

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.Mudiyanselage 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 (CSE) on 28th February 2020 and pursuant to the resignation of Director Mr.Goluhewage Bindu Rasitha Poojitha Gunawardana, as announced to the CSE on 01st June 2020, the total number of Directors comprising the Board of Directors of the Company reduced to two (02).

People's Insurance PLC hereby declares that the aforementioned changes to the directorate of the Company, pending the approval from the Insurance Regulatory Commission of Sri Lanka (IRCSL) for the proposed 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	Currently there is only one (1) Independent Director in the Board. However, the proposed appointments in compliance with Rule 7.10 of the CSE Listing Rules are yet to be approved by the IRCSL.
2	Composition of the Remuneration Committee	Non – Executive and majority of whom shall be independent	Members to the proposed Remuneration Committee are yet to be confirmed, pending the approval from the IRCSL for the proposed appointments to

People's Insurance PLC, No. 07, Havelock Road, P.O. Box 215, Colombo 05.

Tel: +94 11-2126 126 | Fax: +94 11-2126 109 | E-mail: pilassist@plc.lk | www.peoplesinsurance.lk

(A Subsidiary of People's Leasing & Finance PLC and People's Bank) - Company No. PB 3754 PQ

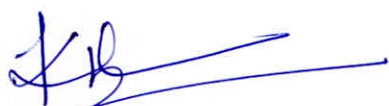
			the Board.
3	a.) Composition of the Audit Committee	Non – Executive and majority of whom shall be independent	Members to the proposed Audit Committee are yet to be confirmed, pending the approval from the IRCSL for the proposed appointments to the Board.
	b.) Chairman or one member of the Audit Committee is a member of a recognized professional accounting body	01	Members to the proposed Audit Committee are yet to be confirmed, pending the approval from the IRCSL for the proposed appointments to the Board.

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, and is awaiting the approval from the Insurance Regulatory Commission of Sri Lanka (IRCSL) for the proposed appointments to the Board.

Signed for and on behalf of People's Insurance PLC



Lakmini Kottegoda
Company Secretary

Date: 02nd June 2020