

Rationale for the draft resolutions

I. Rationale to the draft resolution for point 12 of the agenda was published in the current report no. 6/2012 dated 29th March 2012 re. Agreement with the European Bank for Reconstruction and Development.

Link: <http://ir.bzwbk.pl/english/reports/2012/current-report-no-6-2012.html>

II. Rationale to draft resolution for point 13 of the agenda

In accordance with resolution no. 258/2011 of the Polish Financial Supervision Authority (KNF) of 4 October 2011 on detailed rules of functioning of the risk management system and the internal control system and the detailed rules of calculation of the internal capital by banks and reviewing the process of estimation and maintenance of the internal capital, and the rules of determination of the policy for variable components of remuneration paid to individuals holding managerial positions in the bank (KNF Official Journal no. 11, item 42), the persons holding managerial positions in a bank must have at least 50% of their variable remuneration determined in the form of shares or equivalent instruments.

In implementation of the KNF resolution, the Management Board adopted resolution no. 143/2011 of 14 December 2011, approved by Supervisory Board resolution no. 45/2011 of 14 December 2011, introducing, effective from 31 December 2011, the "Policy on variable components of remuneration paid to individuals holding managerial positions in BZWBK Group" stipulating that the shares of Bank Zachodni WBK S.A. will account for at least 50% of such variable remuneration.

As the General Meeting of Bank Zachodni WBK S.A. has the sole power and authority to increase the Bank's share capital through the issue of shares, and taking into account the planned share capital increase in 2013 with respect to the remuneration for 2012 payable to the persons holding managerial positions in the Bank, the information on the Policy adopted by the Bank's Management Board and the Supervisory Board is hereby presented to the General Meeting.