

THE NOMINATION COMMITTEE REPORT

Introduction

The main purpose of the Committee is to assist the Board by keeping the composition of the Board under review and conducting a rigorous and transparent process when making or renewing appointments of Directors to the Board. It also advises the Board on issues of Directors' conflicts of interest and independence. The Chairman and the members of the Nomination Committee are appointed by the Board of Directors.

Committee Composition and its Key Activities

The Committee composition and their attendance details are given in page 107 of Enterprises Governance Report.

Mr. A.R. Pandithage was appointed as a member of the Nomination Committee with effect from 19th May 2009.

The Committee has acted within the parameters set by its terms of reference.

The Committee met on one occasion in 2009/10 and the members' attendance record is set out in the Enterprises Governance Report on page 107.

The key activities carried out during the year by the Committee are as follows:

- Review the structure, size and composition of the Board.
- Evaluate the independence and effectiveness of the Directors.
- Review the process of identifying and developing senior managers throughout the Group who have potential to succeed members of the Group's Corporate Management.
- Recommend to the Board of Directors, appointment of Directors to subsidiaries.

The Committee is satisfied that the combined knowledge and experience of the Board meets the strategic demand facing the Company.



Dr. H. Cabral

Chairman - Nomination Committee

Colombo
18th May 2010