

# Report of the Related Party Transactions Review Committee

## Composition

The Related Party Transactions Review Committee appointed by the Board of Directors, presently consists of two Non-Executive Directors and the Chief Executive Officer. P M B Fernando an Independent Director is the Chairman of the Committee. J Durairatnam and L H A L Silva are the other members. T Dharmarajah functioned as the Chairman of the Committee until his retirement in March 2020. K P Cooray functioned as a member of the Committee until 19 August 2020.

The Company Secretary functions as the Secretary of the Committee.

## Mandate

The Committee adopted as its mandate, the tasks specified in Section 9 of the Colombo Stock Exchange (CSE) Listing Rules. The Board has formally adopted the Terms of Reference of the Committee.

The primary purpose of the Committee is to evaluate and consider all transactions with related parties of the Bank except the exempted transactions as set out in Rule 9.5 of the Listing Rules of the CSE, in order to ensure that transactions with related parties are on normal commercial terms similar to those afforded to non-related parties.

## Procedure

The Committee meets as and when required and at least once in a calendar quarter and makes recommendations to the Board for consideration.

The Committee has put in place the necessary processes to identify, review, disclose, and monitor related party transactions according to the provisions contained in the Board approved Related Party Transactions Policy of the Bank.

The Bank obtains on a quarterly basis a declaration from all Key Management Personnel on a structured format to assist in the process of collating related party transactions. Relevant officers are aware of the applicable regulatory requirement relating to related party transactions and they submit a report in the prescribed format, to the Committee for transactions that require a review by the Committee.

## Meetings

The Committee held 11 meetings during the financial year to carry out its task. The attendance by members is given on page 110 of the Annual Report. The Committee reviewed the related party transactions carried out during the year at its meetings and the proceedings of the Committee meetings were regularly reported to the Board of Directors.



**P M B Fernando**  
Chairman – Related Party Transactions Review Committee

17 February 2021