

 **MOMENTUM: Innovation. Improvement. Growth.**

COMMERCE BANCSHARES, INC.

INVESTOR UPDATE

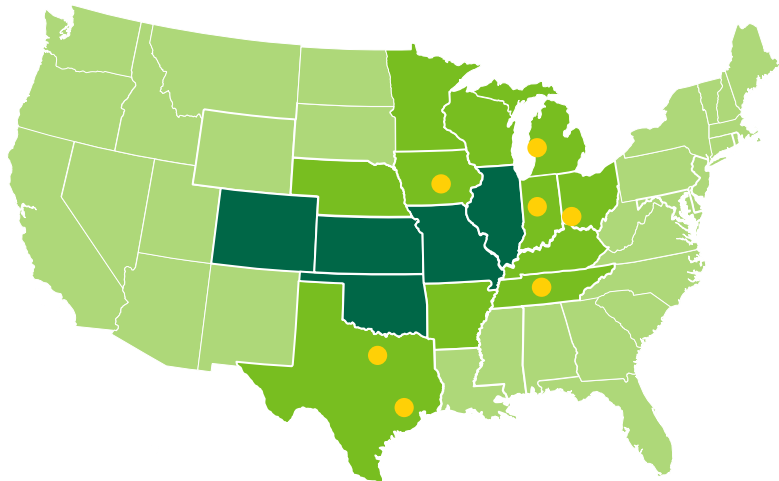
1st Quarter 2022

CAUTIONARY STATEMENT

A number of statements we will be making in our presentation and in the accompanying slides are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, such as statements of the Corporation’s plans, goals, objectives, expectations, projections, estimates and intentions. These forward-looking statements involve significant risks and uncertainties and are subject to change based on various factors (some of which are beyond the Corporation’s control). Factors that could cause the Corporation’s actual results to differ materially from such forward-looking statements made herein or by management of the Corporation are set forth in the Corporation’s 2021 Annual Report on Form 10-K, 1ST Quarter 2022 Report on Form 10-Q and the Corporation’s Current Reports on Form 8-K.

COMMERCE BANCSHARES

157 YEARS IN BUSINESS



● FULL-SERVICE BANKING FOOTPRINT

152 full-service branches and 326 ATMs
St. Louis ♦ Kansas City ♦ Springfield ♦ Central Missouri
Central Illinois ♦ Wichita ♦ Tulsa ♦ Oklahoma City ♦ Denver

● COMMERCIAL OFFICES

Cincinnati ♦ Nashville ♦ Dallas ♦ Des Moines
Indianapolis ♦ Grand Rapids ♦ Houston

U.S. PRESENCE

- Extended Commercial Market Area
- Commercial Payments Services
- Offered in 48 states across the U.S.

Sources: ¹S&P Global Market Intelligence – Regulated U.S. depositories which includes commercial banks, bank holding companies, and credit unions, rankings as of 12/31/2021; ²includes loans held for sale; ³Nelson Reports – Commercial Card: May 2021, based on the top 50 U.S. banks ranked by total assets as of 12/31/2020, S&P Global Market Intelligence; ⁴Moody's Credit Opinion – Commerce Bancshares, Inc., February 17, 2022, baseline Credit Assessment (BCA) reflects a bank's standalone credit strength; Company reports and filings, information as of 03/31/2022 unless otherwise noted.

TOTAL ASSETS

\$35.0
BILLION

38TH

LARGEST U.S. BANK
BASED ON ASSET SIZE¹

MARKET CAP

\$8.7
BILLION

22ND

LARGEST U.S. BANK BASED
ON MARKET CAP¹

TOTAL TRUST ASSETS UNDER ADMINISTRATION

\$65.8
BILLION

18TH

LARGEST AMONG BANK-MANAGED
TRUST COMPANIES BASED ON AUM¹

TIER 1 COMMON RISK- BASED CAPITAL RATIO

13.9%

3RD

HIGHEST AMONG TOP 50 U.S.
BANKS BASED ON ASSET SIZE¹

TOTAL
DEPOSITS

\$29.3
BILLION

TOTAL
LOANS²

\$15.5
BILLION

\$9.4 BILLION
COMMERCIAL
CARD VOLUME
AS OF 12/31/2021

12TH LARGEST COMMERCIAL
CARD ISSUER³

14.4% RETURN ON
AVERAGE
EQUITY YTD

11TH YTD ROACE FOR THE TOP
50 U.S. BANKS BASED ON
ASSET SIZE¹

a1 BASELINE CREDIT
ASSESSMENT⁴

1 of 5 MOODY'S RANKS COMMERCE
AMONG THE TOP 5 BANKS IN
THE COUNTRY

SUPER-COMMUNITY BANK PLATFORM

A consistent strategy with a long-term view

Community Bank

- Award-winning customer service
- Focus on the full client relationship
- Core values embraced by team members
- Quickly adapt to customer needs and changing preferences

Customer relationship-based:
Challenge Accepted.[®]

High-performing teams and engaged workforce

Long history of top quartile credit quality metrics

Investment in distinctive, high-return businesses

Focus on operational efficiencies

Disciplined approach to acquisitions

Super-Regional Bank

- Sophisticated payment system capabilities
- Broad consumer product offerings
- Private Banking; Trust; Capital Markets
- Shareholder driven and strong financial performance
- Competitive on unit costs

TRACK RECORD OF LONG-TERM OUTPERFORMANCE

Revenue Diversification

Balanced earnings profile, fee revenue at 39%² of total revenue, bolstered by growing wealth and national payments businesses



Deposit Franchise

\$28.6 billion in low-cost deposits¹ with peer-leading historical deposit betas

Continued Long-Term Investments

Core banking system implementation, Enterprise Digital, Expansion Markets, Wealth Management, **CommerceHealthcare**⁴

Consistent Earnings & Shareholder Value

Over 10% total annualized return to shareholders over the last 15 years, outperforming the annualized KBW Regional Bank Index return of 4%²

Capital Management

Strong capital ratios, 54th consecutive year of common dividend increases³

Credit Quality

Conservative risk profile drives outperformance across credit cycles

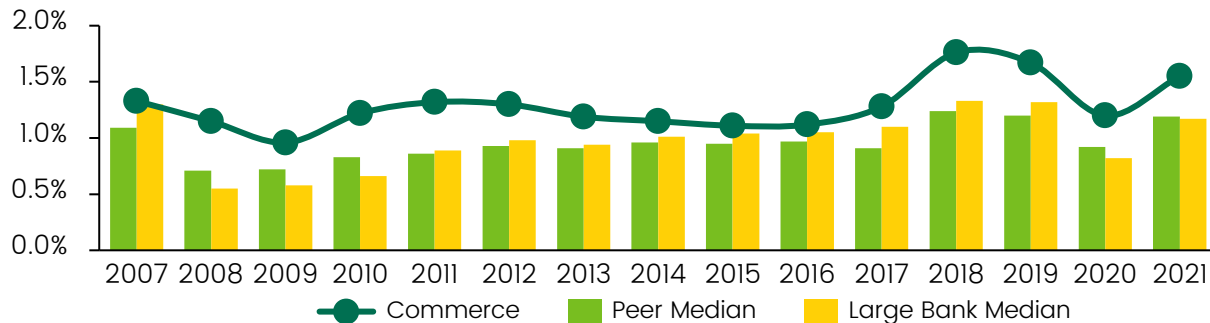
¹Excludes certificates of deposit greater than \$100,000, period-end balance as of 3/31/2022

²As of 3/31/2022

³Based on 1Q2022 declared dividend

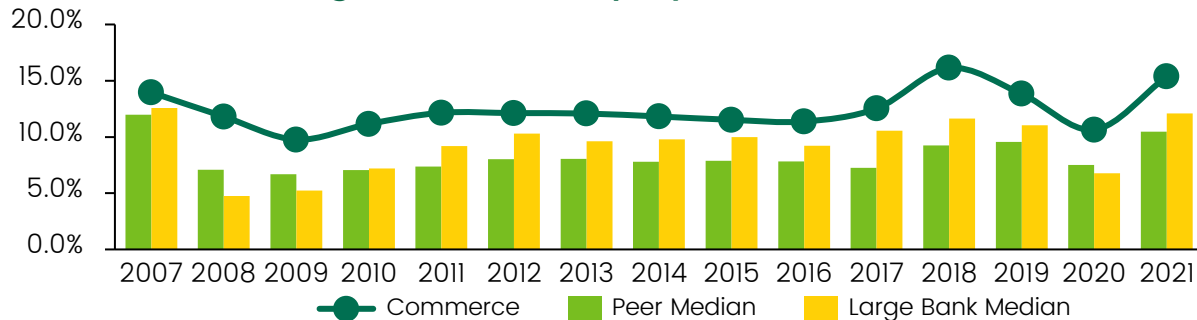
COMMERCE BANK MAINTAINS SOLID PERFORMANCE OVER TIME

Return on Average Assets



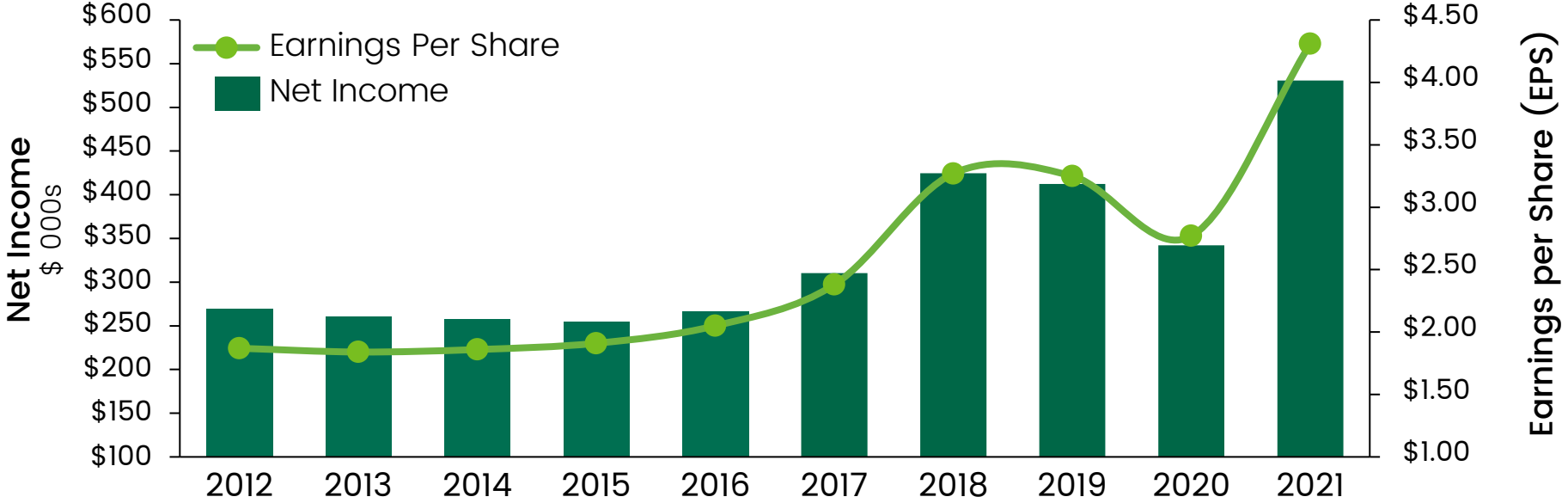
ROAA 15-yr average
CBSH: 1.29%
 Peers: 0.96%

Return on Average Common Equity



ROACE 15-yr average
CBSH: 12.4%
 Peers: 8.3%

LONG-TERM VIEW: NET INCOME AND EARNINGS PER SHARE



Dividends per share	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
	\$0.56*	\$0.58	\$0.61	\$0.64	\$0.67	\$0.71	\$0.77	\$0.90	\$0.98	\$1.00

EPS REMAINS STRONG

2022 MARKS THE 54TH CONSECUTIVE YEAR OF DIVIDEND GROWTH

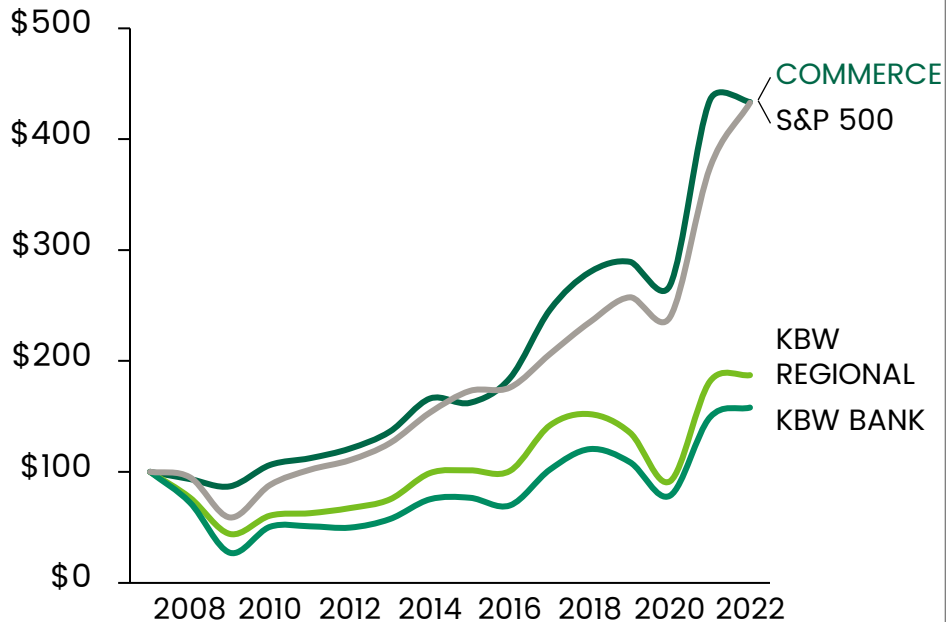
*Including 2012 special dividend = \$1.49
 All data has been restated for 5% stock dividend distributed in December 2021
 Net Income represents Net Income Available to Common Shareholders

STEADY SHAREHOLDER RETURNS

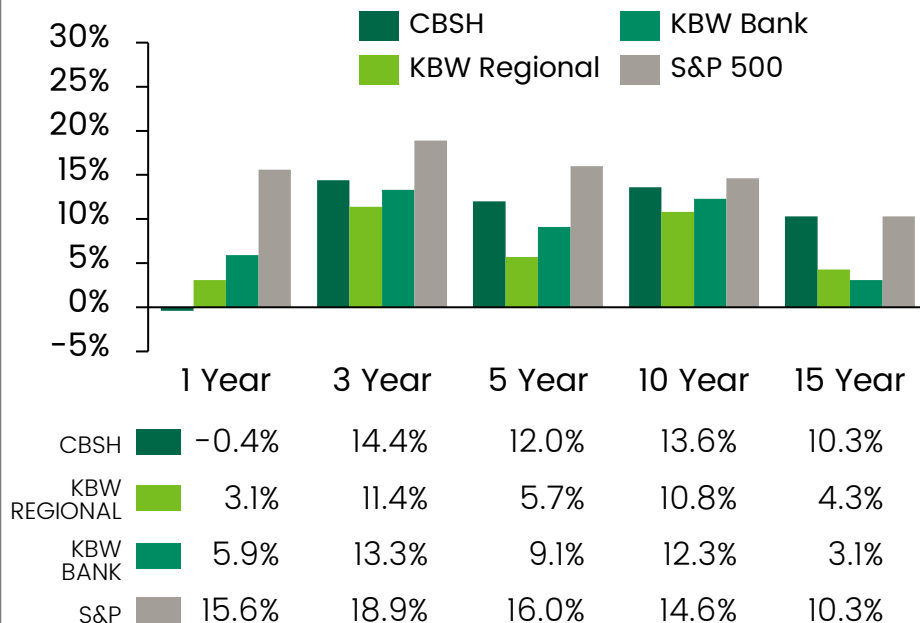
as of March 31, 2022

Total Shareholder Returns

Indexed, 3/31/2007 = \$100



Annualized Comparison Total Shareholder Returns



*Consistent, positive returns to shareholders
Significant outperformance relative to banks over long period*

OUR STRONG CULTURE IS THE KEY DRIVER TO OUR LONG-TERM SUCCESS

At Commerce, our core values shape the way we live and work.

A culture formed 157 years ago to be a force for good in our region and our industry

- V** We have a long-term View
- O** We collaborate as One team
- I** We act with Integrity
- C** We are Customer focused
- E** We strive for Excellence

- We make decisions today that will sustain us well into the future.
- We see diversity and inclusion as an imperative and seize opportunities to build teams that reflect all sides of an issue.
- We value integrity, we recognize our first duty is to conduct business in ways that merit trust and confidence, and that adhere to the highest standards of governance and ethics.
- We value relationships, our customers are our primary focus.



BEYOND FINANCIALS

Supporting each other, our customers and our communities

“ As a socially responsible corporate citizen, we continuously seek opportunities to make a difference. ”

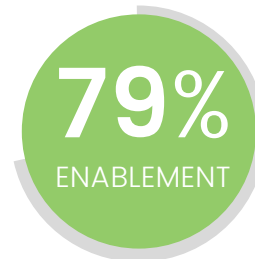
More than **490** nonprofit organizations supported

by Commerce team members through leadership roles by serving on boards

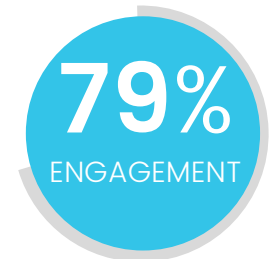
OUTSTANDING
Community Reinvestment Act rating
for **25 years**¹

2021 Engagement & Enablement²

Consistently scoring above the U.S. High Performance and U.S. Financial Services norms for engagement, enablement and effectiveness



vs. 71% U.S. High Performing Norm



vs. 70% U.S. High Performing Norm

¹Federal Reserve Bank and Office of the Comptroller of the Currency

²The Korn Ferry Hay Group – 2021 survey results

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Robust ESG framework, including board oversight and a cross-functional ESG management committee – continued enhancements to our program and reporting.

The annual ESG report assesses our impact in several key areas:

- Environmental sustainability
- Customer, team member and community engagement
- Corporate governance, including information security and code of ethics



[2021 ESG Report](#) is available on commercebank.com and investor.commercebank.com

OUR COMMITMENT TO DIVERSITY, EQUITY AND INCLUSION

Our longstanding approach of “doing what’s right” continues to guide our focus on our team members, customers and communities



A Blue Chip initiative centered on improving **Diversity, Equity and Inclusion** in and around Commerce.

We will build on years of forward progress to advance our efforts against each pillar.



Customer

Deeper focus on growing a diverse customer base



Community

Investing, both financially and with our time, in our communities



Supplier

Improve the diversity of our suppliers and spend



Internal

Enhance internal talent mobility and external recruiting practices to increase the diversity of our teams and leaders

A culture that celebrates inclusion and diversity
Commerce offers a variety of internal resource groups, mentoring programs and networking opportunities



EMERGE

Connecting young professionals
600+ members



RISE

Empowering women
1,250+ members



Engaging LGBTQIA+ community
450+ members



VIBE

Valuing multi-cultural perspectives
450+ members



RECENT RECOGNITION

© 2022 FORBES MEDIA, L.L.C. USED WITH PERMISSION



Forbes
**Best Banks
in America**
13th consecutive
year



Forbes
**Best Banks
in Each
State:
Missouri**

© 2022 FORBES MEDIA, L.L.C. USED WITH PERMISSION



Forbes
**America's
Best Midsize
Employers**
5th consecutive
year



Forbes
**World's
Best Banks**
4th consecutive
year



Global Finance
**Best U.S.
Regional Bank
in the Midwest**
The Private Bank
at Commerce
Trust Company



*Human Rights
Campaign*
**Corporate
Equality Index
score of 90**

FOCUSING ON OUR CUSTOMERS



America's Best Banks 2022

Best Customer Service


Commerce Bank named to *Newsweek's* America's Best Banks for **Best Customer Service** for the **2nd consecutive year**.


Newsweek's ranking of financial institutions that **best serve their customers' needs** in today's challenging times.


Assessed >2,600 U.S. banks and their savings and checking account offerings, based on more than 50 factors to find a best-in-class bank in 26 categories.

Despite the lingering uncertainties of the pandemic, Commerce's **customer service is a constant that customers can rely on.**

This award recognizes banks with the **fewest problems** reported to the CFPB, a **timely response rate**, a **helpful mobile app**, and a **variety of dedicated customer service lines.**

 Commerce Bank App Rating

 4.7 ★★★★★

 4.7 ★★★★★

CORE BANKING SYSTEM TRANSFORMATION

REASONS FOR TRANSFORMATION:

- Core Banking Systems were at end of life
- Vendor no longer selling solution
- Solution inhibits delivery of new products
- Technology was 25+ years old and resources are scarce

GUIDING PRINCIPLES FOR TRANSFORMATION:

- Improve business capabilities
- Adapt business processes to align with new platform
- Ensure platform extends capabilities and functionality on supportable technology
- Reduce Product Development Cycle Time

OUR PARTNER:



TEMENOS

A global leader in providing banking solutions, leads the industry in R&D investments.

- Consistently reinvests 20% of revenues into R&D, the highest in banking software.
- \$2.5B cumulative R&D investment from 1990–2018.
- Track record of innovation.

Consistently ranked as a leader in banking software by IT research firms such as U.S.-based Gartner and Forrester and U.K.-based IBS Intelligence.



700+ Team Members



900,000 + Project Hours



350+ Interfaces

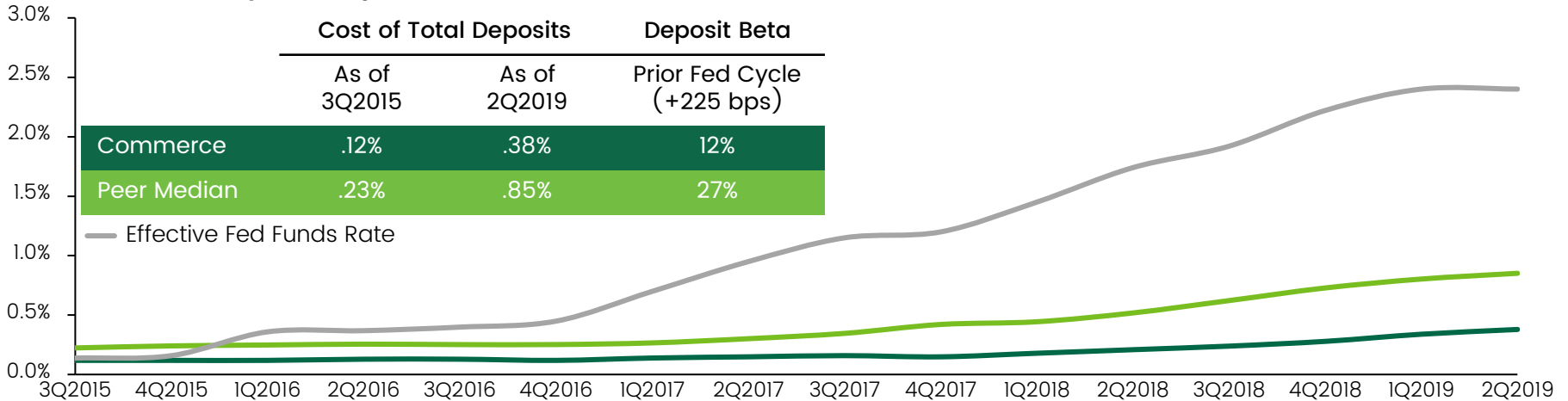
Implemented January 2022



WELL-POSITIONED FOR A RISING RATE ENVIRONMENT

WELL-POSITIONED FOR HIGHER RATES

Previous Cycle Deposit Beta

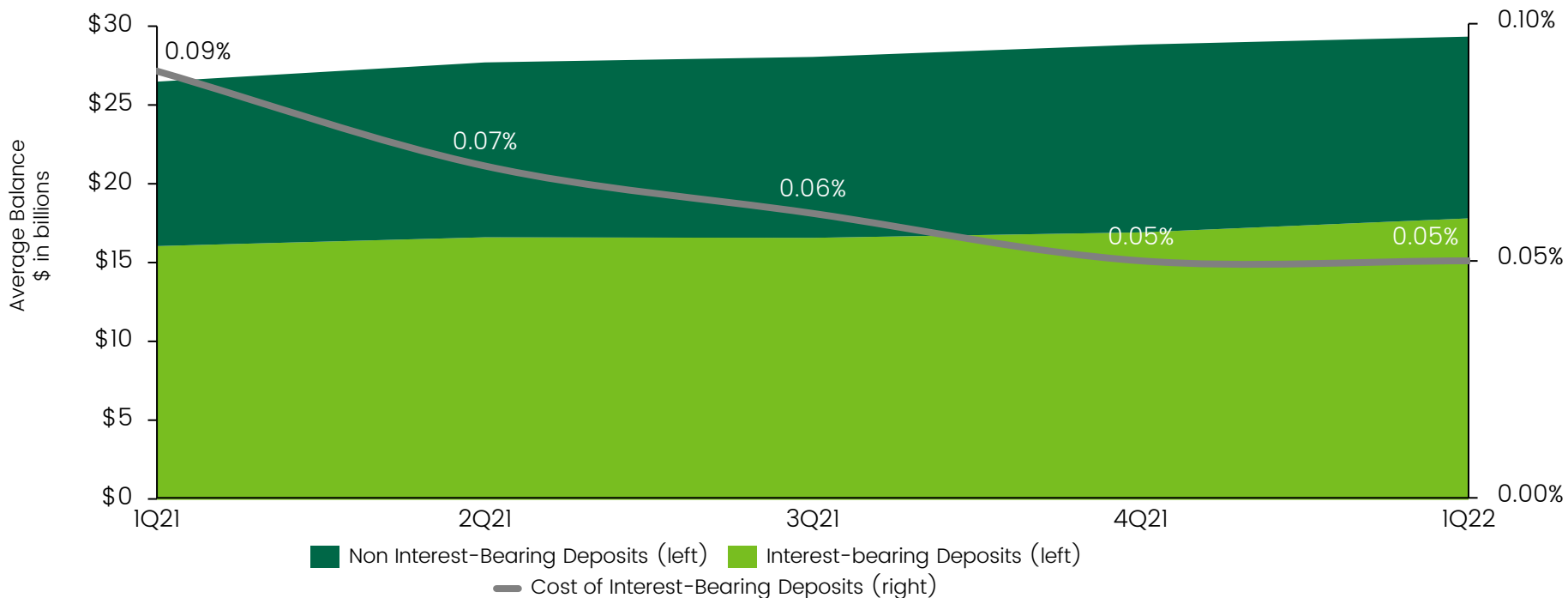


Opportunities to enhance NII in a rising rate environment.

- As of December 31, 2021, 53% of loans were variable rate, (62% commercial, 37% consumer).
- Investment securities portfolio duration of 3.6 years as of March 31, 2022.
- Cash flows from maturities and paydowns of securities of \$3.1B over the next twelve months.
- 100 bps of gradual rate hikes adds \$12.9MM - \$31.5MM of NII over 12 months.
- Large core deposit base and historically low betas.
- Large cash balance well-positioned as rates rise.

BALANCE SHEET: LOW-COST DEPOSITS

- 39% of Q1 average deposits were non-interest bearing.
- Cost of interest-bearing deposits remains low.



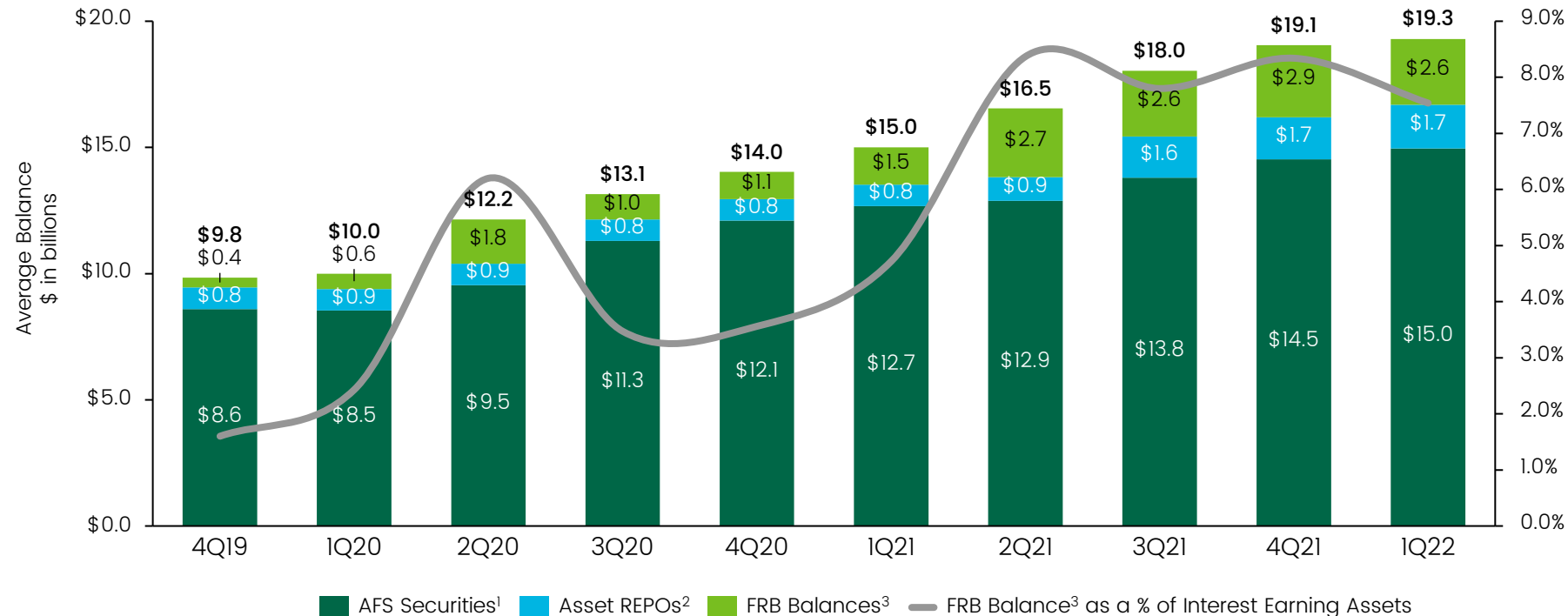
EARNING ASSET OPTIMIZATION

EXCLUDING LOANS

Prudently deploying excess deposits into higher-yielding assets

1Q 2022 Period-end
FRB³ balance

\$1.3 Billion



¹Available for Sale (AFS) securities are reported at fair value

²Asset REPOs defined as Securities purchased under agreements to resell

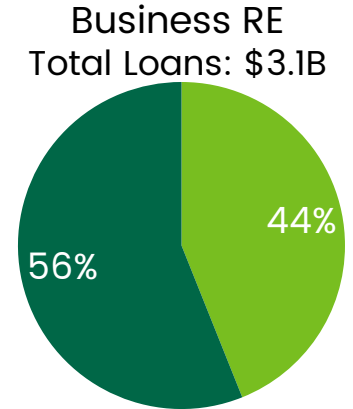
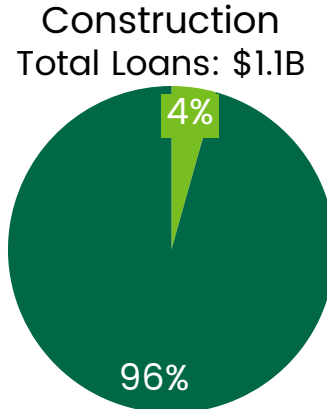
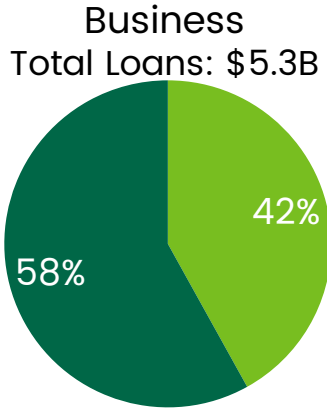
³Interest earning deposits at Federal Reserve Bank

SUMMARY OF FIXED & FLOATING LOANS

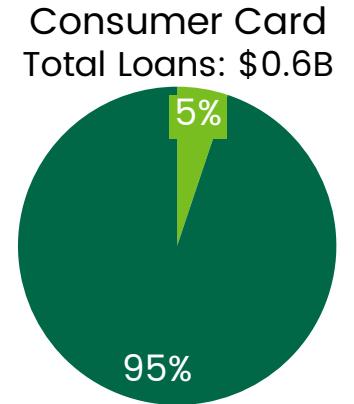
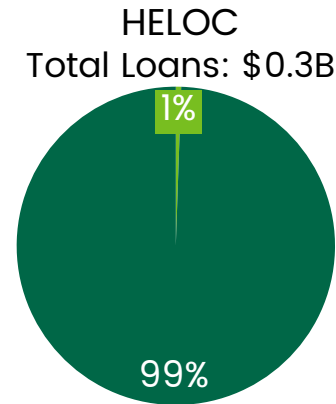
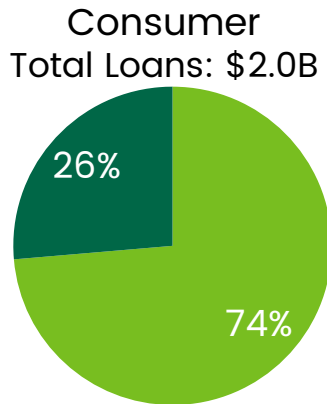
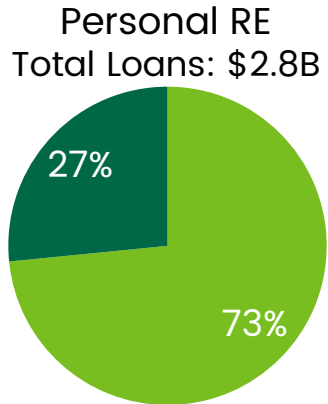
Over 50% of total loans are variable; 62% of commercial loans have floating rates



Commercial

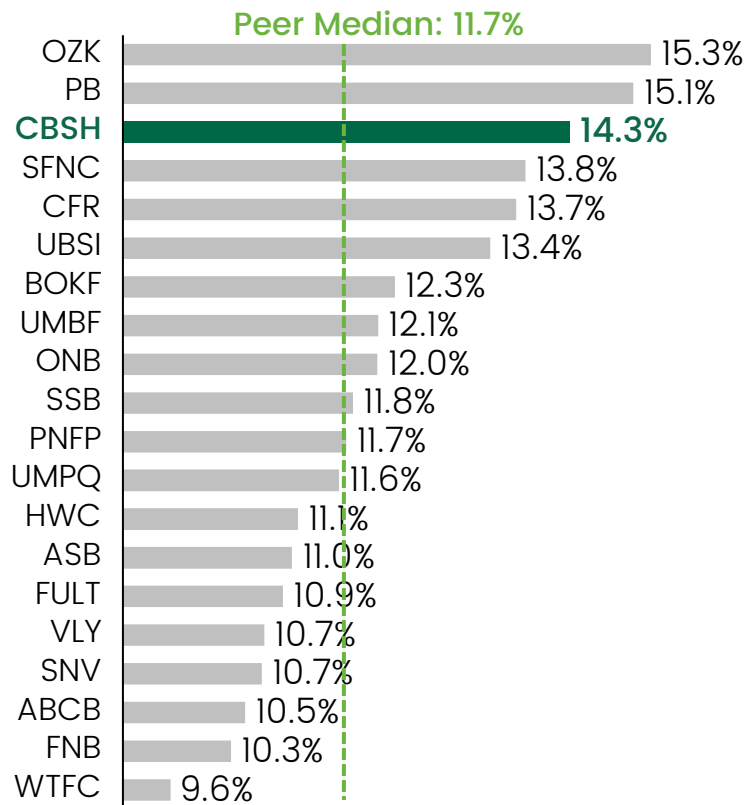


Consumer



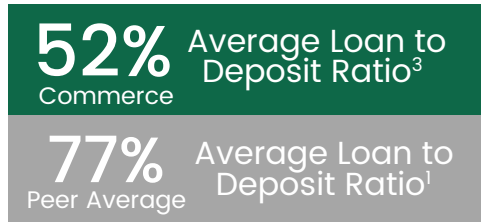
SOUND CAPITAL AND LIQUIDITY POSITION

Tier 1 Risk-Based Capital Ratio¹

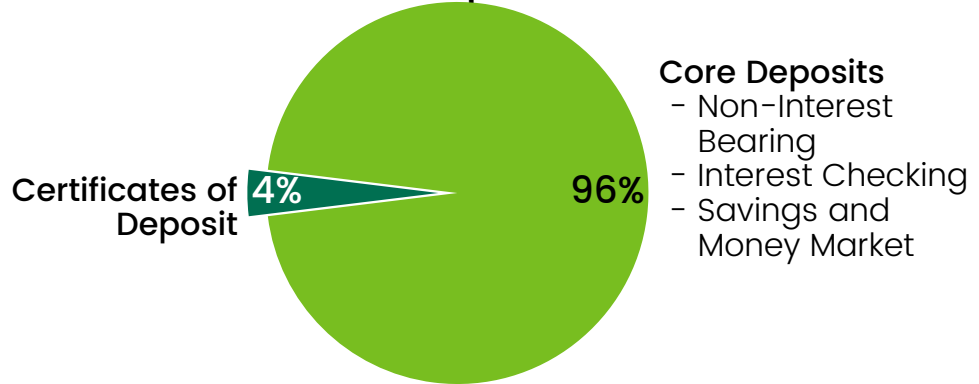


Loan to Deposit Ratio

Large, stable deposit base



Total Deposits



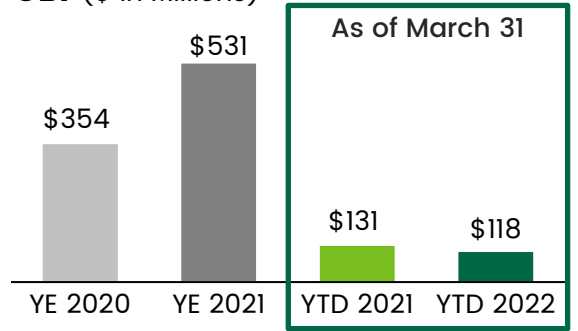
¹S&P Global Market Intelligence, Information as of December 31, 2021
²Period-end balances, as of March 31, 2022
³Includes loans held for sale, for the quarter ended March 31, 2022

FINANCIAL RESULTS

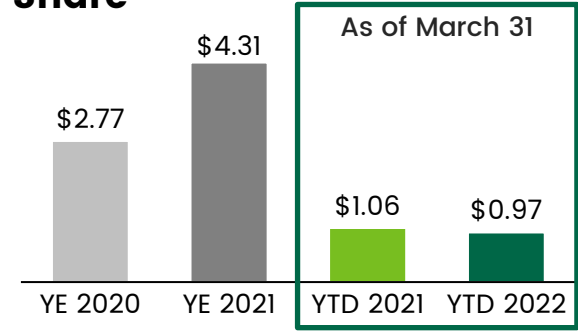
1Q2022

FINANCIAL PERFORMANCE VS. PRIOR YEARS

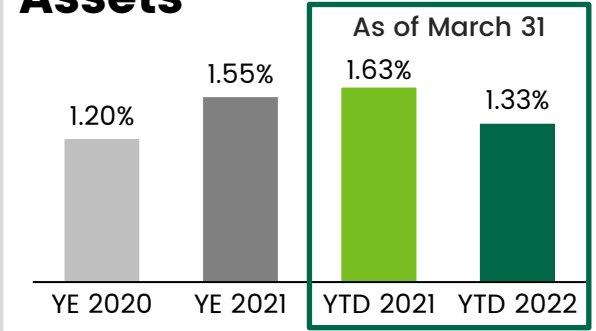
Net Income Attributable to CBI (\$ in Millions)



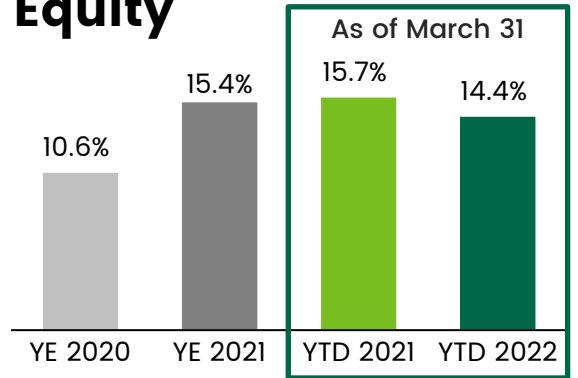
Earnings per Common Share



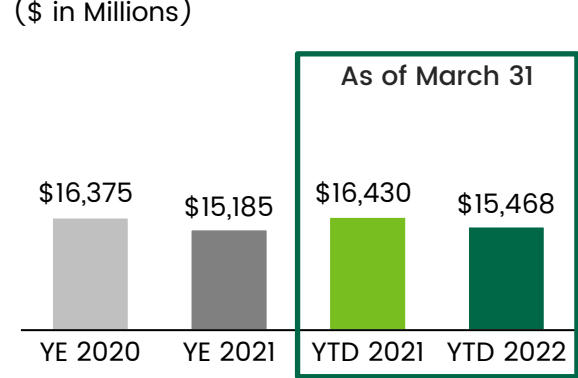
Return on Total Average Assets



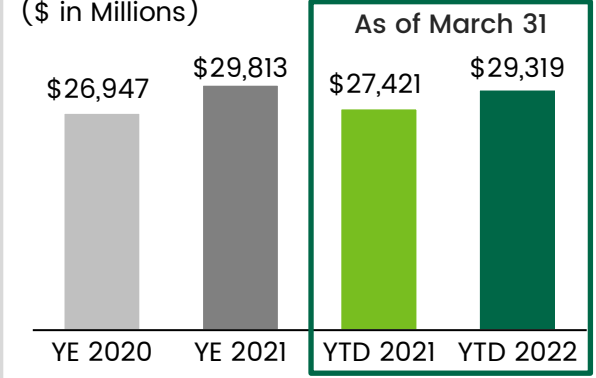
Return on Average Common Equity



Period End Loans (\$ in Millions)



Period End Deposits (\$ in Millions)



1Q2022 EARNINGS HIGHLIGHTS

Highlights

PPNR¹
\$134.9 million

Net Income
\$118.2 million

EPS
\$0.97

ROAA
1.33%

ROACE
14.41%

Efficiency Ratio
60.29%

Well-positioned for growth

- Net interest income increased .5% over Q4.
- Net interest margin increased 2 bps over Q4 to 2.45%.
- Non-interest income to total revenue of 38.7%.
- Wealth management client assets of \$65.8 billion at March 31, 2022.
- Non-interest expense increased \$2.1 million over Q4.
- QTD average loans (excl. PPP) up 1.8% over Q4. Period ending loans (excl. PPP) up 2.4% over Q4.
- QTD average deposits increased \$501.8 million over Q4.
- Net charge-offs to total average loans of .12% and non-accrual loans to total loans of .05%.
- Tangible common equity to tangible assets of 8.09%.

¹ See the non-GAAP reconciliation on page 52

BALANCE SHEET HIGHLIGHTS

Quarterly Average Balances \$ in millions	Change vs.			Highlights
	1Q22	4Q21	1Q21	
Commercial ¹	\$9,554.1	↑ \$130.6	↓ \$(1,093.7)	<ul style="list-style-type: none"> Linked quarter (LQ) reflects lower PPP loans (-132MM) offset by higher seasonal business, construction and business real estate
Consumer	5,669.1	↓ (0.5)	↓ (16.0)	
Total Loans	\$15,223.2	↑ \$130.1	↓ \$(1,109.8)	
Investment Securities	\$15,361.5	↑ \$674.7	↑ \$2,781.9	<ul style="list-style-type: none"> LQ increase mainly due to growth in asset-backed securities
Interest Earning Deposits with Banks	\$2,608.0	↓ \$(249.0)	↑ \$1,127.7	<ul style="list-style-type: none"> Prudently deploying excess deposits into higher-yielding assets
Deposits	\$29,349.6	↑ \$501.8	↑ \$2,860.4	<ul style="list-style-type: none"> 1.7% LQ growth, 10.8% growth over prior year (PY)
Book Value per Common Share ²	\$24.60	↓ \$(3.80)	↓ \$(2.39)	<ul style="list-style-type: none"> AOCI impact from higher interest rates

¹ PPP QTD average balances were \$86.9 million and \$218.9 million as of March 31, 2022 and December 31, 2021, respectively

² For the quarters ended March 31, 2022, December 31, 2021, and March 31, 2021

BALANCE SHEET

Loans

QTD Average Balances
\$ billions



■ Consumer Loans — Loan Yield
■ Commercial Loans

Deposits

QTD Average Balances
\$ billions



■ Non-Interest Bearing — Interest Bearing Deposit Yield
■ Interest Bearing Deposit

LOAN PORTFOLIO

Period-End Balances

QTD Average Balances

\$ in 000s	3/31/2022	12/31/2021	3/31/2021	QoQ	YoY	\$ in 000s	3/31/2022	12/31/2021	3/31/2021	QoQ	YoY
Business	\$5,508,508	\$5,303,535	\$6,624,209	3.9%	-16.8%	Business	\$5,324,172	\$5,191,844	\$6,532,921	2.5%	-18.5%
<i>Business excl. PPP</i>	<i>5,455,089</i>	<i>5,174,372</i>	<i>5,197,349</i>	<i>5.4%</i>	<i>5.0%</i>	<i>Business excl. PPP</i>	<i>5,237,235</i>	<i>4,972,934</i>	<i>5,158,943</i>	<i>5.3%</i>	<i>1.5%</i>
Construction	1,144,411	1,118,266	1,073,036	2.3%	6.7%	Construction	1,134,902	1,228,237	1,091,969	-7.6%	3.9%
Business Real Estate	3,109,668	3,058,837	3,017,242	1.7%	3.1%	Business Real Estate	3,095,068	3,003,459	3,022,979	3.1%	2.4%
Personal Real Estate	2,820,076	2,805,401	2,828,418	.5%	-.3%	Personal Real Estate	2,808,980	2,785,095	2,826,112	.9%	-.6%
Consumer	2,053,160	2,032,225	1,966,833	1.0%	4.4%	Consumer	2,040,200	2,043,690	1,947,322	-.2%	4.8%
Revolving Home Equity	264,401	275,945	285,261	-4.2%	-7.3%	Revolving Home Equity	273,859	276,464	299,371	-.9%	-8.5%
Consumer Credit Card	544,579	575,410	593,833	-5.4%	-8.3%	Consumer Credit Card	540,844	559,429	608,747	-3.3%	-11.2%
Overdrafts	14,211	6,740	3,239	110.8%	338.7%	Overdrafts	5,178	4,926	3,546	5.1%	46.0%
Total Loans	\$15,459,014	\$15,176,359	\$16,392,071	1.9%	-5.7%	Total Loans	\$15,223,203	\$15,093,144	\$16,332,967	0.9%	-6.8%
PPP ¹	53,419	129,163	1,426,860	-58.6%	-96.3%	PPP ¹	86,937	218,910	1,373,978	-60.3%	-93.7%
Total Loans excl. PPP	\$15,405,595	\$15,047,196	\$14,965,211	2.4%	2.9%	Total Loans excl. PPP	\$15,136,266	\$14,874,234	\$14,958,989	1.8%	1.2%

¹Paycheck protection program (PPP) loans are included in the business loan category

INCOME STATEMENT HIGHLIGHTS

\$ in millions	1Q22	Change vs.		1Q21	Highlights	
		4Q21				
Net Interest Income	\$208.8	↑	\$1.1	↑	\$3.0	<ul style="list-style-type: none"> Linked quarter (LQ) increase due to higher income earned on investment securities, partially offset by lower income earned on loans and securities purchased under agreements to resell
Non-Interest Income	\$131.8	↓	\$(15.9)	↓	\$(4.3)	<ul style="list-style-type: none"> See page 29
Non-Interest Expense	\$205.6	↑	\$2.1	↑	\$13.1	<ul style="list-style-type: none"> See page 30
Pre-Tax, Pre-Provision Net Revenue ¹	\$134.9	↓	\$(16.9)	↓	\$(14.3)	
Investment Securities Gains, Net	\$7.2	↑	\$16.9	↓	\$(2.7)	<ul style="list-style-type: none"> 1Q22 included net fair value gains of \$7.5 million on the private equity investment portfolio
Provision for Credit Losses	\$(9.9)	↓	\$(2.8)	↓	\$(3.6)	<ul style="list-style-type: none"> Decrease compared to the prior year (PY) reflects lower net loan charge-offs of \$5.3 million
Net-Income Available to Common Shareholders	\$118.2	↑	\$3.2	↓	\$(12.8)	
For the three months ended	1Q22		4Q21		1Q21	
Net Income per Common Share – Diluted	\$.97	↑	\$.94	↓	\$1.06	
Net Yield on Interest Earning Assets	2.45%	↑	2.43%	↓	2.71%	<ul style="list-style-type: none"> Higher rates and repositioning of earning assets supported quarterly margin expansion

¹ See the non-GAAP reconciliation on page 52

NON-INTEREST INCOME HIGHLIGHTS

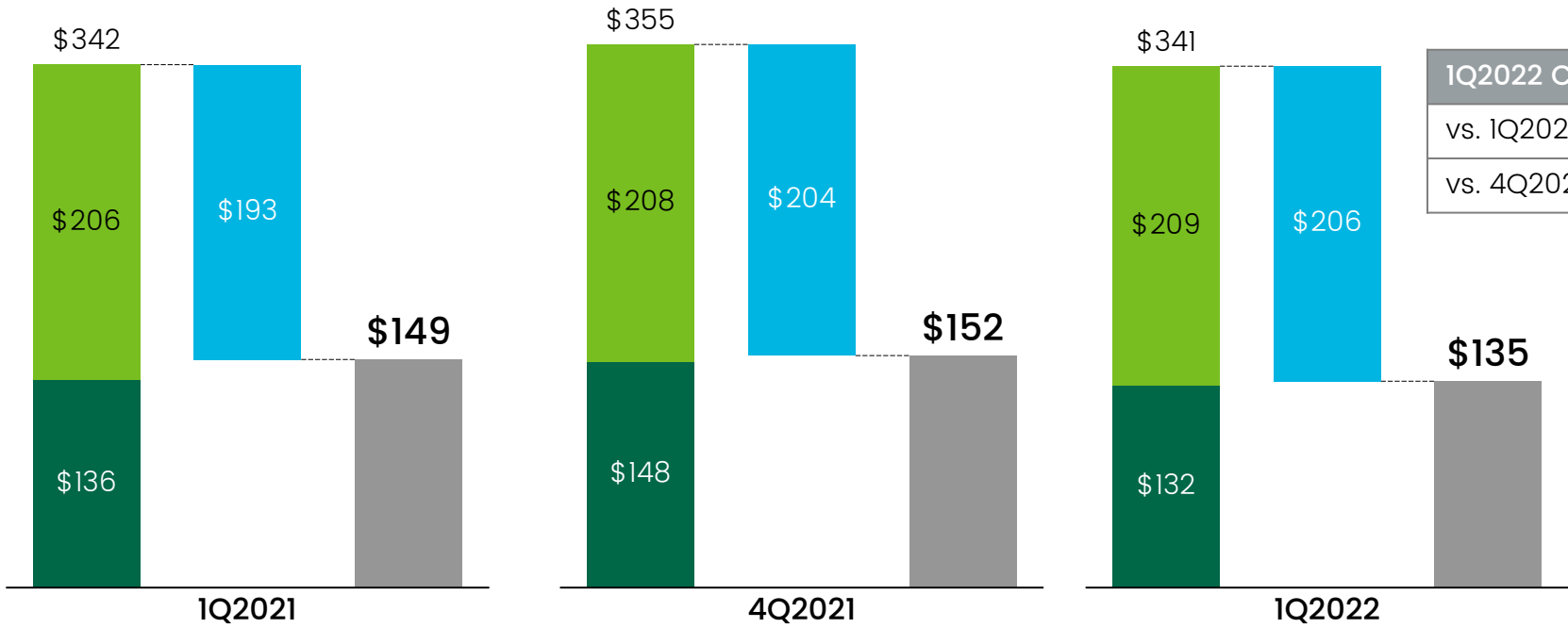
\$ in millions	1Q22	Change vs.		1Q21	Highlights	
		4Q21				
Bank Card Transaction Fees	\$42.0	↓	\$(2.7)	↑	\$4.4	<ul style="list-style-type: none"> Increase of 11.5% over prior year (PY) driven by growth in net corporate card fees
Trust Fees	\$47.8	↓	\$(1.1)	↑	\$3.7	<ul style="list-style-type: none"> Increase of 8.3% over PY resulting mostly from higher private client fee income Decrease from linked quarter (LQ) was mainly attributable to seasonal fees in 1Q22
Deposit Account Charges and Other Fees	\$22.3	↓	\$(3.2)	↓	\$(.3)	<ul style="list-style-type: none"> Decrease of 1.2% from PY was mostly attributable to fees waived in connection with the core deposit system implementation in 1Q22
Capital Market Fees	\$4.1	↑	\$.3	↓	\$(.9)	
Consumer Brokerage Services	\$4.4	↓	\$(.4)	↑	\$.4	
Loan Fees and Sales	\$4.2	↓	\$(1.0)	↓	\$(5.9)	<ul style="list-style-type: none"> Declined mostly in mortgage banking revenue, which was down 70.7% from PY
Other	\$6.8	↓	\$(7.8)	↓	\$(5.6)	<ul style="list-style-type: none"> Decrease from PY mainly due to a \$2.4 million gain on the sale of a branch recorded last year, a \$1 million write-down on a branch this quarter, a decline in swap fees and cash sweep commissions (\$1 million) and a -\$1.9 million deferred compensation adjustment
Total Non-Interest Income	\$131.8	↓	\$(15.9)	↓	\$(4.3)	

NON-INTEREST EXPENSE HIGHLIGHTS

\$ in millions	1Q22	Change vs.		1Q21	Highlights	
		4Q21				
Salaries and Employee Benefits	\$136.0	↑	\$3.3	↑	\$6.9	<ul style="list-style-type: none"> Increase of 5.4% over prior year (PY) mostly due to higher full-time salaries
Net Occupancy	\$12.3		—	↑	\$.3	
Equipment	\$4.6	↓	\$ (.1)	↑	\$.2	
Supplies	\$4.7	↑	\$.3	↑	\$.6	
Data Processing and Software	\$27.0	↑	\$1.2	↑	\$1.6	<ul style="list-style-type: none"> Increase of 6.1% over PY due to higher software amortization, bank card processing fees and an increase in costs for service providers
Marketing	\$6.3	↑	\$.9	↑	\$1.2	<ul style="list-style-type: none"> Increase of 23% over PY reflects expansion of marketing efforts post pandemic
Other	\$14.8	↓	\$ (3.6)	↑	\$2.3	<ul style="list-style-type: none"> Increase of 18.8% over PY mainly due to an increase of \$1.1 million in travel and entertainment expense and lower deferred origination costs of \$1.1 million, partially offset by a \$1.9 million deferred compensation adjustment
Total Non-Interest Expense	\$205.6	↑	\$2.1	↑	\$13.1	

PRE-TAX, PRE-PROVISION NET REVENUE (PPNR)

- Net Interest Income (+)
- Non-Interest Income (+)
- Non-Interest Expense (-)
- Pre-Tax, Pre-Provision Net Revenue (=)

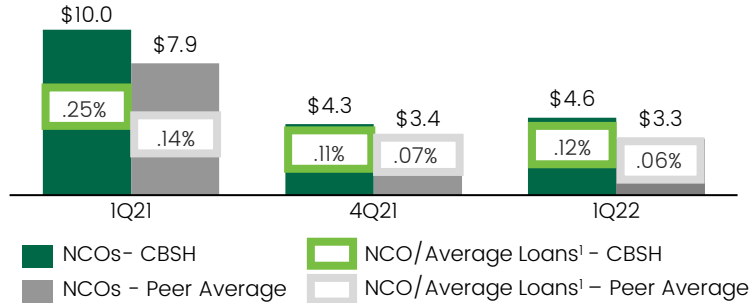


1Q2022 Comparison	
vs. 1Q2021	(11.1%)
vs. 4Q2021	(9.6%)

MAINTAINING STRONG CREDIT QUALITY

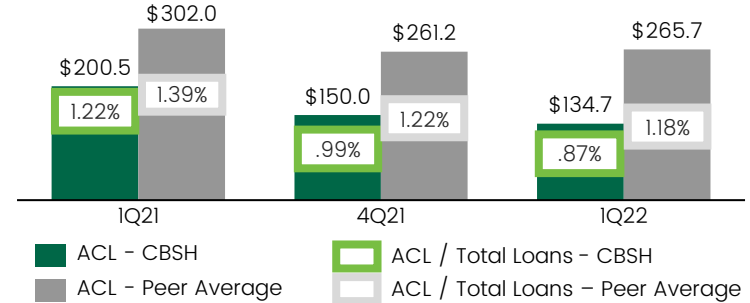
Net Loan Charge-Offs (NCOs)

\$ in millions



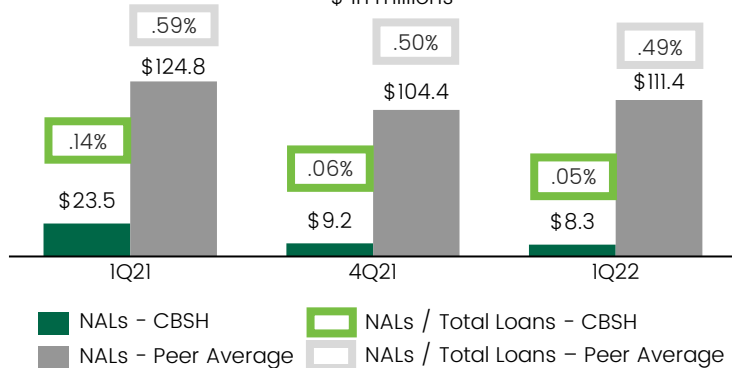
Allowance for Credit Losses on Loans (ACL)

\$ in millions

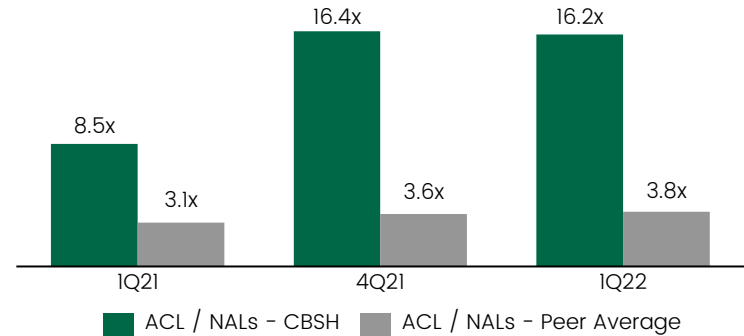


Non-Accrual Loans (NALs)

\$ in millions



Allowance for Credit Losses on Loans (ACL) to NALs



Percentages are illustrative and not to scale; Peer Banks include: ABCB, ASB, BOKF, CFR, FNB, FULT, HWC, ONB, OZK, PB, PNFP, SFNC, SNV, SSB, UMBF, UMPQ, UBSI, VLY, WFTC

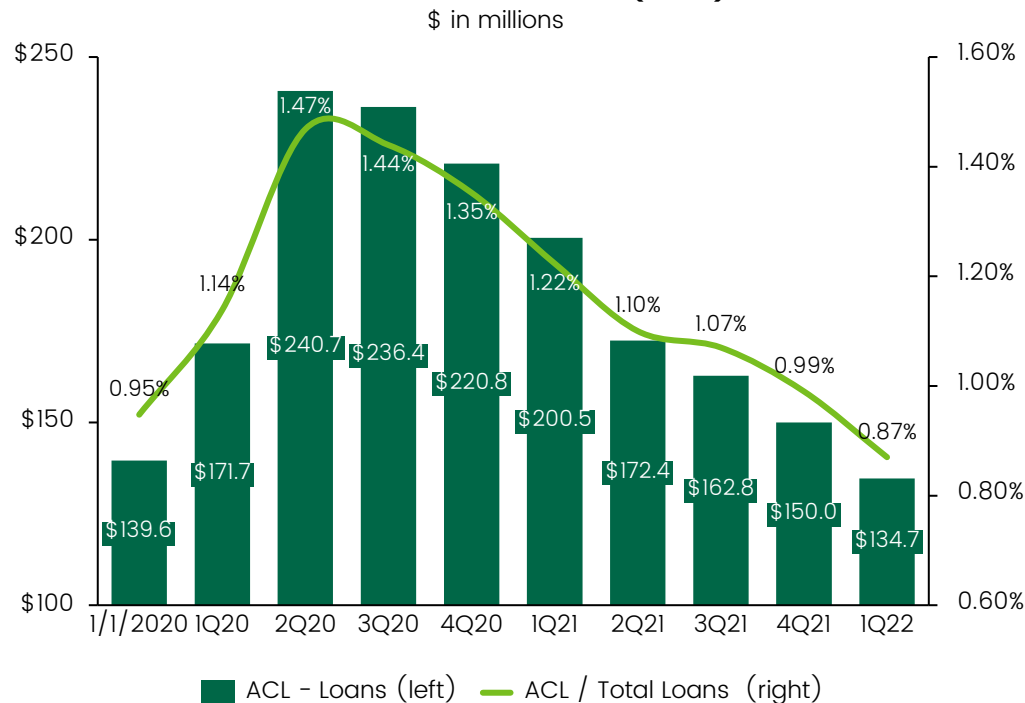
¹As a percentage of average loans (excluding loans held for sale)

ALLOCATION OF ALLOWANCE

CECL allowances reflect the economic and market outlook

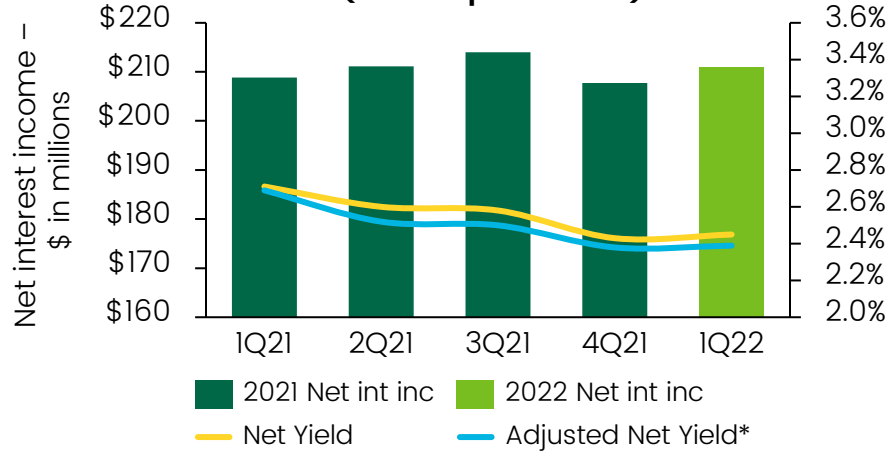
\$ in millions	December 31, 2021		March 31, 2022	
	Allowance for Credit Losses (ACL)	% of Outstanding Loans	Allowance for Credit Losses (ACL)	% of Outstanding Loans
Business	\$ 43.9	.83%	\$ 40.9	.74%
Bus R/E	30.7	1.00%	28.5	.92%
Construction	23.2	2.07%	25.4	2.22%
Commercial total	\$ 97.8	1.03%	\$ 94.8	.97%
Consumer	10.1	.50%	9.7	.47%
Consumer CC	35.5	6.16%	22.7	4.16%
Personal R/E	5.3	.19%	6.2	.22%
Revolving H/E	1.2	.44%	1.2	.47%
Overdrafts	.2	2.67%	.1	.53%
Consumer total	\$ 52.3	.92%	\$ 39.9	.70%
Allowance for credit losses on loans	\$ 150.0	.99%	\$ 134.7	.87%

Allowance for Credit Losses (ACL) on Loans



NET INTEREST INCOME: YTD – March 31, 2022

Quarterly Net Interest Income (Tax Equivalent)

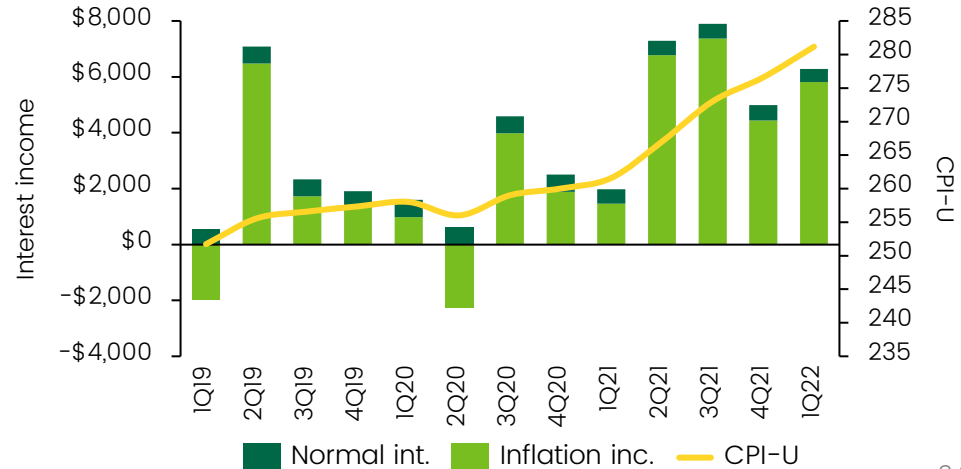


*Adjusted to exclude TIPs inflation income

- Net interest income (tax equivalent) increased \$969 thousand over the prior quarter.
- The net yield on interest earning assets increased 2 basis points compared to the previous quarter, mostly due higher rates and balances on AFS securities, partly offset by lower average rates earned on loans.

Tax equivalent - YTD	2021	2022	Change
Rates earned - assets	2.76 %	2.49 %	(0.27) %
Rates paid - liabilities	0.09 %	0.06 %	(0.03) %
Net yield - earning assets	2.71 %	2.45 %	(0.26) %

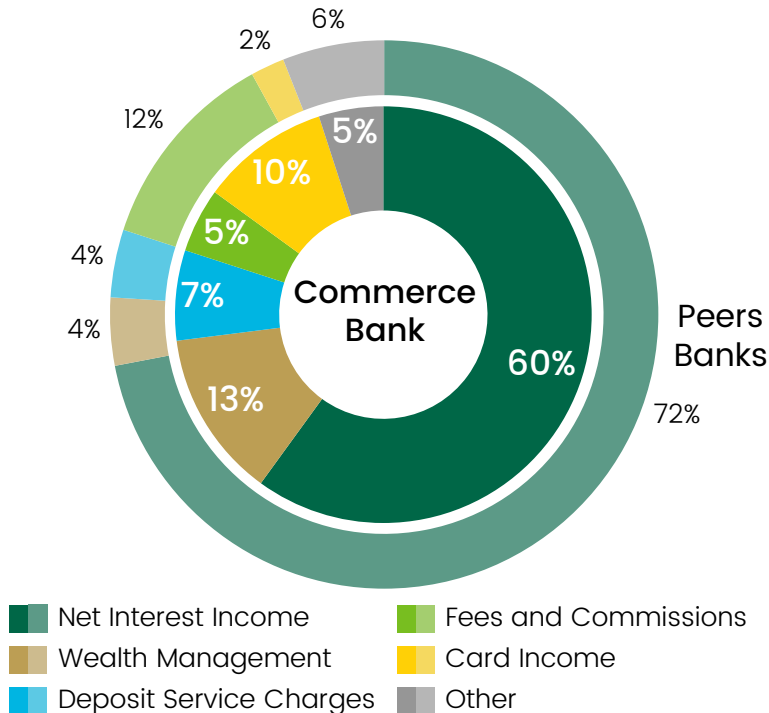
TIPs Interest - \$ in 000s



A FULL-SERVICE, DIVERSIFIED OPERATING MODEL

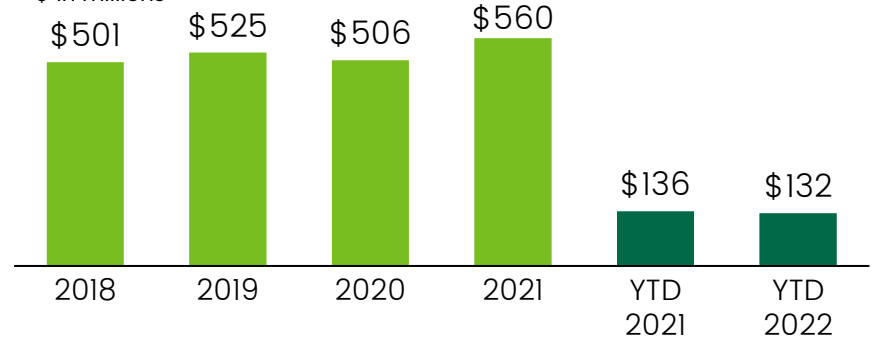
Card, Wealth & Deposit fees provide stable, growing revenue source

Revenue Source Diversification Compared to Peers¹



Non-Interest Income

\$ in millions



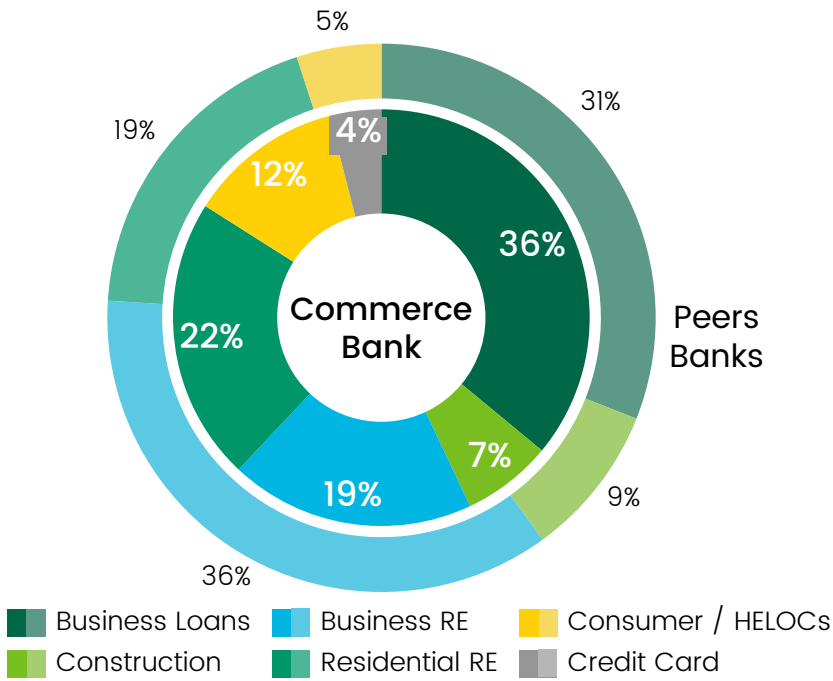
Continued focus on growing fee income through new and existing product and service offerings

- Prepaid Expense
- **RemitConnect**[®]
- Claims Payments
- Horizons
- Accounts Payable Automation
- Interest Rate Swaps
- **CommerceHealthcare**[®]
- Asset Management

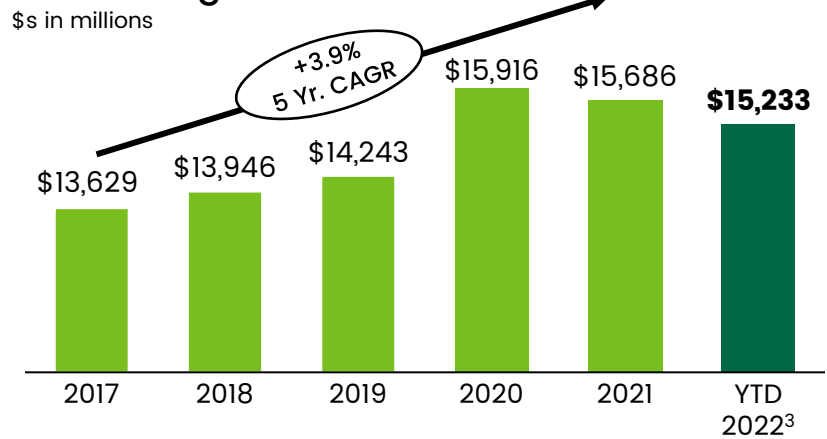
Peer Banks include: ABCB, ASB, BOKF, CFR, FNB, FULT, HWC, ONB, OZK, PB, PNFP, SFNC, SNV, SBB, UMBF, UMPQ, UBSI, VLY, WTFC
¹Source: S&P Global Market Intelligence as of December 31, 2021

WELL-DIVERSIFIED LOAN PORTFOLIO

Loan Portfolio Diversification Compared to Peers¹



YTD Average Loans²



2022 Loan Growth by Category

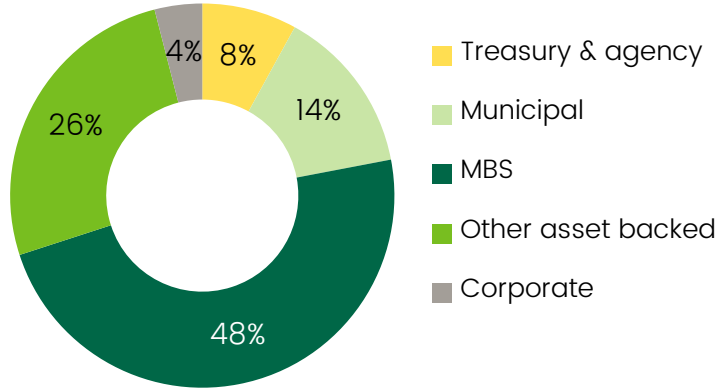
(Average loans Mar. 2022 vs. Dec. 2021)

Business/ lease/ tax-free	↑ \$132 million
Personal RE	↑ \$24 million
Business RE & construction	↓ \$2 million
Auto/ motorcycle/ other	↓ \$3 million
Consumer credit card	↓ \$19 million

Peer Banks include: ABCB, ASB, BOKF, CFR, FNB, FULT, HWC, ONB, OZK, PB, PNFP, SFNC, SNV, SBB, UMBF, UMPQ, UBSI, VLY, WTFB
¹Source: S&P Global Market Intelligence as of December 31, 2021; ²Includes loans held for sale, as of December 31, 2021 unless noted otherwise;
³YTD through March 31, 2022

HIGH QUALITY, HIGHLY LIQUID AND DIVERSE INVESTMENT PORTFOLIO

Composition of AFS Portfolio



QTD – March 31, 2022	Avg Rate	Duration (yrs)
Treasury & agency ¹	1.3%	2.9
Municipal	2.3% ²	5.0
MBS	2.0%	4.5
Other asset-backed	1.1%	1.7
Corporate	2.0%	4.0

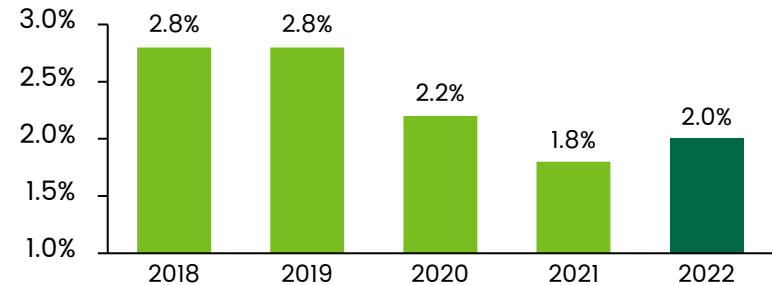
AFS Portfolio as of March 31, 2022

Total average investments ³	\$14.9 billion
Unrealized loss ³	\$174.3 million
12 month maturities / pay-downs	\$3.1 billion

Duration

December 2019	3.0 years
December 2020	3.3 years
December 2021	3.2 years
March 2022	3.6 years

YTD Tax Equivalent Rate – Investments

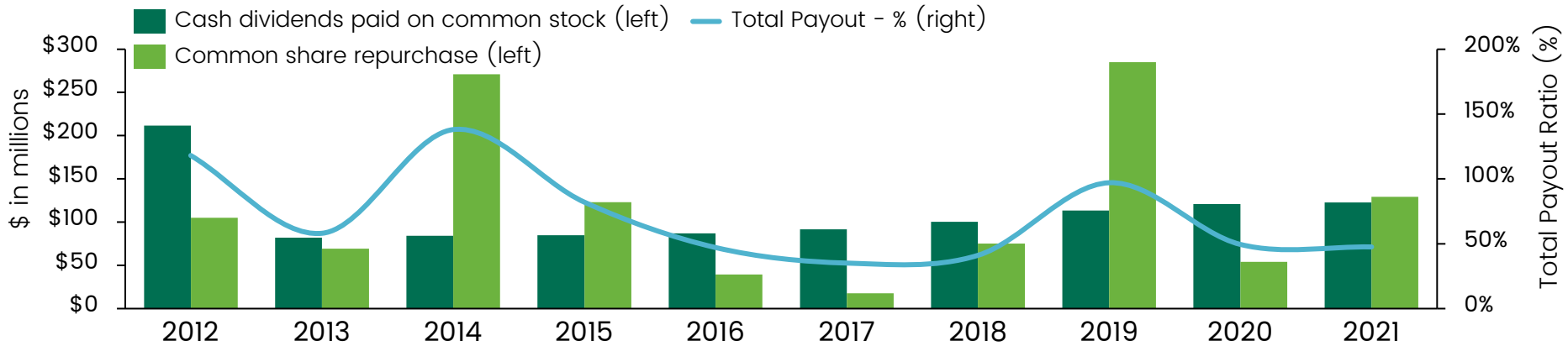


¹Excludes inflation effect on TIPs; ²Tax equivalent yield; ³QTD averages

STRONG CAPITAL POSITION – FLEXIBILITY IN CAPITAL PLANNING

54 consecutive years of regular common cash dividend increases¹

Capital Returned to Common Shareholders as a percentage of Net Income²



Capital Ratios – 3/31/2022	
Tier I common risk-based capital	13.9%
Tier I risk-based capital	13.9%
Total risk-based capital	14.6%

- Special cash dividend paid in 2012 totaled \$131 million.
- 2014 included \$200 million accelerated share repurchase in conjunction with preferred stock issuance.
- 2015 included a \$100 million accelerated share repurchase.
- 2019 included a \$150 million accelerated share repurchase.
- In 2020, all \$150 million of preferred equity was redeemed.
- Common cash dividends increased 10% in 2018, 16% in 2019, 9% in 2020, 2% in 2021 and 6% in 2022 (based on 1Q2022 declared dividend).

¹Based on 1st quarter 2022 declared dividend; ²Net Income is defined as Net Income Available to Common Shareholders

STRATEGIC POSITION

STRATEGIC POSTURE: MAINTAINING THE BALANCE

STRONG PERFORMANCE with ongoing refinement of the “Core Bank”

- Super-Community Bank platform
- Relationship-based banking
- High-touch customer service
- Full suite of product and service offerings
- Disciplined attention to risk return
- Divest in businesses & activities that no longer provide acceptable returns
- A highly engaged team
- Focus on profitability and shareholder return



Challenge Accepted.®

Disciplined focus on **PRIORITY BLUE CHIP** investments



- Diversity, Equity and Inclusion
- Enterprise Digital Strategy
- Maximize Value of Key Retail Clients
- Grow the Private Bank Through a New Transformative Model
- Accelerate Expansion Market Growth
- Develop Claims Payment
- Accelerate Growth in Healthcare
- Implement Transform 360



CBI BLUE CHIP: ENTERPRISE DIGITAL STRATEGY

- Creates a single Digital Strategy expanding across all segments of the bank
- Committed to delivering customer digital solutions rapidly
- Investing in systems and technology to drive efficiencies & provide an enhanced experience

OUR VISION

Transform the digital experience by staying current on digital trends and creating seamless digital ecosystems that **place Commerce Bank at the nexus of meeting customers' financial needs.**

WHY IT'S IMPORTANT

- Our current and potential customers' behaviors have changed, and **they expect more digital interactions**
- **Improved ability to leverage digital product development expertise** across the enterprise
- **Better positions us to remain competitive** with traditional and non-traditional competitors



anywhere,
any time.

UPGRADING THE CUSTOMER EXPERIENCE

Enhancing the Customer Experience

Engaging with customers through the channels they prefer.

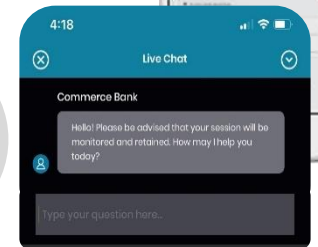
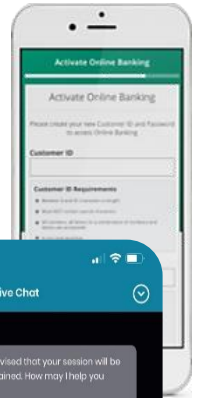
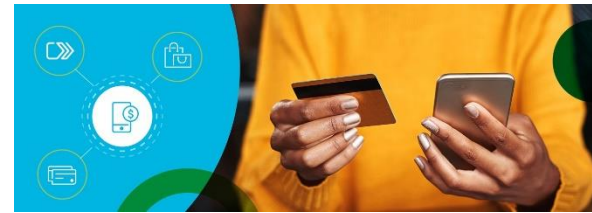
- Technology investments
- New engagement programs
- Enhanced product offerings
- Improved operating model



Consumer Digital

Evolving digital experiences to meet our customers' expectations.

- Enhanced the account opening process for new and existing customers
- Added self-service capabilities, including expanded password resets
- Launched live chat with support agents through online banking and the mobile app
- Mobile check deposit enhancements

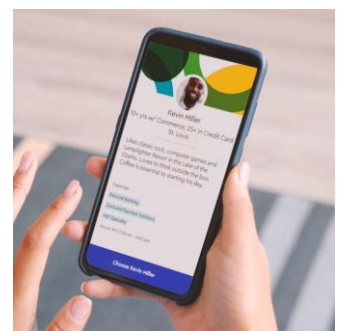


DISTINCTIVE DIGITAL OFFERINGS

Commerce Bank CONNECT® Mobile App

Personalized experience allowing customers to engage with a banker they choose, right from their smartphone

- First in the region to introduce this innovation, enabling high-touch service through a digital channel
- Secure platform for customers to interact directly with a real person – a banker they've chosen – who can provide personalized guidance and advice



Find a banker you'll click with.™

Commerce Bank Mortgage

An end-to-end, fully coordinated solution that allows the consumer to transact via web, phone, face-to-face, virtually or any combination – throughout the loan lifecycle, including servicing.

- Continue to enhance the digital mortgage platform
- Complete eClosing implementation for mortgage and home equity loans
- Continue to evolve and transform the sales process to align with changing customer behavior



Mortgage made simple.

Connect with a home of your own.

Commerce Bank Mortgage Concierge Team
Mortgage made simple. We've got this.

We understand time is of the essence when you're searching for a mortgage. That's why our Mortgage Concierge Team is here to help with all your home loan needs.

- 🕒 Ready to start your mortgage process with someone in person? We'll schedule an appointment with a mortgage banker.
- 🕒 Ready to apply right now? We can connect you with a mortgage banker to take your application.



CONSUMER BANKING SNAPSHOT



152 Full-service branches | **333** ATMs



Focus on Digital

Commerce Bank App Rating

4.7 ★★★★★

4.7 ★★★★★

Digital HH Penetration

64.6%

Digital Loan Sales (000s)

\$53,330

Mobile Deposit Use

25.7%

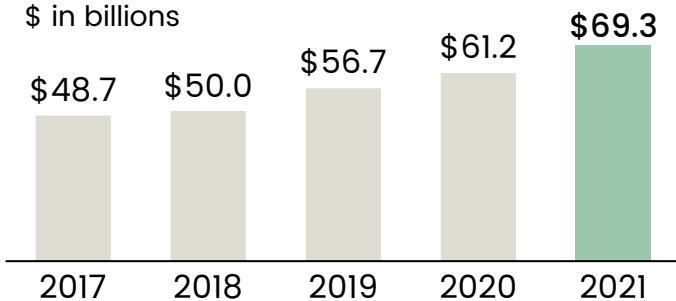
Period end balances. All information as of December 31, 2021
¹Only includes primary households, excludes Wealth segment
²Excludes loans from our Wealth segment and \$1.9 billion of personal real estate loans

For high-net-worth individuals who are looking to simplify their complex financial life, Commerce Trust Company provides a full-service approach to wealth management.



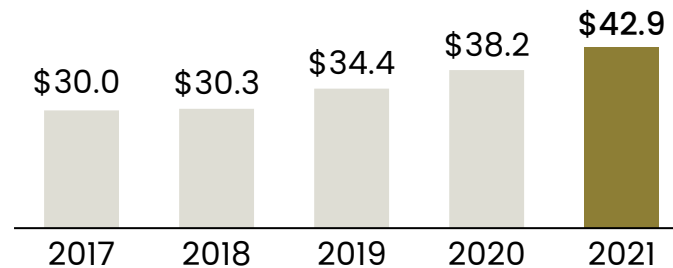
Total Client Assets²

\$ in billions



Assets Under Management

\$ in billions



Period end balances. Information as of December 31, 2021

¹S&P Global Market Intelligence ranking as of 12/31/2021, based on assets under management

²Assets under administration

Key Growth Initiatives

- Onboard a new, industry-leading private banking loan and deposit system
- Evaluate new wealth markets and acquisition targets
- Execute our integrated strategy to expand reach with affluent households
- Invest in our team with additional development and targeted recruiting
- Implement an enhanced sales and service process with our Client Relationship Management system
- Invest in digital capabilities to boost our clients' overall experience

Strengthening our Wealth Brands



COMMERCIAL BANKING

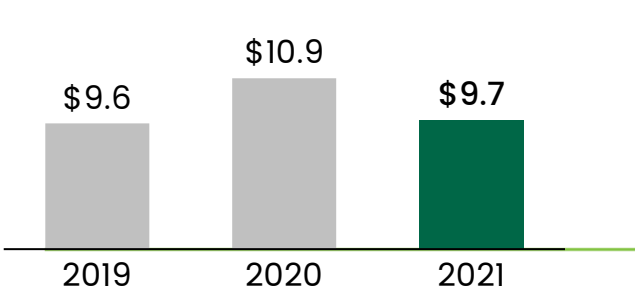
Revenue growth opportunities

Financing solutions and deposit capabilities customized for your business

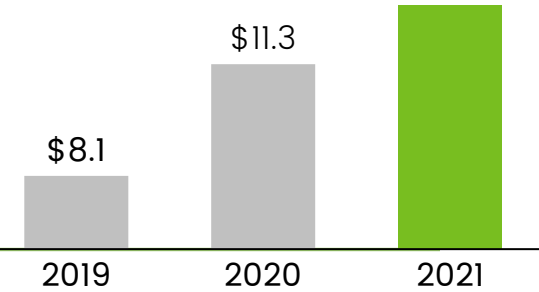
- Working Capital Line of Credit
- Term Loans
- Equipment Financing
- Leasing Solutions
- Commercial Real Estate
- ESOP Loans
- Acquisition Financing
- Tax-Exempt Bonds
- Full suite of cash management solutions
- Robust Card and Merchant acceptance
- Consultative approach to payments cycle reviews
- Specialized vertical expertise



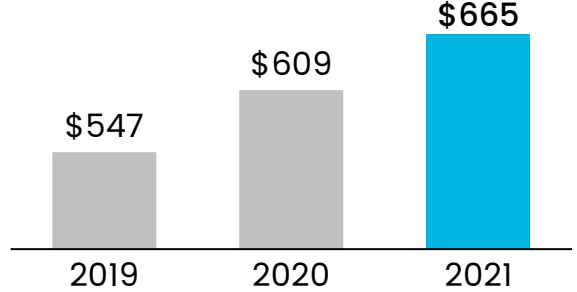
Commercial Loans
\$ in billions



Commercial Deposits
\$ in billions



Commercial Revenue
\$ in millions

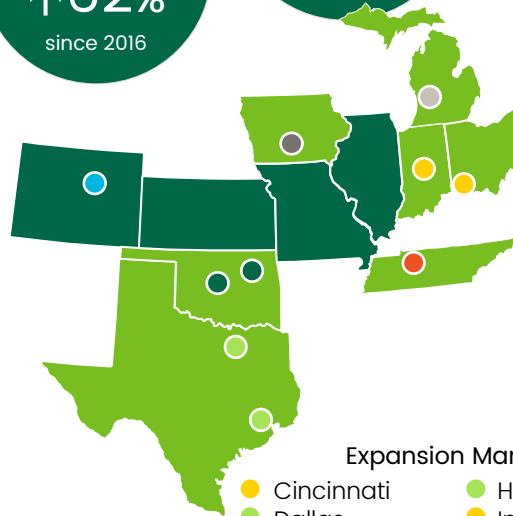
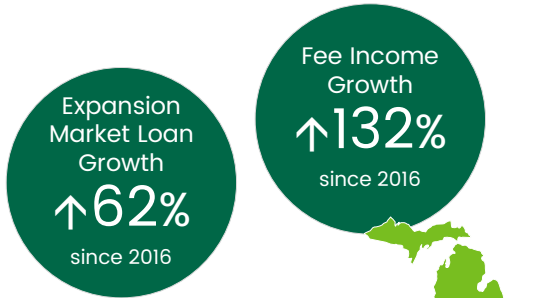
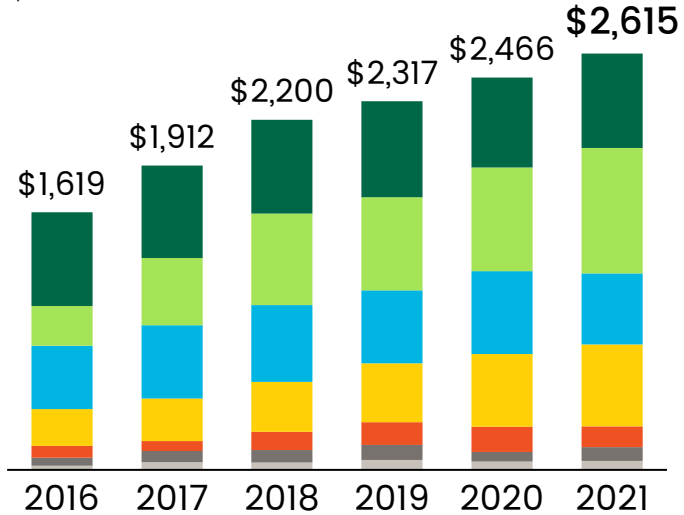


Commercial segment as of December 31, 2021

COMMERCIAL BANKING – EXPANSION MARKETS OFFER GROWTH OPPORTUNITIES

Expansion Market Loan Growth

\$ in millions



- Oklahoma
- Nashville
- Texas
- Des Moines
- Denver
- Grand Rapids
- Cincinnati & Indianapolis

Expansion Markets

- Cincinnati
- Houston
- Dallas
- Indianapolis
- Denver
- Nashville
- Des Moines
- Oklahoma City
- Grand Rapids
- Tulsa

Team Overview for Expansion Markets

of team members per market (includes open positions)

	2021
Oklahoma	47
Texas	35
Denver	45
Cincinnati/Indianapolis	12
Nashville	4
Des Moines	3
Grand Rapids	3

Period end balances as of December 31, 2021

INDUSTRY-LEADING COMMERCIAL PAYMENTS CAPABILITIES

Innovative payments solutions to manage payables and receivables to streamline cash flow

RECEIVABLES. PAYABLES. AUTOMATION.
URNS OUT COMMERCE IS WAY MORE THAN A BANK.

- Multiple revenue-generating payment types
- Full-service implementation
- Protection against fraud
- Ongoing enrollment
- 150 years strong

\$190
MILLION

Payments
Revenue

\$58
MILLION

Treasury
Management
Revenue

\$9.4
BILLION

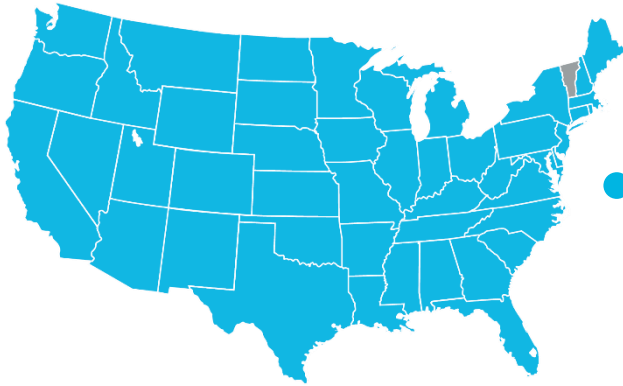
Commercial
Card
Volume

\$7.2
BILLION

Merchant
Volume

CommerceHealthcare[®]

➤ We don't just serve the healthcare industry. **It's our specialty.**



Partner to **3,000+** healthcare providers and **500+** hospitals in **47 states**



100+ entities and **over 42 million** in patient transactions annually

Patient Engagement Solutions

- Patient Financing
- Online Bill Pay
- Patient Refunds

Receivables Management Solutions

- Receivables Optimization
- Reconciliation Automation
- Healthcare Lockbox

Accounts Payable Solutions

- Virtual Card Revenue Share Program
- Supplemental Card Program

Traditional Banking Services

- Treasury Services
- Credit
- Days Cash Investment
- Institutional Trust Services



CARD PRODUCTS – A LEADER AMONG TOP 50 U.S. BANKS

Consistently ranked among the top issuers in the Nilson Report



A full suite of innovative card and payment product offerings

- Health Services Financing
- Claims Payments
- Multi Account Chip
- Co-Brand
- Prepaid Expense
- Credit Card Installment opportunity during purchase
- Contactless Visa® Debit Card Early adopter



¹Includes fleet cards
Source: Nilson Reports (Debit: April 2021; Consumer Card: February 2021; Prepaid: September 2021; Merchant: March 2021; Purchasing: May 2021; Commercial Card: May 2021), based on the top 50 U.S. banks ranked by total assets as of 12/31/2020, S&P Global Market Intelligence

NON-GAAP RECONCILIATIONS

Pre-tax, Pre-provision Net Revenue

		For The Three Months Ended		
		Mar. 31, 2022	Dec. 31, 2021	Mar. 31, 2021
(DOLLARS IN THOUSANDS)				
A	Net Interest Income	\$ 208,786	\$ 207,657	\$ 205,748
B	Non-Interest Income	\$ 131,769	\$ 147,699	\$ 136,045
C	Non-Interest Expense	\$ 205,648	\$ 203,582	\$ 192,573
Pre-Provision Net Revenue (A+B-C)		\$ 134,907	\$ 151,774	\$ 149,220

Investor Relations

Contact Information:

Matt Burkemper

Senior Vice President, Commerce Bank
Corporate Development and Investor Relations
314.746.7485
Matthew.Burkemper@commercebank.com

Commerce Bancshares, Inc. Investor Relations website:

<http://investor.commercebank.com/>

 **MOMENTUM: Innovation. Improvement. Growth.**