COMMERZBANK

Third Supplement
dated 16 November 2022
to the Base Prospectus dated 1 June 2022

*This third supplement (the "**Third Supplement**") constitutes a supplement within the meaning of Art. 23(1) of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017, as amended (the "**Prospectus Regulation**") relating to the base prospectus of Commerzbank Aktiengesellschaft ("**Commerzbank**", the "**Bank**" or the "**Issuer**", together with its subsidiaries "**Commerzbank Group**" or the "**Group**") dated 1 June 2022 in respect of issues of non-equity securities within the meaning of Art. 2(c) of the Prospectus Regulation (the "**Base Prospectus**").*

COMMERZBANK AKTIENGESELLSCHAFT

Frankfurt am Main, Federal Republic of Germany

EUR 60,000,000,000 Medium Term Note Programme

The Issuer has requested the *Commission de Surveillance du Secteur Financier* (the "**CSSF**") as competent authority under the Prospectus Regulation and the Luxembourg act relating to prospectuses for securities (*loi relative aux prospectus pour valeurs mobilières*) dated 16 July 2019 (the "**Luxembourg Prospectus Law**") to approve this Third Supplement and to provide the competent authority in the Federal Republic of Germany ("**Germany**") with a certificate of approval attesting that this Third Supplement has been drawn up in accordance with the Prospectus Regulation.

The Issuer may request the CSSF to provide competent authorities in additional host member states within the European Economic Area with such notification.

This Third Supplement has been approved by the CSSF, has been filed with said authority and will be published in electronic form together with all documents incorporated by reference on the website of the Luxembourg Stock Exchange (www.bourse.lu) and on the website of Commerzbank Aktiengesellschaft (www.commerzbank.com).

This Third Supplement should only be distributed in connection with the Base Prospectus. It should only be read in conjunction with the Base Prospectus and the first supplement thereto dated 17 August 2022 (the "**First Supplement**") and the second supplement thereto dated 30 September 2022 (the "**Second Supplement**").

The Issuer accepts responsibility for the information contained in this Third Supplement and hereby declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Third Supplement is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

To the extent that there is any inconsistency between (a) any statement in this Third Supplement and (b) any other statement in or incorporated by reference in the Base Prospectus, the statements in (a) above will prevail.

Terms defined or otherwise attributed meanings in the Base Prospectus have the same meaning in this Third Supplement.

In accordance with Art. 23(2a) of the Prospectus Regulation, where the Base Prospectus relates to an offer of Notes to the public, investors who have already agreed to purchase or subscribe for the Notes to be issued before this Third Supplement is published have the right, exercisable within three working days after the publication of this Third Supplement, until 21 November 2022, to withdraw their acceptances, provided that the significant new factor, material mistake or material inaccuracy referred to in Art. 23(1) of the Prospectus Regulation arose or was noted before the closing of the offer period or the delivery of the Notes, whichever occurs first. Investors wishing to exercise their right of withdrawal may contact Commerzbank Aktiengesellschaft, Kaiserstraße 16 (Kaiserplatz), 60311 Frankfurt am Main, Federal Republic of Germany (email: Widerruf.Prospektnachtrag@commerzbank.com).

This Third Supplement has been prepared following the publication of Commerzbank Group's interim financial information as at 30 September 2022.

*In section "**1.2.3 European and German recovery and resolution legislation may have regulatory consequences that could restrict Commerzbank's business activities and lead to higher refinancing costs.**" on page 27 of the Base Prospectus, the fourth and fifth paragraph (as replaced by the First Supplement) shall be deleted and replaced by the following:*

"In connection with the provisions regarding the "maximum distributable amount related to the minimum requirement for own funds and eligible liabilities" ("**M-MDA**") Commerzbank has to fulfil the current combined buffer requirement ("**CBR**") in addition to the TREA MREL requirement. As of 30 September 2022, the CBR is at 3.79% TREA. Therefore, the TREA MREL requirement including the CBR is at 26.76% TREA, respectively 17.29% TREA for the subordination requirement.

Based on data as of 30 September 2022, Commerzbank complied with the MREL TREA requirement with a ratio of 31.3% and the MREL LRE requirement with a ratio of 8.8%. In more detail, the MREL ratio as of 30 September 2022 is composed of 20.2% of RWA (5.7% LRE) of own funds instruments (including amortized amounts (regulatory) of Tier 2 instruments with a maturity of more than one year), 6.8% of RWA (1.9% LRE) of non-preferred senior obligations with a maturity of more than one year (non-preferred senior status in accordance with § 46f of the German Banking Act (*Kreditwesengesetz*) or by contract) and 4.2% of RWA (1.2% LRE) of other MREL eligible instruments with a maturity of more than one year (non-covered / non-preferred deposits, preferred senior unsecured instruments). Commerzbank meets the subordination requirement with a ratio of 27.1% of RWA (7.6% LRE)."

*In section "**1.3.1 Litigation, arbitration, investigations and other proceedings may arise in connection with Commerzbank's business activities, the outcomes of which are uncertain and which entail risks for the Group.**", on pages 29 to 31 of the Base Prospectus, the first bullet after the first paragraph (as replaced by the First Supplement) shall be deleted and replaced by the following:*

"

- In May 2017, a Polish court admitted a class action lawsuit against a subsidiary of Commerzbank alleging the ineffectiveness of index clauses in loan agreements denominated in Swiss francs (CHF). A total of 1,731 plaintiffs have joined the class action. The court dismissed the claim in the first quarter of 2022; the plaintiffs lodged an appeal.

  Independently of this, numerous borrowers have also filed individual lawsuits for the same reasons. In addition to the class action, 16,861 other individual proceedings were pending as at 30 September 2022 (31 December 2021: 13,036). The subsidiary is defending itself against all of the claims.

  As at 30 September 2022, there were 1,338 final rulings in individual proceedings against the subsidiary, of which 95 were decided in favour of the subsidiary and 1,243 were decided against the subsidiary. A total of 39 proceedings before courts of second instance are suspended because of legal issues that are being considered by the Polish Supreme Court and the ECJ.

  A ruling by the Polish Supreme Court on loan agreements denominated in Swiss francs with indexation clauses was once again adjourned indefinitely in September 2021; instead, questions on the legality of the process for appointing new judges were referred to the ECJ. The further course of the proceedings and the outcome remain to be seen.

  In February 2022, once again key questions from Polish courts on the handling of loans with indexation clauses, such as the declaration of such loan agreements as null and void, the statute of limitations for repayment claims and the compensation for use owed to the banks, in proceedings against the subsidiary were referred to the ECJ for a preliminary ruling (C-138/22, C-139/22, C-140/22). A date for the hearing or pronouncement of a decision has not yet been set.

  In further preliminary ruling proceedings on loans with indexation clauses, two of which relate to proceedings against the subsidiary, the ECJ ruled in September 2022 and set requirements regarding the consequences of void clauses. The ECJ also provided information on the start of the limitation period for repayment claims of borrowers from void loan agreements (C-80/21, C-81/21, C-82/21). The decision had no substantial negative impact on the provision of the subsidiary in Poland.

  A hearing took place at the ECJ in October 2022 (C-520/21) in the referral proceedings of another bank. These proceedings mainly address issues regarding compensation for use and other benefits for funds that are to be returned under a void loan agreement. Representatives of the plaintiffs, the defendant, the supervisory authorities and the European Commission presented their positions. The court did not comment specifically on the matter. Once implemented by the Polish courts, a decision in favour of the plaintiffs could result in considerable economic burdens for the subsidiary of the bank in Poland. The publication of the statement from the Advocate General is scheduled for February 2023; a ruling is expected in mid-2023.

The subsidiary has evaluated the results of a pilot programme for settlement agreements, which was completed in April 2022, and will launch a programme in the fourth quarter of 2022 that reflects customer requirements and the experience gained through the pilot programme. The offer will target all customers with active loans, including those who are already suing the Bank. Customers will be offered the option of having their loans converted into zloty loans with a fixed or variable interest rate as well as the cancellation of an individually negotiated part of the outstanding loan value.

Against the background of the outstanding decisions in principle from the Supreme Court and the ECJ, the amount of the provision on the balance sheet for this set of issues is subject to a high degree of judgement.

In the third quarter of 2022, the Group changed the methodology used to calculate the risk provisions for loan agreements indexed to Swiss francs. The methodology is now based on historical data, supplemented by expert assessments. The main assumptions are: The expected number of borrowers who will still sue, the nature of the expected court judgments, the amount of the bank's loss in the event of a judgment, and the acceptance rate for settlements.

As at 30 September 2022, the portfolio of loans denominated in Swiss francs that have not been fully repaid had a carrying amount of PLN 7.0 billion; the portfolio that had already been repaid amounted to PLN 7.1 billion when it was disbursed.

Overall, as at 30 September 2022, the Group recognised a provision of EUR 1.4 billion for the risks arising from the matter, including potential settlement payments and the class action lawsuit (31 December 2021: EUR 899 million). The methodology used to calculate the provision is based on parameters that are varied, discretionary and in some cases associated with considerable uncertainty. Rulings of the Polish courts and the ECJ may mean that the amount of the provision has to be adjusted significantly in the future. Therefore, it cannot be ruled out that the proceedings will eventually result in material payment obligations for the subsidiary deviating from the provisions estimated and recorded at 30 September 2022.

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*In section "**Regulatory capital requirements, capital position and regulatory ratios**", sub-section "**Minimum requirements for own funds**" on pages 351 to 353 of the Base Prospectus, the eight to tenth paragraph (as replaced by the First Supplement), shall be deleted and replaced by the following:*

"Commerzbank is required, on a consolidated basis, to maintain a Common Equity Tier 1 (CET1) capital ratio of at least 9.4% based on figures as of 30 September 2022. This CET1 capital requirement includes the minimum Pillar 1 requirement (4.5%), the reduced CET1 capital portion that is required to meet the Pillar 2 requirement resulting from the implementation of CRD V (1.125%), the capital conservation buffer (2.5%), the countercyclical capital buffer (0.04%) and the requirement deriving from Commerzbank's designation as an O-SII (or domestic systemically important bank (D-SIB)) (1.25%). Commerzbank allocated higher quality CET1 capital to meet the minimum Tier 1 capital requirement that could have been covered with additional tier 1 (AT1) (0.03%).

The resulting CET1 capital requirement of 9.4% sets the level below which Commerzbank Group would be required to calculate the maximum distributable amount, which is determined in accordance with § 10(1) sentence 1 no. 5 (e) KWG in connection with § 37 of the German Solvency Regulation (*Solvabilitätsverordnung*, "**SolvV**") for the combined capital buffer requirement in accordance with § 10i KWG (the "**Maximum Distributable Amount**").

In comparison, Commerzbank's last reported consolidated Common Equity Tier 1 ratio as of 30 September 2022 was 13.8% (on the basis of transitional provisions). This results in a distance of 435 basis points to the minimum Common Equity Tier 1 ratio (9.4%) below which a calculation of the Maximum Distributable Amount would be required."

*In section "**Regulatory capital requirements, capital position and regulatory ratios**", sub-section "**Minimum requirements for own funds and eligible liabilities (MREL)**" on pages 353 to 354 of the Base Prospectus, the fifth and sixth paragraph (as replaced by the First Supplement), shall be deleted and replaced by the following:*

"In connection with the provisions regarding the "maximum distributable amount related to the minimum requirement for own funds and eligible liabilities" ("**M-MDA**") Commerzbank has to fulfil the current combined buffer requirement ("**CBR**") in addition to the TREA MREL requirement. As of 30 September 2022, the CBR is at 3.79% TREA. Therefore, the TREA MREL requirement including the CBR is at 26.76% TREA, respectively 17.29% TREA for the subordination requirement.

Based on data as of 30 September 2022, Commerzbank complied with the MREL TREA requirement with a ratio of 31.3% and the MREL LRE requirement with a ratio of 8.8%. In more detail, the MREL ratio as of 30 September 2022 is composed of 20.2% of RWA (5.7% LRE) of own funds instruments (including amortized amounts (regulatory) of Tier 2 instruments with a maturity of more than one year), 6.8% of RWA (1.9% LRE) of non-preferred senior obligations with a maturity of more than one year (non-preferred senior status in accordance with § 46f of the German Banking Act (*Kreditwesengesetz*) or by contract) and 4.2% of RWA (1.2% LRE) of other MREL eligible instruments with a maturity of more than one year (non-covered / non-preferred deposits, preferred senior unsecured instruments). Commerzbank meets the subordination requirement with a ratio of 27.1% of RWA (7.6% LRE)."

*In section "**Regulatory capital requirements, capital position and regulatory ratios**", sub-section "**Regulatory Figures and Ratios**" on page 354 of the Base Prospectus (as supplemented by the First Supplement), the following shall be added:*

"

The following table sets forth certain regulatory figures and ratios of Commerzbank Group:

Regulatory figures and ratios[*)]	**As of 30 September 2022**
	(EUR billion, unless otherwise specified) (*unaudited*)
Risk-weighted assets (with transitional provisions)	174.5
of which: credit risk[1)]	144.8
of which: market risk[2)]	9.8
of which: operational risk	19.9
Common Equity Tier 1 ratio (with transitional provisions)	13.8%
Equity Tier 1 ratio (with transitional provisions)	15.6%
Total capital ratio (with transitional provisions)	18.3%
Leverage ratio (with transitional provisions)[3)]	4.5%
NPE ratio[4)]	0.9%

*) Calculated in accordance with regulatory requirements.
1) Includes settlement and delivery risks.
2) Includes credit valuation adjustment risk.
3) The leverage ratio is calculated pursuant to Article 429 CRR as an institution's capital measure divided by that institution's total exposure measure (including transitional provisions), expressed as a percentage, and is designed to discourage the build-up of excessive leverage by the Issuer.
4) Calculated as the default portfolio (non-performing exposures) as a proportion of total exposures (exposure at default, including non-performing exposures) in accordance with the European Banking Authority's requirements.

Source: Company information.
"

*In section "**Interim financial information**" on page 355 of the Base Prospectus, the text (as replaced by the First Supplement) shall be deleted and replaced by the following:*

"Commerzbank Group's unaudited interim financial information for the nine-month period ended 30 September 2022 is incorporated by reference into, and form part of, this Base Prospectus (see "*DOCUMENTS INCORPORATED BY REFERENCE*")."

*In section "**Selected financial information**" on pages 355 to 356 of the Base Prospectus, the first paragraph shall be deleted and replaced by the following:*

"The following selected financial information of the Group has been taken or derived from the audited consolidated financial statements of Commerzbank as of and for the financial year ended December 31, 2021, prepared in accordance with International Financial Reporting Standards as adopted in the European Union (IFRS) and the additional requirements of German commercial law pursuant to § 315e(1) of the German Commercial Code (HGB), as well as from the unaudited group interim financial information of Commerzbank as of and for the nine-month period ended 30 September 2022, unless otherwise indicated."

*In section "**Selected financial information**" on page 356 of the Base Prospectus, the table shall be deleted and replaced by the following:*

"

Income Statement (€m, unless otherwise indicated)	**January – December**		**January – September**	
	2020[1)]	**2021**	**2021**[2)]	**2022**
	(audited, unless otherwise indicated)		*(unaudited)*	
Net interest income	4,975	4,849	3,549	4,500
Net commission income	3,317	3,616	2,685	2,714
Risk result	-1,748	-570	-257	-654
Net income from financial assets and liabilities measured at fair value through profit or loss & Net income from hedge accounting	273[3)]	884[3)]	561	514
Operating profit	-233	1,183	1,042	1,571
Consolidated profit or loss attributable to Commerzbank shareholders and investors in additional equity components	-2,870	430	9	963
Net RoTE (%)	-11.7[3)]	1.0[3)]	-0.7[4)]	4.3[4)]
Net RoE (%)	-10.7[3)]	1.0[3)]	-0.7[4)]	4.2[4)]
Earnings per share (€)	-2.33	0.23	-0.10[4)]	0.62[4)]

Balance Sheet ***(€m, unless otherwise indicated)***	**31 December 2020**[1)]	**31 December 2021**	**30 September 2022**
	(audited, unless otherwise indicated)		*(unaudited)*
Total assets..	506,613	473,044	543,368
Loans and advances[5)]	285,007[3)]	290,946[3)]	308,384[8)]
Deposits[6)]	373,760[3)]	351,800[3)]	427,461[8)]
Debt securities issued[7)]	44,069[3)]	41,912[3)]	40,018[8)]
Equity...	28,574	29,827	30,507

1) Figures as of and for the financial year ended 31 December 2020 adjusted due to restatements of the comparative financial information in the consolidated financial statements as of and for the financial year ended 31 December 2021.
2) Figures as of and for the nine-month period ended 30 September 2021 adjusted due to restatements of the comparative financial information in the group interim financial information as of and for the nine-month period ended 30 September 2022.
3) Unaudited.
4) Annualised.
5) Sum of loans and advances in the IFRS 9 measurement categories financial assets at amortised cost, fair value through other comprehensive income (OCI), mandatorily fair value through profit and loss (P&L) and held for trading (HfT).
6) Sum of deposits in the IFRS 9 measurement categories financial liabilities at amortised cost and fair value option.
7) Sum of debt securities issued in the IFRS 9 measurement categories financial liabilities at amortised cost and fair value option.
8) Calculated based on figures from Commerzbank's accounting records.

"

*In section "**Trend information**", sub-section "**Significant change in the financial performance**" on page 357 of the Base Prospectus, the text (as replaced by the Second Supplement) shall be deleted and replaced by the following:*

"Except as disclosed under "Trend information" above, there has been no significant change in the financial performance of Commerzbank Group since 30 September 2022."

*In section "**Trend information**", sub-section "**Significant change in the financial position**" on page 357 of the Base Prospectus, the text (as replaced by the Second Supplement) shall be deleted and replaced by the following:*

"Except as disclosed under "Trend information" above, there has been no significant change in the financial position of Commerzbank Group since 30 September 2022."

*In section "**Legal and arbitration proceedings**", sub-section "**Class action and individual proceedings regarding the ineffectiveness of index clauses in foreign currency denominated loan agreements**" on pages 359 to 360 of the Base Prospectus, the text (as replaced by the First Supplement) shall be deleted and replaced by the following:*

"In May 2017, a Polish court admitted a class action lawsuit against a subsidiary of Commerzbank alleging the ineffectiveness of index clauses in loan agreements denominated in Swiss francs (CHF). A total of 1,731 plaintiffs have joined the class action. The court dismissed the claim in the first quarter of 2022; the plaintiffs lodged an appeal.

Independently of this, numerous borrowers have also filed individual lawsuits for the same reasons. In addition to the class action, 16,861 other individual proceedings were pending as at 30 September 2022 (31 December 2021: 13,036). The subsidiary is defending itself against all of the claims.

As at 30 September 2022, there were 1,338 final rulings in individual proceedings against the subsidiary, of which 95 were decided in favour of the subsidiary and 1,243 were decided against the subsidiary. A total of 39 proceedings before courts of second instance are suspended because of legal issues that are being considered by the Polish Supreme Court and the ECJ.

A ruling by the Polish Supreme Court on loan agreements denominated in Swiss francs with indexation clauses was once again adjourned indefinitely in September 2021; instead, questions on the legality of the process for appointing new judges were referred to the ECJ. The further course of the proceedings and the outcome remain to be seen.

In February 2022, once again key questions from Polish courts on the handling of loans with indexation clauses, such as the declaration of such loan agreements as null and void, the statute of limitations for repayment claims and the compensation for use owed to the banks, in proceedings against the subsidiary were once again referred to the ECJ for a preliminary ruling (C-138/22, C-139/22, C-140/22). A date for the hearing or pronouncement of a decision has not yet been set.

In further preliminary ruling proceedings on loans with indexation clauses, two of which relate to proceedings against the subsidiary, the ECJ ruled in September 2022 and set requirements regarding the consequences of void clauses. The ECJ also provided information on the start of the limitation period for repayment claims of borrowers from void loan agreements (C-80/21, C-81/21, C-82/21). The decision had no substantial negative impact on the provision of the subsidiary in Poland.

A hearing took place at the ECJ in October 2022 (C-520/21) in the referral proceedings of another bank. These proceedings mainly address issues regarding compensation for use and other benefits for funds that are to be returned under a void loan agreement. Representatives of the plaintiffs, the defendant, the supervisory authorities and the European Commission presented their positions. The court did not comment specifically on the matter. Once implemented by the Polish courts, a decision in favour of the plaintiffs could result in considerable economic burdens for the subsidiary of the bank in Poland. The publication of the statement from the Advocate General is scheduled for February 2023; a ruling is expected in mid-2023.

The subsidiary has evaluated the results of a pilot programme for settlement agreements, which was completed in April 2022, and will launch a programme in the fourth quarter of 2022 that reflects customer requirements and the experience gained through the pilot programme. The offer will target all customers with active loans, including those who are already suing the Bank. Customers will be offered the option of having their loans converted into zloty loans with a fixed or variable interest rate as well as the cancellation of an individually negotiated part of the outstanding loan value.

Against the background of the outstanding decisions in principle from the Supreme Court and the ECJ, the amount of the provision on the balance sheet for this set of issues is subject to a high degree of judgement.

In the third quarter of 2022, the Group changed the methodology used to calculate the risk provisions for loan agreements indexed to Swiss francs. The methodology is now based on historical data, supplemented by expert assessments. The main assumptions are: The expected number of borrowers who will still sue, the nature of the expected court judgments, the amount of the bank's loss in the event of a judgment, and the acceptance rate for settlements.

As at 30 September 2022, the portfolio of loans denominated in Swiss francs that have not been fully repaid had a carrying amount of PLN 7.0 billion; the portfolio that had already been repaid amounted to PLN 7.1 billion when it was disbursed.

Overall, as at 30 September 2022, the Group recognised a provision of EUR 1.4 billion for the risks arising from the matter, including potential settlement payments and the class action lawsuit (31 December 2021: EUR 899 million). The methodology used to calculate the provision is based on parameters that are varied, discretionary and in some cases associated with considerable uncertainty. Rulings of the Polish courts and the ECJ may mean that the amount of the provision has to be adjusted significantly in the future."

In section "DOCUMENTS INCORPORATED BY REFERENCE" on pages 377 to 379 of the Base Prospectus (as supplemented by the First Supplement), the following table shall be added after item (x):

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(xi) Commerzbank Group Interim Financial Information as at 30 September 2022 (English translation of the German language version)

https://www.commerzbank.com/media/aktionaere/service/archive/konzern/2022_8/q3_2022/Commerzbank_Zwischenmitteilung_9M_2022_EN.pdf

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