



Maciej Leśny  
Chairman of the Supervisory Board  
Chairman of the Executive Committee

Warsaw, 1 February 2011

## Report on the Activity of the Executive Committee of the Supervisory Board in 2010

Pursuant to the applicable By-laws of BRE Bank SA (Article 22 (3).1) and the Rules of the Supervisory Board (Article 12(3).1) in the past reporting period the composition of the Executive Committee was as follows:

- |            |                                      |
|------------|--------------------------------------|
| - Chairman | Maciej Leśny                         |
| - Member   | Dr Andre Carls                       |
| - Member   | Michael Schmid (until 31 March 2010) |
| - Member   | Sascha Klaus (since 1 April 2010)    |
| - Member   | Dr Jan Szomburg                      |

The activities undertaken by the Executive Committee are aimed at streamlining the functions of the Supervisory Board. The main tasks of the Executive Committee include:

- a) exercising regular supervision over the operations of the Bank between meetings of the Supervisory Board,
- b) authorizing the Management Board to acquire, encumber, and sell real estate, perpetual usufruct or share in real estate, shares in companies as well as other fixed assets, if the value of the said transactions exceeds 1% of the Bank's own funds, as defined in Article 33 of the By-laws of the Bank, calculated as of December 31 of the preceding year. Such authorisation is not required if the aforesaid acquisition took place under enforcement or bankruptcy proceedings, including the bankruptcy proceeding with the possibility of reaching an agreement or other settlement with the Bank's debtor, or in the case of sale of assets so acquired. In the case of acquisition of real estate, perpetual usufruct or share in real estate, shares in companies under the said procedures or other settlements with the Bank's debtors, or in the case of sale of assets so acquired, the Management Board is obliged to inform the Executive Committee of the above activities,
- c) considering issues concerning the rules and amounts of remuneration of Members of the Management Board, including determination of remuneration,



- d) presenting opinions concerning approval for Member of the Bank's Management Board to engage in competitive activity,
- e) issuing recommendations to the Supervisory Board regarding guidelines for the Management Board concerning level and structure of remuneration of the senior management of the Bank, as well as monitoring the aforesaid.

In the past reporting period, the Executive Committee was in contact with the Management Board of the Bank and was kept informed about the situation at BRE on an ongoing basis.

Pursuant to its powers, defined in Article 22(3).1 of the By-laws of BRE Bank, the Executive Committee adopted fifteen decisions.

The Executive Committee adopted seven decisions concerning bonuses for the Management Board Members and shares offered in the Incentive Programme. Two decisions concerned arrangements and repayment of amounts due to the former CEO. Furthermore, the Executive Committee approved economic conditions for the following tranches of the Employee Programme and granted consent to transactions exceeding 1% of the Bank's own funds.

This report is submitted pursuant to Article 22 (5) of the By-laws of BRE Bank, and the Code of Best Practices for WSE listed Companies (Chapter 2, rule 1, point 6).

Maciej Leśny  
Chairman of the Executive Committee