

Composition of the Strategic Issues Committee of the Board

The Board appointed Strategic Issues Committee comprised of Seven (7) Board members and the Chairman of the Committee is an Independent Director as set out below. Other Board Members and Management of National Development Bank PLC (the Bank) may be present at the meetings by invitation.

Chairman	Mr Sunil G Wijesinha
Members	Mr Ashok Pathirage
	Mr Trevine Jayasekera
	Mrs Kimarli Fernando
	Mr Sarath Wikramanayake
	Mr Sujeewa Rajapakse
	Mr Anura Siriwardena

Brief profiles of each member are given on pages 102 and 103.

Charter of the Strategic Issues Committee

The Committee is responsible for determining the following decisions:

1. Approving of all strategic investments and divestments and recommending the same to the Board.
2. Approving the periodical strategic plan (covering 3-5 years or more) and recommending the same to the Board.
3. Approving any significant amendments to the existing strategic plan and recommending the same to the Board.

The Committee additionally carries out the following duties and responsibilities:

1. Providing the strategic direction and strategic thinking of the Board to the management in the development and implementation of the Bank's strategic plan.
2. Developing the Bank's strategy and its implementation together with the management.
3. Reviewing and assessing the formulation and implementation of strategic plans developed by the management and approved by the Board.
4. Guiding and assisting the management in implementing strategic decisions taken by the Board.
5. Reviewing and evaluating strategic issues and plans of subsidiary companies of the NDB Group to ensure that the same are in line with the strategic initiatives and strategic direction of the Bank.

Committee Guiding Principles

The primary purposes of the Committee are the examination and evaluation of strategic issues of a regular as well as of an ad hoc nature whilst also recommending any action required to be taken by the Board of Directors of the Bank. The Committee serves as a catalyst as well as a monitor of the development and implementation of the Bank's business strategies and further assists the Board in maintaining an interactive strategic planning process with the management which includes the review

and assessment of business strategy plans developed by the management and approved by the Board.

Strategic Issues Committee Meetings

The Committee held one meeting during the year under review.

Name of Board Committee Member	Directorship Status	Membership Status	Number of Meetings Attended
Sunil G Wijesinha	Non-Executive Independent	C	01/01
Ashok Pathirage	Non-Executive Non-Independent	M	01/01
Trevine Jayasekera	Non-Executive Independent	M	01/01
Sarath Wikramanayake	Non-Executive Non-Independent	M	01/01
Kimarli Fernando	Non-Executive Independent	M	01/01
Anura Siriwardena	Non-Executive Independent	M	01/01
Sujeewa Rajapakse	Non-Executive Non-Independent	M	01/01

C - Chairman M - Member I - On invitation

The proceedings of the Committee meetings have been regularly reported to the Board of Directors.

Methodology Used by the Committee

The Committee meets as and when necessary in order to, inter alia, deliberate in detail on matters of strategic importance to the Bank and the NDB Group so as to advise the Board in a timely manner. The Committee meets to examine and evaluate any strategic issues that may arise and further to evaluate any changes to strategic plans/decisions already in place, as and when needed as well as to conduct such other affairs which the Charter of the Committee mandates the Committee to carry out.

Summary of Activities

At the Committee meeting held during the preceding year the Committee reviewed in detail and recommended to the Board of Directors of the Bank, the Budget for year the 2015 and several strategic initiatives for the year 2015.



Sunil G Wijesinha
Chairman - Board Strategic Issues Committee
Colombo

13 February 2015