

Warsaw, 22 February 2013

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

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) the composition of the Executive Committee was as follows:

- Chairman	Maciej Leśny
- Member	Dr Andre Carls
- Member	Ulrich Sieber
- 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:

- 1) Exercising regular supervision over the operations of the Bank between meetings of the Supervisory Board,
- 2) 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,

In the past reporting period, the Executive Committee was in regular and continuous 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 eighteen decisions.

The Executive Committee adopted nine decisions concerning bonuses for the Management Board Members and shares offered in the Incentive Programme, two decisions concerned the acceptance of the new contracts and agreements with the Management Board, one decision concerned the approval of the economic index used for the calculation of the V tranche of the Employee Incentive Programme. Apart from these, the Executive Committee confirmed the annual report on its activities, being part of the materials presented to the Ordinary General Meeting. The Executive Committee also gave two decisions on its consent for the members of the Management Board to hold positions in the governing bodies of the companies from the BRE Bank Group. Three decisions concerned granting consent to transactions exceeding 1% of the Bank's own funds.

In 2012 the Supervisory Board appointed the Remuneration Committee of the Supervisory Board. Due to this fact, some of the functions previously executed by the Executive Committee are currently in scope of activities of the Remuneration Committee, these include:

- 1) Reviewing principles and amounts of remuneration of Members of the Management Board, including the setting of relevant amounts,
- 2) Presenting opinions concerning approval for Members of the Bank's Management Board to engage in competitive activity,
- 3) 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 and the policy of variable items of remuneration of persons holding managerial positions at the Bank,
- 4) monitoring the level and structure of remuneration of the senior management.

The activities of the Remuneration Committee in 2012 are described in a separate report of the committee.

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
Chairman of the Supervisory Board