

M&T BANK CORP
Form DEF 14A
March 07, 2012
Table of Contents

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934

(Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

M&T BANK CORPORATION

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(4) Date Filed:

Table of Contents

M&T BANK CORPORATION

One M&T Plaza

Buffalo, New York 14203

Notice of 2012 Annual Meeting of Shareholders

and

Proxy Statement

Table of Contents

M&T BANK CORPORATION

One M&T Plaza

Buffalo, New York 14203

March 7, 2012

Dear Shareholder,

You are cordially invited to attend the 2012 Annual Meeting of Shareholders of M&T Bank Corporation. Our annual meeting will be held on the 10th floor of One M&T Plaza in Buffalo, New York, on Tuesday, April 17, 2012, at 11:00 a.m.

Shareholders will be asked to elect 14 directors, to approve the compensation of M&T Bank Corporation's Named Executive Officers and to ratify the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the year ending December 31, 2012. Information about these matters can be found in the attached Proxy Statement.

Whether or not you presently plan to attend the meeting, please indicate your vote by using the enclosed proxy card or by voting by telephone or the Internet. You may withdraw your proxy if you attend the meeting and wish to vote in person.

We urge you to vote for the election of all 14 nominees, to approve the compensation of M&T Bank Corporation's Named Executive Officers and to ratify the appointment of PricewaterhouseCoopers LLP as the independent registered public accounting firm of M&T Bank Corporation.

ROBERT G. WILMERS

Chairman of the Board and

Chief Executive Officer

Table of Contents

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE ANNUAL MEETING OF SHAREHOLDERS TO BE HELD ON APRIL 17, 2012

The Proxy Statement and 2011 Annual Report of M&T Bank Corporation are available at <http://ir.mandtbank.com/proxy.cfm>.

YOUR VOTE IS IMPORTANT

It is important that your shares be represented and voted at the Annual Meeting of Shareholders. Shareholders whose shares are held in registered form have a choice of using a traditional proxy card or voting by telephone or the Internet, as described on your proxy card. Shareholders whose shares are held in the name of a broker, bank or other intermediary must vote using the form of proxy sent by the nominee. New York Stock Exchange (NYSE) rules do not permit brokers to vote uninstructed shares for the election of directors or on executive compensation matters unless they have received instructions from the beneficial owner. M&T Bank Corporation therefore encourages shareholders whose shares are held in the name of a broker, bank or other intermediary to direct their vote for all of the agenda items using the form of proxy sent by the broker, bank or other intermediary. Check your proxy card or the information forwarded by your broker, bank or other intermediary to see which options are available to you. Any shareholder present at the meeting may withdraw his or her proxy and vote personally on any matter properly brought before the meeting.

DISCONTINUE MULTIPLE MAILINGS

If you are a shareholder of record and have more than one account in your name or at the same address as other shareholders of record, you may authorize M&T Bank Corporation to discontinue mailings of multiple annual reports and proxy statements. To discontinue multiple mailings, or to reinstate multiple mailings, please either mail your request to M&T Bank Corporation, Attention: Shareholder Relations, One M&T Plaza, Buffalo, New York 14203, or send your request to Shareholder Relations via electronic mail at ir@mtb.com.

Table of Contents

M&T BANK CORPORATION

One M&T Plaza

Buffalo, New York 14203

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

TIME 11:00 a.m., local time, on Tuesday, April 17, 2012.

PLACE One M&T Plaza
10th Floor
Buffalo, NY 14203

ITEMS OF BUSINESS

- (1) To elect 14 directors for a term of one year and until their successors have been elected and qualified.
- (2) To approve the compensation of M&T Bank Corporation's Named Executive Officers.
- (3) To ratify the appointment of PricewaterhouseCoopers LLP as the independent registered public accounting firm of M&T Bank Corporation for the year ending December 31, 2012.
- (4) To transact such other business as may properly come before the meeting and any adjournments thereof.

RECORD DATE Holders of the Common Stock of record at 5:00 p.m., Eastern Standard Time, on February 29, 2012 are entitled to vote at the meeting.

VOTING It is important that your shares be represented and voted at the meeting. You can vote your shares by proxy by using one of the following methods: mark, sign, date and promptly return the enclosed proxy card in the postage-paid envelope furnished for that purpose, **or** vote by telephone or the Internet using the instructions on the enclosed proxy card. Any proxy may be revoked in the manner described in the accompanying Proxy Statement at any time prior to its exercise at the Annual Meeting of Shareholders. Any shareholder present at the meeting may withdraw his or her proxy and vote personally on any matter properly brought before the meeting.

March 7, 2012

MARIE KING

Corporate Secretary

Table of Contents

Table of Contents

	Page
<u>INTRODUCTION</u>	1
<u>VOTING RIGHTS</u>	1
<u>PRINCIPAL BENEFICIAL OWNERS OF SHARES</u>	2
<u>ELECTION OF DIRECTORS</u>	4
<u>NOMINEES FOR DIRECTOR</u>	4
<u>ADVISORY (NON-BINDING) PROPOSAL TO APPROVE THE COMPENSATION OF M&T BANK CORPORATION S NAMED EXECUTIVE OFFICERS</u>	9
<u>PROPOSAL TO RATIFY THE APPOINTMENT OF PRICEWATERHOUSECOOPERS LLP AS THE INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM OF M&T BANK CORPORATION</u>	10
<u>Audit Fees</u>	10
<u>Audit-Related Fees</u>	10
<u>Tax Fees</u>	10
<u>All Other Fees</u>	10
<u>Policy on Audit and Risk Committee Pre-Approval of Audit and Permissible Non-Audit Services of Independent Registered Public Accounting Firm</u>	11
<u>STOCK OWNERSHIP BY DIRECTORS AND EXECUTIVE OFFICERS</u>	12
<u>Section 16(a) Beneficial Ownership Reporting Compliance</u>	13
<u>COMPENSATION OF EXECUTIVE OFFICERS AND DIRECTORS</u>	14
<u>Compensation Discussion and Analysis</u>	14
<u>Overview of M&T Bank Corporation and 2011 Financial Performance</u>	14
<u>Overview and Objectives of Executive Compensation Programs</u>	14
<u>Implications of Participation in the TARP CPP on Executive Compensation Arrangements</u>	15
<u>Process for Determining Executive Compensation</u>	15
<u>Components of Executive Compensation</u>	17
<u>Salaries</u>	17
<u>Incentive Compensation</u>	19
<u>Annual Cash Incentives</u>	19
<u>Equity-Based Incentives</u>	19
<u>Summary of 2012 Executive Compensation Determinations</u>	22
<u>Perquisites and Other Personal Benefits</u>	22
<u>Retirement and Other Benefits</u>	23
<u>Tax Matters</u>	23
<u>Nomination, Compensation and Governance Committee Report</u>	24
<u>Description of SEO and Employee Compensation Plans Required by §30.7(b) of the Interim Final Rule</u>	24
<u>Summary Compensation Table</u>	26

Table of Contents

	Page
<u>Grants of Plan-Based Awards</u>	28
<u>Outstanding Equity Awards at Fiscal Year-End</u>	29
<u>Options Exercised and Stock Vested</u>	30
<u>Pension Benefits</u>	31
<u>Explanation of Pension Benefits Table</u>	32
<u>Qualified Pension Plan</u>	32
<u>Supplemental Pension Plan</u>	33
<u>Nonqualified Deferred Compensation</u>	34
<u>Overview of Nonqualified Deferred Compensation Plans</u>	34
<u>Potential Payments Upon Termination or Change in Control</u>	37
<u>Severance Pay Plan</u>	37
<u>Accelerated Vesting of Equity Awards</u>	38
<u>Director Compensation</u>	38
<u>M&T Bank Corporation Directors Fees</u>	39
<u>M&T Bank Corporation 2008 Directors Stock Plan</u>	39
<u>M&T Bank Directors Fees</u>	39
<u>Nonqualified Deferred Compensation Arrangements for Directors</u>	40
<u>TRANSACTIONS WITH DIRECTORS AND EXECUTIVE OFFICERS</u>	40
<u>CORPORATE GOVERNANCE OF M&T BANK CORPORATION</u>	41
<u>BOARD OF DIRECTORS, COMMITTEES OF THE BOARD AND ATTENDANCE</u>	42
<u>Board of Directors, Determination of Independence and Attendance</u>	42
<u>Board Leadership Structure</u>	44
<u>Executive Sessions of the Board of Directors</u>	44
<u>Audit and Risk Committee</u>	44
<u>Report of the Audit and Risk Committee</u>	45
<u>Nomination, Compensation and Governance Committee</u>	46
<u>Board Diversity</u>	47
<u>Nomination, Compensation and Governance Committee Interlocks and Insider Participation</u>	47
<u>Executive Committee</u>	47
<u>CODES OF ETHICS</u>	48
<u>AVAILABILITY OF CORPORATE GOVERNANCE STANDARDS</u>	48
<u>SOLICITATION COSTS</u>	49
<u>SHAREHOLDER COMMUNICATIONS WITH THE BOARD OF DIRECTORS</u>	49
<u>SHAREHOLDER PROPOSALS</u>	49
<u>NOTICE PURSUANT TO SECTION 726(d) OF THE NEW YORK BUSINESS CORPORATION LAW</u>	49
<u>OTHER MATTERS</u>	49

Table of Contents

M&T BANK CORPORATION

PROXY STATEMENT

INTRODUCTION

This Proxy Statement is furnished in connection with the solicitation by the Board of Directors of M&T Bank Corporation of proxies in the accompanying form for use at the 2012 Annual Meeting of Shareholders or any adjournment or adjournments thereof.

The Annual Meeting of Shareholders of M&T Bank Corporation will be held on the 10th floor of One M&T Plaza in Buffalo, New York, on Tuesday, April 17, 2012, at 11:00 a.m., local time. M&T Bank Corporation's mailing address is One M&T Plaza, Buffalo, New York 14203, and its telephone number is (716) 842-5138.

This Proxy Statement and the accompanying form of proxy are first being sent to common shareholders of record on or about March 7, 2012. A copy of M&T Bank Corporation's Annual Report for 2011, including financial statements, has either previously been delivered or accompanies this Proxy Statement, but is not part of the proxy solicitation materials.

VOTING RIGHTS

Common shareholders of record at 5:00 p.m., Eastern Standard Time, on February 29, 2012 are entitled to vote at the Annual Meeting. At that time, M&T Bank Corporation had outstanding 126,424,492 shares of common stock, \$0.50 par value per share (Common Stock). Each share of Common Stock is entitled to one vote. Shares may not be voted at the meeting unless the owner is present or represented by proxy. A shareholder can be represented through the return of a physical proxy or by utilizing the telephone or Internet voting procedures. The telephone and Internet voting procedures are designed to authenticate shareholders by use of a control number and allow shareholders to confirm that their instructions have been properly recorded. The method by which you vote will in no way limit your right to vote at the Annual Meeting if you later decide to attend in person. A shareholder giving a proxy may revoke it at any time before it is exercised by giving written notice of such revocation or by delivering a later dated proxy, in either case, to Marie King, Corporate Secretary, at the address set forth above, or by the vote of the shareholder in person at the Annual Meeting.

Proxies will be voted in accordance with the shareholder's direction, if any. Unless otherwise directed, proxies will be voted in favor of the election as directors of the persons named under the caption **NOMINEES FOR DIRECTOR**, in favor of approving the compensation of M&T Bank Corporation's Named Executive Officers and in favor of ratifying the appointment of Pricewaterhouse- Coopers LLP as the independent registered public accounting firm of M&T Bank Corporation for the year ending December 31, 2012.

The presence in person or by proxy of the holders of a majority of the outstanding Common Stock will constitute a quorum for the transaction of business at the meeting. Broker non-votes will be counted as being present or represented at the meeting for purposes of establishing a quorum, but, under NYSE rules, brokers will not be permitted to vote in the election of directors or on the advisory vote to approve the compensation of M&T Bank Corporation's Named Executive Officers unless specific voting instructions are provided to the broker. M&T Bank Corporation therefore encourages shareholders or other beneficial owners of shares whose shares are held in the name of a broker, bank or other intermediary to direct their vote for all agenda items on the form of proxy sent by the broker, bank or other intermediary.

Table of Contents

Under M&T Bank Corporation's Amended and Restated Bylaws, in an uncontested election, the affirmative vote of a majority of the votes cast in favor or against the election of a nominee is required for the election of such nominee as a director, assuming a quorum is present or represented at the meeting. If an incumbent director in an uncontested election does not receive a majority of the votes cast in favor or against such director, that director would be required to tender his or her resignation to the Board of Directors for consideration in accordance with the Amended and Restated Bylaws.

The affirmative vote of a majority of the votes cast in favor or against the compensation of M&T Bank Corporation's Named Executive Officers (although this vote is non-binding as explained in more detail on page 9 of this Proxy Statement) and to ratify the appointment of PricewaterhouseCoopers LLP as the independent registered public accounting firm of M&T Bank Corporation for the year ending December 31, 2012, is required to approve each such proposal. An abstention will not constitute a vote cast and therefore will not affect the outcome of the vote on the election of directors, the approval of the compensation of M&T Bank Corporation's Named Executive Officers or the ratification of PricewaterhouseCoopers LLP as the independent registered public accounting firm of M&T Bank Corporation. Broker non-votes will not constitute votes cast on the election of directors or the approval of the compensation of M&T Bank Corporation's Named Executive Officers, and therefore will have no effect on the outcome of either of these votes.

PRINCIPAL BENEFICIAL OWNERS OF SHARES

The following table sets forth certain information with respect to all persons or groups known by M&T Bank Corporation to be the beneficial owners of more than 5% of its outstanding Common Stock as of February 29, 2012.

Name and address of beneficial owner	Amount and Nature of Beneficial Ownership	Percent of class
Robert G. Wilmers and others:		
R.I. REM Investments S.A.	Eskildsen & Eskildsen Calle 50 102 Edificio Universal	
Interlaken Foundation	Planta Baja Panama 2214 Massachusetts Ave.,	4,513,200 3.57%
St. Simon Charitable Foundation	N.W. Washington, D.C. 20008 2214 Massachusetts Ave.,	165,924 less than 1%
Roche Foundation	N.W. Washington, D.C. 20008 One M&T Plaza, 19th floor	203,664 less than 1%
West Ferry Foundation	Buffalo, NY 14203 One M&T Plaza, 19th floor	78,532 less than 1%
Elisabeth Roche Wilmers	Buffalo, NY 14203 One M&T Plaza, 19th floor	141,825 less than 1%
Robert G. Wilmers	Buffalo, NY 14203 One M&T Plaza, 19th floor	461,273 less than 1%
	Buffalo, NY 14203	4,507,807 3.57%
Group Total		9,482,280(1) 7.50%

Table of Contents

Name and address of beneficial owner	Nature of Beneficial Ownership	Amount and	Percent of class
BlackRock, Inc.	40 East 52 nd Street New York, NY 10022	7,236,147(2)	5.72%
Wellington Management Company, LLP	280 Congress Street Boston, MA 02210	6,847,987(3)	5.42%

- (1) The members of this group have jointly filed with the U.S. Securities and Exchange Commission (SEC) a Schedule 13D, as amended, indicating that they constitute a group as such term is used in Section 13(d)(3) of the Securities Exchange Act of 1934, as amended (Exchange Act). Each member of the group has indicated in such amended Schedule 13D or otherwise advised M&T Bank Corporation that such member has sole voting and dispositive power with respect to the shares indicated opposite such member's name in the table. Robert G. Wilmers, chairman of the board and chief executive officer of M&T Bank Corporation, is the trustee of the West Ferry Foundation, a charitable trust formed by him, and, as trustee, holds sole voting and dispositive power over the shares which it owns. Mr. Wilmers is also the sole director and president of the Roche Foundation, and holds sole voting and dispositive power over the shares owned by it. He is a director and president of the Interlaken Foundation and the St. Simon Charitable Foundation, and holds voting and dispositive power over the shares owned by each of them. As to Mr. Wilmers, the shares indicated in the table as being owned by him include the shares owned by the Interlaken Foundation, the West Ferry Foundation, the Roche Foundation, and the St. Simon Charitable Foundation, and 400,000 shares owned by a limited liability company of which he is the sole member. See also the footnotes applicable to Mr. Wilmers in the table set forth under the caption STOCK OWNERSHIP BY DIRECTORS AND EXECUTIVE OFFICERS.
- (2) Blackrock, Inc. (BlackRock) filed an amended Schedule 13G with the SEC on February 13, 2012 reporting that it is deemed to be the beneficial owner of in excess of 5% of the outstanding shares of Common Stock. BlackRock reported that it has sole voting power with respect to all 7,236,147 of the indicated shares, which includes shares beneficially owned by certain subsidiaries of BlackRock.
- (3) Wellington Management Company, LLP (Wellington Management) filed a Schedule 13G with the SEC on February 14, 2012 reporting that it is deemed to be the beneficial owner of in excess of 5% of the outstanding shares of Common Stock. Wellington Management reported that it has shared voting power with respect to 3,764,532 of the indicated shares.

M&T Bank Corporation is the sponsor of various employee benefit plans that hold an aggregate of 4,425,060 shares of Common Stock as of February 29, 2012. Its principal banking subsidiary, Manufacturers and Traders Trust Company (M&T Bank), has sole voting authority over 1,227,923 of these shares. The remaining 3,197,137 shares of Common Stock are voted by the trustee of the applicable employee benefit plan pursuant to the instructions of the participants in accordance with the terms of each such plan. Certain of the directors and executive officers of M&T Bank Corporation hold indirect beneficial interests in the holdings of these employee benefit plans. See also footnote (3) in the table set forth under the caption STOCK OWNERSHIP BY DIRECTORS AND EXECUTIVE OFFICERS.

Table of Contents

ELECTION OF DIRECTORS

The following 14 persons have been recommended by the Board of Directors for election as directors of M&T Bank Corporation, to hold office until the 2013 Annual Meeting of Shareholders and until their successors have been elected and qualified. Each of the nominees listed below was elected at the 2011 Annual Meeting of Shareholders.

If any nominee for any reason should become unavailable for election or if a vacancy should occur before the election (which events are not expected), it is intended that the shares represented by the proxies will be voted for such other person, if any, as the Nomination, Compensation and Governance Committee shall designate.

The principal occupation and current public company directorships, as well as public company directorships held at any time during the past five years, of each of the nominees is listed below. The information with respect to the nominees is as of February 29, 2012, and includes each nominee's affiliations with M&T Bank Corporation's subsidiary banks, M&T Bank and Wilmington Trust, National Association, which was formerly known as M&T Bank, National Association (Wilmington Trust, N.A.), and with M&T Bank's principal operating subsidiaries.

NOMINEES FOR DIRECTOR

BRENT D. BAIRD is 73, is a member of the Executive Committee and the Nomination, Compensation and Governance Committee and has been a director since 1983.

Mr. Baird has been a private investor since prior to 2006. He is a director of M&T Bank and a member of its Executive and Trust and Investment Committees. Mr. Baird is a director of M&T Financial Corporation and a member of M&T Bank's Directors Advisory Council-New York City/Long Island Division. He was formerly a director of First Carolina Investors, Inc., Merchants Group, Inc., Allied Healthcare Products, Inc., Sun-Times Media Group, Inc. and Todd Shipyards Corporation.

The Nomination, Compensation and Governance Committee considered these qualifications, in addition to his investment management expertise, stature in the local community and experience with the organization in making the determination that Mr. Baird should be a nominee for director of M&T Bank Corporation.

C. ANGELA BONTEMPO is 71, is a member and the chair of the Audit and Risk Committee and has been a director since 1991.

Ms. Bontempo is the former president and chief executive officer and a former director of Saint Vincent Health System, located in Erie, Pennsylvania, all roles she held since prior to 2006. From 1998 to June 2001, she was president and chief executive officer of Bryant & Stratton College, a system of proprietary colleges headquartered in Buffalo, New York. From 1994 through 1998, Ms. Bontempo served as senior vice president and executive director of the Roswell Park Cancer Institute. She is a director of M&T Bank and a member and the chair of its Examining Committee. Ms. Bontempo is also a member of the advisory board of Ciminelli Development Company, Inc. and serves as a consultant to Ciminelli Properties, LLC.

The Nomination, Compensation and Governance Committee considered these qualifications, in addition to her financial expertise, stature in the local community and experience with the organization in making the determination that Ms. Bontempo should be a nominee for director of M&T Bank Corporation.

Table of Contents

ROBERT T. BRADY is 71, is a member of the Nomination, Compensation and Governance Committee and has been a director since 1994.

Mr. Brady was, from 1996 until 2011, chairman of the board of directors and chief executive officer of Moog Inc., a worldwide manufacturer of control systems and components for aircraft, satellites, automated machinery and medical equipment. He now serves as Moog's executive chairman. Mr. Brady is a director of M&T Bank. He is a director of National Fuel Gas Company and Astronics Corporation. Mr. Brady is also a director of the Buffalo Niagara Partnership, a director of the Albright-Knox Art Gallery and serves on the University at Buffalo Council.

The Nomination, Compensation and Governance Committee considered these qualifications, in addition to his significant public company managerial experience, stature in the local community and tenure with the organization in making the determination that Mr. Brady should be a nominee for director of M&T Bank Corporation.

T. JEFFERSON CUNNINGHAM III is 69 and has been a director since 2001.

Mr. Cunningham is a director of M&T Bank, was a member of its Community Reinvestment Act Committee and is a member and the chairman of M&T Bank's Directors Advisory Council-Hudson Valley Division. He assumed these positions with M&T Bank Corporation and M&T Bank upon M&T Bank Corporation's acquisition of Premier National Bancorp, Inc. (Premier) on February 9, 2001. In 2011, Mr. Cunningham also became a member of M&T Bank's Trust and Investment Committee. From 1994 through February 9, 2001, he served as chairman of the board and chief executive officer of Premier and its bank subsidiary, Premier National Bank, and of Premier's predecessor, Hudson Chartered Bancorp, Inc. Mr. Cunningham is, and has been since prior to 2006, chairman and chief executive officer of Magnolia Capital Management, Ltd., a registered investment adviser. He is also a trustee of Boscobel Restoration, Inc., a trustee of Open Space Institute and an advisory director of the Hudson River Valley Greenway Communities Council.

The Nomination, Compensation and Governance Committee considered these qualifications, in addition to his significant experience in the financial services industry, including his prior service as a chief executive officer, and his experience with the organization in making the determination that Mr. Cunningham should be a nominee for director of M&T Bank Corporation.

MARK J. CZARNECKI is 56 and has been a director since 2007. He is president of M&T Bank Corporation.

Mr. Czarnecki is the president and a director of M&T Bank, and is chairman of its Trust and Investment Committee. Prior to his appointment as the president of M&T Bank Corporation and M&T Bank on January 1, 2007, he served as an executive vice president of M&T Bank Corporation and M&T Bank and was in charge of the M&T Investment Group and M&T Bank's retail banking network. Mr. Czarnecki is the chairman of the board, president and chief executive officer of Wilmington Trust, N.A. and a member of its Trust and Investment Committee, and also serves as a director and officer of a number of principal subsidiaries of M&T Bank. Mr. Czarnecki joined M&T Bank in 1977 in the branch banking system and has served in a number of executive and management positions. He serves as chairman of the board of trustees of M&T Bank's partner school, Westminster Community Charter School, is a vice chairman of the University at Buffalo Council and a director of the Buffalo Niagara Partnership.

Table of Contents

The Nomination, Compensation and Governance Committee considered these qualifications, in addition to his current position and experience with the organization in making the determination that Mr. Czarnecki should be a nominee for director of M&T Bank Corporation.

GARY N. GEISEL is 63 and has been a director since 2009.

Mr. Geisel is a director of M&T Bank and the chairman and a member of M&T Bank's Directors Advisory Council-Baltimore- Washington Division. He was the chairman of the board and chief executive officer of Provident Bankshares Corporation (Provident) and Provident Bank from April 2003 until M&T Bank Corporation's acquisition of Provident on May 23, 2009. Before becoming chairman and chief executive officer, Mr. Geisel was president and chief operating officer of Provident and Provident Bank from January 2001 until April 2003. He was also a director of Provident and Provident Bank from 2001 until the acquisition on May 23, 2009. Mr. Geisel is a member of the boards of directors and executive committees of St. Agnes Hospital and Goodwill Industries of the Chesapeake, Inc. He is the Chairman of St. Agnes Hospital.

The Nomination, Compensation and Governance Committee considered these qualifications, in addition to his significant experience in the financial services industry, including his prior service as a chief executive officer, and stature in the local community in making the determination that Mr. Geisel should be a nominee for director of M&T Bank Corporation.

PATRICK W.E. HODGSON is 71, is a member of the Executive Committee and the Audit and Risk Committee and has been a director since 1987.

Mr. Hodgson is, and has been since prior to 2006, president of Cinnamon Investments Limited, a private investment company with securities holdings. He is a director and a member of the Executive, Examining and Trust and Investment Committees of M&T Bank. Mr. Hodgson was the chairman of Todd Shipyards Corporation from 1993 to 2011.

The Nomination, Compensation and Governance Committee considered these qualifications, in addition to his financial expertise, public company managerial experience and his experience with the organization in making the determination that Mr. Hodgson should be a nominee for director of M&T Bank Corporation.

RICHARD G. KING is 67, is a member of the Audit and Risk Committee and has been a director since 2000.

Mr. King is chairman of the executive committee of Utz Quality Foods, Inc., a manufacturer and distributor of salted snack foods located in Hanover, Pennsylvania. He formerly served as president and chief operating officer of Utz from January 1996 until December 2007. Mr. King is a director of M&T Bank and a member of its Examining and Trust and Investment Committees. Mr. King had served as a director of Keystone Financial Inc. (Keystone) from 1997, and as director of Keystone Financial Bank, N.A. from 1999, through M&T Bank Corporation's acquisition of Keystone Financial Inc. in 2001. He is also a director of High Industries, Inc., Hanover Shoe Farms, Inc. and WITF, Inc.

The Nomination, Compensation and Governance Committee considered these qualifications, in addition to his significant management experience and experience with the organization in making the determination that Mr. King should be a nominee for director of M&T Bank Corporation.

Table of Contents

JORGE G. PEREIRA is 78 and has been a director since 1982. He is a vice chairman of the board of M&T Bank Corporation and is a member and the chairman of its Nomination, Compensation and Governance Committee.

Mr. Pereira has been a private investor since prior to 2006. He is a vice chairman of the board and a director of M&T Bank. Mr. Pereira also serves as the lead independent director of M&T Bank Corporation and has been designated as the presiding director of the non-management directors of M&T Bank Corporation when they meet in executive sessions.

The Nomination, Compensation and Governance Committee considered his significant international experience in the financial services industry and experience with the organization in making the determination that Mr. Pereira should be a nominee for director of M&T Bank Corporation.

MICHAEL P. PINTO is 56 and has been a director since 2003. He is a vice chairman of the board of M&T Bank Corporation.

Mr. Pinto is a vice chairman and a director of M&T Bank, chairman and chief executive officer of M&T Bank's Mid-Atlantic Division, and executive vice president and a director of Wilmington Trust, N.A. He is also a member of the Trust and Investment Committee of Wilmington Trust, N.A. and a director and officer of a number of subsidiaries of M&T Bank. Mr. Pinto joined M&T Bank in 1985 as an executive associate and has served in a number of executive positions, including as chief financial officer. He is a member of the board of trustees of Mercy Health Services, Inc., and the board of directors of the Baltimore Symphony Orchestra.

The Nomination, Compensation and Governance Committee considered these qualifications, in addition to his prior service as chief financial officer, current position and experience with the organization in making the determination that Mr. Pinto should be a nominee for director of M&T Bank Corporation.

MELINDA R. RICH is 54 and has been a director since 2009.

Mrs. Rich is a director of M&T Bank and past chair of its Community Reinvestment Act Committee. She is, and has been since July 2006, vice chairman of Rich Products Corporation, a privately owned frozen food manufacturer headquartered in Buffalo, New York. Mrs. Rich is chairperson of Rich Products Corporation's finance and audit committee and a member of Rich Products Corporation's executive committee. She is also the president of Rich Entertainment Group, which consists of various businesses in the sports, entertainment and restaurant industries. Mrs. Rich is also a director of several other entities within the Rich Products Corporation family of companies. She is a former director of Wm. Wrigley, Jr. Company, having served in such capacity from January 1999 through October 2008, and she was chair of its corporate governance committee from March 2005 through October 2008. Mrs. Rich is currently an ex-officio director of the Erie Canal Harbor Development Corporation as well as a director of Cleveland Clinic's Wellness Institute Leadership Council and Cleveland Clinic Innovations Board of Regents. She is a director of several charitable foundations including The Culinary Institute of America, Rich Family Foundation, DreamCatcher Foundation, Inc. and Cleveland Rock and Roll, Inc./Rock and Roll Hall of Fame & Museum.

The Nomination, Compensation and Governance Committee considered these qualifications, in addition to her significant management experience, stature in the local community in making the determination that Mrs. Rich should be a nominee for director of M&T Bank Corporation.

Table of Contents

ROBERT E. SADLER, JR. is 66 and has been a director since 1999.

Mr. Sadler is a former vice chairman of the board of M&T Bank Corporation and M&T Bank. He joined M&T Bank in 1983 and served in a number of executive positions until his retirement in June 2010, after which he continued as a consultant. From June 21, 2005 to January 1, 2007, he also served as president and chief executive officer of M&T Bank Corporation and M&T Bank. Mr. Sadler serves as a director of Gibraltar Industries, Inc., Delaware North Companies and Security Mutual Life Insurance Company of New York.

The Nomination, Compensation and Governance Committee considered these qualifications, in addition to his prior service as chief executive officer and experience with the organization in making the determination that Mr. Sadler should be a nominee for director of M&T Bank Corporation.

HERBERT L. WASHINGTON is 61, is a member of the Audit and Risk Committee and has been a director since 1996.

Mr. Washington is, and has been since prior to 2006, president of H.L.W. Fast Track, Inc., the owner and operator of twenty-five McDonald's Restaurants located in Ohio and Pennsylvania. Mr. Washington is a director and a member of the Examining Committee of M&T Bank.

The Nomination, Compensation and Governance Committee considered these qualifications, in addition to his significant management experience and experience with the organization in making the determination that Mr. Washington should be a nominee for director of M&T Bank Corporation.

ROBERT G. WILMERS is 77 and has been a director since 1982. He is the chairman of the board and chief executive officer of M&T Bank Corporation, and is the chairman of its Executive Committee.

Mr. Wilmers is the chairman of the board and chief executive officer of M&T Bank, chairman of its Executive Committee and a member of its Trust and Investment Committee.

The Nomination, Compensation and Governance Committee considered these qualifications, in addition to his current position and experience with the organization in making the determination that Mr. Wilmers should be a nominee for director of M&T Bank Corporation.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE ELECTION OF ALL 14 NOMINEES.

The voting requirements with respect to the election of directors are specified under the caption VOTING RIGHTS.

Table of Contents

ADVISORY (NON-BINDING) PROPOSAL TO APPROVE THE COMPENSATION OF M&T BANK CORPORATION'S NAMED EXECUTIVE OFFICERS

M&T Bank Corporation believes that its 2011 compensation policies and practices are centered on a pay-for-performance culture and are strongly aligned with the long-term interests of our shareholders. These policies and practices are described in detail on pages 14 to 24 of this Proxy Statement.

The American Recovery and Reinvestment Act of 2009, enacted on February 17, 2009, provides that all participants in the Troubled Asset Relief Program, or TARP, permit a non-binding shareholder vote to approve the compensation of the participant's executives. On January 12, 2010, the SEC adopted final rules implementing this requirement. Therefore, the Board of Directors is providing our shareholders with the right to cast an advisory vote on the compensation of M&T Bank Corporation's Named Executive Officers at the 2012 Annual Meeting of Shareholders.

This proposal, commonly known as a "say-on-pay" proposal, gives shareholders the opportunity to vote on the compensation of M&T Bank Corporation's Named Executive Officers through the following resolution:

RESOLVED, that the shareholders of M&T Bank Corporation approve the compensation of its Named Executive Officers disclosed pursuant to the compensation disclosure rules of the Securities and Exchange Commission, including the Compensation Discussion and Analysis, the compensation tables and any related material contained in this Proxy Statement.

The shareholder vote on this matter is advisory and will therefore not be binding upon the Board of Directors.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE APPROVAL OF THIS RESOLUTION.

In January 2011, the SEC adopted amendments to the Exchange Act and the related regulations that require all companies to conduct a shareholder advisory vote on executive compensation and separate shareholder vote to determine how often a company will conduct such shareholder advisory votes (so-called "say-on-frequency"). Under the amendments, companies that still have outstanding obligations under TARP and therefore must already hold an annual shareholder advisory vote on executive compensation are not required to conduct a say-on-frequency vote until they are no longer subject to the Emergency Economic Stabilization Act of 2008 ("EESA") as a TARP recipient.

Table of Contents

PROPOSAL TO RATIFY THE APPOINTMENT OF PRICEWATERHOUSECOOPERS LLP AS THE INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM OF M&T BANK CORPORATION

On February 21, 2012, the Audit and Risk Committee appointed PricewaterhouseCoopers LLP, certified public accountants, as the independent registered public accounting firm of M&T Bank Corporation for the year 2012, a capacity in which it has served since 1984.

Although shareholder approval of the appointment of the independent registered public accounting firm is not required by law, M&T Bank Corporation has determined that it is desirable to request that the shareholders ratify the Audit and Risk Committee's appointment of PricewaterhouseCoopers LLP as M&T Bank Corporation's independent registered public accounting firm for the year ending December 31, 2012. In the event the shareholders fail to ratify the appointment, the Audit and Risk Committee will reconsider this appointment and make such a determination as it believes to be in M&T Bank Corporation's and its shareholders' best interests. Even if the appointment is ratified, the Audit and Risk Committee, in its discretion, may direct the appointment of a different independent registered public accounting firm at any time during the year if the Audit and Risk Committee determines that such a change would be in M&T Bank Corporation's and its shareholders' best interests.

Representatives of PricewaterhouseCoopers LLP are expected to be present at the Annual Meeting of Shareholders. The representatives may, if they wish, make a statement and, it is expected, will be available to respond to appropriate questions.

Following is a summary of the fees billed to M&T Bank Corporation by PricewaterhouseCoopers LLP for professional services rendered during 2011 and 2010, which fees totaled \$4,367,515 and \$3,480,430, respectively, and are categorized in accordance with the SEC's rules as follows:

Audit Fees. Fees billed by PricewaterhouseCoopers LLP for services rendered for the audit of M&T Bank Corporation's annual consolidated financial statements as of and for the years ended December 31, 2011 and 2010, for its review of M&T Bank Corporation's quarterly consolidated financial statements during 2011 and 2010, and for other audit and attest services in connection with statutory and regulatory filings as of and for the years ended December 31, 2011 and 2010, totaled \$3,316,571 and \$2,478,300, respectively.

Audit-Related Fees. Fees billed by PricewaterhouseCoopers LLP for audit-related services, including audits of employee benefit plans and other attest services that are not required by statute or regulation, rendered to M&T Bank Corporation totaled \$654,163 and \$869,075 for the years ended December 31, 2011 and 2010, respectively. Of the audit-related fees billed for the years ended December 31, 2011 and 2010, all services were pre-approved by the Audit and Risk Committee.

Tax Fees. Fees billed by PricewaterhouseCoopers LLP for tax compliance, planning and consulting totaled \$390,800 and \$124,150 for the years ended December 31, 2011 and 2010, respectively. Of the tax fees billed for the years ended December 31, 2011 and 2010, all services were pre-approved by the Audit and Risk Committee.

All Other Fees. PricewaterhouseCoopers LLP billed a total of \$5,981 and \$8,905 for research software licensing fees for the years ended December 31, 2011 and 2010, respectively. All fees billed in this category for the years ended December 31, 2011 and 2010 were pre-approved by the Audit and Risk Committee.

Table of Contents

In addition to the above services, for the year ended December 31, 2010, PricewaterhouseCoopers LLP directly billed M&T Bank Corporation a total of \$217,500 for attestation reports required by the U.S. Department of Education for which M&T Bank Corporation was reimbursed by other participating financial institutions.

The Audit and Risk Committee has determined that PricewaterhouseCoopers LLP's provision of professional services is compatible with maintaining its independence. No fees were billed and no services were provided by PricewaterhouseCoopers LLP during 2011 and 2010 for financial information systems design and implementation.

No other fees were billed for any other services and no other services were provided by PricewaterhouseCoopers LLP for the years ended December 31, 2011 and 2010.

Policy on Audit and Risk Committee Pre-Approval of Audit and Permissible Non-Audit Services of Independent Registered Public Accounting Firm. Beginning for the year ended December 31, 2003, M&T Bank Corporation instituted a policy that the Audit and Risk Committee pre-approve all audit and permissible non-audit services provided by the independent registered public accounting firm. These services may include audit services, audit-related services, tax services and other services. Pre-approval is generally detailed as to the particular service or category of services and is generally subject to a specific budget range. The independent registered public accounting firm and management are required to periodically report to the Audit and Risk Committee regarding the extent of services provided by the independent registered public accounting firm in accordance with this pre-approval policy, and the fees for the services performed to date. The Audit and Risk Committee may also pre-approve additional services on a case-by-case basis. In the period between meetings of the Audit and Risk Committee, the Chair of the Audit and Risk Committee is authorized to pre-approve such services on behalf of the Audit and Risk Committee provided that such pre-approval is reported to the Audit and Risk Committee at its next regularly scheduled meeting.

Before appointing PricewaterhouseCoopers LLP, the Audit and Risk Committee considered PricewaterhouseCoopers LLP's qualifications as an independent registered public accounting firm. This included a review of the qualifications of the engagement team, the quality control procedures the firm has established, any issues raised by the most recent quality control review of the firm, as well as its reputation for integrity and competence in the fields of accounting and auditing. The Audit and Risk Committee's review also included matters required to be considered under the SEC's rules on auditor independence, including the nature and extent of non-audit services, to ensure that the auditor's independence will not be impaired. The Audit and Risk Committee has considered and determined that PricewaterhouseCoopers LLP's provision of non-audit services to M&T Bank Corporation during 2011 is compatible with and did not impair PricewaterhouseCoopers LLP's independence.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE RATIFICATION OF THE APPOINTMENT OF PRICEWATERHOUSECOOPERS LLP AS THE INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM OF M&T BANK CORPORATION FOR THE YEAR ENDING DECEMBER 31, 2012.

The voting requirements with respect to this proposal are specified under the caption VOTING RIGHTS.

Table of Contents**STOCK OWNERSHIP BY DIRECTORS AND EXECUTIVE OFFICERS**

Direct and indirect ownership of Common Stock and restricted Common Stock by each of the directors, each of the executive officers who are named in the Summary Compensation Table (the Named Executive Officers or NEOs), and by all directors and executive officers as a group, is set forth in the following table as of February 29, 2012, together with the percentage of total shares outstanding represented by such ownership. (For purposes of this table, beneficial ownership has been determined in accordance with the provisions of Rule 13d-3 under the Exchange Act, under which, in general, a person is deemed to be the beneficial owner of a security if such person has or shares the power to vote or to direct the voting of the security or the power to dispose or to direct the disposition of the security, or if such person has the right to acquire the beneficial ownership of the security within 60 days.)

Name of beneficial owner	Number of shares	Percent of class
Brent D. Baird	21,997	(9)
Robert J. Bennett	109,063(1)	(9)
C. Angela Bontempo	8,823(2)	(9)
Robert T. Brady	5,253	(9)
Michael D. Buckley	3,937	(9)
T. Jefferson Cunningham III	9,358	(9)
Mark J. Czarnecki	342,778(3)	(9)
Donald E. Foley	751	(9)
Gary N. Geisel	44,420(3)	(9)
Patrick W.E. Hodgson	56,392(4)	(9)
Richard G. King	15,758	(9)
Jorge G. Pereira	1,107,629(5)	(9)
Michael P. Pinto	427,918(3)	(9)
Melinda R. Rich	10,179	(9)
Robert E. Sadler, Jr.	154,741(6)	(9)
Herbert L. Washington	8,218	(9)
Robert G. Wilmers	4,507,807(7)(8)	3.57%
René F. Jones	146,485(3)(7)	(9)
Kevin J. Pearson	199,950(3)	(9)
Current directors and executive officers as a group		
(28 persons)	8,255,658(3)(7)	6.44%

- (1) Includes 9,170 shares held by trusts for which Mr. Bennett is a trustee and in which he has a pecuniary interest and investment power and 50,480 shares held by a close relative of Mr. Bennett for which beneficial ownership is disclaimed.
- (2) Includes 400 shares held by trusts for which Ms. Bontempo is a trustee and in which she has a pecuniary interest and investment power.
- (3) Includes the following shares subject to options granted under (a) M&T Bank Corporation's incentive compensation plans, and (b) plans of companies acquired by M&T Bank Corporation, the obligations of which have been assumed by M&T Bank Corporation and converted into options to receive shares of Common Stock, all of which are currently exercisable or are exercisable within 60 days after February 29, 2012: Mr. Czarnecki 273,289 shares; Mr. Geisel 24,360 shares; Mr. Jones 98,053; Mr. Pearson

Table of Contents

- 159,698 shares; Mr. Pinto 329,361 shares; and all directors and executive officers as a group 1,705,056 shares. Out-of-the-money options are included in the shares presented as beneficially owned to the extent they are currently exercisable or exercisable within 60 days after February 29, 2012. Also includes shares of restricted Common Stock as of February 29, 2012 as follows: Mr. Jones 20,695 shares; Mr. Pearson 24,038 shares; and all directors and executive officers as a group 87,065 shares.
- (4) Includes 6,000 shares held by a close relative of Mr. Hodgson for which beneficial ownership is disclaimed. Also includes 45,000 shares owned by a corporation controlled by Mr. Hodgson which shares are held in a margin account with other securities that may be pledged from time to time.
 - (5) Includes 1,104,000 shares owned by corporations controlled by Mr. Pereira.
 - (6) Includes 21,923 shares owned by the Sadler Family Foundation, a charitable foundation formed by Mr. Sadler. Mr. Sadler is a trustee of the Sadler Family Foundation and holds voting and dispositive power over the shares owned by it. Also includes 57,202 shares held in a grantor retained annuity trust of which Mr. Sadler is the trustee and his descendants are beneficiaries. Mr. Sadler disclaims beneficial ownership of such shares except to the extent of his pecuniary interest therein.
 - (7) Includes the following shares through participation in the M&T Bank Corporation Retirement Savings Plan (the Retirement Savings Plan): Mr. Wilmers 50,029 shares; Mr. Jones 5,971 shares; Mr. Pearson 2,359 shares; and all directors and executive officers as a group 81,296 shares. Such individuals retain voting and investment power over their respective shares in the Retirement Savings Plan.
 - (8) See footnote (1) to the table set forth under the caption PRINCIPAL BENEFICIAL OWNERS OF SHARES.
 - (9) Less than 1%.

Section 16(a) Beneficial Ownership Reporting Compliance. Under Section 16(a) of the Exchange Act, M&T Bank Corporation's directors and officers and persons who beneficially own more than 10% of the outstanding shares of Common Stock are required to report their beneficial ownership of the Common Stock and any changes in that beneficial ownership to the SEC and the NYSE. M&T Bank Corporation believes that these filing requirements were satisfied by all of its directors and officers during 2011. In making the foregoing statement, M&T Bank Corporation has relied on copies of the reporting forms received by it or on the written representations from such reporting persons that no additional forms were required to be filed under the applicable rules of the SEC.

Table of Contents

COMPENSATION OF EXECUTIVE OFFICERS AND DIRECTORS

Compensation Discussion and Analysis

Overview of M&T Bank Corporation and 2011 Financial Performance. M&T Bank Corporation (sometimes referred to in this discussion as M&T or the Company) is a financial holding company that offers a wide range of commercial banking, trust, wealth advisory and investment services to its customers. As of December 31, 2011, M&T had consolidated total assets of \$77.9 billion, deposits of \$59.4 billion and shareholders' equity of \$9.3 billion, and employed 14,235 full-time and 1,431 part-time employees. M&T reported net income of \$859 million and diluted earnings per common share of \$6.35 for the year ended December 31, 2011, both as reported in accordance with generally accepted accounting principles. M&T also improved its return on average assets and average shareholders' equity during the year, maintaining top quartile performance on those key measures relative to our comparison group of other commercial banking companies (as described below). M&T's performance in 2011 equaled or exceeded its business plan on every key measure, including net income, earnings per common share, return on assets, return on equity, various credit metrics, and various capital ratios, other than net interest margin and efficiency ratio. In addition, M&T's total return to shareholders, while negative for 2011, which was also true for all but one of our comparison group, was above the median of the comparison group for both 2011 and the two-year period of 2010 through 2011, and earnings-per-share growth was in the top quartile of the comparison group for the period of financial and economic difficulties experienced from 2006 through 2011.

Overview and Objectives of Executive Compensation Programs. The objective of M&T's compensation programs is to attract, develop and retain executive officers capable of maximizing performance for the benefit of the Company's shareholders. Our compensation philosophy is, and has long been, to emphasize long-term, equity-based compensation for its Named Executive Officers (sometimes referred to as NEOs) and other employees. This philosophy allows M&T to align its compensation with performance in two ways:

first, by explicitly linking the size and kind of equity awards to be granted to the NEOs based on the performance of the Company in the past; and

second, by tying the NEOs' ultimate realized compensation to the future value of M&T Common Stock based on the performance of the Company and in alignment with our shareholders, and by seeking to balance growth with prudent risk-taking.

Due in part to our heavy emphasis on equity compensation, management and other employees of the Company have accumulated a sizable ownership interest in the Company, which strengthens the alignment of these employees' incentives with those of the Company's shareholders.

Our ability to fulfill the objective of M&T's compensation programs and maintain our compensation philosophy has been impacted by the rules governing executive compensation applicable to financial institutions that received investments from the U.S. Department of the Treasury (sometimes referred to as Treasury) under the TARP Capital Purchase Program (sometimes referred to as the TARP CPP). As discussed in greater detail below, we have been required to modify the compensation structure for our NEOs, other executive officers and certain highly compensated employees in order to comply with these rules while still ensuring that we remain competitive in attracting, developing and retaining high performing executive officers and other employees.

Table of Contents

Implications of Participation in the TARP CPP on Executive Compensation Arrangements. As a result of M&T's participation in the TARP CPP, M&T became subject to certain restrictions on executive compensation set forth in Section 111 of EESA and the Securities Purchase Agreement entered into by M&T Bank Corporation and Treasury on December 23, 2008. Subsequently, the American Recovery and Reinvestment Act of 2009 was signed into law on February 17, 2009 and included a provision that amended Section 111 of EESA and directed Treasury to establish specified standards on executive compensation and corporate governance. On June 15, 2009, Treasury published its Interim Final Rule on TARP Standards for Compensation and Corporate Governance (sometimes referred to as the TARP Interim Final Rule) which established those standards (sometimes referred to as the TARP Compensation Standards). The TARP Compensation Standards generally apply to all TARP recipients in the programs under TARP, including specifically to M&T under the TARP CPP.

The standard that has the largest impact on M&T's compensation structure is a prohibition on paying bonuses, retention awards and incentive compensation, other than limited amounts of long-term restricted stock or pursuant to commission plans or certain preexisting employment contracts, to our Senior Executive Officers, or SEOs, which includes our five NEOs, and the next 20 most highly compensated employees.

Process for Determining Executive Compensation. The Nomination, Compensation and Governance Committee of our Board of Directors (sometimes referred to in this discussion as the Committee) is responsible for determining the compensation of our NEOs. As discussed below, the Committee reviews the compensation levels of the NEOs relative to a group of commercial banking peers and considers the financial performance of the Company relative to that peer group as well as certain other factors, including our compensation mix strategy as described herein and individual and corporate performance, in determining the amount and mix of compensation to be paid to each NEO and, when applicable, in compliance with the TARP Compensation Standards.

Compensation Review. At least annually, the Committee compares compensation levels for the NEOs and M&T's financial performance to a group of commercial banking institutions of similar business makeup, size and geographic reach. For 2011, the Committee determined it appropriate to use for this purpose the same group that the Company uses for financial performance comparison purposes. M&T selected the following 11 commercial banking companies, which group was determined by taking the group of U.S. based commercial bank holding companies having assets of at least \$30 billion but not more than \$300 billion as of December 31, 2010, and removing those that have a significantly dissimilar business mix, or have a substantial international presence:

BB&T Corporation

Capital One Financial Corporation

Comerica Incorporated

Fifth Third Bancorp

Huntington Bankshares Incorporated

KeyCorp

PNC Financial Services Group, Inc.

Regions Financial Corp.

SunTrust Banks, Inc.

Synovus Financial Corp.

Zions Bancorporation

The 2011 comparison group differed from the 2010 comparison group in that US Bancorp (too large), First Horizon National Corporation (too small) and Marshall & Ilsley Corp. (acquired by foreign bank) were removed.

Table of Contents

Consistent with its philosophy of providing incentives that link compensation to firm performance, in determining the appropriate mix of compensation among base salary, annual cash incentives and stock-based compensation, the Committee assesses the performance of each NEO after the year is complete against management’s annual business plan that is approved by the Board of Directors. The plan provides the Committee with a detailed assessment of our expectations for M&T’s performance, including its return on assets, return on equity, earnings-per-share growth, expense management, revenue growth, market concentration, credit quality measures and various other financial performance measures. The Committee assesses the performance of each NEO in light of the business plan and relative to the performance of the firms in the comparison group.

The Committee considers a number of factors specific to each executive’s role when determining the amount and mix of compensation to be paid. These factors are briefly summarized in the table below:

Executive Officers	Factors Included among Committee Considerations
All NEOs	<p>Compensation of comparable executives at the comparison group firms;</p> <p>Financial performance of M&T (especially on a net operating basis, which excludes the effect of one-time gains and expenses) over the most recent fiscal year and prior years;</p> <p>Achievement of M&T compared to its corporate, financial, strategic and operational objectives and business plans and compared to the performance of the comparison group firms;</p> <p>Cumulative shareholder return; and</p> <p>Restrictions placed on compensation by the TARP Compensation Standards.</p>
NEOs other than the Chief Executive Officer	<p>Recommendations of the Chief Executive Officer and other applicable senior managers, and an assessment of individual performance.</p>

Role of Compensation Consultants. In both 2010 and 2011, the Nomination, Compensation and Governance Committee retained the services of McLagan to review the NEOs’ compensation and to provide insights for each of those years into the anticipated compensation levels within the comparison group for 2010 and 2011 performance. McLagan’s review included a review of the following components of NEO compensation:

base salaries;

annual incentives; and

long-term incentives, including stock-based compensation.

The review compared NEO compensation to the compensation of the comparison group as determined by McLagan based on information provided by the comparison group in the 2010 and 2011 proxy statements, surveys and other sources. The Committee uses information about the comparison group to help assess the competitiveness of the Company’s pay practices. McLagan also provided opinions to the Committee regarding the reasonableness of the compensation determinations made with respect to the NEOs in January 2011 and January 2012 and their compliance with the TARP Compensation Standards. Additional information regarding McLagan and a description of the services provided by it and its affiliates to M&T during 2011, including the fees paid by M&T, is provided in this Proxy Statement in the section below entitled CORPORATE GOVERNANCE OF M&T BANK CORPORATION.

Table of Contents

Components of Executive Compensation. Consistent with M&T's compensation philosophy of linking NEO incentives to those of shareholders, the Committee historically tended to award a relatively higher percentage of compensation in the form of equity than members of the comparison group. This philosophy also explains why M&T historically has generally paid less in base salary (which is less sensitive to performance) than members of the comparison group.

In 2011, the aggregate total compensation (total cash compensation plus stock-based compensation or other long-term incentives) of the NEOs was below the aggregate medians for comparable executives employed by the members of the comparison group. With some members of the comparison group subject to the TARP Compensation Standards and some members not subject to such rules, it is difficult to make meaningful comparisons of the individual components of compensation. Consequently, in determining the appropriate level of compensation for the NEOs, the Committee focused on the total compensation of comparable positions within the comparison group. We provide a brief explanation of the factors used to determine each component of the NEOs' compensation in the sections that follow.

Salaries. Base salaries of the NEOs are determined by the Committee based on a variety of factors, including the scope of the executive's responsibilities, historical base salaries of comparable executives employed by members of the comparison group, and past and expected future contributions. In line with the Company's strategy of emphasizing compensation that links executives' incentives to those of shareholders, particularly long-term stock-based compensation, salaries of the NEOs historically have generally been set below the median salaries for executives employed by firms in the comparison group. In considering the appropriate salaries for the NEOs in 2011 and 2012, the Committee considered it appropriate to account for the impact of the TARP Compensation Standards and incorporated a stock salary component into each NEO's base salary in order to maintain total compensation for each NEO that is competitive with comparable positions with firms in the comparison group. In making this determination, the Committee considered the benefit of using stock salary over additional cash salary in order to continue emphasizing equity-based compensation for the NEOs.

2011 Salary Determinations. The Committee made base salary determinations for 2011 for the NEOs in January 2011. In making such determinations, the Committee took into consideration the fact that it could not approve any cash incentives to the NEOs for 2010 performance under the TARP Compensation Standards and that the value of equity awards it could approve in 2011 was limited by the TARP Compensation Standards. The Committee determined that due to M&T's strong performance in 2010, compared to both that of the comparison group and its business plan, the Committee determined that the total compensation of each of the NEOs should be increased from the low levels paid in 2010 for the performance in 2009. In reviewing the information about compensation for comparable positions at the comparison group, and considering the mix of compensation desired for the NEOs, the Committee determined that the salaries of Messrs. Czarnecki and Pinto should each be increased by \$150,000 (9%) in cash. The base salary of Mr. Wilmers was not changed because the Committee determined that the desired level of total compensation could be achieved by increasing his equity award; however a portion of his base salary was shifted from stock salary

Table of Contents

to cash salary so that his cash salary would better reflect his relative value to M&T. The Committee determined to increase Mr. Jones' base salary by \$225,000 (21%), with \$100,000 of the increase in cash and \$125,000 in stock salary, and to increase the base salary of Mr. Pearson by \$50,000 (5%) in cash.

Similar to 2010, the Committee determined that the shares of Common Stock received by each NEO as stock salary would be subject to restrictions on transfer such that each NEO may not sell, transfer or otherwise dispose of any Common Stock received as stock salary in 2011 until the earlier of (a) the date of that M&T repays the investment made under the TARP CPP, or (b) January 1, 2013. The number of shares of Common Stock to be paid to each NEO with respect to each biweekly pay period is to be determined by dividing the amount of stock salary with respect to that pay period by the reported closing price on the NYSE for a share of Common Stock on the pay date for such period. The NEOs may elect to pay the applicable taxes on the stock salary in cash or by having a portion of the stock salary withheld from each biweekly payment and receiving the net shares. The stock salary includes voting rights and the right to receive any dividends paid on the Common Stock if and when paid.

2012 Salary Determinations. The Committee made base salary determinations for 2012 for the NEOs in January 2012 and approved an adjustment to Mr. Wilmers' base salary in February 2012. Those determinations continued to be influenced by the TARP Compensation Standards, including the prohibition on paying cash incentives to the NEOs and the limitation on equity awards that could be made to the NEOs. Given M&T's strong performance in 2011, compared to both that of the comparison group and its business plan, the consummation of the acquisition of Wilmington Trust Corporation, and the continued lagging of the compensation of the NEOs compared to similar positions within the comparison group, the Committee determined that the total compensation of each of the NEOs should be increased. Considering the mix of compensation desired for the NEOs, the performance of each of the NEOs and information about relative compensation levels at the comparison group, the Committee determined that the salary of Mr. Wilmers should be increased by \$100,000 (6%) in cash, the salaries of Messrs. Czarnecki and Pinto should each be increased by \$100,000 (6%) in cash, the salary of Mr. Jones should be increased by \$125,000 (12%), \$50,000 in cash and \$75,000 in stock salary, and the salary of Mr. Pearson should be increased by \$50,000 (5%) in cash.

Similar to the prior years in which the NEOs have been subject to the TARP Compensation Standards, the Committee determined that the shares of Common Stock received by each NEO as stock salary would be subject to restrictions on transfer such that each NEO may not sell, transfer or otherwise dispose of any Common Stock received as stock salary in 2012 until the earlier of (a) the date of that M&T repays the investment made under the TARP CPP, or (b) January 1, 2014. The number of shares of Common Stock to be paid to each NEO with respect to each biweekly pay period is to be determined by dividing the amount of stock salary with respect to that pay period by the reported closing price on the NYSE for a share of Common Stock on the pay date for such period. The NEOs may elect to pay the applicable taxes on the stock salary in cash or by having a portion of the stock salary withheld from each biweekly payment and receiving the net shares. The stock salary includes voting rights and the right to receive any dividends paid on the Common Stock if and when dividends are paid on the Common Stock.

Table of Contents

Incentive Compensation. Consistent with the objective of linking compensation to M&T's performance for the benefit of the Company's shareholders, in determining annual cash incentive and equity awards, the Committee has historically assessed the following factors, without assigning any particular weighting to any single factor:

the Company's current and past performance compared to its business plans and other qualitative and quantitative factors;

the Company's performance compared to the comparison group;

the NEO's individual performance, as discussed below;

the NEO's past compensation;

the period during which a NEO has been in a key position with the Company;

with respect to equity awards, dilution and the market value of the Common Stock;

compensation information with respect to the comparison group; and

the Company's future prospects.

For awards made in 2011 with respect to 2010 performance, or in 2012 with respect to 2011 performance, the Committee's ability to make any incentive compensation awards was limited by the TARP Compensation Standards. As a result, the factors described above were considered by the Committee in determining the total compensation opportunity for each of the NEOs.

Annual Cash Incentives. Historically, the NEOs participated in the M&T Bank Corporation Annual Executive Incentive Plan, which plan provides for discretionary grants of cash awards to the NEOs as determined by the Committee. As discussed above, the TARP Compensation Standards prohibit the payment of these types of cash awards, except pursuant to certain commission-based plans and preexisting employment contracts, to the NEOs and next 20 most highly compensated employees. Since none of the NEOs receive commissions or have preexisting employment contracts, the Committee could not, and did not, make any discretionary grants of cash awards to the NEOs in 2010, 2011 or 2012 with respect to 2009, 2010 or 2011 performance.

Equity-Based Incentives. Also consistent with its philosophy of linking compensation to M&T's performance for the benefit of the Company's shareholders, M&T provides long-term incentive opportunities to its executive officers through discretionary grants of stock-based compensation under the M&T Bank Corporation 2009 Equity Incentive Compensation Plan. The Committee determines the dollar value of equity awards to be made to the NEOs at its meeting in January of each year. Following that meeting, the equity awards are then granted on the last business day of January. In making grants of equity awards, the Committee assesses the following factors over a three-year period or longer:

The performance of M&T relative to prior years; and

The performance of M&T for the immediately preceding year relative to its business plan and the comparison group.

Stock Options. Management and the Committee have historically believed that stock options are an effective long-term incentive because the holder can profit only if the value of M&T Common Stock increases. In addition, the Company has utilized incentive stock options that comply

Edgar Filing: M&T BANK CORP - Form DEF 14A

with Section 422 of the Internal Revenue Code of 1986, as amended (the Internal Revenue Code), to the maximum extent permitted. In making such awards in the past, the Committee concluded that the potential tax advantages available to the NEOs with incentive stock options increases the likelihood that a NEO will hold the stock received upon exercise of a stock option. Typically, stock options vest over a four-year period, with 10% vesting one year after the date of grant, an additional 20% vesting two years after the date of grant, an additional 30% vesting three years after the date of grant and the remaining 40% vesting four years after the date of grant.

Table of Contents

Restricted Stock and Restricted Stock Units. Management and the Committee believe that restricted stock and restricted stock units to be settled in stock also provide an effective long-term incentive because the value of the award can be further enhanced if the value of the Common Stock increases from the date of grant to the date restrictions lapse. The restrictions on awards of restricted stock or restricted stock units will lapse based on the same service-based vesting schedule used for stock options. The restricted stock will receive dividends if and when dividends are paid on the Common Stock and will have voting rights during the restricted period. The restricted stock units will receive dividend equivalent payments if and when dividends are paid on the Common Stock but they do not have voting rights during the restricted period. Beginning in 2009, for tax reasons, the Committee determined to award restricted stock units to be settled in stock as a substitute for awards of restricted stock to Company employees who are eligible for retirement under the Pension Plan.

As discussed above, the TARP Compensation Standards prohibit the award of any equity incentive compensation to the NEOs and the next 20 most highly compensated employees, unless the equity award meets the definition of long-term restricted stock set forth in the TARP Compensation Standards, which subjects such awards to limits on value and certain vesting and transferability restrictions. The value of awards of long-term restricted stock may not exceed one-third of the recipient's annual compensation for the preceding year, but for these purposes the full value of the award itself is included in the recipient's annual compensation. In effect, the TARP Compensation Standards allow a restricted stock award with a value equal to 50 percent of salary. Such awards must not vest earlier than two years from the date of grant, except in cases of death, disability or change in control of M&T. In addition, there are restrictions on the transferability of restricted shares, even if they have vested, until specified percentages of the TARP assistance have been repaid, except that restricted shares may become transferable to the extent necessary to pay taxes becoming due upon vesting.

2011 Equity Awards. The Committee granted equity awards in 2011 to the NEOs in January 2011 based on the assessment criteria discussed above and the limits on the value of long-term restricted stock that could be granted to the NEOs in 2011 under the TARP Compensation Standards. The Committee also assessed how the mix of cash base salary, annual stock salary and long-term restricted stock should be structured in order to provide a total compensation opportunity to each NEO in 2011 that reflected the strong performance of M&T relative to both its business plan in 2010 and to the comparison group, the strong performance of M&T relative to the comparison group from 2006 through 2010, and the need to provide appropriate levels of compensation to ensure the retention and continued service of the NEOs. The value of long-term restricted stock awarded to each of Messrs. Wilmers, Czarnecki, Pinto, Jones and Pearson was \$650,000, \$600,000, \$600,000, \$425,000 and \$500,000, respectively. These awards, in combination with other compensation earned for performance in 2010, resulted in aggregate total compensation for all of the NEOs for 2011 that was below the aggregate medians of the comparison group. In addition, the total compensation opportunity for each NEO in 2011, consisting of his respective cash base salary, annual stock salary and long-term restricted stock award, when compared to the low levels of compensation earned in 2010 for 2009 performance, resulted in increases of 14 percent, 15 percent, 15 percent, 25 percent, and 16 percent, respectively, for Messrs. Wilmers, Czarnecki, Pinto, Jones and Pearson. These long-term

Table of Contents

restricted stock awards were in the form of either restricted stock or restricted stock units to be settled in stock depending upon whether or not a NEO is eligible for retirement, and were granted on January 31, 2011, in accordance with M&T Bank Corporation's equity award policy. These restricted shares and restricted stock units will vest or be settled in stock, respectively, according to the following schedule: 30 percent on January 31, 2013; 30 percent on January 31, 2014; and the remaining 40 percent on January 31, 2015. These restricted shares or restricted stock units will accelerate and vest or be settled in stock upon the death or disability of a NEO, or upon a change in control of M&T, or upon the retirement of a NEO if such retirement occurs after January 31, 2013, and the vested or settled shares will be subject to restrictions on transfer until M&T repays all or a portion of the TARP CPP investment, consistent with the requirements for long-term restricted stock set forth in the TARP Compensation Standards. As permitted by the TARP Compensation Standards, tax withholding for such shares or units may be fulfilled by the withholding of shares or units. The restricted stock and restricted stock units will be entitled to the receipt of any dividends paid on the Common Stock or dividend equivalents, respectively; provided, however, that such amounts paid prior to January 31, 2013 will be held in a dividend book account until that date, at which point the funds will be paid to the NEO with interest.

2012 Equity Awards. The Committee granted equity awards to the NEOs in January 2012 and approved an adjustment to Mr. Wilmers' equity award in February 2012, based on the assessment criteria discussed above and the limits on the value of long-term restricted stock that could be granted to the NEOs under the TARP Compensation Standards. The Committee also assessed how the mix of cash base salary, annual stock salary and long-term restricted stock should be structured in order to provide a total compensation opportunity to each NEO in 2012 that reflected the strong performance of the Company relative to its business plan and the comparison group in 2011, the acquisition of Wilmington Trust Corporation in 2011, the strong performance of M&T relative to the comparison group over the course of the financial and economic difficulties experienced from 2006 through 2011, and the need to provide appropriate levels of compensation to ensure the retention and continued service of the NEOs. The aggregate value of long-term restricted stock awarded to each of Messrs. Wilmers, Czarnecki, Pinto, Jones and Pearson was \$750,000, \$650,000, \$650,000, \$500,000 and \$550,000, respectively. Based on information from the Committee's compensation consultant, it is expected that these awards, in combination with other compensation earned for performance in 2011, will continue to result in aggregate total compensation for all of the NEOs for 2012 that is below the aggregate medians of the comparison group while overall performance for 2011 was above the median, and for many measures, in the top quartile of the group. The total compensation opportunity for each NEO in 2012, consisting of his respective cash base salary, annual stock salary and long-term restricted stock award, when compared to the compensation earned in 2011 for performance in 2010, results in increases of 8 percent, 6 percent, 6 percent, 13 percent and 6 percent, respectively, for Messrs. Wilmers, Czarnecki, Pinto, Jones and Pearson. The long-term restricted stock awards were in the form of either restricted stock or restricted stock units to be settled in stock depending upon whether or not a NEO is eligible for retirement, and were granted on January 31, 2012, except for a portion of Mr. Wilmers' award, which was granted on February 29, 2012, in each instance in accordance with M&T Bank Corporation's equity award policy. The restricted shares and restricted stock units granted on January 31, 2012 will vest or be settled in stock, respectively, according to the following schedule: 30 percent on January 31, 2014; 30 percent on January 31, 2015; and the remaining

Table of Contents

40 percent on January 31, 2016. The restricted stock units awarded to Mr. Wilmers on February 29, 2012 will be settled in stock according to the following schedule: 30 percent on February 28, 2014; 30 percent on February 28, 2015; and the remaining 40 percent on February 29, 2016. All such restricted shares or restricted stock units will accelerate and vest or be settled in stock upon the death or disability of a NEO, or upon a change in control of M&T, or upon the retirement of a NEO if such retirement occurs after January 31, 2014 (February 28, 2014 with respect to the award made February 29, 2012 to Mr. Wilmers), and the vested or settled shares will be subject to restrictions on transfer until M&T repays all or a portion of the TARP CPP investment, consistent with the requirements for long-term restricted stock in the TARP Compensation Standards. As permitted by the TARP Compensation Standards, tax withholding for such shares or units may be fulfilled by the withholding of shares or units. The restricted stock and restricted stock units will be entitled to the receipt of any dividends paid on the Common Stock or dividend equivalents, respectively; provided, however, that such amounts paid prior to January 31, 2014 (February 28, 2014 with respect to the award made February 29, 2012 to Mr. Wilmers) will be held in a dividend book account until that date, at which point the funds will be paid to the NEO with interest.

Summary of 2012 Executive Compensation Determinations. The supplemental table below shows the mix of annual base salary, annual cash incentives and equity awards approved by the Committee for each of the NEOs in January and February 2012:

Named Executive Officer	2012 Salary	Bonus Paid in 2012 for 2011 Performance	Grant Date Fair Value of Stock Awards in 2012 For 2011 Performance
Robert G. Wilmers	\$ 850,000 (Cash)		
	\$ 1,000,000 (Stock)	\$ 0	\$ 750,107
René F. Jones	\$ 600,000 (Cash)		
	\$ 600,000 (Stock)	\$ 0	\$ 500,050
Mark J. Czarnecki	\$ 800,000 (Cash)		
	\$ 1,050,000 (Stock)	\$ 0	\$ 650,040
Michael P. Pinto	\$ 800,000 (Cash)		
	\$ 1,050,000 (Stock)	\$ 0	\$ 650,040
Kevin J. Pearson	\$ 600,000 (Cash)		
	\$ 550,000 (Stock)	\$ 0	\$ 550,047

Perquisites and Other Personal Benefits. Generally, the Company provides limited perquisites designed to assist a NEO in being productive and which management and the Committee believe are consistent with our overall compensation program. Given the importance of developing business relationships to our success, our NEOs are reimbursed for certain initiation fees and dues they incur for club memberships deemed necessary for business purposes. In 2011, there were no perquisites that exceeded \$25,000 for any of the NEOs.

Table of Contents

Retirement and Other Benefits. The Company maintains two tax-qualified retirement plans for its employees, one a defined benefit plan and the other a defined contribution plan. Each of the NEOs participates in the defined benefit plan, except for Mr. Jones, who elected to have his benefit under the defined benefit plan frozen as of December 31, 2005, and to earn future benefits under the defined contribution plan. Mr. Jones made his election pursuant to a one-time election that was offered to all participants in the defined benefit plan in late 2005 to remain in the defined benefit plan and earn future benefits under a new reduced benefit formula or to retain the frozen benefit in the defined benefit plan and earn future benefits under a new defined contribution plan beginning January 1, 2006.

In addition, M&T maintains nonqualified defined benefit and defined contribution retirement plans to supplement retirement benefits for the NEOs, although these plans only provide benefits on compensation up to \$350,000. The nonqualified plans are not funded, except as benefits are actually paid to executive officers upon retirement. Additional information regarding these retirement plans and arrangements is provided in this Proxy Statement in the sections below entitled Pension Benefits and Nonqualified Deferred Compensation.

M&T does not believe it is appropriate to provide the NEOs with severance packages beyond what is provided to employees of M&T generally. Consequently, the NEOs have historically participated in the M&T Bank Corporation Severance Pay Plan (the Severance Pay Plan). As a result of the TARP Compensation Standards, no NEO is eligible to receive any benefits under the Severance Pay Plan for as long as any portion of the TARP CPP investment remains outstanding. At such time after M&T has repaid all of the TARP CPP investment and upon a Qualifying Event (defined in the plan as any permanent, involuntary termination of a participant's active employment as a result of a reduction in force, restructuring, outsourcing or elimination of position), a NEO would be entitled to benefits under the Severance Pay Plan.

Other than benefits that are generally available to employees, M&T does not maintain any individual severance or change-of-control arrangements. M&T's compensation plans do not contain payments or benefits to NEOs that are specifically triggered by a change of control, except that the Company's various stock-based compensation plans provide that, upon a change of control, all employees, including the NEOs, would become fully vested in any outstanding awards that were not already vested. M&T has elected to provide such acceleration because of a belief that the principal purpose of providing executive officers and other employees with equity incentives is to align their interests with those of M&T's shareholders and that this alignment should be enhanced, not weakened, in the context of a change of control. Accelerating the vesting of stock-based compensation upon a change of control allows employees the same opportunity as other shareholders to sell shares freely following the completion of the transaction and realize the economic benefits of such transaction, without forcing them to be exposed to the post-closing performance of the acquirer.

Tax Matters. Section 162(m) of the Internal Revenue Code generally denies a deduction to any publicly held corporation for compensation paid to its NEOs to the extent that any such individual's compensation exceeds \$1 million, subject to certain exceptions, including one for performance based compensation. Generally, the Committee seeks to maximize executive compensation deductions for federal income tax purposes. However, the TARP Compensation Standards provide that M&T may not deduct any compensation expense in excess of \$500,000 under Section 162(m) of the Internal Revenue Code, including performance based compensation. Accordingly, due to M&T's participation in the TARP CPP, Messrs. Wilmers, Jones, Czarnecki, Pinto and Pearson received compensation in 2011 of \$2,229,836; \$857,441; \$1,996,785; \$1,993,126 and \$974,963, respectively, which will be nondeductible under Section 162(m) of the Internal Revenue Code.

Table of Contents

NOMINATION, COMPENSATION AND GOVERNANCE COMMITTEE REPORT

The Nomination, Compensation and Governance Committee has reviewed and discussed the Compensation Discussion and Analysis required by Item 402(b) of SEC Regulation S-K with management and, based on such review and discussions, the Nomination, Compensation and Governance Committee recommended to the Board of Directors that the Compensation Discussion and Analysis be included in this Proxy Statement.

The Nomination, Compensation and Governance Committee certifies that at least once every six months for the period beginning January 1, 2011, it has reviewed with M&T's senior risk officers (i) the CEO compensation plans and has made all reasonable efforts to ensure that these plans do not encourage CEOs to take unnecessary and excessive risks that threaten the value of M&T; (ii) the employee compensation plans and has made all reasonable efforts to limit any unnecessary risks these plans pose to M&T; and (iii) the employee compensation plans to eliminate any features of these plans that would encourage the manipulation of reported earnings of M&T to enhance the compensation of any employee. Based upon such review, the Nomination, Compensation and Governance Committee also determined that the compensation policies and practices for all employees do not create risks that are reasonably likely to have a material adverse effect on M&T.

Description of CEO and Employee Compensation Plans Required by §30.7(b) of the Interim Final Rule

M&T formed the Compensation Plan Risk Review Committee, a management committee consisting of senior risk officers, to assist the Nomination, Compensation and Governance Committee in fulfilling its duties set forth in items (i) through (iii) above. The Compensation Plan Risk Review Committee undertook a review of all compensation plans and prioritized such plans with respect to the level of risk associated with each plan. The assessment of risk encompassed a review of business processes, the current economic environment and the design and administration of each plan. Criteria used by the Compensation Plan Risk Review Committee to quantify the risk included, among others, the percentage of the employee's total compensation provided by the plan, the covered employee's potential ability to manipulate earnings, if any, the covered employee's potential impact on reported earnings and the covered employee's ability to approve a proposed transaction or make another business decision that could have a material impact on M&T.

As a general matter, the Compensation Plan Risk Review Committee determined that broad-based plans of general applicability that provide for welfare and retirement benefits on a non-discriminatory basis do not encourage unnecessary and excessive risks that threaten the value of M&T or create an incentive or opportunity for an employee to manipulate the reported earnings of M&T, and the Nomination, Compensation and Governance Committee agreed with this assessment.

CEO Compensation Plans

M&T Bank Corporation Executive Annual Incentive Plan. The discretionary nature of this plan allows awards to be based on a comprehensive assessment of performance, including risk outcomes over the long term. Therefore, the Nomination, Compensation and Governance Committee agreed with the Compensation Plan Risk Review Committee's determination that this plan does not encourage unnecessary or excessive risk-taking by the CEOs that threatens the value of M&T or the manipulation of reported earnings.

Table of Contents

M&T Bank Corporation 2009 Equity Incentive Compensation Plan. Due to the fact that this plan awards equity that vests over a four-year period and derives value based on the long-term performance of M&T, the Nomination, Compensation and Governance Committee, in consultation with the Compensation Plan Risk Review Committee, determined that this plan does not encourage unnecessary or excessive risk-taking by the SEOs that threatens the value of M&T or the manipulation of reported earnings.

Various Retirement Programs. M&T offers various retirement programs to its SEOs, generally. Benefits under the defined benefit plans are not based on the performance of M&T, while benefits under the defined contribution plans are based on the performance of M&T only to the extent the participant elects to invest in Common Stock. Therefore, the Nomination, Compensation and Governance Committee, in consultation with the Compensation Plan Risk Review Committee, determined that these plans do not encourage unnecessary or excessive risk-taking by the Senior Executive Officers that threatens the value of M&T or the manipulation of reported earnings.

Employee Compensation Plans

In addition to the compensation plans for SEOs discussed above, M&T maintains various other employee compensation plans, some of which are discretionary in nature as to the amounts to be paid thereunder, some of which the amounts to be paid thereunder are based on a formula, some of which meet the requirements for commission compensation under the TARP Compensation Standards and others of which the amounts to be paid thereunder may be determined based on a combination of these approaches. All of these plans were reviewed by the Compensation Plan Risk Review Committee as described above. As a result of the review, no plan was identified as having a high degree of risk. As determined by the Compensation Plan Risk Review Committee, any plans that were considered to have features that could pose an opportunity for risk of loss that could impact earnings by \$25 million or more, or the manipulation of reported earnings, were subject to additional review to assess whether or not any additional measures were required to monitor or contain risk. With respect to some plans, additional risk management processes and administrative controls, such as having M&T's Enterprise-Wide Risk Management Committee periodically review the volume and nature of new business, were put in place to more effectively manage the potential risks posed due to the businesses in which these plans are operative. For the remaining plans, it was determined that the risk management oversight and the internal controls embedded in each line of business, the discretionary nature of many of the compensation plans or the adjustments for risk included in the method used to determine the amounts to be paid thereunder, or a combination of these approaches, are key factors that serve to ensure that the compensation plans do not encourage undesirable risk-taking activities or the manipulation of reported earnings.

This report was adopted on February 22, 2012 by the Nomination, Compensation and Governance Committee of the Board of Directors:

Jorge G. Pereira, Chairman

Brent D. Baird

Robert T. Brady

Michael D. Buckley

Table of Contents

Summary Compensation Table. The following table contains information concerning the compensation of M&T Bank Corporation's NEOs in the fiscal years ended December 31, 2011, 2010, and 2009.

2011 Summary Compensation Table

Name and Principal Position	Year	Salary (\$)(1)	Bonus (\$)	Stock Awards (\$)(2)	Option Awards (\$)(2)	Non- Equity Incentive Plan Compensation (\$)	Change in Pension Value and Non- qualified Deferred Compensation Earnings (\$)(3)	All Other Compensation (\$)(4)	Total (\$)
Robert G. Wilmers	2011	1,750,000	0	650,081	0	0	368,876	170,957(5)	2,939,914
Chairman of the Board and Chief Executive Officer of M&T Bank Corporation and M&T Bank	2010	1,750,000	0	350,018	0	0	243,550		