

Remuneration Committee Report

The Remuneration Committee is a sub-committee of the Board. The members of the Committee consist of three Independent Directors and a Non-Executive Director. The Chairman of the Committee who is an Independent Director and the members of the Committee were appointed by the Board.

The Committee was established for the purpose of recommending the remuneration of the Board of Directors including Chairman, Chief Executive Officer (CEO) and the Executive Directors. The Committee also approves the remuneration of the members of the Group Management Committee on their recommendations made by the Chairman and the CEO.

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

The decisions on matters relating to remuneration of Executive Directors and the members of the Group Management Committee were arrived at in consultation with the Chairman & the CEO. No Director is involved in determining his own remuneration.

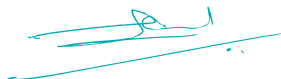
Our remuneration philosophy is designed to reward, motivate and retain the Company's executive team, with market competitive remuneration and benefits, to support the continued success of our business and the creation of shareholder value.

The remuneration packages which are linked to individual performances are aligned with the Company's short-term and long-term strategy. The Committee makes every endeavor to maintain remuneration levels that are sufficient to attract and retain Executive Directors and Members of the Senior Management team.

All Non-Executive Directors receive a fee for serving on the Board and serving on sub-committees. They do not receive any performance related incentive payments.

The Directors' emoluments are disclosed on page 96.

The Committee meets as and when a need arises. The Remuneration Committee meetings and members attendance is given in page 62.



Prof. U. Liyanage
Chairman - Remuneration Committee

Colombo
21st May 2013