



Rules of procedure Supervisory Board

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Certified Translation from German**Article 1 Duties**

- (1) The Supervisory Board advises and supervises the Board of Managing Directors in its management of the Company. It supervises the Board of Managing Directors in particular with regard to compliance with the applicable banking supervisory regulations and devotes sufficient time to the strategies, risks and compensation systems for the Board of Managing Directors and the employees.
- (2) The Supervisory Board conducts its business in accordance with the legal provisions, the Company's Articles of Association, and these rules of procedure. In performing its duties, it cooperates closely in an atmosphere of trust with the Board of Managing Directors in the interest of the Company.
- (3) The Supervisory Board examines on a regular basis, at least once a year, the efficiency of its activities.

Article 2 Composition/Suitability

- (1) Each member of the Supervisory Board shall be reliable and have the required expertise, knowledge, abilities and relevant experience to perform their duties properly, and shall devote sufficient time to the performance of its duties. The Supervisory Board in its entirety must have the knowledge, abilities and experience which are required to perform the control function and to assess and supervise the management and the Commerzbank Group¹. The period of office of a member of the Supervisory Board shall end as a rule upon conclusion of the Annual General Meeting following completion of the 72nd year of the member of the Supervisory Board.
- (2) A person who already holds four supervisory board seats at other enterprises, or who is a member of a management body and already holds two other supervisory board seats cannot be appointed a member of the Supervisory Board, unless the German Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht) permits a larger number of seats. Several management board or supervisory board seats within the same institutional group, financial holding group or mixed financial holding group or in enterprises in which an institution holds a significant interest shall count as only one seat respectively in this connection. Seats at enterprises with a mainly non commercial orientation, particularly enterprises which serve the municipal provision of essential services, shall not be considered in the maximum permissible number of seats according to sentence 1.
- (3) No more than two former members of the Bank's Board of Managing Directors may sit on the Supervisory Board. Members of the Supervisory Board shall not hold directorships or similar positions, or work in an advisory capacity, at significant competitors of the Bank.
- (4) The Supervisory Board shall comprise – in its own estimation – an adequate number of independent members. A member of the Supervisory Board shall not be considered as independent in particular if the member has a business or personal relationship with the Bank, its executive bodies, a controlling shareholder or an enterprise associated with the latter that may constitute a significant and not only temporary conflict of interest.
- (5) Proposals for the election of members to the Supervisory Board shall take into account the above principles.
- (6) Elections to the Supervisory Board shall be organized as individual elections. Proposals to appoint a shareholder representative by order of a court shall be limited in time to the next Annual General Meeting. Proposals of candidates for the chairmanship of the Supervisory Board shall be announced to the shareholders.

¹ The Commerzbank Group includes all enterprises allocated to Commerzbank AG for supervisory purposes.

- (7) The members of the Supervisory Board shall on their own take on the necessary training and further education measures required for their tasks. They shall be supported in this and in the introduction into their office by the Bank with appropriate personnel and financial resources.

Article 3 Confidentiality/Conflicts of interest

- (1) All members of the Supervisory Board have the same rights and duties unless otherwise determined by the legal provisions, the Articles of Association or these rules of procedure. They are not bound by mandates or directives.
- (2) The members of the Supervisory Board shall be bound to secrecy with regard to confidential data and secrets of the Bank, namely trade and business secrets, with which they become familiar through their activity on the Supervisory Board. This holds true above all for confidential reports and consultations. This obligation continues to apply after members have left office. Upon termination of membership of the Supervisory Board, all confidential documents must be returned to the Chairman of the Supervisory Board or their destruction notified in writing.
- (3) The members of the Supervisory Board are obliged to observe the banking secrecy.
- (4) Each member of the Supervisory Board may pass on to a third party information which has become familiar to him as a result of this function only upon obtaining the prior approval of the Chairman of the Supervisory Board, unless the information obviously does not have to be treated confidentially pursuant to paragraphs 2 or 3. This does not apply to the sharing of information with consultants who, for their part, are obliged to maintaining secrecy. Each member of the Supervisory Board shall ensure that any personnel whom they may involve similarly preserve confidentiality.
- (5) Each member of the Supervisory Board is bound by the Company's best interests. No member of the Supervisory Board may pursue personal interests in their decisions or use business opportunities intended for the Company for themselves. Any activities by the members of the Supervisory Board that could lead to conflicts of interest with their Supervisory Board mandate shall be avoided.
- (6) Each member of the Supervisory Board shall inform the Chairman of the Supervisory Board of any conflicts of interest, especially those which may arise through a consultant or directorship function with clients, suppliers, lenders, borrowers or other third parties. The Chairman will arrange for the matter to be discussed by the Presiding Committee and for the Supervisory Board to be informed. The Chairman of the Supervisory Board shall inform the deputy Chairman of the Supervisory Board of his own conflicts of interest. The deputy Chairman of the Supervisory Board will arrange for the matter to be discussed by the Presiding Committee and for the Supervisory Board to be informed. The Chairman of the Supervisory Board or, if he is prevented from doing so or if the Chairman of the Supervisory Board has a conflict of interest, his deputy shall examine whether the conflict of interest disclosed to him constitutes a material risk to the independence of the Supervisory Board member concerned and shall take measures to prevent, reasonably limit or resolve the conflict of interest.
- (7) Each member of the Supervisory Board shall immediately inform the Chairman of the Supervisory Board or, if he is prevented, his deputy, if he has reason to believe that another member of the Supervisory Board has not properly disclosed a conflict of interest within the meaning of paragraph 6. The Chairman of the Supervisory Board or, if he is prevented from doing so, his deputy shall decide on the further procedure in accordance with the legal requirements.
- (8) In its report to the General Meeting, the Supervisory Board shall inform the General Meeting of any conflicts of interest that have arisen and how they have been dealt with. Material and not merely temporary conflicts of interest with regard to a member of the Supervisory Board shall lead to the termination of his mandate.

- (9) Each member of the Supervisory Board shall immediately notify the Bank in writing of transactions within the meaning of and in accordance with Article 19 of the European Market Abuse Regulation. The Bank shall immediately forward the notification to the Federal Financial Supervisory Authority (BaFin).

Article 4 Chairman/Deputy Chairman

- (1) As provided by the law and the Articles of Association, the Supervisory Board shall elect from among its members a Chairman and a deputy Chairman under the direction of the oldest Supervisory Board member present who represents shareholders. The election takes place in each case for the duration of the membership of the Supervisory Board.
- (2) Should one of the aforementioned retire before his or her period of office has expired, the Supervisory Board shall elect a successor immediately to serve the remaining term of the retired member.
- (3) Declarations of intent by the Supervisory Board and its committees are made on behalf of the Supervisory Board by the respective Chairman. The Chairman, though not any other member of the Supervisory Board, is authorized to accept declarations on behalf of the Supervisory Board.

Article 5 Convening of meetings by the Chairman of the Supervisory Board

- (1) The Chairman of the Supervisory Board shall convene the meetings of the Supervisory Board by fax, electronically or by other customary means of telecommunication, giving two weeks' notice and including the agenda. The period of notice shall be deemed to be adequate if the meeting in question takes place on the fifteenth day after sending the convocation. In urgent cases, the period of notice may be shortened as appropriate and notice may be given also orally or by telephone. Proposed resolutions on points of the agenda shall be announced in time for absent members of the Supervisory Board to cast their votes in written form.
- (2) Requests by individual members of either the Supervisory Board or the Board of Managing Directors which are received before the agenda is circulated shall be placed on the agenda.
- (3) The Board of Managing Directors shall attend the meetings of the Supervisory Board, unless the Chairman of the Supervisory Board decides otherwise. If required, the Supervisory Board shall meet without the Board of Managing Directors.
- (4) To the extent necessary and legally possible, the Compliance Officer is entitled to participate in the meetings of the Supervisory Board as an expert and person able to provide information on compliance-relevant items on the agenda.

Article 6 Convening of meetings on the initiative of other members of the Supervisory Board or members of the Board of Managing Directors

- (1) Each member of the Supervisory Board and member of the Board of Managing Directors, indicating the purpose and the reasons for the request, shall be entitled to have the Chairman immediately convene a meeting of the Supervisory Board. The meeting shall be held within two weeks of it being convened.
- (2) Should this request not be granted, the member of the Supervisory Board or member of the Board of Managing Directors may convene the Supervisory Board themselves, conveying the facts of the matter and stating an agenda.

Article 7 Meetings/Adoption of resolutions

- (1) The Chairman of the Supervisory Board coordinates work within the Supervisory Board, chairs its meetings and represents the interests of the Supervisory Board externally. He determines the order in which items are dealt with as well as the type of voting procedure.
- (2) The resolutions of the Supervisory Board shall generally be adopted at meetings. Absent members of the Supervisory Board may participate in the voting by submitting their votes in written form through other members present at the meeting. Votes cast by fax, provided that the original is signed, as well as votes cast by email containing an electronic signature, or by any other comparable form, shall be counted as equivalent to those in written form, insofar as the issuer is clearly recognisable. In exceptional cases, the Chairman of the Supervisory Board may also permit members of the Supervisory Board to participate via video transmission or by telephone in a meeting and adopt resolutions.
- (3) The quorum for the Supervisory Board is determined by the legal provisions and the Articles of Association. Resolutions shall be adopted by a majority of the votes cast, unless provided otherwise by the legal provisions or the Articles of Association. In the event of a tie, the Chairman of the Supervisory Board shall have a second vote, as provided by section 29, paragraph 2, *Mitbestimmungsgesetz* (German Co-determination Act). Pursuant to paragraph 2, the second vote may also be submitted in written form. The deputy Chairman of the Supervisory Board is not entitled to a second vote.
- (4) Items not included in the agenda may be dealt with if the majority of members present agree to this. Insofar as a quorum exists, resolutions may only be adopted if no one raises an objection in the meeting and all the absent members subsequently approve this procedure within a period to be set by the Chairman of the Supervisory Board.
- (5) By order of the Chairman, the Supervisory Board may also adopt resolutions in written form, by telephone, in text, electronic or comparable form, especially by video conference or in a combination of all the aforementioned voting procedures. Members do not have the right to object to resolutions being adopted outside meetings.
- (6) The Chairman of the Supervisory Board appoints the person to take down the minutes and decides whether to call upon experts and people able to provide information for dealing with individual points on the agenda. The Chairman of the Supervisory Board is entitled to obtain information directly from the Compliance Officer and the head of Internal Audit with the involvement of the Board of Managing Directors.
- (7) Minutes shall be kept of Supervisory Board meetings. They shall be signed by the Chairman of the Supervisory Board or – if he is unable to attend – by the person who chairs the meeting and the person who takes down the minutes. The minutes shall indicate the place and date of the meeting, those attending, the items on the agenda, the principal content of what was dealt with and the resolutions adopted by the Supervisory Board.
- (8) Resolutions not adopted at meetings shall be confirmed in writing by the Chairman of the Supervisory Board and recorded in the minutes of the next Supervisory Board meeting.
- (9) The minutes pursuant to paragraph 7 shall be transmitted or made available to all members of the Supervisory Board. They count as approved if no member of the Supervisory Board who took part in the meeting or in the adoption of the resolution submits a written objection to the Chairman of the Supervisory Board within a month of the minutes being transmitted or made available.
- (10) In case of a first time appointment of a member of the Board of Managing Directors, the maximum possible period of appointment of 5 years shall not be the rule. The reappointment of members of the Board of Managing Directors can be resolved at the earliest one year prior to the end of the current appointment period. Upon composition of the Board of Managing Directors as well as in proposals for the election of members to the Supervisory Board diversity shall be

taken into consideration, and in particular an appropriate consideration of women. As a rule, members of the Board of Managing Directors shall not be older than 65.

Article 8 Reporting

- (1) The Supervisory Board ensures that the Board of Managing Directors fulfils its reporting obligations under Section 90, *Aktiengesetz* (German Stock Corporation Act).
- (2) Reporting is the responsibility of the Chairman of the Board of Managing Directors; all members of the Board of Managing Directors must support the Chairman in this task. The Board of Managing Directors shall submit to the Supervisory Board a report, generally in writing, on the subjects covered by the Bank's and the Group's reports pursuant to Section 90 of the German Stock Corporation Act. Written reports may also be sent to the members of the Supervisory Board by fax, electronically or by other customary means of telecommunication.
- (3) Within the scope of the reporting pursuant to paragraph 1, the Supervisory Board shall be informed at its meetings, regularly and – to the extent necessary – for a special reason, about the intended business policy and other fundamental issues of the Company, in particular the asset, financial and earnings situation, the risk situation, risk management and risk controlling, reputation, personnel development, significant legal cases, compensation issues and compliance. In addition, at least once a year there shall be a report on fundamental issues of corporate planning, in particular financial and personnel planning. Group Compliance shall also report regularly, but at least once a year, to the Supervisory Board and the Audit Committee.
- (4) To the extent necessary, the Compliance Officer is entitled to inform the Supervisory Board about compliance-relevant subjects.
- (5) Between meetings, the Chairman of the Supervisory Board shall regularly maintain contact with the Board of Managing Directors, in particular with the Chairman of the Board of Managing Directors, and consult with it on issues of strategy, planning, business development, the risk situation, risk management, compliance and significant legal cases of the Commerzbank Group. The Chairman of the Supervisory Board will be informed immediately by the Chairman of the Board of Managing Directors about important events which are of substantial importance to the appraisal of the situation and development, as well as to the management of the Commerzbank Group. The Chairman of the Supervisory Board shall inform the Supervisory Board in an appropriate manner and convene an extraordinary meeting of the Supervisory Board if necessary.

Article 9 Supervisory Board Committees

- (1) The regulations established for the Supervisory Board in the Articles of Association and these rules of procedure shall apply *mutatis mutandis* for the internal organization of the committees, unless a different arrangement is established below or in the rules of procedure for the Audit Committee of the Supervisory Board.
- (2) The members of the committees are appointed at the constituent meeting of the Supervisory Board for their entire period of office as members of the Supervisory Board. The members of the committees must have the knowledge, abilities and experience which are required to perform the respective committee duties. To ensure cooperation and professional exchange between the individual committees, at least one member of each committee shall belong to another committee.
- (3) Each committee shall appoint one of its members as chairman. The Chairman of the Supervisory Board can sit on all of the committees of the Supervisory Board. If he is a member of the Presiding Committee, the Nomination Committee or the Compensation Control Committee, he is the Chairman of the relevant committee. If the Chairman of the Supervisory Board is a member of the Audit Committee or Risk Committee, he should not be their chairman. The chairman of the Audit Committee and the Risk Committee may not serve as chairman of another committee at the same time.

- (4) Insofar as the committees take decisions in place of the full Supervisory Board, they shall have a quorum if at least three of their members are involved in the adoption of the resolution.
- (5) Each committee chairman regularly reports to the Supervisory Board on the activity of the committees. Each member of the Supervisory Board is entitled – notwithstanding his other rights of information – to inspect the reports of the Board of Managing Directors on the risk situation of the Bank and the Commerzbank Group pursuant to Article 7, paragraph 2, no. 2 of the rules of procedure for the Board of Managing Directors.

Article 10 Setting-up of Supervisory Board Committees

- (1) The Supervisory Board shall form and appoint from among its members a Presiding Committee, a Compensation Control Committee, an Audit Committee, a Risk Committee, a Nomination Committee, a Committee for Digitalisation and Technology, a Social Welfare Committee and a Mediation Committee pursuant to Section 27, paragraph 3 of the German Co-determination Act.
- (2) From among its members, the Supervisory Board may set up and appoint further committees and, to the legally possible extent, transfer to them decision-making powers similar to those of the committees mentioned in paragraph 1.

Article 11 Presiding Committee

- (1) The Presiding Committee consists of the Chairman of the Supervisory Board, his deputy and one other member each of the shareholder and the employee representatives.
- (2) Within the scope of the compensation structure for the Board of Managing Directors and the total earnings respectively stipulated by the Supervisory Board, the Presiding Committee is responsible for concluding and altering employment contracts with the members of the Board of Managing Directors. It is also responsible for terminating the employment contracts of the members of the Board of Managing Directors and for representing the Company vis-à-vis former members of the Board of Managing Directors, insofar as this is not the responsibility of the Board of Managing Directors.
- (3) The Presiding Committee monitors adherence to the rules of procedure of the Board of Managing Directors. Its approval is required for the real estate and leasing transactions mentioned in Article 9 of the Company's Articles of Association in conjunction with Article 7, paragraph 1, nos. 1 and 2 of the rules of procedure of the Board of Managing Directors, for the significant transactions between Commerzbank or a company of the Commerzbank Group on the one hand and the members of the Board of Managing Directors or persons, companies or associations close to them on the other hand, for the performance of sideline activities pursuant to Article 9, paragraph 1 of the rules of procedure of the Board of Managing Directors and also for the granting of personal credits to governing and related bodies mentioned in section 15, paragraph 1, sentence 1, nos. 1-5 and 12, *Kreditwesengesetz* (German Banking Act). The Presiding Committee receives such information in accordance with Article 7, paragraph 2, no. 4 of the rules of procedure of the Board of Managing Directors insofar as it concerns the appointment of members of the Central Advisory Board.

Article 12 Compensation Control Committee

- (1) The Compensation Control Committee consists of the Chairman of the Supervisory Board, his deputy and one other member each of the shareholder and the employee representatives.

At least one member of the Compensation Control Committee shall have sufficient expertise and professional experience in risk management and risk control, in particular with regard to mechanisms for aligning remuneration systems with the overall risk willingness and strategy and the capital adequacy of the undertaking.

(2) Notwithstanding statutory provisions or supervisory orders, the Compensation Control Committee shall have the following tasks:

a. The Compensation Control Committee

aa) supports the Supervisory Board in the appropriate structuring of the compensation systems of the Board of Managing Directors.

bb) prepares the resolutions of the Supervisory Board

I. on the compensation of the members of the Board of Managing Directors, paying particular attention to the effects of the resolutions on the risks and risk management of the Company. It takes into account the long-term interests of shareholders, investors, other stakeholders and the public interest;

II. on the determination of the total amount of variable compensation in accordance with Article 45, paragraph 2, sentence 1, no. 5a of the German Banking Act (KWG), taking into account Article 7 of the German Institutional Compensation Ordinance (IVV), and

III. for the determination of appropriate compensation parameters, performance contributions, performance and retention periods and the conditions for a complete loss or a partial reduction of the retained variable compensation or for a reclaim of already paid variable compensation

and

cc) checks on a regular basis, at least annually, whether the decisions taken are still appropriate; in the case of identified deficiencies, an action plan shall be drawn up promptly.

b. The Compensation Control Committee

aa) monitors the appropriate structure of the compensation systems of the employees and in particular the appropriate structure of the compensation of the heads of the risk controlling function and the compliance function as well as those employees who have a significant influence on the overall risk profile of the Bank (risk carriers);

bb) supports the Supervisory Board

I. in monitoring the process of identifying risk carriers and group risk carriers; and

II. in monitoring the appropriate structure of the compensation systems for the Bank's employees. In particular, it shall regularly, but at least annually, review whether

- the total amount of variable compensation was determined in accordance with Article 45, paragraph 2, sentence 1, no. 5a KWG, taking into account Article 7 IVV;
- the principles laid down for determining remuneration parameters, performance contributions and performance and retention periods, including the conditions for full loss or partial reduction of variable remuneration, are appropriate, and
- the compensation systems of the employees in the control units comply with the supervisory requirements.

c. The Compensation Control Committee supports the Supervisory Board in monitoring the proper inclusion of internal control and all other relevant divisions in the design of the compensation systems.

- d. The Compensation Control Committee assesses the effects of the compensation systems of the Board of Managing Directors and the employees on the risk, capital and liquidity situation and ensures that the compensation strategy and the compensation systems are geared to achieving the objectives laid down in the Bank's business and risk strategies, taking into account the other requirements pursuant to Article 4 IVV.
 - e. The Compensation Control Committee supports the Supervisory Board in the preparation of proposals for resolutions to approve higher variable compensation in accordance with Article 25a, paragraph 5, sentence 6 KWG (deviation from the 1:1 ratio of variable to fixed compensation).
 - f. In accordance with Article 25d, paragraph 7 in conjunction with paragraph 12 KWG, the Compensation Control Committee may also perform the function of Compensation Control Committee for other institutions of the Commerzbank Group.
- (3) The Compensation Control Committee shall cooperate with the Risk Committee and shall be advised internally, for example by Risk Control, and externally by persons who are independent of the Board of Managing Directors. The Chairman of the Compensation Control Committee shall be entitled to obtain information directly from the Head of Internal Audit and from the heads of the organisational units responsible for designing the compensation systems. The Board of Managing Directors shall be informed thereof.
- (4) The Compensation Control Committee and the Supervisory Board shall be supported by the Compensation Officer in their monitoring and structuring tasks with regard to the compensation systems. The Chairman of the Compensation Control Committee is entitled to obtain information on the compensation systems from the Compensation Officer and his deputy. The Compensation Officer shall submit a report to the Compensation Control Committee, the Supervisory Board and the Board of Managing Directors at least once a year on the appropriateness of the structure of the compensation systems of the employees (Compensation Control Report). Notwithstanding the foregoing, the Compensation Control Committee shall determine the cycle for the preparation of the Compensation Control Report. The Chairman of the Compensation Control Committee may permit the Compensation Officer or his deputy to attend the meetings of the Committee.
- (5) Members of the Board of Managing Directors may not be present at meetings of the Compensation Control Committee or the Supervisory Board when their compensation is being reviewed.

Article 13 Audit Committee

- (1) The Audit Committee is made up of at least three members of the shareholder representatives and two members of the employee representatives.
- (2) The Audit Committee supports the Supervisory Board in particular
- a. in the monitoring of the accounting process;
 - b. in the monitoring of the effectiveness of the risk management system, in particular the internal control process, Compliance and the internal auditing system;
 - c. in the monitoring of the performance of the audits, in particular with regard to the independence of the auditors and the services rendered by the auditors (scope, frequency, reports) and

- d. in assessing the findings of the internal and external auditors and in monitoring the expeditious resolution by management of any deficiencies identified by the external and internal auditors by taking appropriate action.

The Audit Committee shall submit to the Supervisory Board proposals for the establishment of the main points of the audit, the appointment of auditors and the amount of their compensation and shall advise the Supervisory Board on the termination or continuation of the audit instruction.

The Audit Committee monitors the work of Internal Audit. The chairman of the Audit Committee is entitled to obtain information directly from the Compliance Officer and the head of Internal Audit with the involvement of the Board of Managing Directors.

- (3) The chairman of the Audit Committee must have expert knowledge in the fields of accounting and auditing and special knowledge and experience concerning internal control procedures. He must be independent and may not be a former member of the Board of Managing Directors of the Bank whose appointment ended less than two years previously.

Article 14 Risk Committee

- (1) The Risk Committee consists of at least five members of the Supervisory Board.
- (2) The duties of the Risk Committee include in particular
- a. the monitoring of the risk management system, as well as dealing with risk, such as market, credit and operational risk, and also reputational risk;
 - b. the advising of the Supervisory Board on the Bank's current and future overall risk propensity and strategy, and support in monitoring the implementation of this strategy by the Board of Managing Directors;
 - c. the monitoring of whether the terms and conditions in client business are in line with the Bank's business model and risk structure;
 - d. the examination of whether the incentives set by the compensation systems consider the Bank's risk, capital and liquidity structure, as well as the probability and due date of revenues.
- (3) The Risk Committee is responsible for passing resolutions on financial and lending transactions that require the approval of the Supervisory Board under the German Banking Act, with the exception of the loans to members of the Bank's executive bodies listed in Section 15, paragraph 1, sentence 1, nos. 1-5 and 1 of the German Banking Act (KWG). In addition, the transactions referred to in Article 9 of the Articles of Association of the Company in conjunction with Article 7, paragraph 1, no. 3 of the rules of procedure of the Board of Managing Directors relating to the acquisition or sale of companies, parts of companies and equity interests or the establishment of companies are subject to its approval. Its approval is also required for the stipulation and alteration of the threshold values for the red phase of the restructuring indicators in the Recovery Plan of the Commerzbank Group laid down in Article 9 of the Company's Articles of Association in conjunction with Article 7, paragraph 1, no. 4 of the rules of procedure of the Board of Managing Directors. The Risk Committee receives information from the Board of Managing Directors on intra-group transactions² pursuant to Article 7, paragraph 2, no. 1 and on the risk situation pursuant to Article 7, paragraph 2, no. 2 as well as on certain loans granted pursuant to Article 7, paragraph 3 of the rules of procedure of the Board of Managing Directors.
- (4) The Risk Committee determines the type, scope, format and frequency of the information which the Board of Managing Directors has to present on the subject of strategy and risk.

² The Group of Commerzbank AG includes all enterprises which are to be allocated to Commerzbank AG under group law.

- (5) The chairman of the Risk Committee is entitled to obtain information directly from the head of Internal Audit. The Board of Managing Directors is to be informed about this.
- (6) The Risk Committee may, to the extent necessary, obtain the advice of external experts.

Article 15 Nomination Committee

- (1) The Nomination Committee is made up of the Chairman of the Supervisory Board and two other employee and shareholder representatives respectively.
- (2) The shareholder representatives in the Nomination Committee are responsible for
 - a. recommending appropriate shareholder representative candidates to the Supervisory Board for it to propose at the General Meeting; here they consider the balance and variety of the knowledge, abilities and experience of all members of the Supervisory Board, draft a job description with applicant profile and state the time expenditure connected with the duty;
 - b. supporting the Supervisory Board in the elaboration of an objective to promote the representation of the under-represented sex in the Supervisory Board, as well as of a strategy for the achievement of this objective.
- (3) In addition, the Nomination Committee supports the Supervisory Board in
 - a. identifying applicants to fill a position in the Board of Managing Directors; here it considers the balance and variety of the knowledge, abilities and experience of all members of the Board of Managing Directors, drafts a job description with applicant profile and states the time expenditure connected with the duty;
 - b. regularly, at least once a year, assessing the structure, size, composition and performance of the Board of Managing Directors and the Supervisory Board; the Nomination Committee makes recommendations to the Supervisory Board in this connection and ensures here that the decision-making within the Board of Managing Directors is not influenced by individual persons or groups in a manner harmful to the Bank;
 - c. regularly, at least once a year, assessing the knowledge, abilities and experience both of the individual members of the Board of Managing Directors and members of the Supervisory Board and of the respective body in its entirety, and
 - d. reviewing the principles of the Board of Managing Directors for the selection and appointment of persons to the top management level and making recommendations to the Board of Managing Directors in this connection.
- (4) In the performance of its duties the Nomination Committee may use all resources which it deems appropriate and also involve external consultants. To this end it shall receive appropriate financial resources from the Bank.

Article 16 Committee for Digitalisation and Technology

- (1) The Committee for Digitalisation and Technology shall consist of at least five Supervisory Board members.
- (2) As part of the Bank's transformation into a digital technology company, the Committee for Digitalisation and Technology shall accompany the changes of the business model, the development of digital products and processes and the associated changes to the organizational structure.
- (3) The Committee for Digitalisation and Technology receives regular reports from the Board of Managing Directors on relevant technological developments and the implementation of technical innovations as well as their effects.
- (4) The Committee for Digitalisation and Technology supports the Supervisory Board in advising and monitoring the Bank's digitalisation progress and the associated IT and investment budget.
- (5) The Committee for Digitalisation and Technology receives regular reports on cyber risks and the associated information security of the Bank

Article 17 Social Welfare Committee

- (1) The Social Welfare Committee is made up of three members each of the shareholder representatives and the employee representatives.
- (2) The Social Welfare Committee is responsible for all personal and social issues which are of general relevance for employees.

Article 18 Mediation Committee

The functions and composition of the Mediation Committee are established by Section 27, paragraph 3 of the German Co-determination Act.

Article 19 Auditors' Reports

The auditors' reports shall be handed over or sent to the members of the Supervisory Board pursuant to Section 170, paragraph 3, *Aktiengesetz* (German Stock Corporation Act) in order to prepare for the Supervisory Board meeting whose agenda includes a resolution on the annual financial statements. The appendices and notes to the auditors' reports shall be handed over or sent solely to the members of the Audit Committee; however, all members of the Supervisory Board may inspect these documents.

Article 20 Representation

The Bank may be represented vis-à-vis members of the Board of Managing Directors, insofar as the latter are not acting in this capacity, by people who are otherwise entitled hereto. These act, therefore, on behalf of the Supervisory Board.

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