

Well-Positioned and Playing Offense

COMMERCE BANCSHARES, INC.

INVESTOR UPDATE

4th Quarter 2021

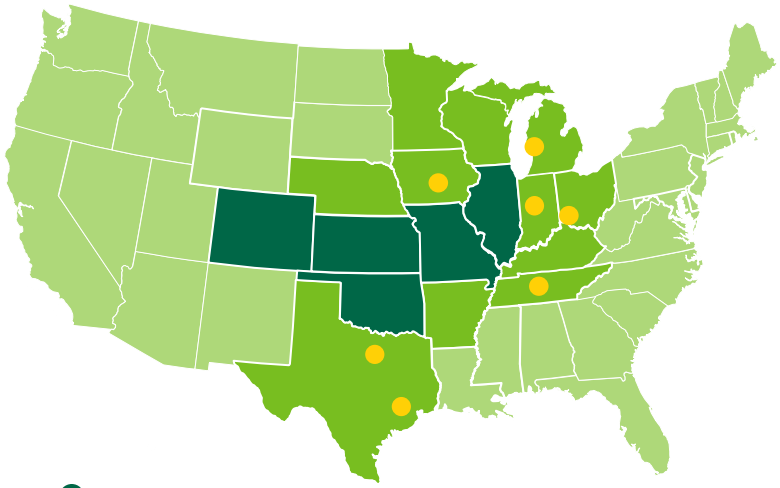
Commerce Bancshares, Inc.

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 2020 Annual Report on Form 10-K, 3RD Quarter 2021 Report on Form 10-Q and the Corporation's Current Reports on Form 8-K.

COMMERCE BANCSHARES

156 YEARS IN BUSINESS



FULL-SERVICE BANKING FOOTPRINT

152 full-service branches and 333 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.

$36.7 BILLION TOTAL ASSETS

41ST LARGEST U.S. BANK BASED ON ASSET SIZE[1]

$8.3 BILLION MARKET CAP

23RD LARGEST U.S. BANK BASED ON MARKET CAP[1]

$69.3 BILLION TOTAL TRUST ASSETS UNDER ADMINISTRATION

19TH LARGEST AMONG U.S. BANK-MANAGED TRUST COMPANIES BASED ON AUM[1]

14.3% TIER 1 RISK-BASED CAPITAL RATIO

6TH HIGHEST AMONG TOP 50 U.S. BANKS BASED ON ASSET SIZE[1]

$29.8 BILLION TOTAL DEPOSITS

$15.2 BILLION TOTAL LOANS[2]

$9.4 BILLION COMMERCIAL CARD VOLUME

12TH LARGEST COMMERCIAL CARD ISSUER[3]

15.4% RETURN ON AVERAGE COMMON EQUITY YTD

10TH YTD ROACE FOR THE TOP 50 U.S. BANKS BASED ON ASSET SIZE[1]

a1 BASELINE CREDIT ASSESSMENT[4]

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

Sources: [1]S&P Global Market Intelligence – Regulated U.S. depositories, which includes commercial banks, bank holding companies, and credit unions, rankings as of 9/30/2021; [2]Includes loans held for sale; [3]Nilson 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; [4]Moody's Credit Opinion – Commerce Bancshares, Inc., November 18, 2021, baseline Credit Assessment (BCA) reflects a bank's standalone credit strength; Company reports and filings information as of 12/31/2021 unless otherwise noted.

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 40% of total revenue in 2021, bolstered by growing wealth and national payments businesses

Commerce Trust Company™
Wealth | Investments | Planning®

CommercePayments®

Deposit Franchise

$28.8 billion in low-cost deposits[1] with peer-leading historical deposit betas

Continued Long-Term Investments

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

Consistent Earnings & Shareholder Value

Over 10% total annualized return to shareholders over the last 20 years, outperforming the annualized KBW Bank Index return of 5%

Capital Management

Strong capital ratios, 54th consecutive year of common dividend increases[2]

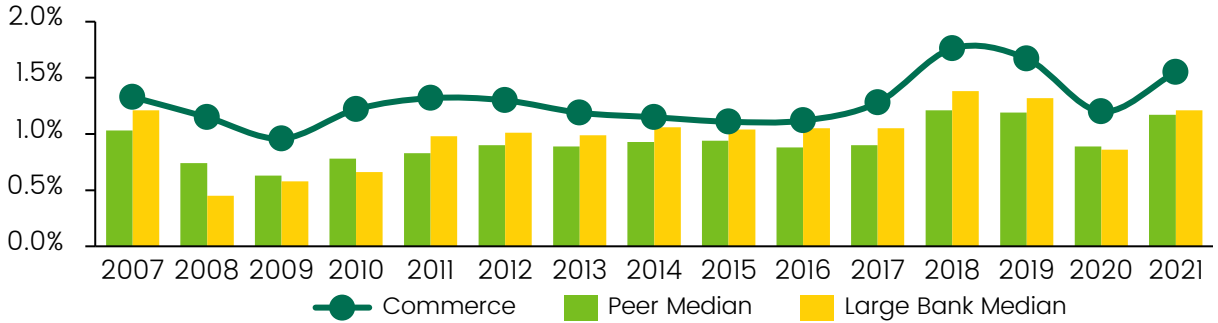
Credit Quality

Conservative risk profile drives outperformance across credit cycles

[1]Excludes certificates of deposit greater than $100,000
[2]Based on 1Q2022 declared dividend

COMMERCE BANK MAINTAINS SOLID PERFORMANCE OVER TIME

Return on Average Assets

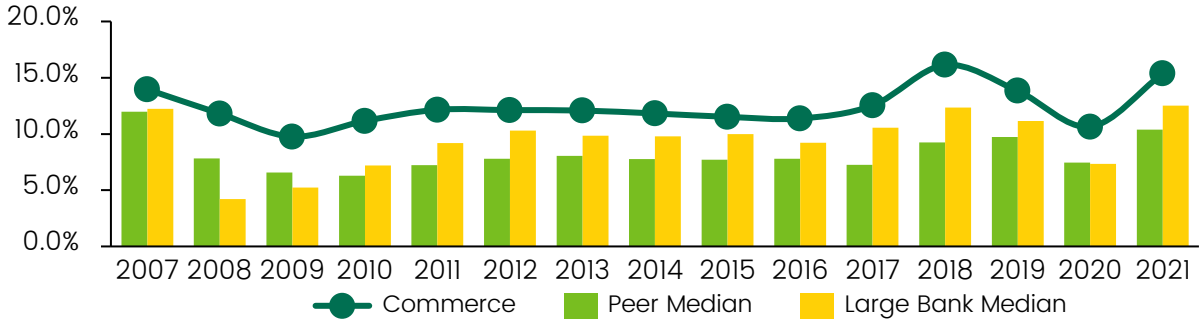


ROAA 15-yr average

CBSH: 1.29%

Peers: 0.93%

Return on Average Common Equity



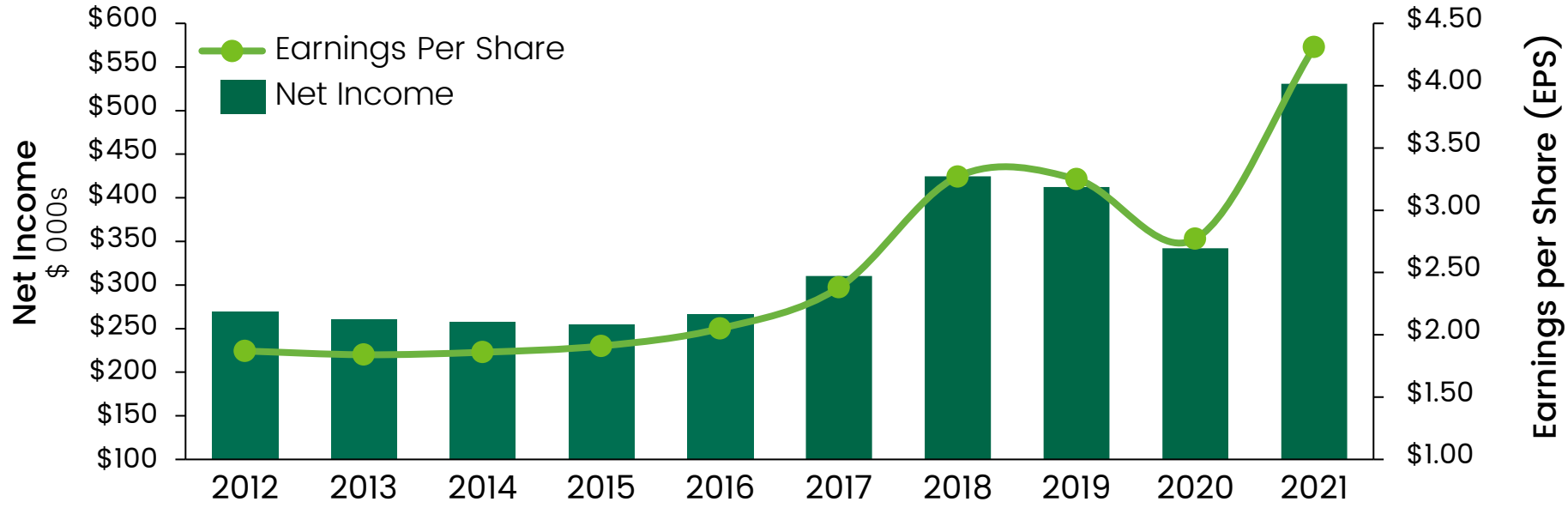
ROACE 15-yr average

CBSH: 12.4%

Peers: 8.2%

Peer Banks include: ASB, OZK, BOKF, CFR, FNB, FMBI, FULT, HWC, ONB, PNFP, SFNC, SSB, UMBF, UMPQ, UBSI, VLY, WBS, WTFC
Large Banks include: JPM, BAC, C, WFC, USB, TFC, PNC, FITB, CFG, KEY
Sources: S&P Global Market Intelligence and company reports and filings as of 12/31/2021

LONG-TERM VIEW: NET INCOME AND EARNINGS PER SHARE



	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Dividends per share	$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

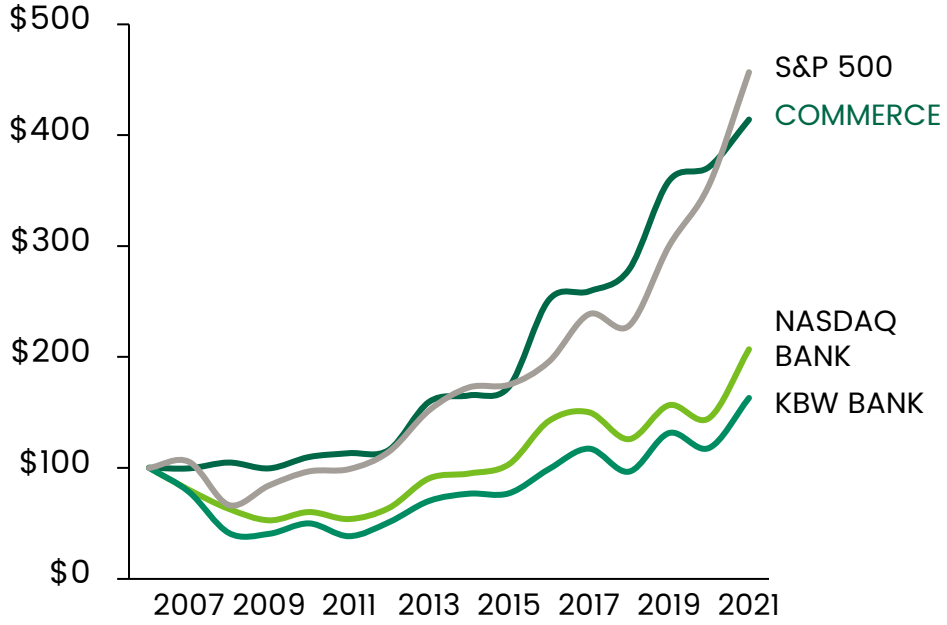
Commerce Bancshares, Inc.

STEADY SHAREHOLDER RETURNS

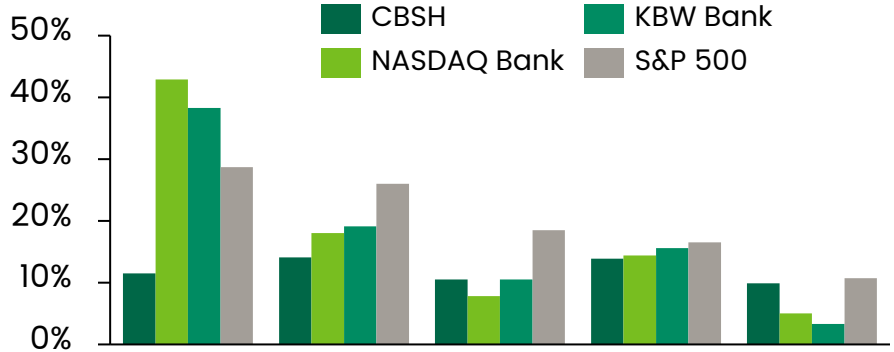
as of December 31, 2021

Total Shareholder Returns

Indexed, 12/31/2006 = $100



Annualized Comparison Total Shareholder Returns



	1 Year	3 Year	5 Year	10 Year	15 Year
CBSH	11.5%	14.1%	10.5%	13.9%	9.9%
NASDAQ BANK	42.9%	18.0%	7.8%	14.4%	5.0%
KBW BANK	38.3%	19.1%	10.5%	15.6%	3.3%
S&P	28.7%	26.0%	18.5%	16.5%	10.7%

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

Source: Bloomberg; data as of 12/31/2021

Commerce Bancshares, Inc.

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 156 years ago to be a force for good in our region and our industry

V	We have a long-term **V**iew
O	We collaborate as **O**ne team
I	We act with **I**ntegrity
C	We are **C**ustomer focused
E	We strive for **E**xcellence

- 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

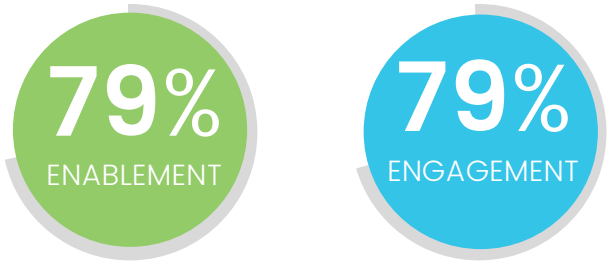
by Commerce team members through leadership roles by serving on boards

OUTSTANDING

Community Reinvestment Act rating for 25 years[1]

2021 Engagement & Enablement[2]

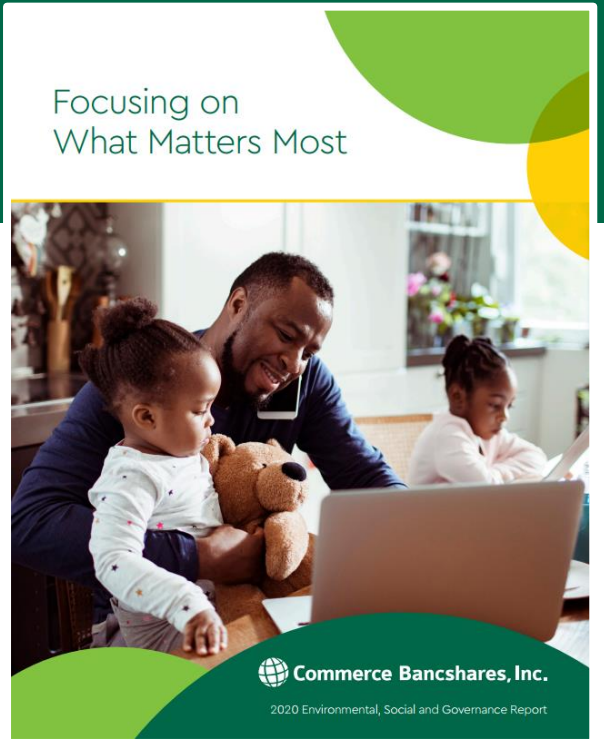
Consistently scoring above the U.S. High Performance and U.S. Financial Services norms for engagement, enablement and effectiveness



[1] *Federal Reserve Bank and Office of the Comptroller of the Currency*
[2] *The 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 inaugural ESG report assessed our impact in several key areas:

- Environmental sustainability
- Customer, team member and community engagement
- Corporate governance, including information security and code of ethics
- Our response to COVID-19

2020 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

Our new **Diversity, Equity and Inclusion** CBI Blue Chip includes four pillars that focus both internally and externally. We will build on the years of progress we have already made regarding diversity.

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
619+ members

RISE
Empowering women
1,260+ members

PRIDE
Engaging LGBTQIA+ community
451+ members

VIBE
Valuing multi-cultural perspectives
460+ members

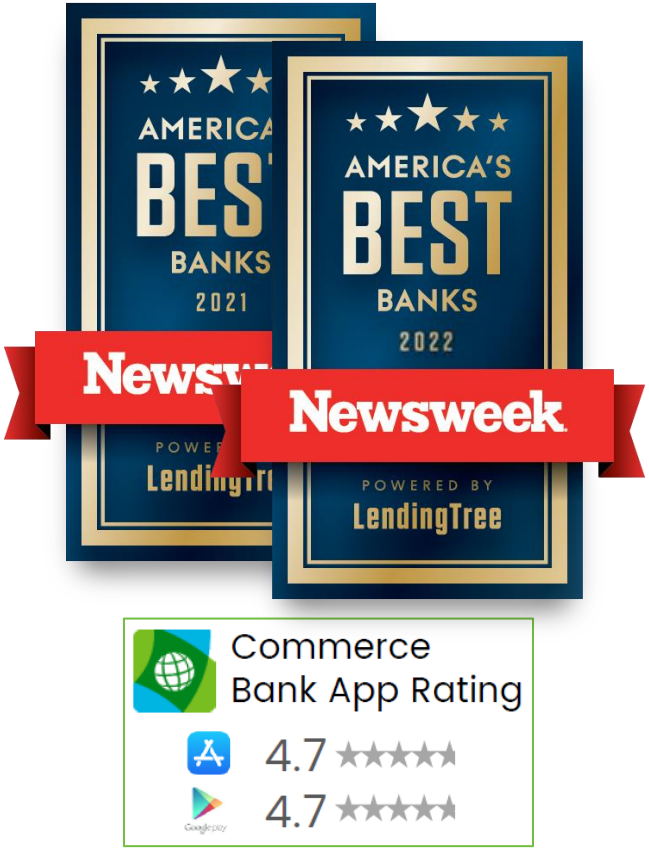
RECENT RECOGNITION





[1] *The Korn Ferry Hay Group – based on 2018 survey results*

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**.

Source: Newsweek

CORE BANKING SYSTEM TRANSFORMATION

REASONS FOR TRANSORMATION:

- 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.

600+ Team Members

800,000 + Project Hours

350+ Interfaces

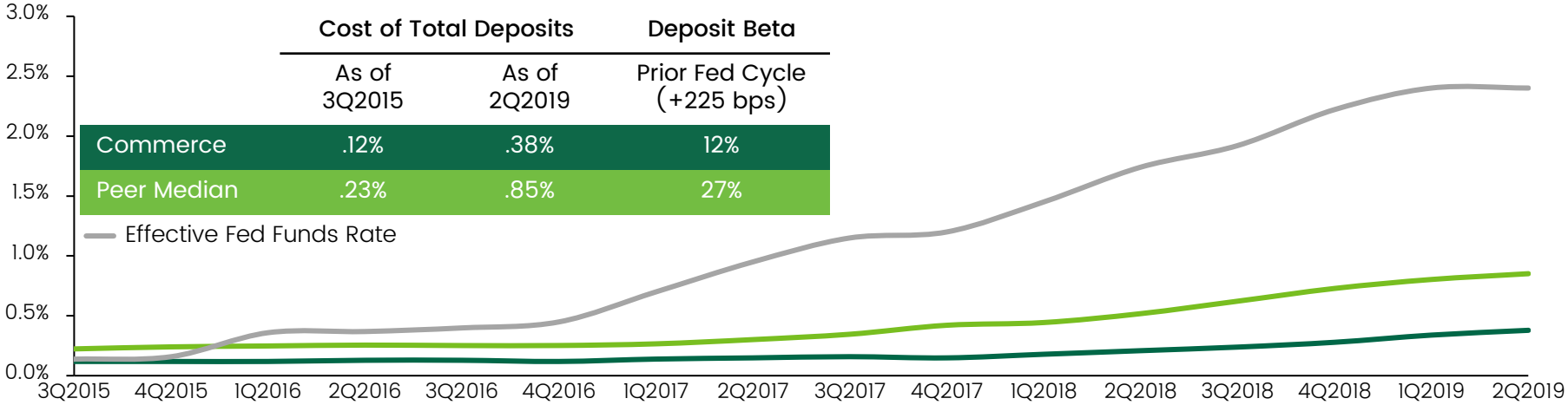
Implemented January 2022

WELL-POSITIONED FOR A RISING RATE ENVIRONMENT

WELL-POSITIONED FOR HIGHER RATES

Previous Cycle Deposit Beta

	Cost of Total Deposits		Deposit Beta
	As of 3Q2015	As of 2Q2019	Prior Fed Cycle (+225 bps)
Commerce	.12%	.38%	12%
Peer Median	.23%	.85%	27%



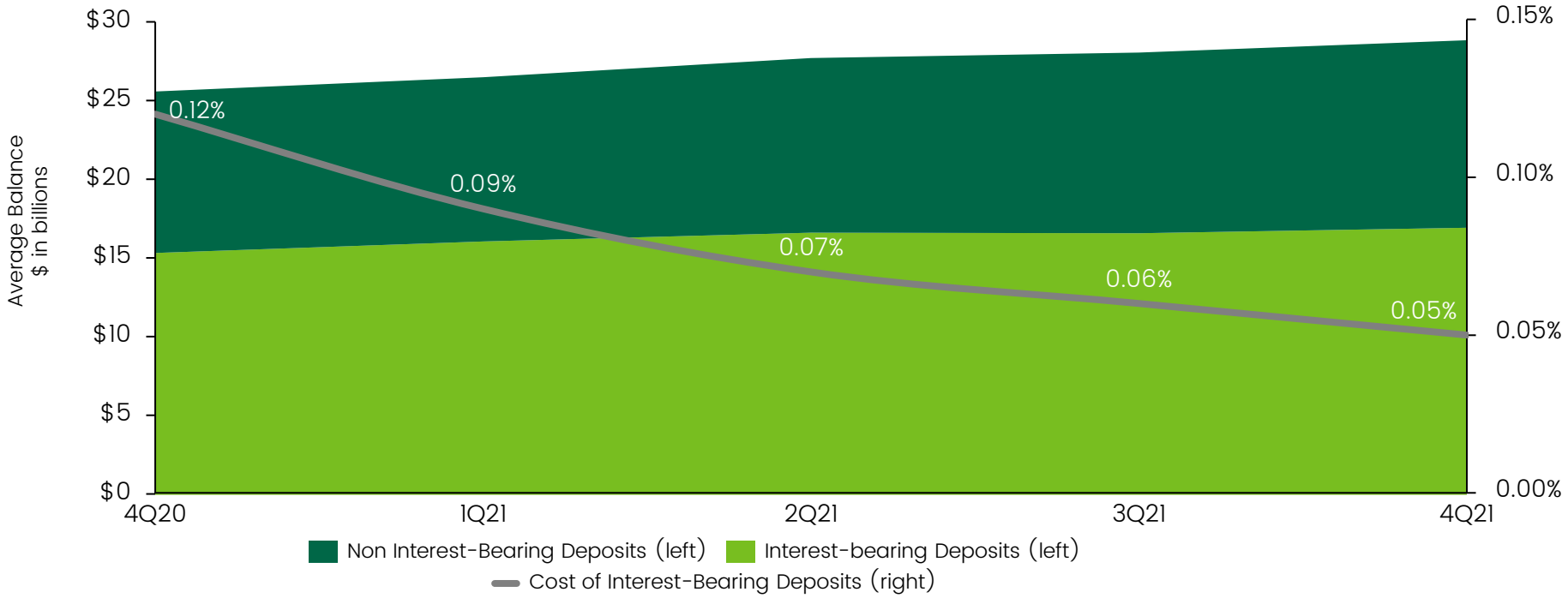
Opportunities to enhance NII in a rising rate environment.

- As of December 31, 2021, 53% of loans were variable rate, (62% commercial, 37% consumer).
- Investment securities portfolio duration of 3.2 years.
- Cash flows from maturities and paydowns of securities of $3B over the next twelve months.
- 100 bps of gradual rate hikes adds $33.5MM - $39.5MM of NII over 12 months.
- Large core deposit base and historically low betas.
- Large cash balance well-positioned as rates rise.

Source: S&P Global Market Intelligence

BALANCE SHEET: LOW-COST DEPOSITS

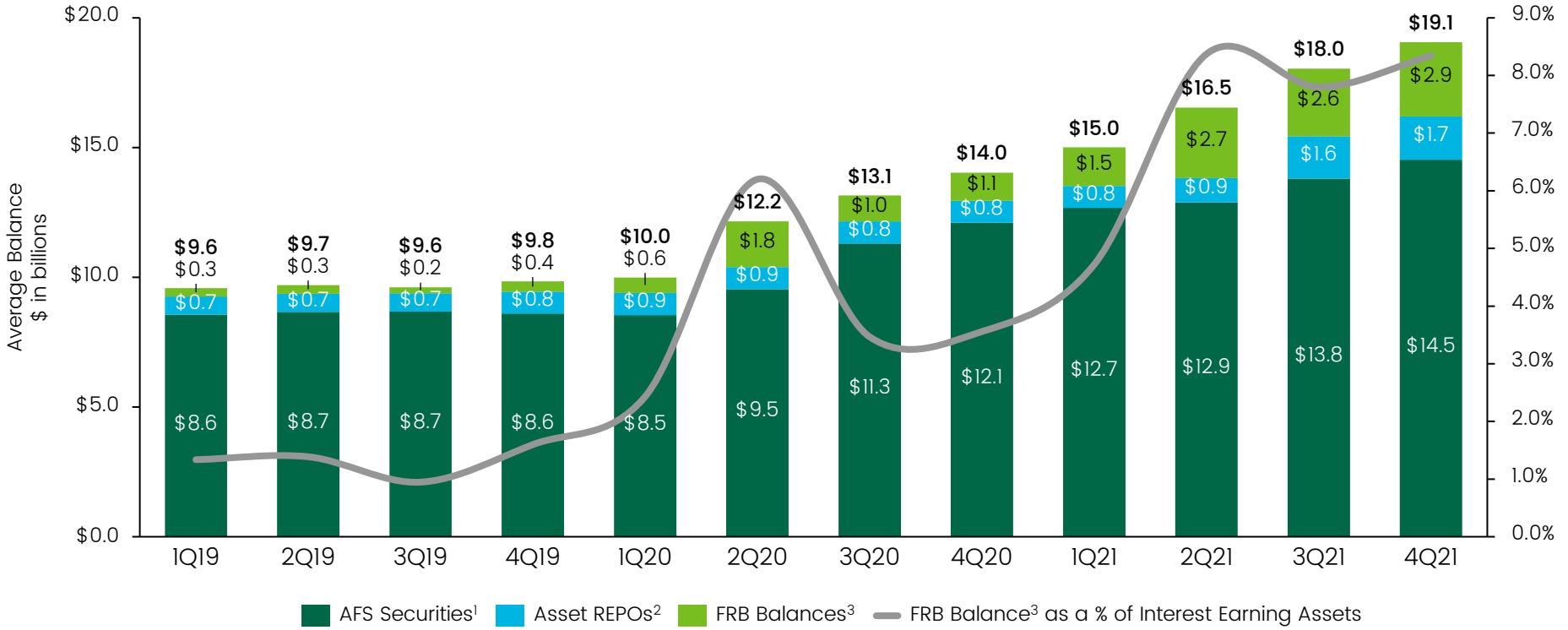
- 41% of Q4 average deposits were non-interest bearing.
- Cost of interest-bearing deposits declined slightly.



EARNING ASSET OPTIMIZATION

EXCLUDING LOANS

Prudently deploying excess deposits into higher-yielding assets

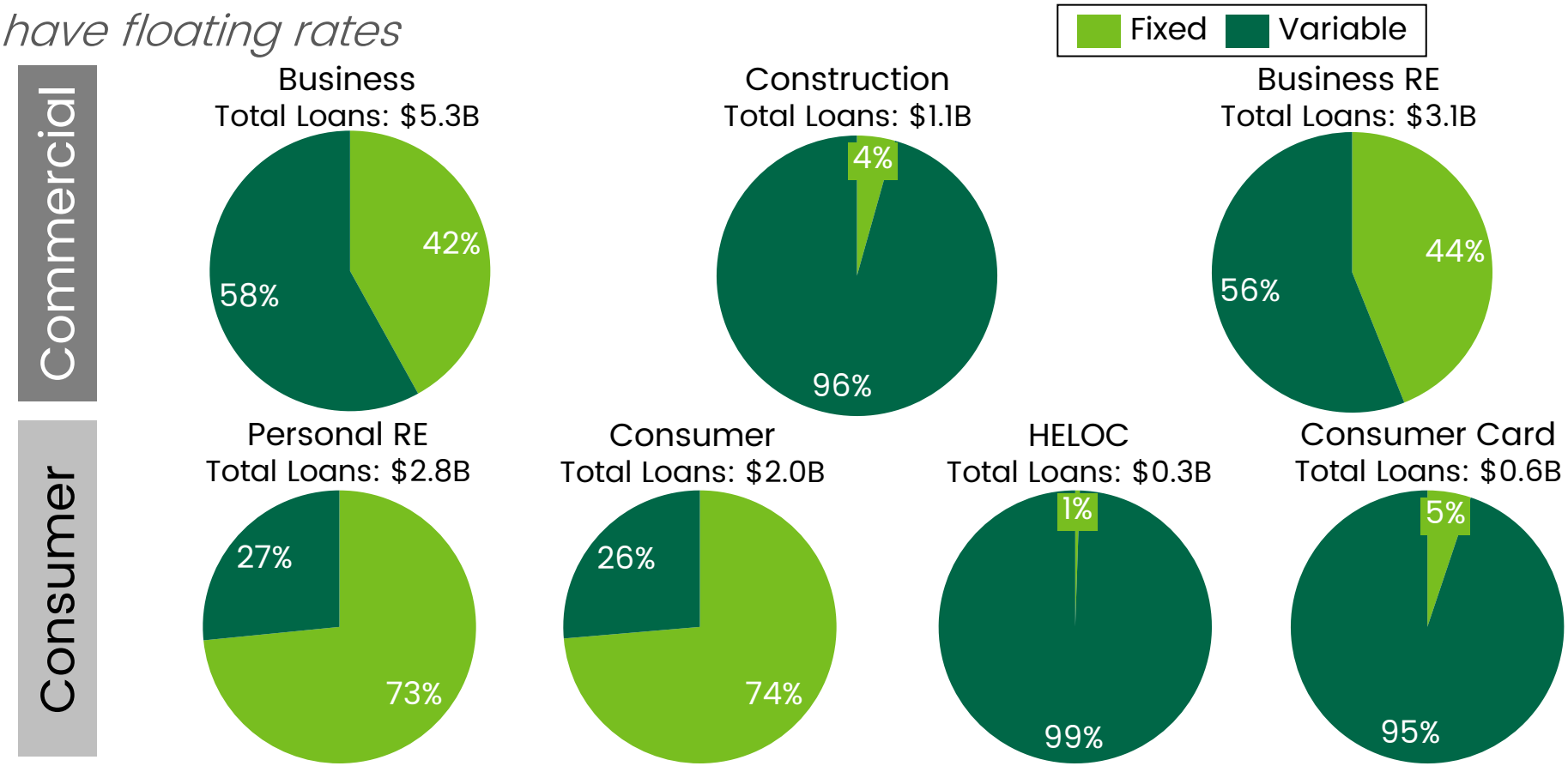


[1]Available for Sale (AFS) securities are reported at fair value
[2]Asset REPOs defined as Securities purchased under agreements to resell
[3]Interest earning deposits at Federal Reserve Bank

Commerce Bancshares, Inc.

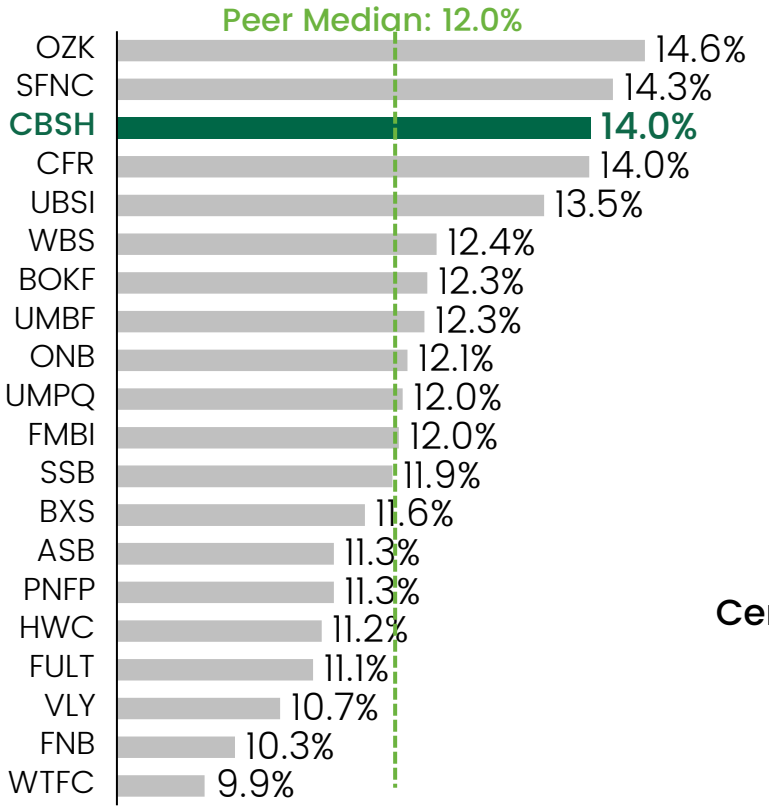
SUMMARY OF FIXED & FLOATING LOANS

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



SOUND CAPITAL AND LIQUIDITY POSITION

Tier 1 Risk-Based Capital Ratio[1]



Loan to Deposit Ratio

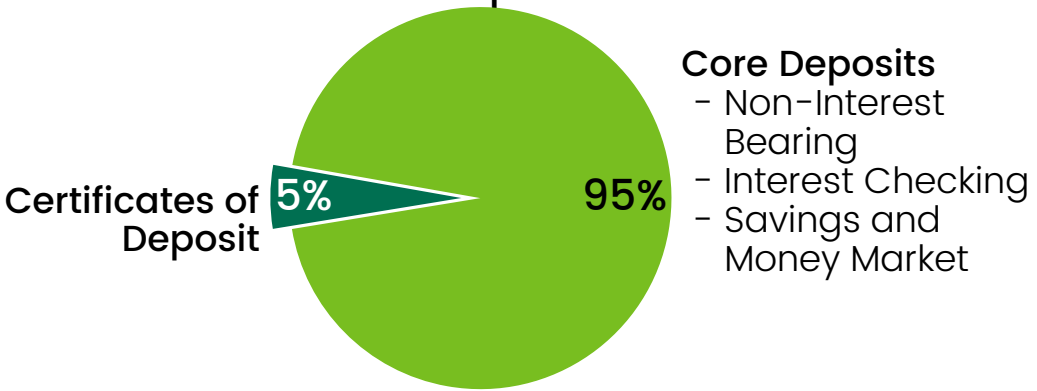
Large, stable deposit base

Core Deposits
$28.4 Billion[2]

52% Commerce — Average Loan to Deposit Ratio[3]

78% Peer Average — Average Loan to Deposit Ratio[1]

Total Deposits



[1]S&P Global Market Intelligence, Information as of September 30, 2021
[2]Period-end balances, as of December 31, 2021
[3]Includes loans held for sale, for the quarter ended December 31, 2021

FINANCIAL RESULTS
4Q & YTD 2021

FINANCIAL PERFORMANCE IN 2021

Growth in deposits
period end
↑11%

Growth in loans
period end, excl. PPP
Total Company
↑.5%

Growth in loans
period end
Expansion Markets
↑6%

ROA
1.55%

ROE
15.4%

Net charge-offs to average loans
.12%

Growth in non-interest income
↑11%

Growth in earnings per share (EPS)
↑56%

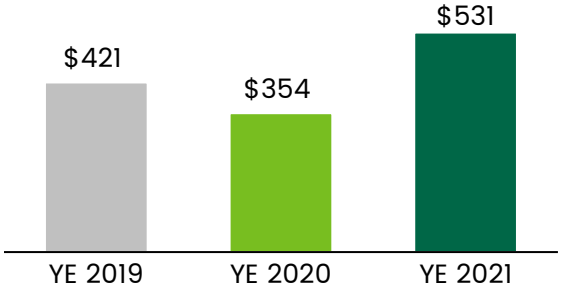
Long-term performance remains strong

20-year TOTAL ANNUALIZED SHAREHOLDER RETURN @ 10.4%

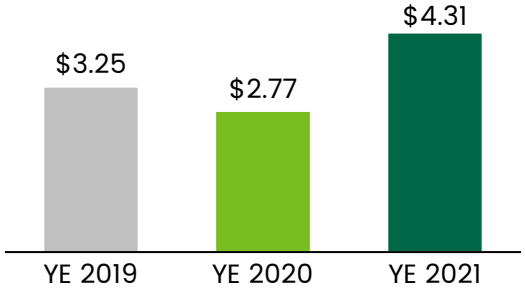
vs KBW Bank Index of 4.9%

FINANCIAL PERFORMANCE VS. PRIOR YEARS

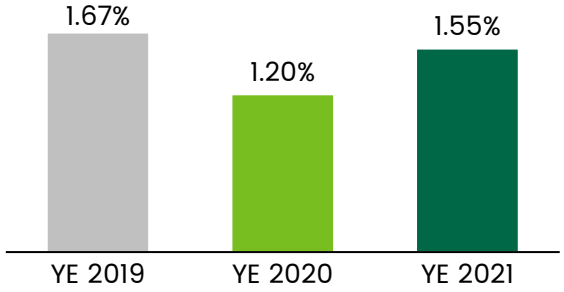
Net Income Attributable to CBI ($ in Millions)



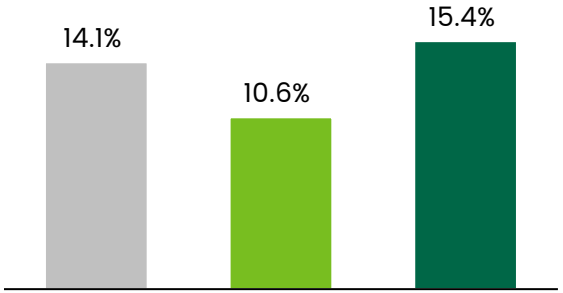
Earnings per Common Share



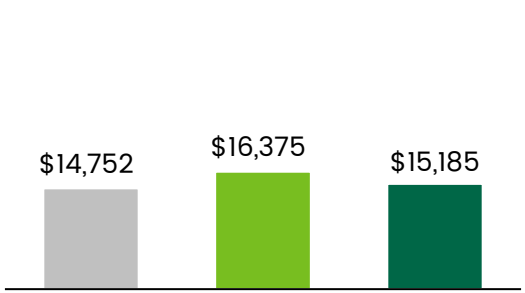
Return on Total Average Assets



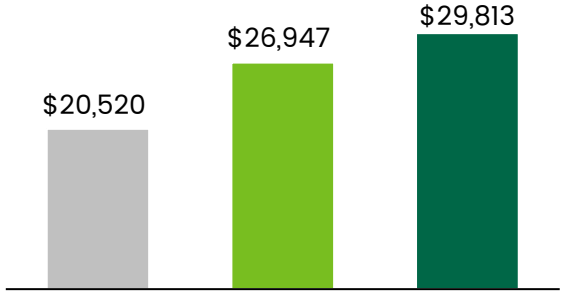
Return on Average Common Equity



Period End Loans ($ in Millions)



Period End Deposits ($ in Millions)



As of December 31

4Q2021 EARNINGS HIGHLIGHTS

Highlights

PPNR[1]
$151.8 million

Net Income
$114.9 million

EPS
$0.94

ROAA
1.28%

ROACE
13.11%

Efficiency Ratio
57.29%

Well-positioned for growth

- Net interest income decreased 3.0% from Q3.
- Net interest margin decreased 15 bps from Q3 to 2.43%.
- Non-interest income increased 7.4% over Q3.
  - Non-interest income to total revenue of 41.6%.
- Wealth management client assets increased 3.8% over Q3 to $69.3 billion at December 31, 2021.
- Non-interest expense decreased $8.0 million from Q3.
- QTD average loans (excl. PPP) up 1.3% over Q3. Period ending loans (excl. PPP) up 1.4% over Q3.
- QTD average deposits increased $790.6 million over Q3.
- Net charge-offs to total average loans of .11% and non-accrual loans to total loans of .06%.
- Tangible common equity to tangible assets of 9.01%.

[1] *See the non-GAAP reconciliation on page 56*

BALANCE SHEET HIGHLIGHTS

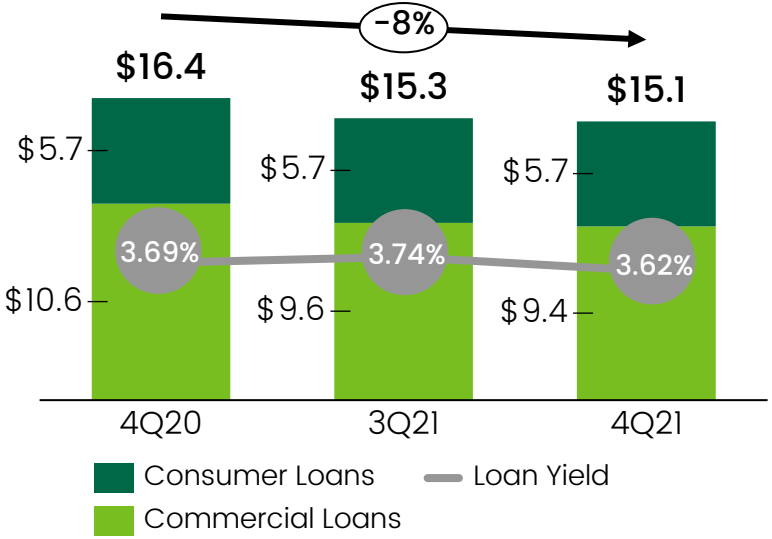
Quarterly Average Balances $ in millions	4Q21	Change vs. 3Q21	Change vs. 4Q20	Highlights
Commercial[1]	$9,423.5	↓ $(165.4)	↓ $(1,219.5)	• Linked quarter (LQ) reflects lower PPP loans (-356MM) offset by higher core business, construction and business real estate
Consumer	5,669.6	↓ (0.5)	↓ (48.7)	• LQ reflects slightly higher personal real estate and consumer loans, offset by lower consumer credit card and revolving home equity loans
Total Loans	$15,093.1	↓ $(165.9)	↓ $(1,268.2)	
Investment Securities	$14,686.8	↑ $892.0	↑ $2,713.7	• LQ increase due to growth in asset-backed securities and U.S. government securities
Interest Earning Deposits with Banks	$2,857.0	↑ $254.1	↑ $1,774.3	• Prudently deploying excess deposits into higher-yielding assets
Deposits	$28,847.9	↑ $790.6	↑ $3,257.2	• 2.8% quarterly growth, 12.7% annual growth
Book Value per Common Share[2]	$28.40	↓ $(.18)	↑ $.76	• 2.7% annual growth

[1] PPP QTD average balances were $218.9 million and $575.0 million as of December 31, 2021 and September 30, 2021, respectively
[2] For the quarters ended December 31, 2021, September 30, 2021, and December 31, 2020

BALANCE SHEET

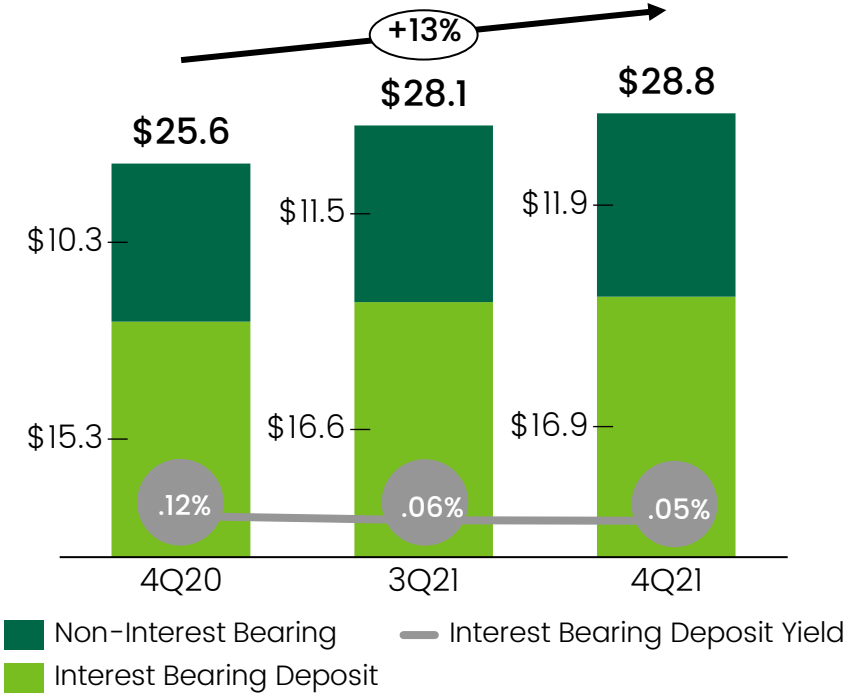
Loans

QTD Average Balances
$ billions



Deposits

QTD Average Balances
$ billions



LOAN PORTFOLIO

Period-End Balances

$ in 000s	12/31/2021	9/30/2021	12/31/2020	QoQ	YoY
Business	$5,303,535	$5,277,850	$6,546,087	.5%	-19.0%
Business excl. PPP	*5,174,372*	*4,969,914*	*5,185,913*	*4.1%*	*-.2%*
Construction	1,118,266	1,257,836	1,021,595	-11.1%	9.5%
Business Real Estate	3,058,837	2,937,852	3,026,117	4.1%	1.1%
Personal Real Estate	2,805,401	2,769,292	2,820,030	1.3%	-.5%
Consumer	2,032,225	2,049,559	1,950,502	-.8%	4.2%
Revolving Home Equity	275,945	281,442	307,083	-2.0%	-10.1%
Consumer Credit Card	575,410	569,976	655,078	1.0%	-12.2%
Overdrafts	6,740	4,583	3,149	47.1%	114.0%
Total Loans	**$15,176,359**	**$15,148,390**	**$16,329,641**	**.2%**	**-7.1%**
PPP[1]	129,163	307,936	1,360,174	-58.1%	-90.5%
Total Loans excl. PPP	**$15,047,196**	**$14,840,454**	**$14,969,467**	**1.4%**	**.5%**

QTD Average Balances

$ in 000s	12/31/2021	9/30/2021	12/31/2020	QoQ	YoY
Business	$5,191,844	$5,437,498	$6,580,300	-4.5%	-21.1%
Business excl. PPP	*4,972,934*	*4,862,523*	*5,104,058*	*2.3%*	*-2.6%*
Construction	1,228,237	1,168,566	1,032,891	5.1%	18.9%
Business Real Estate	3,003,459	2,982,847	3,029,799	.7%	-.9%
Personal Real Estate	2,785,095	2,775,638	2,778,462	.3%	.2%
Consumer	2,043,690	2,041,263	1,981,033	.1%	3.2%
Revolving Home Equity	276,464	281,689	316,895	-1.9%	-12.8%
Consumer Credit Card	559,429	566,406	638,161	-1.2%	-12.3%
Overdrafts	4,926	5,110	3,762	-3.6%	30.9%
Total Loans	**$15,093,144**	**$15,259,017**	**$16,361,303**	**-1.1%**	**-7.8%**
PPP[1]	218,910	574,975	1,476,242	-61.9%	-85.2%
Total Loans excl. PPP	**$14,874,234**	**$14,684,042**	**$14,885,061**	**1.3%**	**-.1%**

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

INCOME STATEMENT HIGHLIGHTS

$ in millions	4Q21	Change vs. 3Q21	Change vs. 4Q20	Highlights
Net Interest Income	$207.7	$(6.4)	$(2.1)	• Linked quarter (LQ) decrease due to lower interest earned on loans and securities purchased under agreements to resell, partially offset by higher income earned on investment securities
Non-Interest Income	$147.7	$10.2	$12.6	• See page 30
Non-Interest Expense	$203.6	$(8.0)	$7.3	• See page 31
Pre-Tax, Pre-Provision Net Revenue[1]	$151.8	$11.9	$3.2	
Investment Securities Gains, Net	$(9.7)	$(22.8)	$(22.0)	• Q4 included net fair value losses of $6.5 million on private equity investment portfolio, in part due to $5.5 million in dividends paid by companies in the portfolio
Provision for Credit Losses	$(7.1)	$.3	$(2.7)	• Decrease compared to the prior year (PY) reflects $3.8 million less net charge-offs
Net-Income Available to Common Shareholders	$114.9	$(7.7)	$(15.0)	
For the three months ended	**4Q21**	**3Q21**	**4Q20**	
Net Income per Common Share – Diluted	$.94	$.99	$1.05	
Net Yield on Interest Earning Assets	2.43%	2.58%	2.80%	• Compared to 4Q20, lower earning asset yields were slightly offset by lower deposit costs

[1] *See the non-GAAP reconciliation on page 56*

NON-INTEREST INCOME HIGHLIGHTS

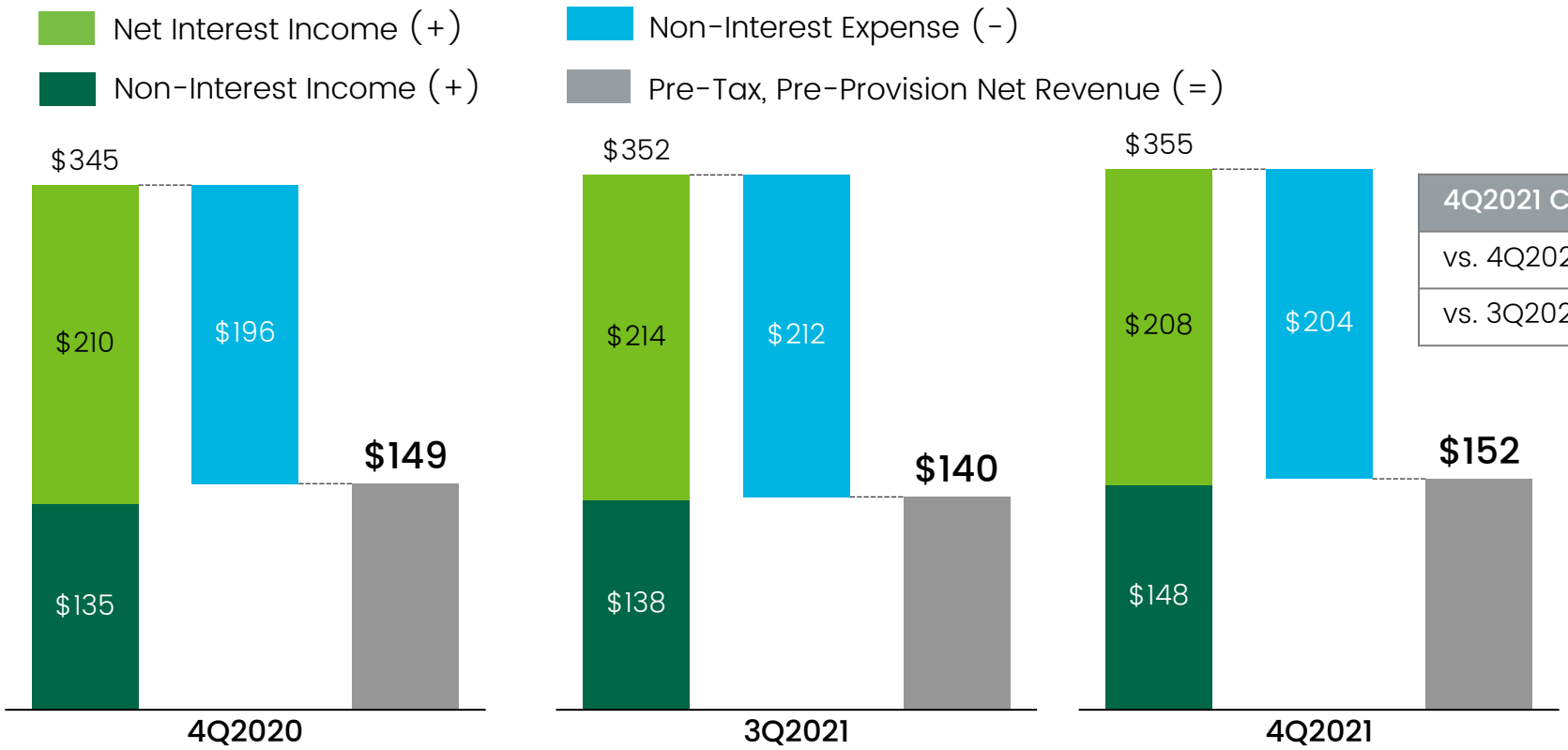
$ in millions	4Q21	Change vs. 3Q21	Change vs. 4Q20	Highlights
Bank Card Transaction Fees	$44.8	↑ $2.0	↑ $4.8	• Increase of 12.0% over prior year (PY) driven by growth in net corporate card and net debit card fees
Trust Fees	$48.9	–	↑ $6.9	• Increase of 16.5% over PY resulting mostly from higher private client fee income
Deposit Account Charges and Other Fees	$25.5	↑ $.3	↑ $1.3	• Increase of 5.5% over PY as fees continue to rebound
Capital Market Fees	$3.8	–	–	
Consumer Brokerage Services	$4.9	–	↑ $0.9	• Consumer brokerage fees up 22.1%, compared to PY, mainly due to growth in advisory and life insurance fees
Loan Fees and Sales	$5.2	↓ $(1.6)	↓ $(3.8)	• Decline mostly in mortgage banking revenue, down 53.6% from PY
Other	$14.6	↑ $9.5	↑ $2.4	• Increase over PY mainly due to a gain on the sale of land, higher tax credit sales fees and higher swap fees, partially offset by lower cash sweep commissions
Total Non-Interest Income	$147.7	↑ $10.2	↑ $12.6	

NON-INTEREST EXPENSE HIGHLIGHTS

$ in millions	4Q21	Change vs. 3Q21	Change vs. 4Q20	Highlights
Salaries and Employee Benefits	$132.6	$(.2)	$2.7	• Increase of 2.0% over prior year (PY) mostly due to higher full-time salaries and incentive compensation
Net Occupancy	$12.3	—	$.7	
Equipment	$4.7	$.3	$.1	
Supplies	$4.4	$(.1)	$.2	
Data Processing and Software	$25.8	$.2	$1.5	• Increase of 6.0% over PY due to higher bank card processing fees and an increase in costs for service providers
Marketing	$5.4	$(.2)	$.4	
Other	$18.3	$(7.9)	$1.7	• Increase of 9.9% over PY mainly due to an increase in travel and entertainment expense. Linked quarter (LQ) lower due to Q3 non-recurring litigation expense
Total Non-Interest Expense	$203.6	$(8.0)	$7.3	

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

Dollars in millions



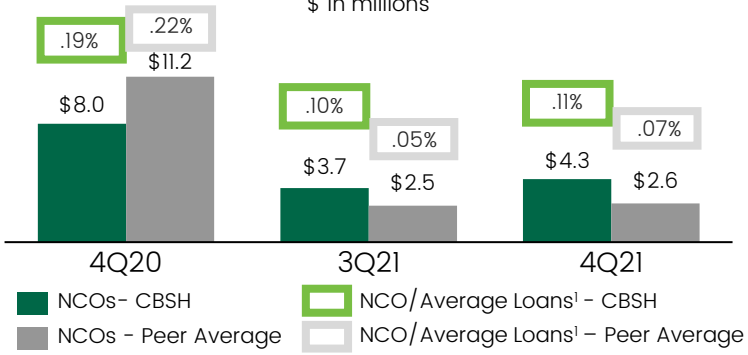
4Q2021 Comparison	
vs. 4Q2020	2.2%
vs. 3Q2021	8.5%

See the non-GAAP reconciliation on page 56

MAINTAINING STRONG CREDIT QUALITY

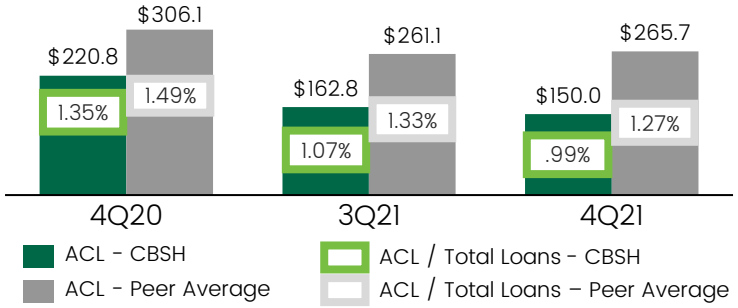
Net Loan Charge-Offs (NCOs)

$ in millions



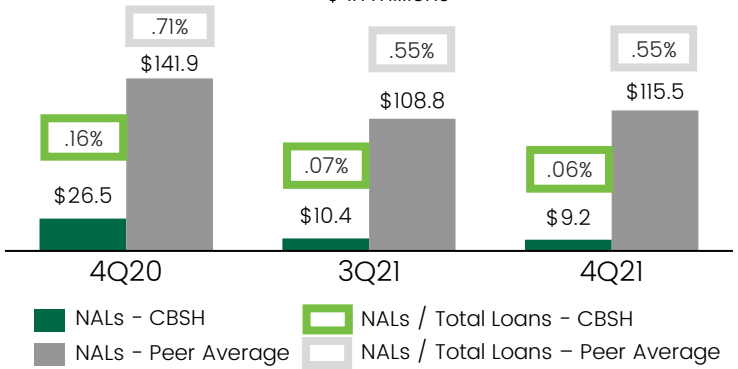
Allowance for Credit Losses on Loans (ACL)

$ in millions

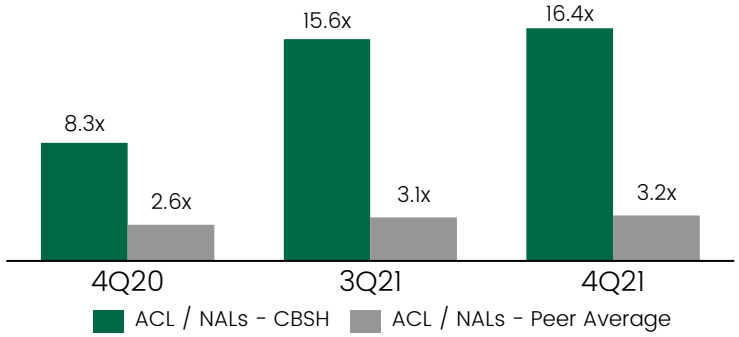


Non-Accrual Loans (NALs)

$ in millions

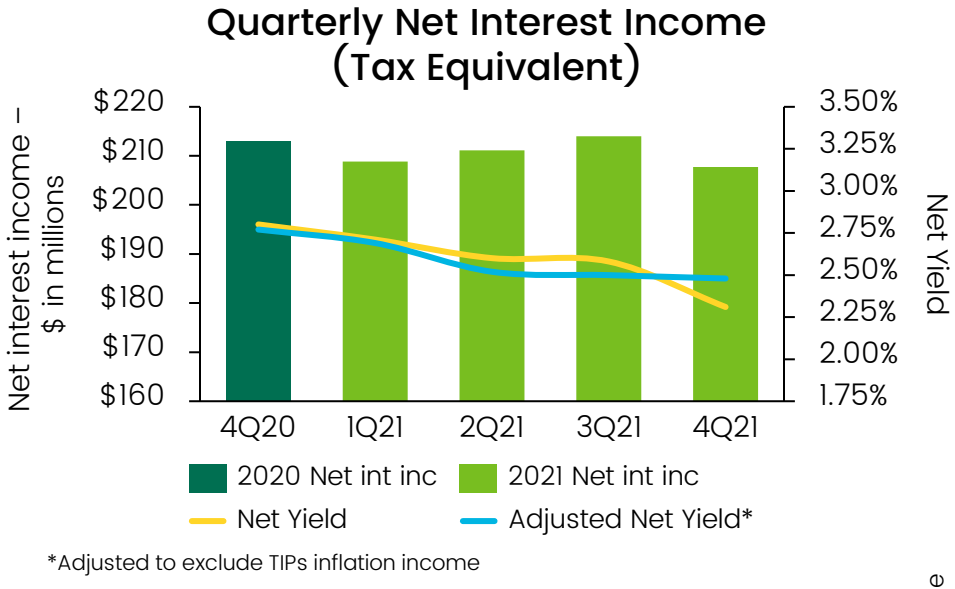


Allowance for Credit Losses on Loans (ACL) to NALs



Percentages are illustrative and not to scale; Peer Banks include: ASB, BXS, OZK, BOKF, CFR, FNB, FMBI, FULT, HWC, ONB, PNFP, SFNC, SSB, UMBF, UMPQ, UBSI, VLY, WBS, WTFC
[1]As a percentage of average loans (excluding loans held for sale)

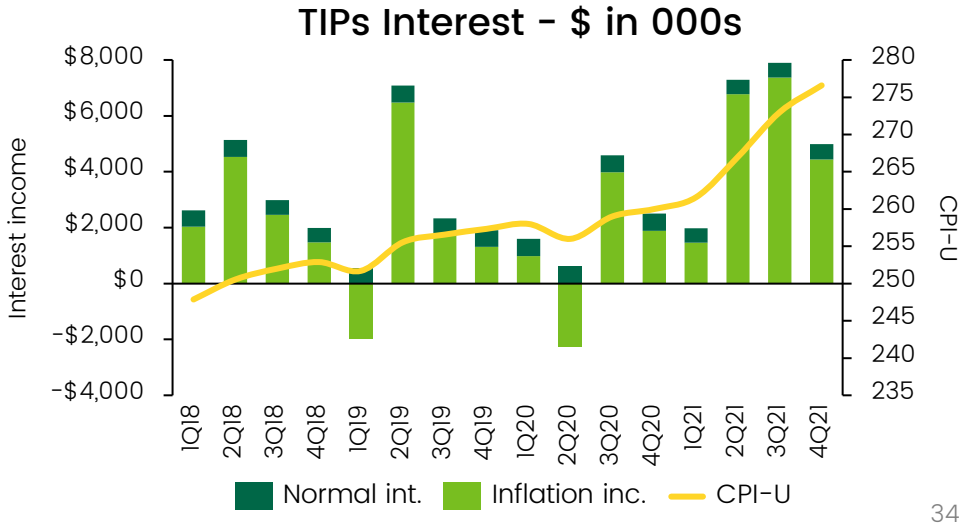
NET INTEREST INCOME: YTD – December 31, 2021



*Adjusted to exclude TIPs inflation income

Tax equivalent - YTD	2020	2021	Change
Rates earned - assets	3.15 %	2.62 %	(0.53)%
Rates paid - liabilities	0.26 %	0.07 %	(0.19)%
Net yield - earning assets	**2.99 %**	**2.58 %**	**(0.41)%**

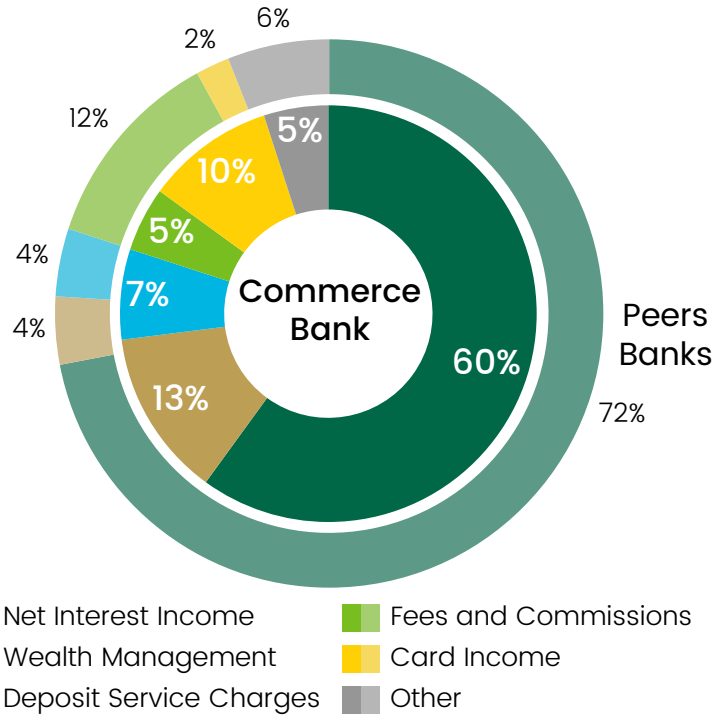
- Net interest income (tax equivalent) decreased $6.4 million from the prior quarter, partly due to lower interest income from PPP loans of $5.3 million.
- The net yield on interest earning assets decreased 15 basis points compared to the previous quarter, mostly due to lower average rates earned on loans, AFS securities and securities purchased under agreements to resell.



A FULL-SERVICE, DIVERSIFIED OPERATING MODEL

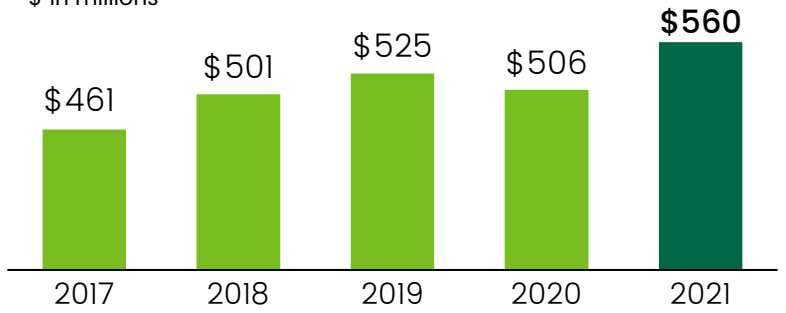
Card, Wealth & Deposit fees provide stable, growing revenue source

Revenue Source Diversification Compared to Peers[1]



Non-Interest Income

$ in millions



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

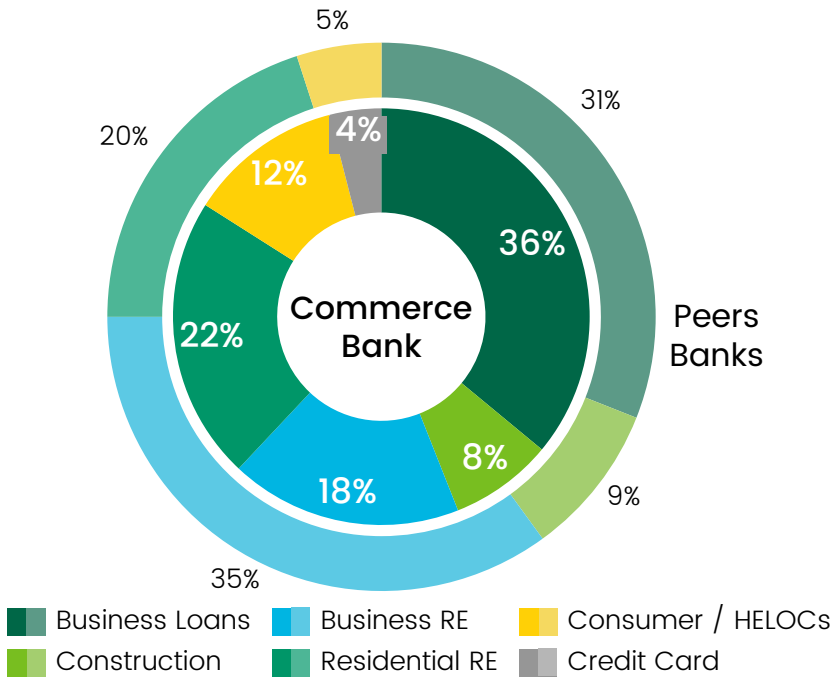
- Prepaid Expense
- RemitConnect®
- Claims Payments
- Horizons
- Accounts Payable Automation
- Interest Rate Swaps
- CommerceHealthcare®
- Asset Management

Peer Banks include: ASB, BXS, OZK, BOKF, CFR, FNB, FMBI, FULT, HWC, ONB, PNFP, SFNC, SSB, UMBF, UMPQ, UBSI, VLY, WBS, WTFC

[1]*Source: S&P Global Market Intelligence as of September 30, 2021*

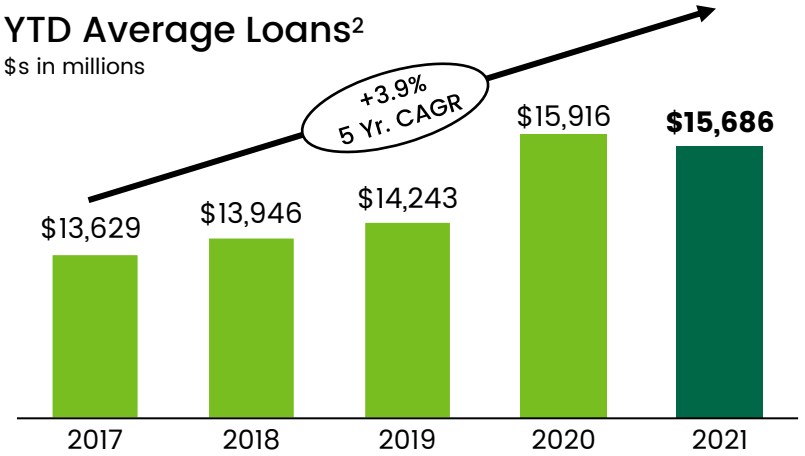
WELL-DIVERSIFIED LOAN PORTFOLIO

Loan Portfolio Diversification Compared to Peers[1]



YTD Average Loans[2]

$s in millions



2021 Loan Growth by Category

(Average loans Dec. 2021 vs. Sep. 2021)

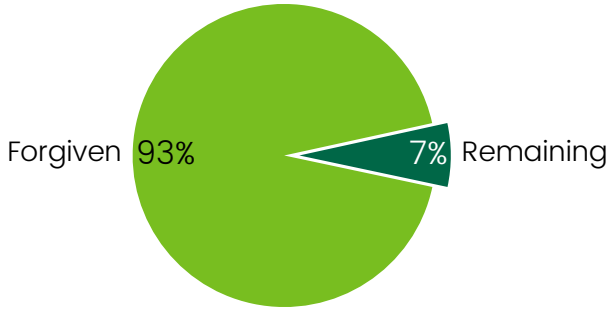
Business RE & construction	↑ $80 million
Personal RE	↑ $9 million
Auto/ motorcycle/ other	↑ $2 million
Consumer credit card	↓ $7 million
Business/ lease/ tax-free	↓ $246 million

Peer Banks include: ASB, BXS, OZK, BOKF, CFR, FNB, FMBI, FULT, HWC, ONB, PNFP, SFNC, SSB, UMBF, UMPQ, UBSI, VLY, WBS, WTFC

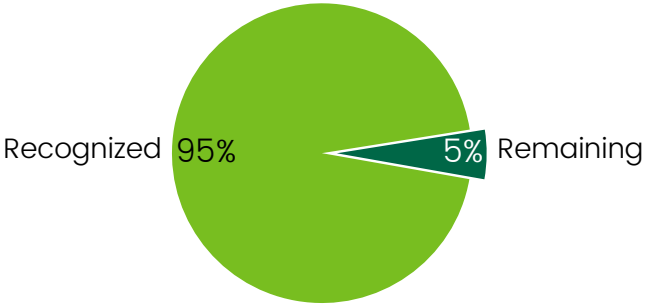
[1]Source: S&P Global Market Intelligence as of September 30, 2021; [2]Includes loans held for sale, as of December 31, 2021 unless noted otherwise

PAYCHECK PROTECTION PROGRAM IMPACT AND UPDATE

Total Loan Originations[1]: $1.9 Billion

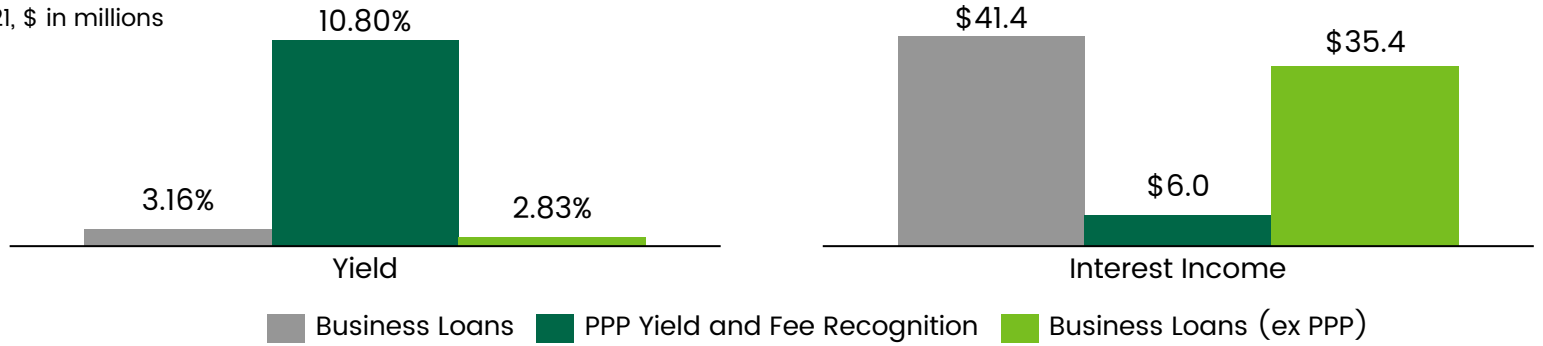


Total SBA Fees: $60.4 Million



Yield and Interest Income[2]

Q4 2021, $ in millions

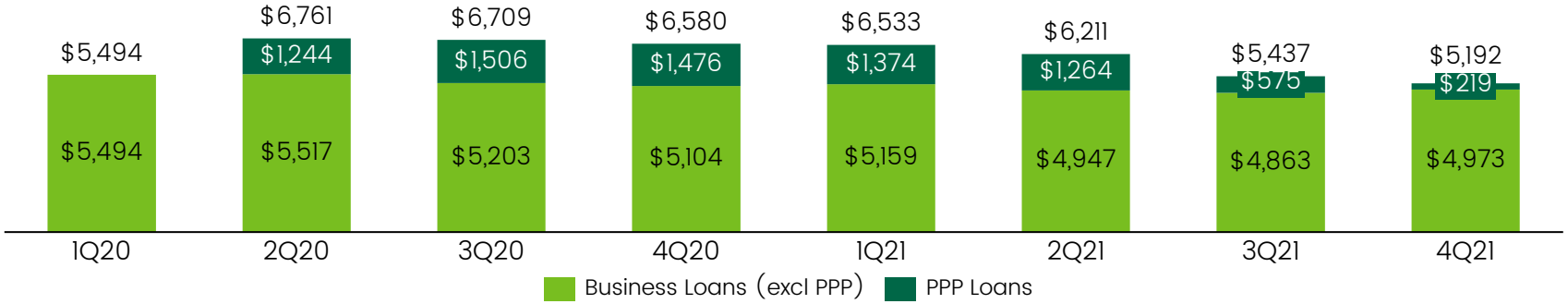


[1]Includes Round 1 and Round 2 fundings. Period-end balance as of 12/31/2021 was $129.2 million; [2]Tax equivalent basis

PAYCHECK PROTECTION PROGRAM IMPACT AND UPDATE

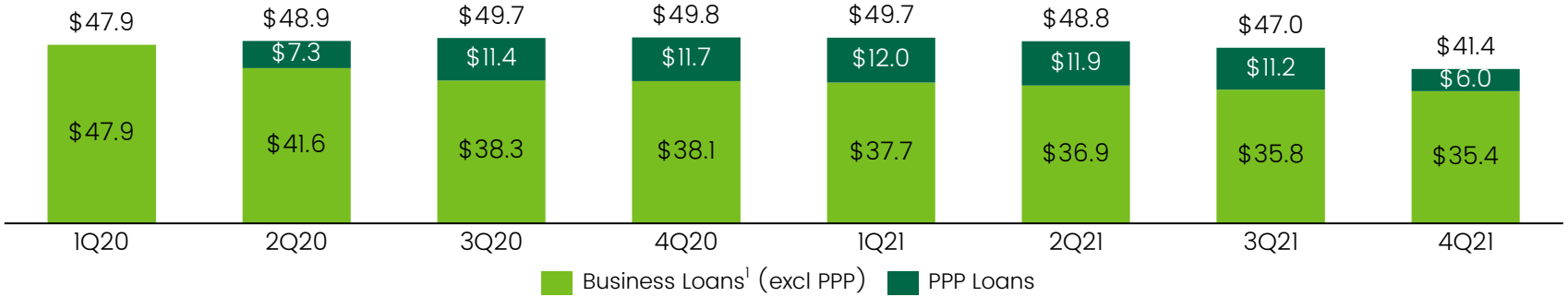
Loan Portfolio Impact

QTD Average Balances, $ in millions



Interest Income Impact

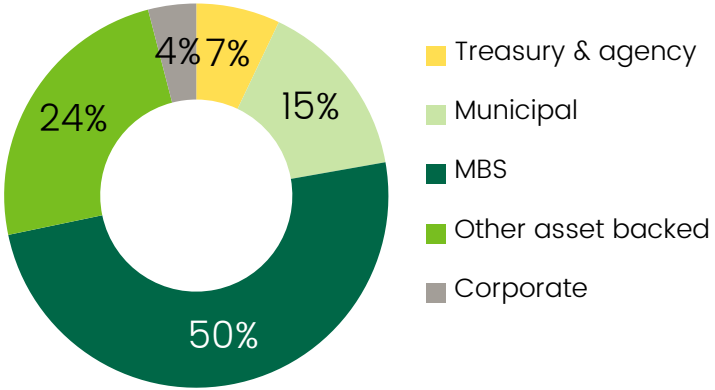
$ in millions



[1]*Tax equivalent basis*

HIGH QUALITY, HIGHLY LIQUID AND DIVERSE INVESTMENT PORTFOLIO

Composition of AFS Portfolio



QTD – December 31, 2021	Avg Rate	Duration (yrs)
Treasury & agency[1]	1.4%	2.5
Municipal	2.3%[2]	5.0
MBS	1.4%	3.5
Other asset-backed	1.0%	1.7
Corporate	2.1%	4.3

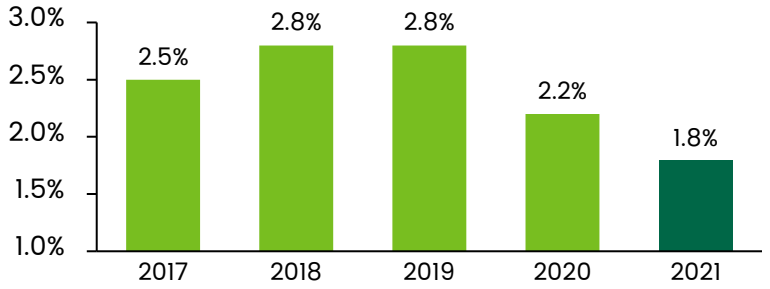
AFS Portfolio as of December 31, 2021

Total average investments[3]	$14.5 billion
Unrealized gain[3]	$86.0 million
12 month maturities / pay-downs	$3.0 billion

Duration

December 2018	3.2 years
December 2019	3.0 years
December 2020	3.3 years
December 2021	3.2 years

YTD Tax Equivalent Rate – Investments



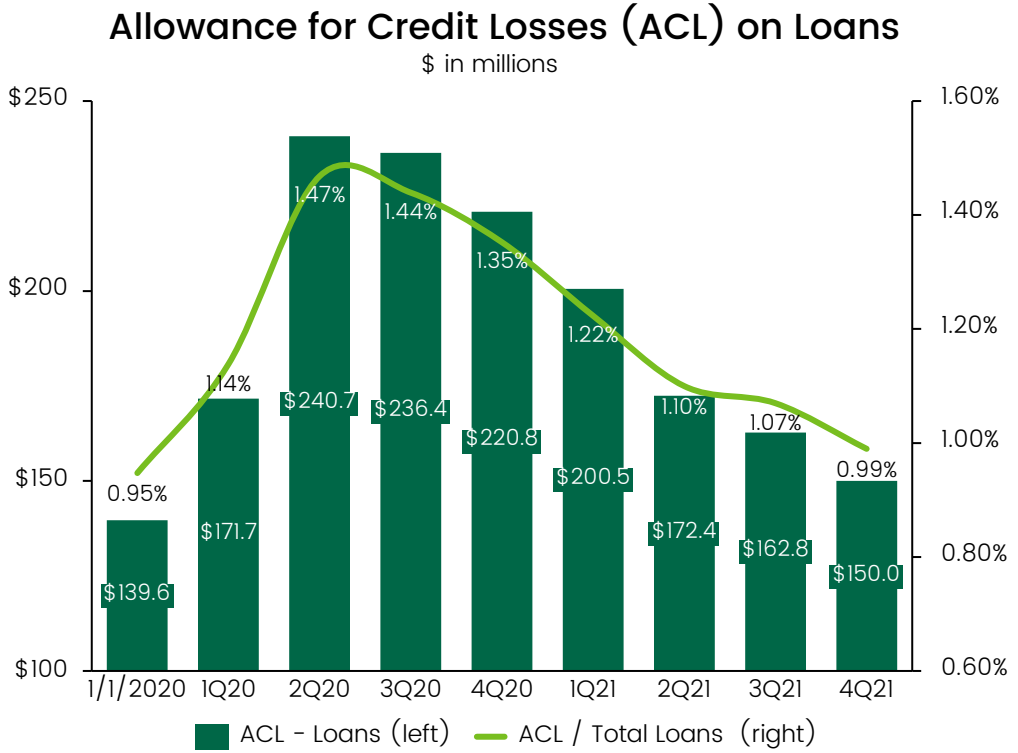
[1]Excludes inflation effect on TIPs; [2]Tax equivalent yield; [3]QTD averages

Commerce Bancshares, Inc.

ALLOCATION OF ALLOWANCE

CECL allowances reflect the economic and market outlook

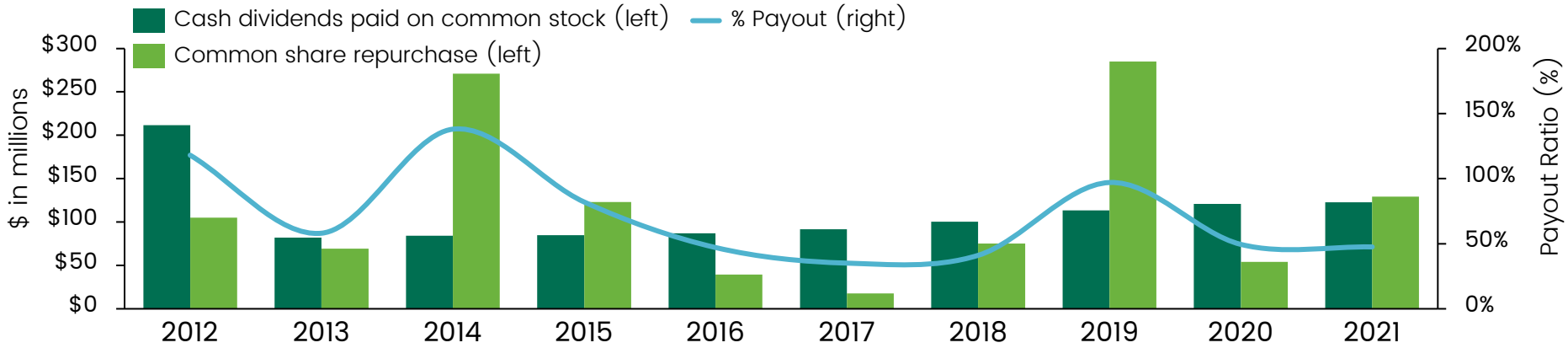
$ in millions	September 30, 2021 Allowance for Credit Losses (ACL)	September 30, 2021 % of Outstanding Loans	December 31, 2021 Allowance for Credit Losses (ACL)	December 31, 2021 % of Outstanding Loans
Business	$ 41.0	.78%	$ 43.9	.83%
Bus R/E	32.3	1.10%	30.7	1.00%
Construction	24.8	1.97%	23.2	2.07%
Commercial total	**$ 98.2**	**1.04%**	**$ 97.8**	**1.03%**
Consumer	11.4	.56%	10.1	.50%
Consumer CC	46.4	8.15%	35.5	6.16%
Personal R/E	5.4	.19%	5.3	.19%
Revolving H/E	1.1	.40%	1.2	.44%
Overdrafts	.3	6.66%	.2	2.67%
Consumer total	**$ 64.6**	**1.14%**	**$ 52.3**	**.92%**
Allowance for credit losses on loans	**$ 162.8**	**1.07%**	**$ 150.0**	**.99%**



STRONG CAPITAL POSITION – FLEXIBILITY IN CAPITAL PLANNING

54 consecutive years of regular common cash dividend increases[1]

Capital Returned to Common Shareholders as a percentage of Net Income[2]



Capital Ratios – 12/31/2021	
Tier 1 common risk-based capital	14.3%
Tier 1 risk-based capital	14.3%
Total risk-based capital	15.1%

- 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).

[1]Based on 1st quarter 2022 declared dividend; [2]Net 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

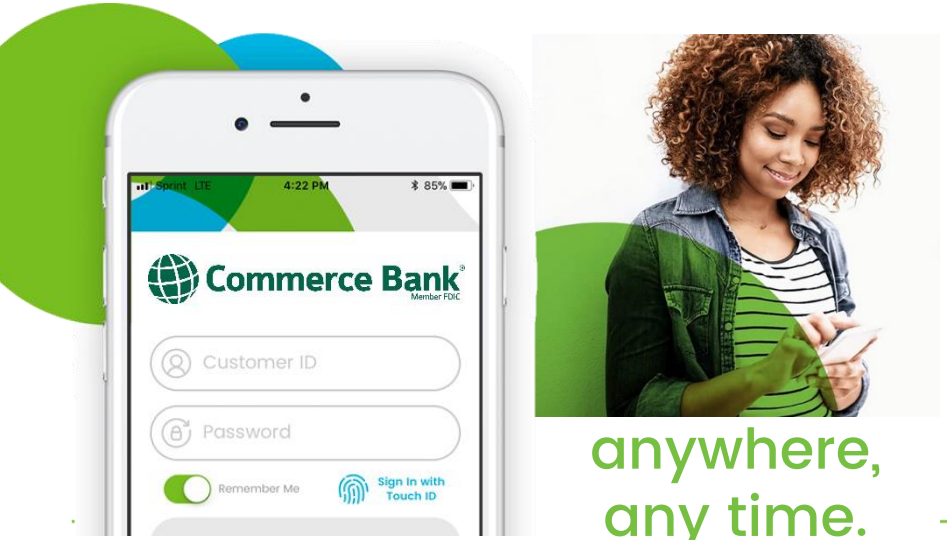
- Diversity, Equity and Inclusion
- Enterprise Digital Strategy
- Maximize Value of Key Retail Clients
- Grow the Private Bank Through a New Transformative Model
- Accelerate Expansion Market Growth
- Develop Claims Payment
- Accelerate Growth in Healthcare
- Implement Transform 360
- Enhance the People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

Commerce EDGE

...emphasis on culture, collaboration and core values

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
- Elevates digital leadership to an executive level



anywhere, any time.

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

- 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

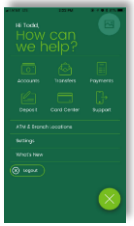
PLAYING OFFENSE: CONSUMER BANKING

Enhancing the Customer Experience

Engaging with customers through the channels they prefer.

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

CONNECT™







CommercePremier

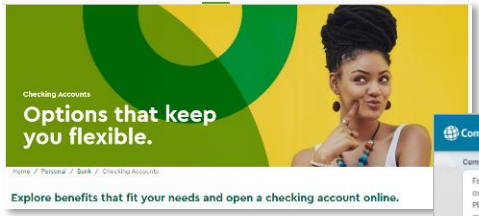
CARA

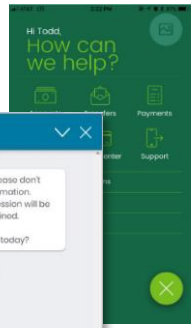


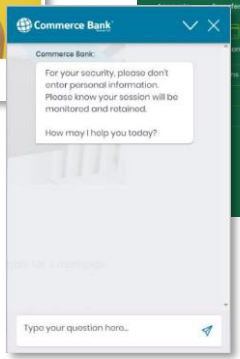
Consumer Digital

Evolving digital experiences to meet our customers' expectations.

- Offered digital account opening post-login
- Intelligent Marketing Pilot launched for loan products
- Implemented online banking chat for Mortgage customers
- Enhanced the password reset self-service functionality
- Improved the account transaction history search and calendar usability







2020 — 21 releases

2021 — 33 releases

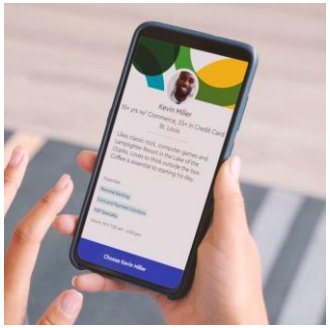
PLAYING OFFENSE: CONSUMER BANKING

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 message directly with their banker

CONNECT™



Commerce Bank Mortgage

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

- Continue to enhance the digital mortgage platform; e-Closing implementation
- Continue to evolve and transform the sales process to align with changing customer behavior

Mortgage made simple.
Stress less.
We've got this.



PLAYING OFFENSE: INTERNAL INNOVATION AT COMMERCE

TOOLS

<HACKATHON/>

Internal software development events to rapidly build, test, and promote new products or services for both internal and external customers.

innovation

Commerce's commitment to promoting an innovative mindset, from everyday incremental improvement to transformative changes in the way we do business.

AGILE

As innovation and technology rapidly drive change, our customers' needs and expectations continue to evolve. AGILE enables our organization to meet this disruption head on.

KEY PROJECTS

Customer Relationship Management

Insight 360 Commercial

salesforce

Quest powered by Salesforce Wealth

Project completed in Q4 2020 to align all Commercial business lines on Insight360.

Ongoing enhancements being made on both platforms to improve sales, service and marketing interactions with customers and prospects.

nCino Platform & Insight360 leveraged for CARES Act Programs.

CARA

Customer Advising & Referral Assistant (CARA) is a guided conversation tool that helps us better understand our customers' needs, make consistent recommendations, and free up time to concentrate on building relationships with our clients.

Transform 360

A bank-wide project implemented to replace the existing mainframe core system with a new and modern solution.

PLAYING OFFENSE: CONSUMER BANKING

$13.4 BILLION Consumer Deposits[1]

$1.9 BILLION Consumer Loans[2]

811 THOUSAND Consumer Households[1]

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

[1]Only includes primary households, excludes Wealth segment [2]Excludes loans from our Wealth segment and $1.9 billion of personal real estate loans

Commerce Trust Company™

Wealth | Investments | Planning®

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.

19TH Largest Among Bank-Managed Trust Companies[1]

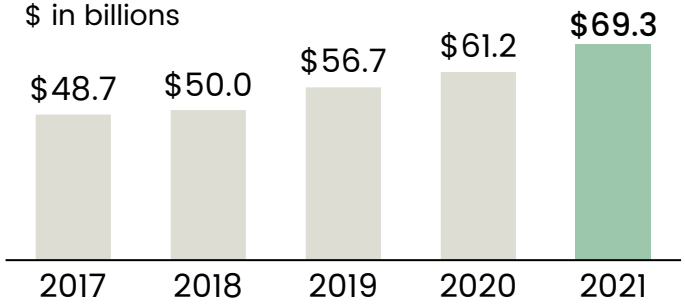
$69 BILLION Total Client Assets[2]

$43 BILLION Assets Under Management

$762 MILLION Managed Brokerage Assets

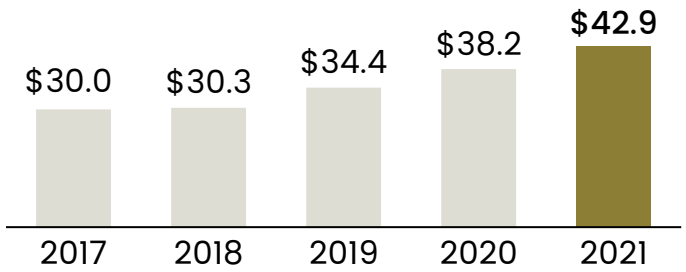
Total Client Assets[2]

$ in billions



Assets Under Management

$ in billions



Period end balances. Information as of December 31, 2021

[1]S&P Global Market Intelligence ranking as of 9/30/2021, based on assets under management

[2]Assets under administration

Commerce Bancshares, Inc.

Key Growth Initiatives

- Implement new Private Banking Lending System
- Accelerate growth of Mass Affluent households
- Implement enhanced sales process with new Client Relationship Management system
- Expand the CTC brand
- Enhance the digital client experience
- Invest in team training and onboarding resources

Strengthening our wealth brands

Commerce Trust Company™
Wealth | Investments | Planning®

COMMERCE FAMILY OFFICE

The Private Bank | Commerce Trust Company™ Wealth | Investments | Planning®

Commerce Financial Advisors
Investments • Retirement • Insurance
A Subsidiary of Commerce Bank

Commerce Funds

COMMERCIAL BANKING

Revenue growth opportunities

Financing solutions – options for all sizes and types of businesses

- Working Capital Lines of Credit
- Term Financing
- Construction & Real Estate Loans
- Equipment Financing
- International Financing
- Employee Stock & Ownership Financing
- Tax-exempt Financing
- Government Lending Programs
- Interest Rate Swaps
- Floor Plan Lending

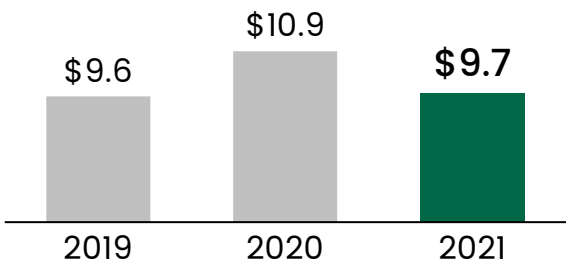
$9.7 BILLION Commercial Loans

$13.0 BILLION Commercial Deposits

$665 MILLION Commercial Revenue

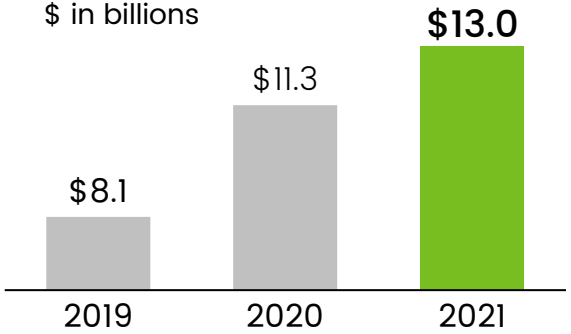
Commercial Loans

$ in billions



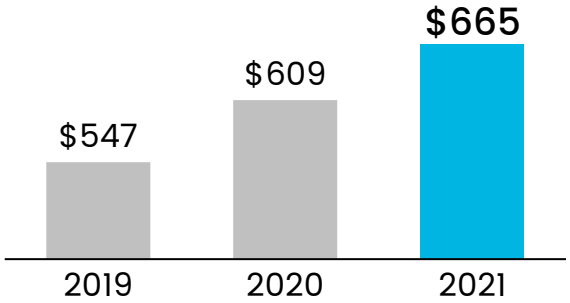
Commercial Deposits

$ in billions



Commercial Revenue

$ in millions

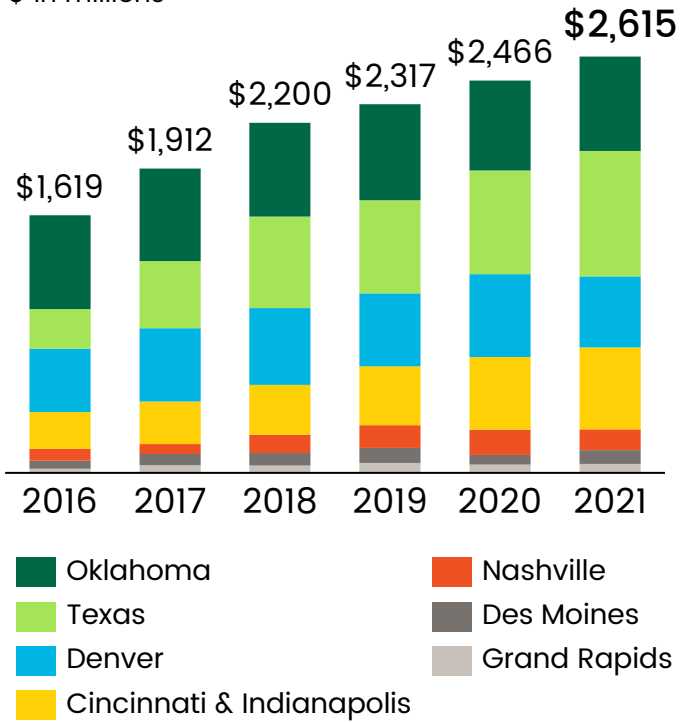


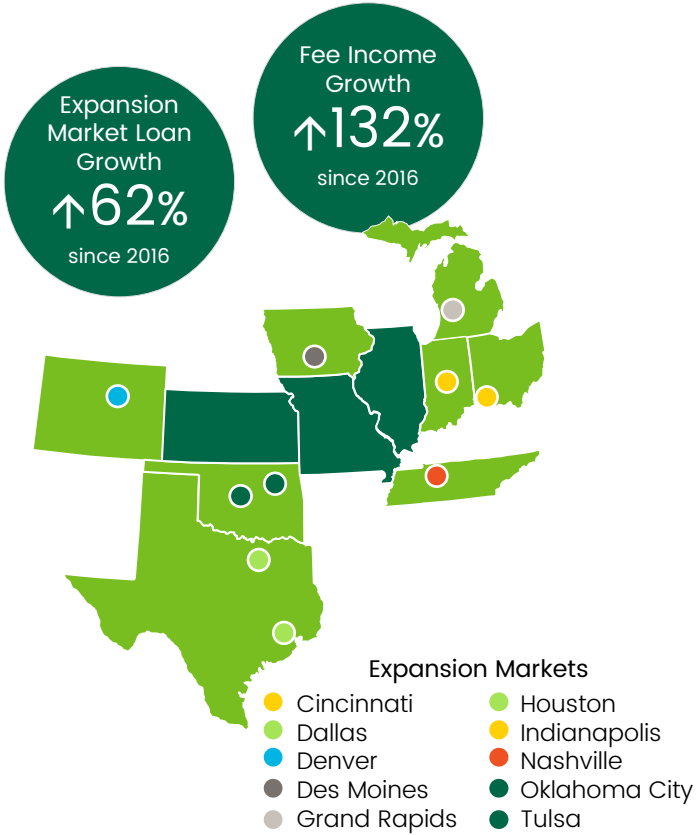
Commercial segment as of December 31, 2021

COMMERCIAL BANKING – EXPANSION MARKETS OFFER GROWTH OPPORTUNITIES

Expansion Market Loan Growth

$ in millions





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



$190 MILLION	Payments Revenue
$58 MILLION	Treasury Management Revenue
$9.4 BILLION	Commercial Card Volume
$7.2 BILLION	Merchant Volume

Key Verticals

CommerceHealthcare®

Tailored return on investment-based solutions enables healthcare providers to enhance the patient experience, improve cash flow, and leverage new opportunities in everyday processes.

Claims Payments

With the help of our insurance advisory council, Claims Payments was built for the industry with the input of insurance experts. We help insurance companies provide faster payments to their customers.

Information as of December 31, 2021

COMMERCE HEALTHCARE

Specialty Healthcare Division

We build and implement innovative banking technologies to improve the patient payment experience, reduce cost and accelerate cash

Well-positioned to deliver our payment automation technologies as healthcare organizations re-design their supply chain processes and help patients manage their healthcare bills



Patient Lending solutions reached $1 billion in funding since inception

Providing payment automation solutions to more than 350 hospitals nationwide

CommerceHealthcare®

Recognized by Beckers as a 'Top Healthcare Company to Know'

Successfully completed 'HFMA Peer Review' certification

PEER REVIEWED by HFMA* ®

Expanding our solutions portfolio

You focus on patients. We'll focus on payments.



Information as of December 31, 2020
**HFMA staff and volunteers determined that these healthcare business solutions have met specific criteria developed under the HFMA Peer Review process. HFMA does not endorse or guarantee the use of these healthcare business solutions or that any results will be obtained*

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

Consistently ranked among the top issuers in the Nilson Report

#12	#7	#9	#12	#19	#13
Commercial Card Issuer	Purchasing[1] Card Issuer	Bank Acquirer	Consumer Card	Debit Card	Prepaid Card

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











[1]*Includes 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

	(DOLLARS IN THOUSANDS)	For The Three Months Ended Dec. 31, 2021	Sept. 30, 2021	Dec. 31, 2020
A	Net Interest Income	$ 207,657	$ 214,037	$ 209,763
B	Non-Interest Income	$ 147,699	$ 137,506	$ 135,117
C	Non-Interest Expense	$ 203,582	$ 211,620	$ 196,310
	Pre-Provision Net Revenue (A+B-C)	**$ 151,774**	**$ 139,923**	**$ 148,570**

Investor Relations

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http://investor.commercebank.com/

Well-Positioned and Playing Offense

Commerce Bancshares, Inc.