

SUMMARY OF MINUTES
Regular Meeting
of the Board of Directors
June 5, 2009

The meeting was called to order by Chair, Anne Farrell at 2:30 p.m. Other directors present were: Ivar Chhina, John Hamlin, Joanne Harrell, Tom Harville, Sally Jewell, Chuck Katz, Jesse King, José Lozano, Ed Schmults, Cheryl Scott, and Michael Smith. Brenda Davis was excused. Corporate officers attending the meeting were: Lee Fromson, Brian Unmacht, Michelle Clements, Catherine Walker and Matt Hyde.

The meeting was held in conjunction with the Board's annual planning retreat. Here is a summary of the subjects discussed and actions taken during the meeting:

- The meeting started with an executive session with independent directors only.
- The minutes of the regular and annual Board meetings of March 30, 2009, were approved.
- Brian Unmacht, Executive VP Sales, Distribution and Store Development, began the President's Report by provided an overview of the Outdoor Industry Association (OIA) annual Capitol Summit in Washington D.C.
- Matt Hyde, Executive VP of Marketing and Merchandising, continued the President's Report by talking about REI associating with Bikes Belong to promote bike trails and infrastructure and The Monument Group to work on policy issues involving primarily public lands and trade. Catherine Walker, SVP and General Counsel described the trade issues that were covered at the OIA summit.
- Sally Jewell described her recent experiences in Washington, D.C., including testifying before a congressional subcommittee, meeting with US Trade Representative Ron Kirk and White House Liaison Tina Chin, and meeting with President Obama to discuss health care.
- Michelle Clements, SVP of Human Resources, ended the President's Report by providing an overview of the recent Leadership Retreat, attended by the Company's vice presidents. She described the topic areas the team focused on and the high level outcomes.
- Lee Fromson, acting VP of Finance, presented a report on the Company's financial results through the end of April. Mr. Fromson noted that, with the exception of membership sales, which are slightly below plan, all key indicators for the Company are at or slightly above plan for the year. He continued his report, with a review of the Anniversary Sale, general economic conditions, and a comparison of REI's performance to other categories of retailers.
- Angela Owen, VP of Merchandising, and Bill Baumann, VP of Information Technology, provided a report on the implementation of the SAP technology for the core merchandising and finance systems. Ms. Owen described the planning work underway, while Mr. Baumann provided a cost/benefit analysis of the project over the next five years.
- The Board went into an executive session at 5:25 p.m. with all directors and the general counsel. The executive session ended at 5:40 p.m. and meeting was adjourned immediately thereafter.