



ALIOR
BANK

Stock option plan for 2016-2018

November 3, 2015

- **Incentive Schemes including Stock Option Plan Dec 2012 – Dec 2015 have been an intrinsic and only variable component of Alior management’s remuneration,**
- **With the maturity of the current scheme a new Stock Option Plan is proposed to cover the period Jan 2016 – Dec 2018,**
- **The new scheme is on substantially the same terms as the previous scheme and is fully CRD IV compliant:**
 - **Warrants will be granted in tranches with deferred part of up to 5 years constituting 60% of total SOP value**
 - **One year lock-up of shares converted from warrants**

- **The aim of new SOP is to maintain high involvement and stability of top management:**
 - **Current SOP ensured stability (> 90% retention rate)**
- **New stock option plan cost is 15 m PLN annually,**
- **In order to ensure the new compensation system is competitive and meets best practices, KPMG and Clifford advised.**

KEY ASSUMPTIONS

SOP for 2016-2018

SOP for 2013-2015

Duration (years)

3

3

of warrants to be granted (millions)

3,3

3,3

Prerequisite

ALR shares to beat WIG Banki index

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