

IR Release

30 July 2021

Commerzbank demonstrates resilience in EBA stress test

- **Stress effect of 502 basis points during adverse scenario**
- **Scenario simulates massive stress in addition to real pandemic stress**
- **Chief Risk Officer Marcus Chromik: “The stress test result once again confirms Commerzbank’s healthy risk profile”**

Commerzbank has again demonstrated its resilience in this year’s stress test conducted by the European Banking Authority (EBA). In the adverse stress test scenario, the common equity tier 1 ratio (CET 1 ratio) came out at 8.2% at the end of the 2023 stress test horizon. In view of further tightened assumptions, for example a large and prolonged economic slump in Germany and a continuing additionally stressed low interest rate environment, the CET 1 ratio decreased by 502 basis points over the stress period. Also, an economic downturn of –3.9% cumulatively over the three-year time horizon to 2023 (2018: –3.3%) was simulated for Germany in addition to the real pandemic stress (Gross Domestic Product decrease of 4.8%) of the previous year.

The starting point for the stress test was the CET 1 ratio of 13.2% at the turn of 2020/21, which reflected not only the significant burdens resulting from the coronavirus crisis but also high expenses for the transformation of the Bank. In the baseline scenario of this year’s EBA review, Commerzbank’s CET 1 ratio is 13.3% in 2023. As of the end of March 2021, Commerzbank’s actual CET 1 ratio was 13.4%, well above the minimum regulatory requirement.

“The stress test result once again confirms Commerzbank’s healthy risk profile. We’ve demonstrated our resilience in a very tough stress scenario despite a difficult starting point in the pandemic environment,” said Marcus Chromik, Chief Risk Officer. “Commerzbank has comfortable liquidity and capital buffers. This gives us sufficient headroom for our transformation. Our customers can rely on us, and we’ve proved that during the coronavirus pandemic, which has been a very real stress test for almost a year and a half.”

The stress test assumed a static balance sheet and therefore did not take account of any current or future business strategies or management initiatives. It’s also not a forecast of Commerzbank’s profits. The results of the stress test feed into the Supervisory Review and Evaluation Process (SREP).

Further information on EBA’s publication of 30 July 2021 can be found at <https://www.commerzbank.de/en/hauptnavigation/aktionaere/ir/stresstest.html>.

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 focusses 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 5.5 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.

Disclaimer and Forward-Looking Statement

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.