases up to 11.8%. Collateral security is provided on normal market terms, if necessary through land charges or rights of lien.

As at the reporting date, the aggregate amount of loans granted to members of the Supervisory Board was €563 thousand; in the previous year, the figure was €592 thousand. Commerzbank Group companies did not enter into any contingent liabilities in favour of members of the Supervisory Board in the year under review.

Other details

D&O liability insurance

There is a Directors and Officers (D&O) liability insurance policy for members of the Board of Managing Directors and the Supervisory Board. The excess for members of the Supervisory Board and the Board of Managing Directors is set at 10% of the claim up to a maximum of 150% of the fixed annual remuneration for all insurance claims made within a single year.

Purchase and sale of the Company's shares

Under Art. 15a of the German Securities Trading Act, transactions by executives of listed companies and their families must be disclosed and published. Accordingly, purchases and disposals of shares and financial instruments relating to Commerzbank to the value of €5 thousand per annum and upwards must be reported immediately and for the duration of one month. The Bank applies this reporting requirement to the Board of Managing Directors and the Supervisory Board in line with BaFin's recommendations in the Guide for Issuers.

In 2014, members of Commerzbank's Board of Managing Directors (BMD) and Supervisory Board (SB) reported directors' dealings in Commerzbank shares or derivatives thereon:¹

Table 6

Date	Disclosing party	Relation	Participant	Purchase/ Sale	Amount	Price €	Transaction volume €
17.12.2014	Leiberich, Oliver		Member of SB	Purchase	524.00	10.755	5,635.62

Overall, the Board of Managing Directors and Supervisory Board together held no more than 1% of the issued shares and option rights of Commerzbank Aktiengesellschaft on 31 December 2014.

Frankfurt am Main

Commerzbank Aktiengesellschaft

The Board of Managing Directors

The Supervisory Board

¹ The directors' dealings were published on Commerzbank's website under "Directors' Dealings" during the year under review.