

Warsaw, February 28th , 2013

**Report on the activities
of the Risk Committee of the Supervisory Board of BRE Bank SA
in 2012**

The Risk Committee of the Supervisory Board (RC-SB) carried out its activities in 2012 pursuant to the rules set in the By-Laws of BRE Bank S.A. The Risk Committee consisted of the following members:

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| - Chairman | Sascha Klaus (until July 25 th , 2012) |
| - Chairman | Dirk Wilhelm Schuh (since July 26 th , 2012) |
| - Member | Thorsten Kanzler |
| - Member | Maciej Leśny |
| - Member | Waldemar Stawski |

As intended, the RC-SB held its meetings on a quarterly basis in 2012, namely in March, May, August and November 2012. The minutes of the RC-SB were presented to and acknowledged by the full Supervisory Board. According to the tasks outlined in the By-Laws of BRE, the RC-SB exercised regular supervision of credit, market and operational risks in the course of 2012 - based on the reports presented by the BRE Chief Risk Officer (CRO), Member of the Management Board, on the Risk & Capital Monitor (quarterly) as well as other documentations submitted to the RC-SB.

In 2012 the Risk Committee analysed, discussed and provided recommendations on about 50 cases/issues according to the parameters defined by By-laws of the Supervisory Board. In majority of cases the final decision by BRE Management followed the recommendation of the RC-SB.

The Risk Committee reviewed the risk strategy including partial strategies for credit, market, liquidity and operational risks. Various recommendations with regard to risk steering have been given by the Risk Committee.

Especially the development of concentration risks was discussed at each meeting and the new definition based on LaD will be implemented at BRE in 2013. Concentration risks and migrations of ratings will be controlled via Portfolio Steering Matrix.

In addition, the Risk Committee reviewed the activities of various subsidiaries within the group.

The development of the Polish economy and its impacts on the bank were regularly observed during the Risk Committee meetings. RC-SB also discussed remarks and recommendations of PFSA.

In 2012 BRE Group implemented advanced measurement approach for credit risk capital management (AIRB) under Basel rules. Its introduction was closely observed by the RC-SB.

The RC-SB discussed on regular basis the liquidity and market risk situation of BRE Group. In preparation to Basel III liquidity rules the focus was on new liquidity ratios: LCR (Liquidity Coverage Ratio) and NSFR (Net Stable Funding Ratio).

Dirk Wilhelm Schuh
Chairman of the
Risk Committee of Supervisory Board