Press Release

Commerzbank takes the next steps in restructuring

- Socially responsible reduction of 1,700 full-time equivalents by the end of 2021 through a voluntary redundancy programme agreed with the Central Works Council
- Chief Human Resources Officer Sabine Schmittroth: “This is an important step in the necessary headcount reduction”
- Provisions totalling around €470 million to be booked in the first quarter

Commerzbank is making good progress on its roadmap towards the cost reductions targeted in its strategy 2024. The Bank has reached an agreement with the Central Works Council on a voluntary programme for the necessary headcount reduction. A reduction in Germany totalling around 1,700 full-time equivalents is to be achieved through the programme by the end of 2021.

“The voluntary programme is an important step in the necessary headcount reduction,” commented Sabine Schmittroth, Member of the Board responsible for Group Human Resources. “We are quickly providing instruments that will already reduce the cost base in the coming year.”

Under the programme, entitled employees are to be offered termination agreements from July 2021. Employees who make use of the voluntary programme will leave the Bank by the end of the year.

In the first quarter of 2021, the Bank will book restructuring charges amounting to a total of around €470 million. The majority results from the voluntary programme. Further restructuring expenses are mostly booked for the restructuring abroad and for real estate. The Bank had announced that it is spending a total or around €1.8 billion for restructuring in the context of its strategy 2024. Including the provisions for the voluntary programme, around €1.4 billion have already been booked.

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About Commerzbank

Commerzbank is the leading bank for the German Mittelstand and a strong partner for around 30,000 corporate client groups and around 11 million private and small-business customers in Germany. The Bank’s two Business Segments – Private and Small-Business Customers and Corporate Clients – offer a comprehensive portfolio of financial services. Commerzbank transacts approximately 30 per cent of Germany’s foreign trade and is present internationally in almost 40 countries in the corporate clients’ business. The Bank focuses on the German Mittelstand, large corporates, and institutional clients. As part of its international business, Commerzbank supports clients with German connectivity and companies operating in selected future-oriented industries. Following the integration of comdirect, private and small-business customers benefit from the services offered by one of Germany’s most advanced direct banks combined with personal advisory support on-site. Its Polish subsidiary mBank S.A. is an innovative digital bank that serves approximately 5.7 million private and corporate customers, predominantly in Poland, but also in the Czech Republic and Slovakia. In 2020, Commerzbank generated gross revenues of some €8.2 billion with almost 48,000 employees.

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This release contains forward-looking statements. Forward-looking statements are statements that are not historical facts. In this release, these statements concern inter alia the expected future business of Commerzbank, efficiency gains and expected synergies, expected growth prospects and other opportunities for an increase in value of Commerzbank as well as expected future financial results, restructuring costs and other financial developments and information. These forward-looking statements are based on the management’s current plans, expectations, estimates and projections. They are subject to a number of assumptions and involve known and unknown risks, uncertainties and other factors that may cause actual results and developments to differ materially from any future results and developments expressed or implied by such forward-looking statements. Such factors include the conditions in the financial markets in Germany, in Europe, in the USA and other regions from which Commerzbank derives a substantial portion of its revenues and in which Commerzbank holds a substantial portion of its assets, the development of asset prices and market volatility, especially due to the ongoing European debt crisis, potential defaults of borrowers or trading counterparties, the implementation of its strategic initiatives to improve its business model, the reliability of its risk management policies, procedures and methods, risks arising as a result of regulatory change and other risks. Forward-looking statements therefore speak only as of the date they are made. Commerzbank has no obligation to update or release any revisions to the forward-looking statements contained in this release to reflect events or circumstances after the date of this release.