

APPENDIX 7C

Colombo Stock Exchange
 04-01, West Block
 World Trade Center
 Echelon Square
 Colombo 01

ANNOUNCEMENT TO THE EXCHANGE

Pursuant to the resignation of Directors, Mr.Jehan Prasanna Amaratunga, Mr.Mudiyanseelage Abeyrathna Bandara, Mr.Nivithigala Polgaswaththe Karunarathne and Mr.Isuru Pavithra Fernando from the Board of People's Insurance PLC (the Company), as announced to the Colombo Stock Exchange on 28th February 2020, the total number of Directors comprising the Board of Directors of the Company reduced to three (03).

People's Insurance PLC hereby declares that the aforementioned changes to the directorate of the Company, pending further appointments to the Board of Directors has temporarily resulted in non-compliance by the Company with the Corporate Governance Requirements set out in Rule 7.10 of the CSE Listing Rules to the extent disclosed below.

	Details of non-compliance	Minimum number of directors as per Listing Rule	Current status (number of directors)
1	Composition of Independent Directors in the Board	2	1
2	Composition of the Remuneration Committee	Non – Executive and majority of whom shall be independent	Remuneration Committee to be appointed.
3	a.) Composition of the Audit Committee	Non – Executive and majority of whom shall be independent	Audit Committee to be appointed.
	b.) Chairman or one member of the Audit Committee is a member of a recognized professional accounting body	01	Audit Committee to be appointed.

Declaration

People's Insurance PLC hereby declares that the entity has failed to comply with the Corporate Governance Requirements set out in Rule 7.10 of the CSE Listing Rules to the extent disclosed above.

However, we wish to inform you that People's Insurance PLC is in the process of taking steps to comply with the aforementioned Corporate Governance Requirements set out in Rule 7.10 of the CSE Listing Rules, in coordination with the major shareholder, People's Leasing & Finance PLC. Every reasonable effort is being made by People's Leasing & Finance PLC to ensure People's Insurance PLC fully complies with the said requirement.

Signed for and on behalf of People's Insurance PLC

A handwritten signature in blue ink, appearing to be 'Lakmini Kottegoda', with a long horizontal stroke extending to the right.

Lakmini Kottegoda
Company Secretary

Date: 02nd March 2020