
> Report of the Supervisory Board

Cooperation between the Board of Managing Directors and the Supervisory Board

The Supervisory Board worked in close partnership with the Board of Managing Directors of comdirect bank in financial year 2012, providing regular advice and monitoring the management of the company. We have comprehensively performed all of the duties incumbent upon the Supervisory Board under the legal framework conditions and regulations, the bank's Articles of Association, the Rules of Procedure of the Supervisory Board and the German Corporate Governance Code (GCGC).

Furthermore, the Chairman of the Supervisory Board was given detailed information on all events that were of significant importance for the assessment of the situation and development as well as for the management of the company, including in regular meetings with the full Board of Managing Directors. He maintained frequent contact with the CEO and in particular, conferred with him with respect to the strategy, business development and risk management of comdirect bank. In addition, the Chairman arranged for important matters to be addressed by the Supervisory Board committees.

Main focus of advice and monitoring activities in 2012

The Supervisory Board met at four regularly convened meetings in financial year 2012 on 14 March, before the annual general meeting on 9 May, on 23 August and 22 November 2012. As a result of the need for consultation at short notice, two additional extraordinary meetings were held on 22 February and 27 March 2012.

As in previous years, progress reports on the status of implementation of the "complus" programme remained a central topic. Here, we obtained extensive information on the further development of the range of products and services offered by comdirect bank AG. The Board of Managing Directors kept us continually informed with regard to the various projects carried out in 2012, such as the expansion of mobile banking and redesigned Visa card. Another focus was the strategic further development of ebase and the B2B business line and the extension of its range of products and services for asset management for example. In addition, together with the Board of Managing Directors, we continued our discussions on the future strategy following the scheduled completion of "complus" in 2013.

As part of our deliberations, we obtained information on the bank's development on the basis of the medium-term planning and also looked at the agenda for the following year. Moreover, the Supervisory Board regularly examined the risk status of the bank, with the focus here on discussion of the overall risk strategy in line with the minimum requirements for risk management (MaRisk). Other issues dealt with by the Supervisory Board additionally included the draft agenda for the annual general meeting on 9 May 2012 and the proposals to the annual general meeting.

Furthermore, the comdirect bank's Board of Managing Directors kept us informed about the performance of key indicators and their impact on the bank's earnings situation, financial situation and assets. In this context, we also monitored the market and competitive environment of comdirect bank. The change in the Board of Managing Directors was another subject discussed (see page 13).

In addition to the ordinary meetings, the Supervisory Board adopted resolutions based on the recommendations of the Presiding Committee in two extraordinary meetings and in discussions by means of conference calls. These related to

- the stipulation of the variable compensation component for the members of the Board of Managing Directors for financial year 2011,
- the approval of the rescission of the appointment and employment of Carsten Strauß as a member of the Board of Managing Directors.

Moreover, the Supervisory Board used the written circulation procedure to endorse the updating of the Declaration of Compliance with the German Corporate Governance Code, as well as a change in the allocation of duties and deputy arrangements for the Board of Managing Directors of comdirect bank AG as of 1 November 2012. Based on the recommendation of the Presiding Committee, the Supervisory Board specified the criteria for assessing the variable compensation component for the Board of Managing Directors for financial year 2013 and approved the appointment of Ulrich Hegge as an executive manager.

Activities of the committees

In order to improve the efficiency of Supervisory Board activities and to deal with complex issues, some matters were referred to the Presiding Committee or Audit Committee for a decision or for the purpose of preparing resolutions.

The Audit Committee of the Supervisory Board met four times in the reporting year on 14 March, after the annual general meeting of the bank on 9 May, on 23 August and 22 November. The meetings were also attended by at least one representative from the auditors commissioned for the year-end audit and review of the interim financial statements respectively. At the meeting on 14 March 2012, the Audit Committee of the Supervisory Board dealt with the preliminary examination of the financial statements and dependency report as well as the independence of the auditors of the annual and consolidated financial statements. In addition, the report from the auditors conducting the review of the interim financial statements was discussed at the other meetings.

At all meetings, the Audit Committee of the Supervisory Board discussed in depth the status and further development of risk management and the risk status of the bank and its subsidiary. The focus was also on the investment of deposits with other companies in the Commerzbank Group and other counterparties. The underlying investment strategy and the plans regarding the continued intensive use of the Commerzbank Group for money market and capital market transactions were regularly discussed by the Audit Committee.

The Audit Committee received the Compliance Officer's report and was informed about the overall audit report from Internal Audit for the financial year. The Chairman of the Audit Committee obtained comprehensive information from the Head of Internal Audit prior to the meeting. There were no major findings in the reporting year. At the meeting of the Audit Committee on 9 May 2012, the Chairman was authorised to sign the contract commissioning the auditors, PwC, PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Frankfurt/Main, Hamburg branch, selected by the annual general meeting on the same date, to audit the annual and consolidated financial statements, including the management reports as of 31 December 2012. During the year, the Audit Committee obtained information on tax issues, and in August and November on the activities of Internal Audit.

Furthermore, in November it approved the commissioning of PwC, PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Frankfurt/Main, Hamburg branch, with tax advisory services for financial year 2013. We have obtained a certificate of independence from the auditors. No business, financial, personal or other relationships exist between the auditors and their executive bodies and audit managers on the one hand and comdirect bank and its Board members on the other, which could give rise to doubts with regard to their independence.

In addition, the Audit Committee of the Supervisory Board dealt with the results of the annual custody account/ Securities Trading Act audit, deposit insurance scheme audit and foreign trade audit as well as the main areas of the audit of the annual financial statements 2012.

The Audit Committee also used the written circulation procedure to adopt resolutions regarding the commissioning of PwC, PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Frankfurt/Main, to prepare a legal opinion on tax issues.

The Presiding Committee of the Supervisory Board adopted resolutions in 2012 by means of the written circulation procedure and detailed conference calls as well as in extraordinary meetings on 22 February, 27 March, 9 May and 22 November. The topics discussed included the recommendation to the Supervisory Board to determine the variable compensation component for the members of the Board of Managing Directors for financial year 2011 and consideration of the Compensation & Benefit Policies for the compensation systems for the Board of Managing

Directors of comdirect bank AG. Other resolutions related to the recommendations to the full Supervisory Board regarding changes in the Board of Managing Directors and specification of the criteria to be used to assess the variable compensation component for the Board of Managing Directors for financial year 2013. The Presiding Committee also approved the acceptance of seats on other boards by members of the Board of Managing Directors, as well as the reallocation of loans granted to the Commerzbank Group.

The activities of the committees were reported on in detail to the full Supervisory Board. The Supervisory Board has not formed any committees other than the Presiding Committee and the Audit Committee.

Efficiency of Supervisory Board activities

The Supervisory Board reviews the efficiency of its activities on an annual basis. Following the extensive efficiency review conducted in March 2011, we discussed the current status in our meeting on 14 March 2012. The activities of the Supervisory Board and its committees were once again unanimously judged to be efficient. No conflicts of interest were reported with regard to a member of the Supervisory Board. The Corporate Governance Officer reported comprehensively in writing to the Supervisory Board.

In the meeting on 23 August 2012 we adopted a resolution regarding the independence of members of the Supervisory Board and the target objective for the composition of the Supervisory Board in line with the recommendation of the GCGC; details are given in the Corporate Governance report that forms part of the Corporate Governance statement, which can be viewed and downloaded from the website at www.comdirect.de/ir under the heading Corporate Governance.

Approval of the annual financial statements and dependency report

The annual financial statements of comdirect bank (in accordance with the German Commercial Code, HGB), the management report of comdirect bank (in accordance with the German Commercial Code, HGB) and the consolidated financial statements and group management report (in accordance with IFRS), including the underlying book-keeping for financial year 2012, have been examined and audited by the auditors, who issued an unqualified audit certification. The above documentation, the audit reports and the proposal of the Board of Managing Directors for the appropriation of the distributable profit were promptly made available to the members of the Supervisory Board.

The German public accountants who sign the annual financial statements took part in the meeting of the Audit Committee on 21 March 2013 and the subsequent meeting of the Supervisory Board dealing with the approval of the annual accounts, amongst others. They reported on the key findings of the audit and answered questions. The result of the audit was discussed thoroughly with the Audit Committee. The Audit Committee then proposed to the Supervisory Board that the annual financial statements be approved.

The Supervisory Board has acknowledged the results of the audit. Within the scope of the legal provisions, it has examined the annual financial statements and management report, the consolidated financial statements and group management report and the proposal of the Board of Managing Directors for the appropriation of the distributable profit and raised no objections. In its meeting on 21 March 2013, the Supervisory Board approved the annual financial statements and consolidated financial statements prepared by the Board of Managing Directors. Accordingly, the annual financial statements are regarded as adopted. The Supervisory Board endorses the proposal for the appropriation of the distributable profit.

Furthermore, the report of the Board of Managing Directors on the bank's relationship with affiliated companies was submitted to the Supervisory Board together with the associated auditors' report. After completing the audit, the auditors raised no objection to the report of the Board of Managing Directors and issued the following unqualified certification: After conducting our audit in accordance with the professional standards, we confirm that the actual details of the report are accurate and the fees paid by the company for the legal transactions detailed in the report were not disproportionately high, nor were any disadvantages compensated.

The Supervisory Board examined the report of the Board of Managing Directors and approves the report as well as the auditors' findings of the audit.

After completing its examination, the Supervisory Board finds no cause for objection to the concluding statement concerning the relationship with affiliated companies made by the Board of Managing Directors in the report.

As part of the audit, the auditors also assess whether the Board of Managing Directors has implemented a monitoring system and has fulfilled the legal requirements concerning the early detection of risks that are likely to threaten the existence of the company. The auditors have confirmed that the risks described in the management report are presented accurately and that the measures taken by the Board of Managing Directors in accordance with Section 91 (2) of the German Stock Corporation Act (AktG) are conducive to early detection of developments that are likely to threaten the continued existence of the company. Furthermore, the auditor confirmed the effectiveness of the accounting-related internal control system with a positive assessment.

Changes in the Board of Managing Directors

Carsten Strauß resigned from office with effect from the end of 30 June 2012. The Supervisory Board approved his resignation on the recommendation of the Presiding Committee and appointed Martina Palte as a member of the Board of Managing Directors for a period of three years with effect from 1 July 2012. In addition to extensive professional expertise, Martina Palte has many years of experience in the financial sector. Most of the divisions headed by Carsten Strauß were taken over by Ms Palte. These include Customer Services, Process Management, Organisation and Advisory Services. Dr. Diekmann assumed responsibility for Human Resources, while Dr. Reitmeyer is in charge of IT. We would like to thank Carsten Strauß for his many years of commitment and valuable achievements for comdirect bank, its employees and its shareholders.

Changes in the Supervisory Board

Karin Katerbau resigned from the Supervisory Board with effect from 15 April 2012. Sabine Schmittroth was appointed by the annual general meeting as a supplementary member on 9 May 2012. Ms Schmittroth was elected as a member of the Audit Committee in the Supervisory Board meeting on the same date. We would like to take this opportunity to thank Karin Katerbau for her commitment to the Supervisory Board of comdirect bank.

Thanks for excellent performance

We would like to thank the members of the Board of Managing Directors and all of the employees of comdirect bank for an excellent performance once again in financial year 2012. We would like to thank the staff council for their constructive cooperation at all times.

Frankfurt, 21 March 2013

The Supervisory Board