

RESOLUTION NO. 259/2011
OF THE POLISH FINANCIAL SUPERVISION AUTHORITY
of 4 October 2011

amending the Resolution on detailed rules and methods of publication
of qualitative and quantitative information on capital adequacy
by banks and the scope of published information

Pursuant to Article 111a (4) of the Act of 29 August 1997 - the Banking Law (Journal of Laws of 2002 No. 72, item 665 as amended¹), it is resolved as follows:

§ 1. In Resolution no. 385/2008 of the Polish Financial Supervision Authority of 17 December 2008 on detailed rules and methods of publication of qualitative and quantitative information on capital adequacy by banks and the scope of published information (Official Journal of the KNF No. 8, item 39 and of 2010 No. 2, item 11 and No. 8, item 37) in Annexe no. 1, §14 shall be added in the following wording:

"§14. 1. A bank publishes information concerning the policy of variable components of the remunerations of persons in managerial positions as defined in §28 Section 1 of Resolution No. 258/2011 of the Polish Financial Supervision Authority of 4 October 2011 on detailed principles of operation of the risk management system and the internal control system, and detailed conditions for estimation of internal capital by banks and for reviews of the internal capital retention and estimation process and the principles of determining the policy of variable components of the remunerations of persons in managerial positions at banks (Official Journal of the Polish Financial Supervision Authority No. , item) comprising:

- 1) information concerning the process of determining the policy of variable components of remunerations, including, in the case of the bank referred to in §6 Section 4 or 5 of the Resolution referred to in the introductory sentence, information concerning the composition and the scope of tasks of the remuneration committee, an external consultant if the bank used their services in order to determine those principles, and persons participating in the decision-making process during the preparation of those principles with indication of their roles;
- 2) most important information concerning determination of remunerations, including in the scope of result-dependant remunerations, as defined in §29 Subsection of the Resolution referred to in the introductory sentence, criteria of measuring results and adjusting those results by risk, and the principles of taking into consideration long-term results of the bank taking into account adjustments by the cost of remunerations;
- 3) information on the criteria of evaluating results constituting the basis of rights to the remuneration components referred to in §29 Subsection 7 of the Resolution referred to in the introductory sentence, or variable remuneration components;

Amendments to the consolidated text of the said Act were published in the Journal of Laws of 2002 No. 126, item 1070, No. 141, item 1178, No. 144, item 1208, No. 153, item 1271, No. 169, item 1385 and item 1387 and No. 241, item 2074, of 2003 No. 50, item 424, No. 60, item 535, No. 65, item 594, No. 228, item 2260 and No. 229, item 2276, of 2004 No. 64, item 594, No. 68, item 623, No. 91, item 870, No. 96, item 959, No. 121, item 1264, No. 146, item 1546 and No. 173, item 1808, of 2005 No. 83, item 719, No. 85, item 727, No. 167, item 1398 and No. 183, item 1538, of 2006 No. 104, item 708, No. 157, item 1119, No. 190, item 1401 and No. 245, item 1775, of 2007 No. 42, item 272 and No. 112, item 769, of 2008 No. 171, item 1056, No. 192, item 1179, No. 209, item 1315 and No. 231, item 1546, of 2009 No. 18, item 97, No. 42, item 341, No. 65, item 545, No. 71, item 609, No. 127, item 1045, No. 131, item 1075, No. 144, item 1176, No. 165, item 1316, No. 166, item 1317, No. 168, item 1323 and No. 201, item 1540, of 2010 No. 40, item 226, No. 81, item 530. no. 126 item 853, No. 182, item 1228 and No. 257, item 1724 and of 2011 No. 72, item 388, No. 126, item 715, No. 131, item 763, No. 134, item 779 and 781, No. 165, item 984 and No. 199, item 1175.

- 4) main parameters and principles of determining the remunerations of persons in managerial positions at banks, including the method of relating the amount of remuneration to results in the case of result-dependent remunerations;
- 5) aggregate quantitative information concerning the amount of remuneration divided into business lines used in managing the bank;
- 6) aggregate quantitative information about the remunerations of persons in managerial positions at banks divided into:
 - a) Management Board members, persons directly reporting to a Management Board member irrespective of the basis of their employment, managers of branches and their deputies and the chief accountant,
 - b) other persons in managerial positions at banks,
 - including data covering:
 - the amount of remunerations for a relevant financial year divided into fixed and variable remuneration and the number of persons receiving them;
 - the amount and forms of variable remuneration divided into remuneration payable in cash and the instruments referred to in §29 Subsection 7 of the Resolution referred to in the introductory sentence of this Section;
 - the amount of remunerations with deferred payment divided into the part already awarded and the part not awarded yet;
 - the amount of remunerations with deferred payment awarded in a relevant financial year, paid and reduced within adjustments related to results;
 - the amount of payments related to beginning and terminating the employment relationship during a relevant financial year, the number of persons receiving such payments and the highest such a payment per person.

2. With respect to the banks referred to in Section 1 (1), the quantitative information referred to in Section 1 (5) and (6) (a) is published with separate information concerning members of the bank's Management Board.

3. The information referred to in Sections 1 and 2 is updated at least once a year.

4. The Bank complies with the requirements defined in Sections 1 and 2 taking into account the status of its business, the scale of its activities, the risk related to the activities carried out, the internal organisation as well as the nature, scope and degree of complexity of the activities carried out."

§ 2. The Resolution comes into full force and effect on 31 December 2011.

Chairman of the Polish Financial Supervision Authority
Stanisław Kluza