

## Corporate Governance Report

### Compulsory disclosures pursuant to section 243b of the Austrian Business Code

Atrium European Real Estate Limited ("Atrium") was established under the laws of Jersey, Channel Islands, in 1997. Atrium has been listed on the Vienna Stock Exchange ("ATR") since 2002 and on the NYSE Euronext Amsterdam Stock Exchange since August 2009.

The Austrian Code of Corporate Governance ("Code") sets out rules and regulations for responsible management and guidance of companies listed in Austria. The Code primarily applies to Austrian stock market-listed companies that voluntarily undertake to adhere to its principles. Atrium has voluntarily submitted to the Code as amended in January 2010. The Code is available on the website of the Austrian Working Group for Corporate Governance ([www.corporate-governance.at](http://www.corporate-governance.at)).

Jersey law does not contain a mandatory code of corporate governance but does impose general fiduciary duties and duties of care, diligence and skill on the Directors, who are also under a statutory obligation to act in good faith and in the best interest of Atrium. Save to the extent agreed with the Jersey Financial Services Commission ("JFSC"), Atrium will remain materially compliant with the UK Combined Code, the corporate governance code adopted by the UK Financial Services Authority.

Where a company is subject to the company law of a country that is not a member of the EU or EEA and is listed on the Vienna Stock Exchange, as is the case with Atrium (a Jersey registered company with its shares listed on the Vienna Stock Exchange), the non-mandatory L-rules of the Code are interpreted as C-rules.

The following explanations are given in respect of deviations from L- and C-rules.

#### *L-rule 1:*

Atrium is party to a relationship agreement which grants certain rights to its substantial shareholders, CPI Austria Holdings Limited ("CPI") and Gazit Globe Limited ("Gazit"). For a description of these special rights please refer to part III of the shareholder circular of 17 September 2009 published on Atrium's website [www.aere.com](http://www.aere.com).

CPI, Gazit and CPI/Gazit Holdings Limited are granted certain rights under Atrium's articles of association ("Articles"). These rights are set out in Articles 24, 25 and 29 of the Articles, which are published on Atrium's website [www.aere.com](http://www.aere.com).

#### *L-rule 3:*

Pursuant to an official statement of the Austrian Takeover Commission of 31 March 2009, the Austrian Takeover Act is not applicable to Atrium as of the date of the official statement. Accordingly, and in

particular, the pricing rules regarding a mandatory offer as set forth under section 26 of the Austrian Takeover Act do not apply to Atrium.

There are no mandatory takeover offer provisions under Jersey or Dutch law applicable to Atrium.

Finally, pursuant to the Articles, a mandatory cash offer is required to be made to all Atrium shareholders if any person other than CPI and Gazit (or any person with whom either of those parties act in concert) acquires 30% or more of the voting rights or, if already holding between 30% and 50% of the voting rights, acquires additional voting rights. Any such offer must be conditional only upon the offeror having received such acceptances as will give him 50% of the voting rights. The offer must be in cash (or accompanied by a cash alternative) at not less than the highest price paid by the offeror during the offer period and within 12 months prior to its commencement. See article 42 of the Articles, which are published on Atrium's website [www.aere.com](http://www.aere.com).

#### *L-rule 4:*

The Articles provide for a notice period of at least 14 clear days regarding all general meetings, as permitted by Jersey law.

#### *L-rule 8:*

Atrium is required to comply with Jersey law. Under Jersey law there is no limit on the number of shares that can be repurchased so long as at least one share remains in issue. Shareholders' approval is required by way of special resolution (66% majority of those voting) to sanction such repurchases. Where shares are purchased off market, they must be purchased pursuant to a contract approved in advance by an ordinary resolution of shareholders. Where shares are bought on market, authority can be granted by the shareholders to Atrium to permit it to purchase shares for a period of 18 months from the giving of the authority.

#### *C-rule 18:*

Atrium does not have a separate internal audit department. Atrium does not consider an internal audit function appropriate at this time given the size and complexity of Atrium.

#### *C-rule 27:*

We refer to the explanation given in respect of C-rule 30 below. The arrangement with the Chief Executive Office ("CEO") does not contain a provision whereby Atrium can reclaim bonuses paid.

#### *C-rule 27a:*

In case of termination by Atrium other than for cause, the CEO is entitled to receive and benefit from the salary, bonuses and vesting of options from the effective date of termination of her employment until the expiry of the employment agreement on 31 July 2013.

#### *C-rule 28:*

In 2009, Atrium established an Employee Share Option Plan ("ESOP"), under which the Board can grant share options to key employees. The

ESOP was approved by the shareholders at an extraordinary general meeting held on 6 April 2009. Options under the ESOP are granted unconditionally; no performance criteria apply at grant or at exercise. Unless provided otherwise, one third of the options granted vest after one year, another one third vests after two years and the final one third vests after three years following the grant date. Subject to the terms of the ESOP, option holders are entitled to exercise their options upon vesting. As part of her contract extension 1,000,000 options were granted to the current CEO (Mrs. Rachel Lavine) on 16 March 2010 and such options will vest in two equal portions of 500,000 each on 1 July 2012 and on 1 July 2013, respectively. The Directors may amend the ESOP as they consider appropriate but shall not make any amendment that would materially prejudice the interests of existing option holders, except with the consent in writing of the majority of 75% of all such option holders.

*C-rule 28a:*

We refer to the explanation given in respect of C-rule 28. The 83,334 options granted to the current Chief Operating Officer of Atrium (Dr. Nils Hakert) on 20 August 2010 vest in one single portion on 9 March 2013.

*C-rule 30:*

The Board of Directors has determined, for the purposes of approving the remuneration of the CEO that given the current status of Atrium there is no meaningful performance criteria suitable for use in connection with this role. The Board of Directors consider that the overall challenges faced by the CEO in carrying out her role justify payment of the bonus component of the CEO's compensation package.

*C-rule 36:*

Atrium notes that the Board of Directors has not to date instituted a formal process for self evaluation. However, proceedings of the Board of Directors and its various committees provide an open forum for discussion of performance, as well as important strategic issues and risks of Atrium, and the active contribution of Board and committee members in this respect is encouraged. Atrium Directors frequently review corporate governance and processes on the basis of best practice.

*C-rule 39:*

Those individuals appointed to the Compensation and Nominating Committee are those Directors who are best equipped (as a consequence of prior experience and/or expertise) to contribute to the deliberations of the committee, and accordingly Atrium believes that the current composition of the committee is in the best interests of Atrium.

*C-rule 43:*

In 2010, the Chairman of the Compensation and Nominating Committee was not the same person as the Chairman of the Board of Directors. When Ms. Shanti Sen, appointed by CPI, resigned from the Board and as Chairperson of the Compensation and Nominating Committee in 2009, Mr. Neil Hasson replaced her as CPI nominee on

the Board and as Chairman of the Compensation and Nominating Committee.

*C-rule 51:*

Atrium believes that the publication of the compensation of single non-executive Board members does not provide the shareholders with any additional information relevant to the capital market.

*C-rule 53:*

In accordance with the Articles and as stated in the prospectus for the listing of Atrium's shares on the official market of the Vienna Stock Exchange and on Euronext Amsterdam by NYSE dated 10 August 2009, at least half of the Directors are independent in accordance with, and as defined in, the rules of the New York Stock Exchange.

*L-rule 56:*

Atrium applies this rule to its independent Directors only. Atrium believes that non-independent Directors should be allowed to assume more than eight mandates because they may be required by their employers or principals to serve on multiple boards.

### **Management structure**

The management structure of Atrium is a one-tier Board of Directors. The Rules of the Code applying to the supervisory board will be applied to the Board of Directors, and the Rules therein applying to the management board will be applied to delegates of the Board of Directors.

Pursuant to the Articles, at least half of the Directors are required to be independent in accordance with, and as defined in, the rules of the New York Stock Exchange.

The business of Atrium is managed by the Directors, who may exercise all powers of Atrium that are not required by applicable corporate law or the Articles to be exercised by Atrium in a general meeting of shareholders. The powers of the Directors include, inter alia, representing Atrium in all transactions relating to real and personal property and all other legal or judicial transactions, acts and matters before all courts of law.

The Directors may delegate their powers to any officers or persons they deem fit, for example to the CEO or the Chief Financial Officer ("CFO"), or to committees consisting of one or more Directors or to any other persons. Any such person, or committee so formed, shall in the exercise of the delegated powers conform to any regulations or restrictions that may be imposed by the Directors from time to time. Currently, the only executive on the Board of Directors of Atrium is the CEO, Rachel Lavine.

In the year ended 31 December 2010, the Board of Directors held eight meetings.

Currently, the Board of Directors consists of ten Directors:

Function	Name	Date of birth	Mandate start
Chairman	Chaim Katzman	04.11.1949	01.08.2008
Director and CEO	Rachel Lavine	09.12.1965	01.08.2008
Director (non-executive)	Michael Bar Haim	29.09.1954	01.08.2008
Director (non-executive) independent	Noam Ben-Ozer	22.06.1963	24.11.2009
Director (non-executive)	Neil Hasson	12.06.1965	24.11.2009
Director (non-executive)	Dipak Rastogi	14.10.1954	14.10.2008
Director (non-executive) independent	Peter Linneman	24.03.1951	01.08.2008
Director (non-executive) independent	Thomas Wernink	10.12.1945	01.08.2008
Director (non-executive) independent	Andrew Wignall	11.05.1964	06.03.2008
Director (non-executive) independent, delegated by Atrium's Administrator	Simon Radford	03.02.1957	06.03.2008

The mandate of each Director ends at the shareholders annual general meeting following the date of appointment. Provision is made for each Director to retire at each shareholders annual general meeting and for the shareholders by ordinary resolution re-elect a retiring Director (if eligible for re-election). In the absence of such resolution, a retiring Director shall be deemed to have been re-elected, except where (a) a resolution to re-elect the Director has been put to the general meeting and lost, or it is expressly resolved not to fill the office being vacated, or (b) such Director is ineligible for re-election or has given notice in writing to Atrium that he or she is unwilling to be re-elected. The current mandate of each Director ends at the shareholders annual general meeting in 2011.

### Chaim Katzman

*Chairman of Atrium European Real Estate Limited  
Member, Compensation and Nominating Committee of Atrium European Real Estate Limited  
Member, Special Standing Committee of Atrium European Real Estate Limited  
Chairman of Gazit-Globe (and its parent company Gazit Inc.)  
Chairman of Citycon Oyj  
Chairman of Equity One  
Chairman of First Capital Realty*

Chaim Katzman became Chairman of the Board of Atrium European Real Estate Limited in August 2008 and has more than 30 years of experience in the real estate industry. Mr. Katzman is the founder, controlling shareholder and Chairman of Gazit-Globe (TASE: GLOB), a publicly traded multinational real estate company traded on the Tel-Aviv Stock Exchange. Mr. Katzman is also the Chairman of Gazit Inc., the parent company of Gazit-Globe. Mr. Katzman has served as Chairman of Gazit-Globe and Gazit Inc., since 1998 and 1991, respectively.

In June 2010, Mr. Katzman was appointed Chairman of Citycon Oyj (OMX: CTY), a Finnish real estate company specialized in retail shopping centres, hypermarkets and retail centres in Finland, Sweden and in the Baltic countries. Mr. Katzman also serves as Chairman of the Board of Equity One (NYSE: EQY), a leading U.S. Real Estate Investment Trust (REIT) he founded in 1992 and since 2000, as Chairman of First Capital Realty (TSX: FCR), Canada's leading owner,

developer and operator of supermarket and pharmacy anchored neighbourhood and community shopping centres. A pioneer of the retail investment and development industry, Mr. Katzman is a member of the International Council of Shopping Centres (ICSC), the National Association of Real Estate Investment Trusts (NAREIT), the Urban Land Institute (ULI), the Real Estate Roundtable and the Association of Foreign Investors in Real Estate (AFIRE).

Mr. Katzman is a graduate of Tel Aviv University Law School.

### Noam Ben-Ozer

*Non-executive director of Atrium European Real Estate Limited  
Member, Audit Committee of Atrium European Real Estate Limited*

Noam Ben-Ozer is an independent non-executive director appointed to the Board of Directors in November 2009. He is a founder and managing director of Focal Energy, a company which develops and invests in renewable energy projects. He is also the founder and proprietor of Focal Advisory, a strategic and finance-related advisory firm in Boston. Noam Ben-Ozer has extensive experience in financial and business planning, fund raising, deal structuring and project financing. He is a director and member of the Nominating and Audit Committees of Equity One Inc., a leading US real estate investment trust. Mr. Ben-Ozer holds an MBA from the Harvard Business School.

### Michael Bar Haim

*Non-executive director of Atrium European Real Estate Limited  
Member, Audit Committee of Atrium European Real Estate Limited*

Mr. Bar Haim was appointed to the Board of Directors of Atrium European Real Estate Limited in August 2008. From November 2007 until June 2009, he served as president of Gazit. In the years 2001-2008, he served as the head of Bank Leumi's Commercial Banking Division and was a member of Bank Leumi's management, one of the two largest banks in Israel. He graduated at Hebrew University with a degree in economics.

### **Rachel Lavine**

*Chief Executive Officer and director of Atrium European Real Estate Limited*

*Non-voting Member, Special Standing Committee of Atrium European Real Estate Limited*

Rachel Lavine took up the position of Chief Executive Officer of Atrium European Real Estate Limited in August 2008 after gaining extensive experience both in international real estate development, construction and operation, and in the management of publicly quoted companies. Mrs. Lavine is a former president and CEO of Plaza Centres (Europe) BV, a major developer and operator of shopping and entertainment centres in Central and Eastern Europe where she worked in the years 2005-2006 and a former president and CEO of Elscint Ltd., a hotel operator and developer with assets in developed and emerging markets during the years 1999-2006. She served as an external director of Dor Chemicals Ltd. and other public companies in the years 2007-2008. She graduated at Tel Aviv University, College of Management with BA (Bachelor of Business) in accounting, has been a CPA (Certified Public Accountant) since 1995 and completed an Executive MBA at the Kellogg School of Management in 2008. From January until 14 September 2008, she acted as Vice-President of U. Dori Engineering Works Corporation Ltd.

### **Peter Linneman**

*Non-executive director of Atrium European Real Estate Limited  
Chairman, Audit Committee of Atrium European Real Estate Limited  
Member, Compensation and Nominating Committee of Atrium European Real Estate Limited*

*Member, Special Standing Committee of Atrium European Real Estate Limited*

*Professor at Wharton School of Business*

Peter Linneman was appointed to the Board of Directors of Atrium European Real Estate Limited in August 2008. He is a financial expert in real estate and corporate finance. Mr. Linneman is a principal of Linneman Associates and the Albert Sussman, Professor of Real Estate, Finance and Public Policy at the Wharton School of Business, University of Pennsylvania. He has served as a director of eight New York Stock Exchange listed companies. Peter Linneman has a PhD in Economics. He is also a director and member of the executive committee of Equity One Inc.

### **Simon Radford**

*Non-executive director of Atrium European Real Estate Limited  
Member, Audit Committee of Atrium European Real Estate Limited*

Mr. Radford was appointed an independent director of the Board of Directors of Atrium European Real Estate Limited in March 2008. He is also the Chief Financial Officer of an alternative investment fund administration business, based in Jersey. Mr. Radford has more than 20 years experience of audit, corporate finance and corporate investigation and has worked with a wide variety of Boards and their audit committees. He also serves as a non-executive director on a number of alternative investment strategy funds. Mr. Radford is the former senior partner of Deloitte & Touche in Jersey where he was in charge of the assurance and advisory business. He spent 17 years as a

partner with the firm working in both the UK and Jersey. Mr. Radford is a Fellow of the Institute of Chartered Accountants in England and Wales. In years 2006 to 2008 he served as a Chairman of the Institute of Directors in Jersey.

### **Neil Hasson**

*Non-executive director of Atrium European Real Estate Limited  
Chairman, Compensation and Nominating Committee of Atrium European Real Estate Limited*

Neil Hasson (appointed in November 2009) joined Citi Property Investors ("CPI") in 2005 and has been a managing director of CPI since January 2007. Until November 2009 he was the Head of European operations for CPI. Mr. Hasson joined CPI in February 2005 and is responsible for a EUR 1.2bn pan European real estate fund. Prior to joining CPI, he was a successful private real estate investor, acquiring in excess of GBP 250m of commercial real estate in the UK over a three year period. Previously, Mr. Hasson was a founding partner of DLJ Real Estate Capital Partners ("DLJ"), a USD 660m real estate opportunity fund, managed by Donaldson, Lufkin and Jenrette, where he worked for 10 years. From 1989, prior to DLJ, he worked for Goldman, Sachs & Co. in London, Tokyo and New York. He also served as a CFO and director of Regency Affiliates Inc. He holds an MBA from The Wharton School of the University of Pennsylvania and a BSc in Electrical Engineering from the University of Cape Town.

### **Thomas Wernink**

*Non-executive director of Atrium European Real Estate Limited  
Member, Compensation and Nominating Committee of Atrium European Real Estate Limited*

Thomas Wernink was appointed an independent director of the Board of Directors of Atrium European Real Estate Limited in August 2008. He serves as a non-executive director to a number of European based property and investment companies, including Segro plc and Citycon Oyj. He is also a former Chairman of the European Public Real Estate Association.

### **Andrew Wignall**

*Non-executive director of Atrium European Real Estate Limited  
Member, Audit Committee of Atrium European Real Estate Limited*

Andrew Wignall is an independent Director of the board of directors of Atrium European Real Estate Limited (appointed March 2008). Mr. Wignall is a Fellow of the Institute of Chartered Accountants in England and Wales, having qualified with Ernst & Young in 1988, where he worked as an auditor, primarily with financial services clients. In 1996 he was a founding director of Moore Management Limited ("Moore"), specialising in the management and administration of alternative investment funds, securitisation vehicles and special purpose companies. Since leaving Moore in 2007 Andrew has acted as an independent non-executive director of a number of private equity, real estate and other alternative fund structures. Andrew is regulated by the Jersey Financial Services Commission to act as a director of such structures and since 2004 has been a committee member of the Jersey Funds Association.

**Dipak Rastogi**

*Non-executive director of Atrium European Real Estate Limited Member, Compensation and Nominating Committee of Atrium European Real Estate Limited*

CEO of Citi Venture Capital International ("CVCI") Dipak Rastogi was appointed as an independent director of the Board of Directors of Atrium European Real Estate Limited in October 2008. He serves as CEO of CVCI, a global private equity investment business with over USD 7.0bn under management focusing on emerging markets and is the chairman of CVCI's Growth Fund I and Growth Fund II Investment Committees. Mr. Rastogi joined Citigroup in 1982. Prior to Heading CVCI, Mr. Rastogi held various senior management positions at Citigroup, including Group Executive Head of 38 countries in Central & Eastern Europe, Middle East, India and Africa; Executive Vice President and Co-Head of Citigroup's Global Markets business; Head of Citigroup's Global Derivatives business and Co-Head of Global Corporate Finance. He earned his MBA from the Richard Ivey School of Business at the University of Western Ontario in 1982 where he was the Gold Medal Award winner of his graduating class.

**Compensation report**

The compensation payable as ordinary remuneration to the Directors consists of a fixed cash component only. The Board of Directors has limited discretion to set annual Director's ordinary remuneration up to a specified aggregate limit of EUR 2m per annum. If the Board wished to increase this limit it would be subject to shareholder approval by ordinary resolution. The remuneration payable to Directors accrues from day to day.

The Board of Directors may award special pay to any Director who holds any executive post, acts as Chairman or deputy Chairman, serves on any committee of the Directors or performs any other services which the Directors consider to extend beyond the ordinary duties of a Director. Special pay can take the form of salary, commission or other benefits or can be paid in some other way decided by the Board

Options have been granted to members of the Group's executive team:

Name	Number of options granted	First vesting date (1/3)	Second vesting date (1/3)	Third vesting date (1/3)
Rachel Lavine (first grant)	1,500,000	01.08.2009	01.08.2010	01.08.2011
Rachel Lavine (second grant)	1,000,000**	01.07.2012	01.07.2013	-
Dominique Beghin*	166,668	01.09.2009	-	-
Nils Hakert (first grant)	250,000	13.10.2009	13.10.2010	13.10.2011
Nils Hakert (second grant)	83,334***	09.03.2013	-	-
Robert Bolier	250,000	09.03.2010	09.03.2011	09.03.2012
Ewoud van Gellicum	150,000	01.05.2010	01.05.2011	01.05.2012
Thomas Schoutens	300,000	01.02.2011	01.02.2012	01.02.2013
Jorg Banzhaf	450,000	01.08.2011	01.08.2012	01.08.2013

\* Mr. Beghin is no longer employed by Atrium.

\*\* Options to vest in portions of 500,000 each on First and Second vesting date.

\*\*\* Options to vest in one single portion on First vesting date.

of Directors. Such special pay may either be in addition to or instead of other fees, expenses or other benefits that the Director may be entitled to receive.

As at end of the financial year ended 31 December 2010 the Chairman of the Board was not entitled to compensation. The other Directors (in their capacity as Directors) were entitled to an aggregate compensation of TEUR 369 (2009: TEUR 712).

Atrium has entered into a consultancy agreement with Chaim Katzman, Chairman of the Board, under which Mr. Katzman agrees to provide certain high level services, including (inter alia) advice and review on proposed acquisitions, advice on capital markets strategy, advice on the level and content of development activities of the Group and strategic advice on the future direction of the Group. In accordance with the consultancy agreement, the monthly consultancy fee was reviewed and the Board of Directors determined in 2010 that, in consideration of Mr. Katzman's continued provision of the services, the monthly fee shall be EUR 41,667 (inclusive of VAT, if applicable) in respect of the period from and including 1 August 2010. The consultancy agreement was concluded for an initial term of one year on 1 August 2008 and continues on a rolling year basis, with possible extensions of one year unless terminated by either party. The amount of the monthly fee will be reviewed in each subsequent year to determine the fee for the following 12 months (commencing on 1 August in each such year).

Under the adopted compensation scheme of Atrium, senior executives are entitled to a base salary; a performance based annual cash bonus and participation in Atrium's ESOP.

The ESOP provides for the grant of options to employees and executive Directors of Atrium and its Subsidiaries. The Directors may amend the ESOP as they consider appropriate but shall not make any amendment that would materially prejudice the interests of existing option holders, except with the consent in writing of 75% of all such option holders.

Atrium does not operate a pension scheme. Base salaries include compensation for the waiver of participation in a pension scheme.

Rachel Lavine's compensation as CEO consists of a fixed and variable component. For 2010, the fixed compensation of Mrs. Lavine was TEUR 625. The discretionary aspect of Mrs Lavine's bonus will be determined after the financial results of 2010 are approved by the Board. However, the CEO is entitled to an annual minimum guaranteed bonus of TEUR 375. The minimum guaranteed bonus is included in, and is not payable in addition to, any annual bonus and is payable irrespective of the amount of the annual profits or revenues reflected in the annual financial statements of Atrium in any calendar year.

In case of termination by Atrium other than for cause, she is entitled to receive and benefit from the salary, bonuses and vesting of options from the effective date of termination of her employment until the expiry of the employment agreement on 31 July 2013.

Atrium has in place Directors' and Officers' Insurance in respect of the members of the Board of Directors, the costs of which are borne by Atrium.

### **Committees of the Board of Directors**

As outlined above, the Directors may delegate any of their powers to committees consisting of a Director or Directors or such other persons as they think fit. Currently, three permanent committees have been established: (i) the Audit Committee, (ii) the Compensation and Nominating Committee, and (iii) the Special Standing Committee.

### **Audit Committee**

The Audit Committee is comprised of a majority of independent Directors. In 2010, Atrium's Audit Committee consisted of Mr. Peter Linneman, Mr. Simon Radford, Mr. Andrew Wignall, Mr. Michael Bar Haim and Mr. Noam Ben Ozer. The Chairman of the Audit Committee is Mr. Peter Linneman.

The Audit Committee undertakes customary functions, predominantly concerned with preparations for the audit of the annual financial

statements and compliance therewith, the auditors' activities, an audit of the internal control and risk management, and the presentation of the annual financial statements.

The Audit Committee is required to meet at least four times annually before publication of Atrium's annual financial statements and the interim reports. In the year ended 31 December 2010, the Audit Committee held five meetings.

### **Compensation and Nominating Committee**

In 2010, the members of the Compensation and Nominating Committee were Mr. Neil Hasson, Mr. Chaim Katzman, Mr. Peter Linneman, Mr. Dipak Rastogi and Mr. Thomas Wernink. The Chairman of the Compensation and Nominating Committee is Mr. Neil Hasson.

In the year ended 31 December 2010, the Compensation and Nominating Committee held six meetings.

The Compensation and Nomination Committee deals with all aspects of the remuneration of senior executives. The committee is empowered to conclude, amend and terminate employment contracts with Board members, and to take decisions on the awarding of bonuses (variable compensation components and other such benefits, payable to senior executives).

### **Special Standing Committee**

The Special Standing Committee held its first meetings in 2010. In 2010 the members of the Special Standing Committee were Mr. Chaim Katzman, Mr. Peter Linneman and Mrs. Rachel Lavine.

The principal activity of the Special Standing Committee is to consider and make decisions on behalf of the Board (within the ambit of the Committee's authority as delegated to it by the Board) on certain business proposals for the Group made by Atrium European Management NV.

In the year ended 31 December 2010, the Special Standing Committee held four meetings.

The Board of Directors



CHAIM KATZMAN  
Chairman of the Board



MICHAEL BAR HAIM  
*(Director)*



DIPAK RASTOGI  
*(Director)*



NEIL HASSON  
*(Director)*



PETER LINNEMAN  
*(Director)*



THOMAS WERNINK  
*(Director)*



RACHEL LAVINE  
*(Director and CEO)*



NOAM BEN-OZER  
*(Director)*



ANDREW WIGNALL  
*(Director)*



SIMON RADFORD  
*(Director)*