

SUMMARY OF MINUTES
Regular Meeting
of the Board of Directors
March 31, 2008

The meeting was called to order by Chair, Doug Walker at 10:15 a.m. Other directors present were Ivar Chhina, Brenda Davis, Anne Farrell, John Hamlin, Joanne Harrell, Tom Harville, Sally Jewell, Chuck Katz, Jesse King, Ed Schmults, Cheryl Scott, and Michael Smith. Corporate officers attending the meeting were: Brad Johnson, Brian Unmacht, Catherine Walker and Matt Hyde. Assistant Secretary Danette Capello was also in attendance.

Here is a summary of the subjects discussed and actions taken:

- The meeting started with an executive session with independent directors only.
- The minutes of the regular Board meeting of February 4, 2008, were approved.
- Sally Jewell provided the President's Report, which included an announcement of the promotions of Matt Hyde and Brian Unmacht to Executive Vice President, and Catherine Walker and Michelle Clements to Senior Vice President, a recap of the 2008 Leadership Conference, and the announcement that the stores in Plano, TX, Northbrook, IL, and San Diego, CA were the 2007 Stores of the Year.
- Michelle Clements, Senior VP of Human Resources, gave an update on the Company's inclusion initiative, detailing the results of focus groups conducted with over 430 employees.
- Brad Johnson, Senior VP and CFO, provided the Financial Report, detailing the 2008 year-to-date performance.
- Kevin Hagen, Director of the Corporate Social Responsibility Program, and David Jayo, Corporate Giving Program Manager, presented a report on the Company's giving and community activities.
- Michael Collins, VP of Public Affairs, updated the Board on the Company's efforts in governmental affairs, providing both a retrospective and prospective view.
- Matt Hyde, Executive VP of Marketing and Merchandising, and John Sheppard, Director of REI Adventures and Outdoor School, gave a presentation on risk management in REI's outdoor programs, including an overview of the Outdoor Programs Risk Management Committee.
- Ivar Chhina, Chair of the Audit & Finance Committee, provided the report of the Committee. The Committee received reports by the Company's internal audit firm, Jefferson Wells, and its external audit firm, Grant Thornton.
- Anne Farrell, Chair of the Nominating and Governance Committee, provided the report of the Committee. The Committee congratulated Cheryl Scott, Michael Smith, and Jesse King on their election to the Board. The Committee also interviewed a prospective Board candidate for the open appointed position.
- Joanne Harrell, Chair of the Compensation Committee, provided the report of the Committee. The Committee approved the 2008 Xcels metrics and the Long-Term Incentive Plan metrics and thresholds for the 2008-2010 cycle.
- The Board went into an executive session at 4:20 p.m. with all directors and the general counsel. The meeting was adjourned at 4:35 p.m.