

Board Related Party Transactions Review Committee Report

Composition of the Committee

The Bank established the Board Related Party Transactions Review Committee (BRPTRC) and as at the end of the year the BRPTRC comprised of the following Directors of the Bank:

Mr. K.G.D.D. Dheerasinghe (*Chairman*)
 Mr. S. Swarnajothi (*Director*)
 Mr. J. Durairatnam (*Managing Director/CEO*)
 Mr. S. Renganathan (*Executive Director/Chief Operating Officer*)

Mr. K.G.D.D. Dheerasinghe, the Chairman of the Bank and Mr. S. Swarnajothi, the Chairman of the Board Audit Committee are Independent Non-Executive Directors.

Mr. L.W.P. Indrajith, the Assistant General Manager (Finance) of the Bank, functions as the Secretary of the Committee.

Brief profiles of each member of the Committee are given on pages 129 to 131.

Terms of Reference of the Committee

The BRPTRC was formed by the Board to assist the Board in reviewing all related party transactions carried out by the Bank and its listed companies in the Group by early adopting of the Code of Best Practice on Related Party Transactions as issued by the Securities and Exchange Commission of Sri Lanka (SEC).

The mandate of the Committee includes *inter-alia* the following:

- Developing, and recommending for adoption by the Board of Directors of the Bank and its listed subsidiaries, a Related Party Transaction Policy consistent with that proposed by the SEC.
- Updating the Board of Directors on the related party transactions of each of the listed companies of the Group on a quarterly basis.

- Making immediate market disclosures on applicable related party transactions as required by Section 9 of the Continuing Listing Requirements of the Colombo Stock Exchange (CSE).
- Making appropriate disclosures on related party transactions in the Annual Report as required by Section 9 of the Continuing Listing Requirements of the CSE.

Committee Meetings

A Committee meeting was held during the year under review. Attendance of the Committee members at the meeting is given on page 153. Proceedings of the Committee meetings are regularly reported to the Board of Directors.

Methodology Adopted by the Committee

The Committee endeavours to meet at least quarterly, review and report to the Board on matters involving related party transactions falling under its Terms of Reference.



K.G.D.D. Dheerasinghe

Chairman - Board Related Party Transactions Review Committee

Colombo
 February 23, 2015