

ENTERPRISE GOVERNANCE

Enterprise governance is “The set of responsibilities and practices exercised by the Board and Executive Management with the goal of providing strategic direction, ensuring that objectives are achieved, ascertaining that risks are managed appropriately and verifying that the organisation’s resources are used responsibly.” (IFAC/CIMA, 2004).

Governance Framework

The Challenge

Today, there is an overwhelming call for Governance in the corporate arena, in a local and a global context. Events that have unfolded in the recent past not only press the case for good governance, but also question the effectiveness of seemingly robust corporate governance frameworks. Thus, the challenge is to install and live in a governance framework that allows requisite flexibility and efficiency whilst maintaining its effectiveness, in order to sustain growth and to assure the stakeholders that their stake in the business is nurtured with care and due diligence.

Corporate Philosophy

Enterprise Governance forms the core of operations of the Group. The Company philosophy espouses upholding principles of good governance and institutionalising the spirit it entails. It also perceives good governance as an uncompromising pursuit that provides assurance and comfort for growth in a sustainable manner; not as a set of controls that stifles growth.

Governance Policy

The Board’s overriding objective is to deliver superior returns to all stakeholders whilst maintaining high standards of corporate and business ethics. In this regard, our endeavour is to ensure clear lines of responsibility and accountability across the entire Group. The Company is committed to a policy of transparent, accountable and responsible governance and strives to ensure that the Company’s ethos of governance spreads across the entire organisation and the way business is conducted.

In order to survive, compete and grow, the organisation requires to strategically align all its resources with the Enterprise Governance

strategy and to manage all decision-making and operational risks within a well planned and designed Enterprise Governance framework. Current profitability, sustainable future growth, protection of intellectual capital as well as requisite internal controls, stakeholder expectations and corporate democracy, are some key elements that are taken into account in defining the boundaries of conformance and performance.

Compliance & Adherence

The Company is bound by the regulatory requirements for Corporate Governance as promulgated by the Colombo Stock Exchange. In its search for continuous improvement in good governance, the Company embraces best practices in Corporate Governance on its own initiative.

The Company has complied with requirements of the listing rules of the Colombo Stock Exchange. The Table on page 92 provides a summary of the listing requirements and the Company’s compliance response.

The Company uses the Code of Best Practices jointly issued by the Institute of Chartered Accountants of Sri Lanka and the Colombo Stock Exchange as a guideline and is making every endeavour to adhere to the principles laid down therein and to address the disclosure requirements as set out in Schedule F of the Code.

Inclusive Approach

Good Governance is not simply an integral part of the Company strategy, but the very basis of it. Performance, Conformance, Ethics, Accountability, Sustainability and Risk Management constitute some of the building blocks of the Company Strategy.

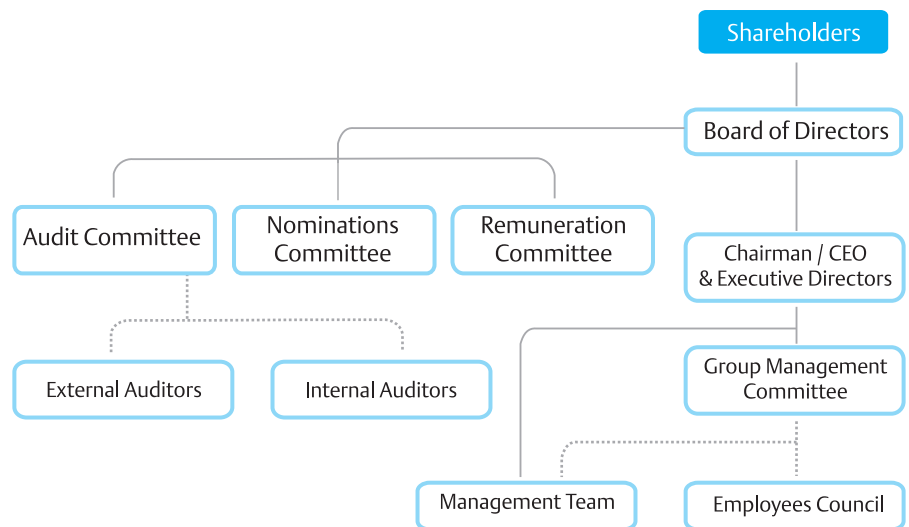
Whilst adopting of strategy and overseeing its enactment rests with the Board, its execution is delegated to the Senior Management Team led by the Group Management Committee.

A vital element in effective governance is striking a balance between accountability, control and assurance (conformance) and value creation (performance). These two components which together comprise our Enterprise Governance, also form the accountability framework of the organisation.

Supportive Culture

Enterprise Governance requires high levels of commitment across the organisation, hence it is imperative that a suitably enabling governance culture should also prevail. This envisages creating awareness at all levels and aligning good governance to corporate values. All employees are expected to observe the corporate values in achieving their respective and overall Company objectives.

The Corporate Governance Structure



Performance is not encouraged at the expense of business principles and values. These values are inculcated in employees as the Group recognises the importance of good business and corporate governance practices towards sustainability. Appreciating the importance of good governance, respecting the governance structure transparency, good conduct, confidentiality of customer information, sustainability, conformance to laws and regulations are some key features of the Group's governance culture.

The prevalence of enterprise governance principles is facilitated by aligning values and business ethics into its value adding process, and making a conscious effort to continually improve the governance framework and processes.

Governance Embedded Plans, Objectives & Operations

The Board, together with the Group Management Committee and senior management is tasked with converting philosophy and policy into strategic initiatives thus providing the strategic direction that filters across the organisation providing the basis for its objectives, plans and operations. Whilst business units have substantial autonomy in managing their operations, the assigned GMC members play a supervisory role with regard to adherence to the governance policy.

The final responsibility of good governance lies with the Board of Directors.

Enterprise Governance Framework

The Company's enterprise governance framework covers both business governance and corporate governance aspects. It encompasses a set of interlinked processes covering strategic planning, performance management and accountability, and provides a strong base for making strategic decisions, identifying key performance indicators, assessing risk appetite and managing risk.

It also covers processes and systems that are in place to ensure that the Company's resources are employed efficiently and prudently towards achieving the Company's business objectives directed at promoting increased shareholder value and fulfilling shareholder expectations.

Performance

Strategic Planning

Setting and communicating the Company's vision guiding the formulation of a sound business strategy and implementing it are two key responsibilities of the Board. Whilst the Board also sets broad parameters of performance, these are translated into specific actions by the Business Units. Each Business Unit is required to set their specific objectives in line with the parameters set by the Board. Value creation and resource utilisation are the two main pillars in the 'Performance' dimension of Governance, upon which the Board of Directors sets the direction of Corporate Strategy.

In addition to adoption of strategies, the Board through committees, is responsible for ensuring an effective review mechanism. Towards effective utilisation of resources, the Board is mandated to approve all significant investment decisions. A Capital Expenditure approval guideline ensures that key investment decisions receive timely approval of the Board.

Business Units compile and present their annual budgets and forecasts based on the overall strategic direction provided by the Board which include non-financial information such as market conditions, competition, challenges and opportunities which then they submit for Board approval. The Annual Budget also includes the Capital Expenditure plan of the Business Unit and its resource requirements in terms of Working Capital and Human Resources. The Board evaluates these plans and proposals and provides feedback as deemed necessary. After all amendments have been duly incorporated, the plans are formally approved by the Board. Budgetary initiatives contribute to the basis upon which key performance indicators are formulated.

Strategy implementation and monitoring

The strategic direction of the Board is communicated to the management team through the Executive Directors, and if required, the Board meets the Business Unit managers for a review of performance. The Board of Directors, apprised of progress, evaluates performance in line with the business objectives. Information

generally reviewed by the Board includes key performance indicators, budgets, financial statements, customers, market developments, employees and relationship with principals. The operational results of each Business Unit are reviewed quarterly by the Board of Directors and projected results are compared with budgets and key performance targets.

A management team consisting of Group Management Committee (GMC), General Managers/Heads of Business Units and Support Services Units meets on a regular basis to review progress and discuss and resolve operational issues. Heads of respective Business Units are responsible for achieving targets. Rewards and incentives are linked to many parameters including profitability and resource utilisation. Individual targets of employees are set out in line with the Business Unit's overall targets and are reviewed on an annual basis. The performance of individual executives is evaluated based on their level of achievement, and this forms the basis of their remuneration revisions and promotions.

Conformance

Board of Directors

The present Board consists of seven Executive Directors (including the Chairman), four Non-Executive Directors of whom three members are Independent Non-Executive Directors. Mr. R.A. Ebell, who was a member of the Board, resigned with effect from 30.06.08. The presence of the Non-Executive Directors provides the opportunity to maintain Board functions from management functions. The composition of the Board is achieved in a manner that provides sufficient technical and commercial expertise in the decision-making process.

The Board acts within the provisions of the Companies Act No. 7 of 2007, Articles of Association and the relevant regulations and statutes.

A list of Directors with brief biographies appears on page 11.

Chairman & Chief Executive Officer

The functions of the Chairman and Chief Executive Officer (CEO) are vested in the same person. The Company believes that the dual role performed by the Chairman and CEO does not compromise the principles of good corporate governance. This is further ensured by the significant presence of Non-Executive and Independent Directors including a Senior Independent Director on the Board.

The presence of independent Directors who hold office in other entities in diverse capacities and who possess skills and experience in spheres of activity related to various facets of business, provides a mechanism for critically reviewing all aspects of the Company's operations. The presence and involvement of independent Directors ensure that no single individual has unfettered powers of decision-making and ensures that independent judgment prevails over issues of strategy, performance, risk, resources and standards of business conduct. The presence of a Senior Independent Director adds more emphasis to transparency in governance affairs.

The Chairman is vested with the responsibility of ensuring that good governance is practiced throughout the organisation that there is a balance of power on the Board and both Executive and Non-Executive Directors have opportunities for effective participation that the Board has full knowledge of the Company's affairs and is in complete control that Directors' views are obtained on matters under consideration and that effective communication with all of the Company's stakeholders is facilitated. The Chairman holds meetings with Non- Executive Directors, as and when required.

Board Responsibilities

The Board provides good stewardship, vision and strategic direction to the institution and fosters a culture of integrity, transparency and accountability across the Group. The Board monitors and evaluates risks and performance, approves all important investment decisions and is also responsible for the installation of sound internal financial controls. The Board follows a policy of strict compliance with laws and regulatory requirements and ensures that stakeholder interests are considered in key corporate decisions.

The Directors are committed to conducting themselves upholding the values of fair and good business in ensuring confidentiality, fair dealing and compliance with laws and regulations.

The Directors' Responsibilities for the Financial Statements are described on page 108.

The Chairman & CEO's and Chief Financial Officer's Responsibility Statement is available on Page 93.

Board Independence

The composition of the Board of Directors meets the level of independence required by the listing rules of the Colombo Stock Exchange.

Board members are free to suggest the inclusion of items on the agenda of Board Meetings and carry out their duties in the interest of the Company without any undue influence from other parties.

The Company maintains the 'Interest Register' required by the Companies Act No. 7 of 2007, which also shows details of Directors' interests in the Company, as required by the Act.

Related party transactions given on page 107 show the transactions relating to Directors and/or parties related to them.

Shareholding of Directors is available in the Annual Report of Directors on page 104.

The Board has made an annual determination as to the independence or non-independence of each Non-Executive Director based on a declaration made as per criteria set out by the Colombo Stock Exchange listing rules. Based on the criteria, Mr. R. Seevaratnam, Dr. H. Cabral and Dr. U. Liyanage are considered to be Independent Non-Executive Directors.

Senior Independent Director

Mr. R. Seevaratnam, an independent Non-Executive Director, functions as the Senior Independent Director to whom concerns relating to governance of the Company can be conveyed should the need arises. The Lead Director presides at Board Meetings in the absence of the Chairman of the Board of Directors.

Appointment, Retirement and Re-Election of Directors

The Board appoints the Directors based on the recommendations of the Nominations Committee. The Company's Articles of Association provide that any Director appointed by the Board to hold office until the next Annual General Meeting (AGM), may seek re-appointment by the Shareholders at the said AGM. Non- Executive Directors are appointed to the Board after evaluation of their level of expertise in the relevant field. In terms of the article 66 of the Articles of Association, one-third of the Directors, except for the Managing Director who is also the Chairman, retire in rotation and may offer themselves for re-appointment at the AGM. Based on the current composition of the Board, Directors are re-elected every three years.

New appointments are made known to the public through the Colombo Stock Exchange and the media.

The Board's Understanding of the Company's Business

Following the appointments to the Board, new Directors are given the opportunity to familiarise and obtain an in-depth understanding of the Company's business, its strategy, risks and processes, at their discretion.

Training is provided to Executive Directors to equip themselves to discharge their responsibilities effectively. This includes training provided by principals, external training and in-house training.

The expenses of individual Directors in obtaining independent professional advice are borne by the Company, subject to Board approval.

Effectiveness of the Board

Expertise in Finance, Engineering, Law and Marketing is available to the present Board. The Board ensures that the Chairman/Chief Executive Officer and the management team possess the skills required to implement the overall strategy.

A sophisticated management information system is in place and provides relevant and current information. All Board Members including Non-Executive Directors receive information on the operations and performance of the Company on a monthly basis. This routine

helps to eliminate information asymmetry between Executive Directors and Non-Executive Directors. The Directors are provided with comprehensive data on financial and non-financial information prior to Board meetings. Additional information may be requested by any member of the Board as and when required.

The effectiveness of the individual Independent Directors are reviewed and assessed by the Board on an ongoing basis.

Financial Acumen

The Board enjoys services of three qualified Accountants who provide the requisite financial acumen and knowledge. In addition, the Audit Committee has the services of another qualified Accountant who serves as an Independent Consultant.

Evaluation of Board Performance

The Board during the course of conducting its business examines its performance in discharging its key responsibilities set out earlier in this Report.

The Board has set in process a performance evaluation of its own covering areas such as its contribution towards developing, implementing and monitoring of strategy, communication with stakeholders, work processes involving the Board, review of its own performance evaluation process and other areas related to the conduct of its business. The methodology of evaluation involves each Board member completing a check list and providing a rating on each item covered in the check list.

At the commencement of every financial year, the Board in consultation with the Chairman/ CEO and Executive Directors agrees on the financial and non-financial targets, based on which the performance of Chairman/CEO and Executive Directors is evaluated.

Meetings and Attendance

Ten Board meetings were held during the financial year.

Every member dedicates sufficient time for the Board's affairs by attending Board meetings, Committee meetings, budget reviews, performance and strategy review meetings. In addition, the Board Members may communicate with each other through e-mail and telephone.

The attendance of the Directors at Board meetings is given in the table appearing on page 90.

The Company Secretary

The Company Secretary assists the Chairman in all aspects pertaining to the functions of the Board of Directors. He helps in arranging Board meetings and in making available all the necessary information to the Board for their deliberations.

Members of the Board have unrestricted access to the advice and services of the Company Secretary. The appointment and removal of the Company Secretary rests with the Board.

The Board Committees

The Board has several Committees to assist in the discharge of its responsibilities more effectively. An evaluation of the performance of the Audit Committee, Nominations Committee and the Remuneration Committee was carried out by the Board during the year under review.

Audit Committee

The Audit Committee is a sub-committee of the Board and its main purpose is to assist the Board in the effective discharge of its responsibilities on financial reporting, risk management and corporate control. It assists the Board in monitoring compliance with applicable laws and other regulatory requirements. The Committee is responsible for reviewing the financial reporting system and Financial Statements, including compliance with relevant accounting standards and laws and Company policies, and also for reviewing the effectiveness of the Audit.

The Audit Committee determines the appointment, evaluation, terms of engagement and fees of the Auditors. The Committee also ensures that the objectivity and independence

of the Auditors are not impaired in any way as a result of the additional professional services performed by them. The Committee also takes into consideration the Guidelines for Appointment of Auditors for Listed Companies in evaluating the suitability and independence of the Auditor.

The Committee met the External Auditors prior to recommendation of Financial Statements to the Board. It also met the internal auditors at regular intervals during the financial year to discuss the findings and to identify the levels of risk carried by the areas reviewed by the internal auditors.

The Board of Directors appoints members to the Audit Committee. The present Committee consists of three Independent Non-Executive Directors and one Non-Executive Director. The Chairman of the Audit Committee is Mr. R. Seevaratnam, an experienced Chartered Accountant. Mr. R.A. Ebell, who was a member of the Committee, resigned with effect from 30th June 2008.

Mr. H.M.A. Jayesinghe, who has previously served on the Board and also as the Chairman of the Audit Committee functions now as an Independent Consultant to the Committee offering valuable insight.

Any member of the Board including the Chairman/Chief Executive Officer and Deputy Chief Executive Officer may attend the Committee meetings by invitation.

The Terms of Reference of the Committee clearly set out its responsibilities and authority.

The Report of the Audit Committee is available on page 97.

Committee meetings and the attendance of members are given in the table appearing on page 90.

GOVERNANCE REPORT

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Remuneration Committee

The Remuneration Committee is responsible for determining the framework and policy on remuneration of the Chairman/Chief Executive Officer, Deputy Chief Executive Officer, Executive Directors and Senior Management. The remuneration of the Executive Directors is decided by the Remuneration Committee in consultation with the Chairman/ CEO. No Director is involved in deciding his own remuneration.

The Company aims to attract and retain high calibre executives by ensuring that their rewards are competitive and linked to both individual and business performance. Whilst recognising the market demands and the contribution of the executives to the overall performance, the Company believes that the remuneration policy should at the same time be in congruence with shareholder interests.

The Board of Directors appoints members to the Remuneration Committee.

The present Committee consists of three Independent Non-Executive Directors and one Non-Executive Director. The Chairman is Dr. U. Liyanage, an independent Non-Executive Director. Mr. R.A. Ebell, who was a member of the Committee, resigned with effect from 30th June 2008. The Committee is entitled to obtain professional advice at the Company's expense.

The Remuneration of the Non- Executive Directors is decided by the Board.

The Total Directors' emoluments is disclosed in Note 4 on page 123.

Committee meetings and attendance of members is disclosed in the table.

The Report of the Remuneration Committee is available on page 98.

Nomination Committee

The Committee's main role is to nominate suitable candidates as and when vacancies occur on the Board. The Committee is responsible for succession planning and in ensuring smooth management transitions. It reviews the size and structure of the Board on a continuing basis and constantly reviews the balance of skills, knowledge and experience of the Board of Directors. The Committee also reviews the independence of Directors including actual, potential or perceived conflicts of interest.

Appointments to the Board are made further to the careful scrutiny of the required level and range of skills, knowledge, expertise and desired independence. Succession planning at Board and Senior Management level is a subject that is under the purview of the Nominations Committee. The Committee consults the views of the Chairman/CEO, who is also a member of the present Committee, on matters of succession at senior management level.

The present Committee consists of three Independent Non-Executive Directors and one Non-Executive Director and the Chairman/CEO. Its Chairman is Dr. H. Cabral, an Independent Director. Mr. R.A. Ebell, who was a member of the Committee, resigned with effect from 30th June 2008.

The Committee is entitled to obtain professional advice at the Company's expense.

The Committee has specific terms of reference defining its scope and authority.

The report of the Nominations Committee is available on page 99.

Risk Management

Enterprise Risk Management report is available on page 94 to 96.

Going Concern

Information on the Directors' determination of the entity as a going concern is included in the Annual Report of the Directors appearing on page 106.

Internal Controls

The main responsibility for establishing a suitable and effective system of Internal Controls lies with the Board of Directors. A sound system of internal control helps establish better levels of operational efficiency, provides more reliable financial data, and enables early detection of non-compliance with laws and regulations. Outsourcing of the internal audit function has enhanced independence. The internal audit plan is agreed with the internal auditors at the beginning of each financial year by the Audit Committee, however, the internal auditors are allowed the freedom to carry out any additional tasks they consider necessary.

Board and Board Committee Meetings and the attendance of members

Name	Board	Audit Committee	Nominations Committee	Remuneration Committee
A.R. Pandithage	10/10	-	-	-
R. Seevaratnam**	10/10	5/5	1/1	2/2
Dr. H. Cabral **	08/10	3/5	1/1	2/2
Dr. U. Liyanage**	06/10	5/5	1/1	2/2
A.N. Algama	10/10	-	-	-
A.M. Pandithage *	09/10	5/5	1/1	2/2
A.G. Pandithage	09/10	-	-	-
B.C.S.A.P. Gooneratne	10/10	-	-	-
R.A. Ebell***	02/06	2/2	1/1	0/0
R.C. Weerawardane	10/10	-	-	-
S.C. Algama	10/10	-	-	-
T.G.H. Peries	05/10	-	-	-

* Non-Executive Director

** Independent Non-Executive Director

*** Non- Executive Director - resigned with effect from 30th June 2008

Financial Reporting

Financial Statements of the Company are prepared in accordance with the Sri Lanka Accounting Standards and also conform to the requirements of the Companies Act no. 7 of 2007. The Board endeavours to present a balanced and objective assessment of the Company's position, performance and prospects. These are discussed in detail in the following Reports:

- Directors' Report - pages 103 to 107.
- Chairman's & CEO's Review - pages 6 to 9.
- Financial Review - pages 48 to 53.
- Business Performance Review - pages 16 to 45.

The Board possesses the necessary expertise in financial reporting and has the services of three qualified accountants.

Investor Rights and Relations

The Company communicates regularly with its shareholders updating them on the Company's position, performance and prospects. The Annual Report provides the most comprehensive review of the Company's performance and prospects. This is supplemented by quarterly reports and other circulars, where necessary.

The Annual General Meeting provides a forum for shareholders to raise any queries. The Chairmen of the Audit, Remuneration and Nominations Committees are usually present at the Annual General Meeting. All Directors were present at the last AGM of the Company.

Every shareholder is entitled to one vote per share at a poll.

Major Transactions

No transactions transpired during the year under review, which could within the definition of a Major Transaction in the Companies Act No. 7 of 2007.

Employees

The monthly Employees' Council meetings provide a forum for employees to communicate with the management on a regular basis. The Company's 'Open Door' policy encourages employees to raise any matter of concern with any member of the management including the Chairman.

This process is detailed in the Sustainability Report appearing on pages 58 to 59.

Sustainability Reporting

The Board ensures that the Company's growth is aligned with its contribution to the general economy, environment and society. The Group prepares its Sustainability Report annually using Global Compact Reporting Initiative guidelines. More details on this are available in the Sustainability Report on pages 54 to 83.

Independent Review

The Company engaged Ms. Det Norske Veritas in May 2007 in order to carry out a critical independent review of the Corporate Governance. This review highlighted several areas for improvement, which are currently receiving attention.

Compliance with Corporate Governance Regulations

The Company has implemented the regulations of the listing rules of the Colombo Stock Exchange on Corporate Governance.

Mr. R. Seevaratnam, Dr. H. Cabral and Dr. U. Liyanage satisfy the criteria of independent director and have submitted the requisite declaration on their independence.

Corporate Governance Compliance Table

Rule No.	Subject	Applicable requirement	Compliance Status	Details
6.1	Non-Executive Directors	At least one-third of the total number of Directors should be Non-Executive Directors	Compliant	Four out of Eleven Directors are Non-Executive Directors *
6.2 (a)	Independent Directors	Two or one-third of Non-Executive Directors, whichever is higher should be Independent	Compliant	Three of the Four Non-Executive Directors are independent *
6.2 (b)	Independent Directors	Each Non-Executive Director should submit a declaration of independence/non-independence	Compliant	Non-Executive Directors have submitted the declaration. in the prescribed format.
6.3 (a)	Disclosure relating to Directors	Names of Independent Directors should be disclosed in the Annual Report	Compliant	Please refer page 11.
6.3 (a)	Independent Directors	The Board shall make a determination annually as to the independent or compliant non-independence of each Non-Executive Director	Compliant	The Board has carried out the determination as stated in the Enterprise Governance Report. Please refer Page 88 (Board Independence)
6.3 (c)	Disclosure relating to Directors	A brief resumé of each Director should be included in the Annual Report including the area of Expertise	Compliant	Please refer page 11.
6.5	Remuneration Committee	A listed company shall have a Remuneration Committee	Compliant	Names of the members of the Remuneration Committee is available on page 11.
6.5 (a)	Composition of Remuneration Committee	Shall comprise Non-Executive Directors, a majority of whom shall be independent.	Compliant	Remuneration Committee consists of four Non-Executive Directors of which three are Independent*. Chairman of Remuneration Committee is a Non-Executive Independent Director.
6.5 (b)	Functions of Remunerations Committee	The Remuneration Committee shall recommend the remuneration of Chief Executive Officer and Executive Directors	Compliant	Please refer the Remuneration Committee Report on Page 98.
6.5 (c)	Disclosure in the Annual Report relating to Remuneration Committee	The Annual Report should set out; a. Names of Directors comprising the Remuneration Committee b. Statement of Remuneration Policy c. Aggregate remuneration paid to Executive & Non-Executive Directors	Compliant Compliant Compliant	Please refer page 11. Please refer the Remuneration Committee Report on page 98 for a brief statement of policy. Please refer page 135.
6.6	Audit Committee	The Company shall have an Audit Committee	Compliant	Names of the members of the Audit Committee are available on page 11.
6.6 (a)	Composition of Audit Committee	Shall comprise Non-Executive Directors, a majority of whom can be independent.	Compliant	Audit Committee consists of four Non-Executive Directors of which three are Independent *. Chairman of Audit Committee is a Non-Executive Independent Director
		Chief Executive Officer and the Chief Financial Officer should attend Audit Committee Meetings The Chairman of the Audit Committee or one member should be a member of a professional accounting Body	Compliant Compliant	Chief Executive Officer & Chief Financial Officer attend by invitation Chairman of Audit Committee is a member of a professional accounting body.
6.6 (b)	Audit Committee Functions	Should be as outlined in the Section 6 of the listing rules	Compliant	The terms of reference of the Audit Committee adopted by the Board on 20th June 2007 cover the areas outlined
	Disclosure in the Annual Report relating to Audit Committee	a. Names of Directors comprising the Audit Committee	Compliant	Please refer page 11.
		b. The Audit Committee shall make a determination of the independence of the Auditors and disclose the basis for such determination	Compliant	Please refer Audit Committee Report on page 97.
		c. The Annual Report shall contain a Report of the Audit Committee setting out the manner of Compliance of the functions	Compliant	Please refer the Audit Committee Report on Page 97.

* Mr. R.A. Ebell who was a member of the Board, Audit Committee, Nominations Committee and the Remuneration Committee resigned with effect from 30th June 2008. He has submitted a declaration of independence as required. The number of Directors & Committee Members given under 6.1, 6.2(a), 6.5(a) and 6.6(a) above represents the composition as at 22nd May 2009 and therefore does not include Mr. R.A. Ebell.