@ GRI 3-3

MANAGEMENT APPROACH

People's Leasing's approach to managing
Financial Capital is anchored in sustainability
and prudence, forming the foundation upon which the
Company ensures profitability, solvency, and optimal levels
of capital adequacy and liquidity to drive growth.

With a solid financial base, capital is strategically allocated toward key priorities such as lending expansion, digital transformation, and risk mitigation. Through prudent deployment, the Company seeks to deliver sustainable, risk-adjusted returns that support both consistent dividend payouts and reinvestment for future growth. People's Leasing's integrated approach to financial capital management, also extends to allocating resources to develop other forms of capital, human, social, intellectual, and natural to ensure that the interests of shareholders and wider stakeholder groups are safeguarded across economic, social, and environmental dimensions.

Additionally, the Company upholds strong financial governance, reinforced by transparent financial reporting, rigorous stress testing, and scenario-based planning to enable informed decision making in capital allocation decisions and support adherence to regulatory requirements.

MATERIAL THEMES

- Geopolitical and socio-economic uncertainty
- Business model flexibility in a continually changing environment
- Developing sustainable ecosystems for long-term wealth creation
- Heightened demands on governance, compliance, and regulatory context

Financial Capital represents the monetary resources that enable us to operate, grow, and deliver value to our stakeholders. It includes the funds generated through our core business activities, shareholder equity, and access to external financing. At People's Leasing & Finance, we place strong emphasis on maintaining financial stability, profitability, and liquidity while prudently managing risk. Sound financial management allows us to invest in future growth, meet regulatory requirements, and continue offering competitive products and services to our customers. Our disciplined approach to financial stewardship also enables us to navigate changing market conditions with confidence and resilience.

Financial Capital is central to sustaining our operations, supporting our strategic priorities, and enhancing stakeholder confidence. We continue to focus on optimising capital allocation, maintaining healthy margins, and generating value through responsible lending and investment practices. In an evolving financial landscape, our commitment to robust capital management and financial discipline remains unwavering. By safeguarding our Financial Capital, we strengthen our ability to deliver long-term, sustainable returns to investors while supporting the economic well-being of our clients and communities.







VALUE DRIVERS

- Enhancement of Income Statement Performance
- O Right-Sizing of the **Balance Sheet**
- O Sustainable value creation for stakeholders

KEY INITIATIVES

- O Achieved income growth & profitability through data-driven sales strategies, crossselling, and new business expansion.
- O Expand Loans & Advances Portfolio by 51.05% by targeting underserved segments and digital lending solutions.
- O Improve short-term loan products to handle interest rate changes and respond quickly to market trends.
- ⊙ Enhanced cost efficiency & prudent liability management through better resource allocation and financial planning.

STAKEHOLDER OUTCOMES



Maximised value through strong financial returns, dividend growth, and efficient capital use



Access to affordable, innovative financial solutions that build trust and loyalty



Reliable, creditworthy, and trustworthy partner enabling win-win collaborations Empowered through digital tools, career



development, and job security Aligned with national digital finance goals; ensures sector stability.



Positive economic impact through improved access to finance and inclusion



Target 1.4|1.5



Target 8.2 | 8.3 | 8.10



16.6

OUTPUTS FOR PEOPLE'S LEASING

- ⊙ Healthy YoY Net Interest Income Growth of
- ⊙ Cost Efficiency Improvement in cost-toincome ratio to 54.96%
- O Financial Resilience Strengthened capital adequacy & solvency
- O Diversified Income Boosted non-interest income streams
- Strong Market Position Improved credit ratings & governance



CORE CAPITAL RATIO

3,016.13_{Mn}

TOTAL DIVIDEND PAID

INCOME GROWTH

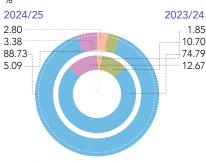
Net Interest Income

In FY 2024/25, People's Leasing registered Net Interest Income (NII) of Rs. 14,071.33 million, representing 20.76% growth from Rs. 11.652.42 million in 2023/24 which was primarily as a result of proactive management of interest expenses through disciplined cost control and prudent assetliability structuring against the backdrop of the softening rate environment.

Total interest expenses decreased significantly by 30.14%, falling from Rs. 17,200.88 million in 2023/24 to Rs. 12,016.69 million. This reduction was primarily due to the faster repricing of short-term deposits and borrowings in line with declining market rates. Since customer deposits typically have shorter tenures (3 to 12 months), and adjust more quickly than lending products such as leases and term loans, which are priced over longer durations (30 to 36 months).

Total interest income declined by 9.58% year-on-year from Rs. 28,853.31 million to Rs. 26,088.02 million. Core fundbased products, particularly term loans and leasing, continued to deliver stable income of Rs. 23,148.92 million, reflecting the effectiveness of the Company's lending strategy and sound credit management process. Meanwhile, the strategic expansion of the short-term lending segment yielded good results, with gold loan interest income expanding to Rs. 1,836.87 million, up from Rs. 1,240.03 million in the previous year. This

Composition of interest income



- Cash and cash equivalents
- Balances with banks & financial institutions
- Loans and receivables
- Debt instrument Amortised cost

increase highlights the success of People's Leasing's portfolio realignment initiatives to take advantage of market shifts.

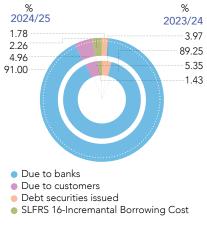
At the Group level, NII rose by 17.99%, reaching Rs. 16,460.08 million compared to Rs. 13,950.04 million in the previous year, reflecting improved cost efficiency and portfolio management across Group entities, supported by stable lease income and strategic pricing practices. Lease contracts, typically locked in at fixed rates for longer terms, continued to generate consistent revenue and helped cushion the impact of lower returns from other asset classes.

Net Interest Margin

At the Company level, Net Interest Margin (NIM) increased to 8.64% in the current year, from 7.69% in 2023/24, on the back of strategic emphasis on optimising the asset mix and maintaining costefficient funding sources. The improved margin showcases strong balance sheet management and a proactive approach in navigating interest rate movements, ultimately reinforcing profitability and financial resilience.

Similarly, NIM of the Group also increased to 8.85% in 2024/25, up from 8.03% in 2023/24, indicating continued positive performance year over year.

Composition of interest expense



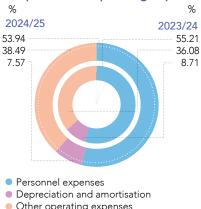
Net Interest Income & NIM Rs. Mn 15,000 10 9 8 12,000 7 9,000 6 5 6,000 4 3 2 3,000 n 2021/22 2024/25 2023/24 2022/23 2020/21 Net Interest Income **→** NIM

COST EFFICIENCY

Operating Expenses

During the financial year 2024/25, the Company reported a total operating expense of Rs. 9,018.94 million, compared to Rs. 7,694.66 million in the previous year, reflecting a 17.21% increase. This rise was largely driven by higher personnel costs and other operating expenses, influenced in part by continued inflationary pressures. Notably, the increase in personnel expenses highlights the Company's strategic investment in its people through enhanced employee welfare programmes, performance-based incentive schemes, and initiatives aimed at fostering a motivated, empowered, and high-performing workforce. These efforts reflect the Company's strong commitment to nurturing employee morale, supporting professional growth, and creating a workplace culture centred

Composition of Operating Expenses



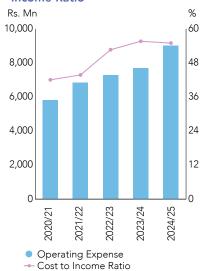
Other operating expenses

on engagement, inclusion, and continuous development.

Despite these dynamics, the Company's cost-to-income ratio improved to 54.96% from 55.61% in the previous year. This positive shift demonstrates enhanced operational efficiency and prudent cost management, even while investing in growth initiatives, employee engagement, and scalable infrastructure to support long-term sustainability.

The same dynamics were mirrored at the Group level, where total operating expenses rose by 16.63% to Rs.14,246.63 million, compared to Rs.12,214.75 million in 2023/24. This growth was primarily fuelled by the rise in business volumes, which led to a corresponding increase in operating activity and service delivery efforts. However, the cost-to-income ratio at the Group level also slightly improved similar to the Company to 56.79% in 2024/25 from 57.45% in 2023/24.

Operating Expenses Vs. Cost to Income Ratio

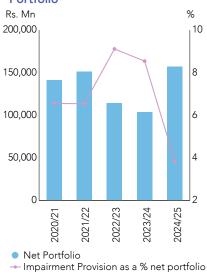


CREDIT QUALITY MANAGEMENT

During the financial year 2024/25, impairment reversal at the Company level stood at Rs. 403.30 million, a decrease from Rs. 1,155.78 million in the previous year. This moderation reflects a deliberate move toward more prudent growth strategies, underpinned by improved asset quality, disciplined credit evaluation, and enhanced governance mechanisms. This prudent approach depicts the reduced reliance on provisioning releases and instead highlights the focus on building a resilient credit book, well-

aligned with the Company's long-term growth and risk appetite. Another contributory factor was the structural change brought on by the expansion of the lending portfolio. As lending volumes increased, the relative impact of individual recoveries on impairment figures became less pronounced. This dilution effect is indicative of a maturing credit portfolio, where risk is spread more broadly and efficiently.

Impairment provision as a % Net Portfolio



Similarly, at the Group level, impairment reversals amounted to Rs. Rs. 383.50 million, compared to Rs. 1,354.20 million in FY 2023/24. The moderation in impairment reversals is a direct outcome of the Group's evolving credit risk landscape, shaped by strategic refinements in credit evaluation, risk management, and recovery frameworks. The reduction reflects a shift towards a more stable, resilient credit environment across the Group, driven by the same underlying factors as those at the Company level.

Additionally, both the Company and the Group have strategically pivoted towards sustainable and consistent recovery mechanisms, rather than ad hoc large recoveries, fostering greater stability in impairment reversals. Recoveries are increasingly driven by long-standing exposures through structured and recurring inflows, demonstrating a focus on long-term resolution over short-term gains.

A key strength lies in the proactive credit quantification and risk identification

frameworks employed at both levels. Recognising the importance of maintaining a healthy credit portfolio, a comprehensive, forward-looking approach centred around prevention, monitoring, and corrective action has been adopted.

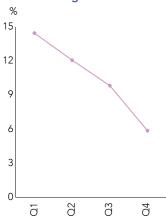
Preventive strategies include a robust credit appraisal process, risk-based pricing, and diversification across sectors and borrower profiles to minimise concentration risk.

In terms of monitoring, early-warning systems flag potential credit deterioration through trend analysis and customer engagement, including maintaining regular contact with borrowers and leveraging sensitivity analysis to anticipate repayment stress. These insights enable timely interventions before accounts become distressed.

On the recovery front, disciplined engagement strategies involving structured calling programs, reminders, and personalised communication encourage settlements and facilitate recovery. The combination of these efforts have contributed to a steady inflow of recoveries and strengthened overall portfolio health, resulting in a reduction in the Stage 03 Loan Portfolio over the course of the financial year.

Together, these developments at both the Company and Group levels underscore a commitment to fostering a risk-managed credit environment balancing portfolio expansion with sustainable risk mitigation and recovery outcomes.

Quarterly Non-performing Advances/ Stage 3 Loans Ratio



@ GRI 207-1,207-2

TAX POLICY

People's Leasing maintains a principled and transparent tax strategy that reflects its commitment to national service, integrity, and fiscal responsibility. This ensures compliance with all legal obligations while meaningfully contributing to Sri Lanka's broader economic and social goals. The Company's tax approach ensures the timely and full settlement of all tax obligations while aligning with government policy and national-level objectives.

During the financial year ended 31 March 2025, People's Leasing demonstrated strong tax compliance and alignment with government policy. The Company applied the prevailing 30% Corporate Income Tax rate, contributing appropriately under the applicable tax framework. In addition, the Company's contribution to VAT on Financial Services amounted to Rs. 1,762.18 million, while the Social Security Contribution Levy (SSCL) stood at Rs. 244.75 million, further reflecting its commitment to fiscal responsibility and regulatory adherence.

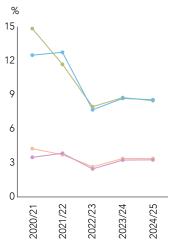
These figures reflect People's Leasing's disciplined and proactive tax planning, which is deeply integrated into its corporate strategy. By ensuring the timely and accurate settlement of all tax obligations, the Company reinforces its role as a responsible corporate citizen, significantly contributing to the country's financial stability and development.

(Note: These company-level taxes can be visualised using a pie chart showing the share of Corporate Income Tax, VAT, and SSCL contributions separately.)

Tax Payments at Company Level

Due to the same reason, Group-level fluctuations are also evident. At the Group level, tax compliance remained equally robust, with a VAT contribution of Rs. 1,863.44 million, based on the applicable 18% VAT on financial services. Additionally, the Group's Social Security Contribution Levy (SSCL) payment stood at Rs. 244.75 million, calculated at the standard rate of 2.5% on value addition, reaffirming the Group's adherence to prevailing tax regulations and its commitment to responsible fiscal practices

ROA & ROE



- Return on Assets (ROA) Company
- -- Return on Equity (ROE) Company
- Return on Assets (ROA) Group
- Return on Equity (ROE) Group

PROFITABILITY

People's Leasing reported a profit after tax of Rs. 3,603.38 million, with total assets of Rs. 194,530.94 million and equity of Rs. 42,411.76 million as at 31 March 2025. Consequently, Return on Assets (ROA) increased marginally from 3.25% in 2023/24 to 3.27% in 2024/25. Return on Equity (ROE) showed a slight decline from 8.68% to 8.56%, indicating consistent returns amid an expanding equity position.

Driven by sustained earnings, the People's Leasing Group delivered a consistent profitability performance during the financial year 2024/25. The Group reported a profit after tax of Rs. 4,090.25 million, with total assets of Rs. 220,582.29 million and equity of Rs. 50,025.37 million, reflecting stable operational efficiency and a solid capital base. Group's ROA remained same at 3.39%, compared to ROA in 2023/24, while ROE recorded a slight decrease from 8.75% to 8.48%.

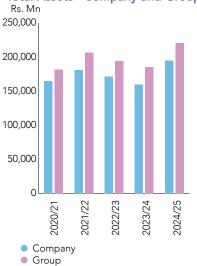
RIGHT-SIZING OF THE BALANCE SHEET

Growth in Assets

During the financial year ended 31 March 2025, People's Leasing recorded strong growth in total assets, driven by heightened market confidence and the effective execution of its strategic business expansion initiatives. At the Company level, total assets increased by 21.69%, expanding to Rs. 194,530.94 million from Rs. 159,852.09 million in the

previous financial year. At the Group level, total assets reached Rs. 220,582.29 million, reflecting a 19.07% growth from Rs. 185,257.87 million in 2023/24. This robust performance at both Company and Group level was largely underpinned by a notable expansion in the lending and leasing portfolios, as well as a significant increase in cash and cash equivalents, which substantially enhanced liquidity and financial flexibility.

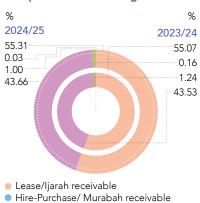
Total Assets - Company and Group



The Company's lending portfolio remained the cornerstone of its asset base and a key driver of income generation. As at 31 March 2025, the total lending portfolio reached Rs. 157.09 billion, reflecting a commendable year-on-year growth of 51.56%. This significant expansion is the result of impactful strategic decisions taken by the Company's leadership towards the latter part of the year. These included initiatives to uplift employee morale, the regular recognition of high performers, and the streamlining of internal structures to enable faster and more efficient service delivery. Collectively, these measures fostered a more motivated and agile workforce, directly contributing to the robust growth in the lending portfolio.

The portfolio continued to be dominated by long-term lending instruments such as loans and leases, in line with the Company's commitment to financial inclusion and economic development. At the same time, short-term lending products, particularly gold loans and margin trading facilities, were strategically expanded to enhance liquidity and

Composition of Lending Portfolio



better manage asset-liability maturity mismatches.

Term Loan and receivables

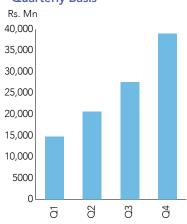
Related party receivables

The lease and hire purchase portfolio, inclusive of Ijarah and Murabaha receivables, grew significantly to Rs. 90,229.30 million from Rs. 61,953.26 million in the previous year. Term loans and other receivables, which had seen a decline in 2023/24, rebounded strongly to reach Rs. 71,215.90 million in 2024/25, up from Rs. 48,977.27 million. This resurgence reflects the success of internal reforms, including targeted marketing campaigns, and improvements to the digital service delivery infrastructure, collectively enabling the Company to penetrate new customer segments and expand its lending and leasing footprint across a wider demographic.

A similar trajectory was observed at the Group level. The lease and Ijarah portfolio rose from Rs. 61,950.81 million in the previous year to Rs. 90,229.50 million in 2024/25. Likewise, term loans and other receivables increased from Rs. 61,660.96 million to Rs. 82,771.72 million, reflecting the recovery in lending momentum and the Group's ability to respond effectively to emerging market opportunities.

The gold loan portfolio, comprising short-term facilities with maturities typically under one year, achieved significant growth, increasing by 93.29% to reach Rs. 20,286.34 million. This segment has been prioritised as a part of a strategic response to address the mismatch between the short-term maturity of customer deposits and the longer-term nature of the Company's lending activities. By increasing the share of short-term assets within its overall portfolio, the Company

Business Volumes - Quarterly Basis



has taken meaningful steps to improve asset-liability maturity alignment and thereby strengthen liquidity management and financial resilience.

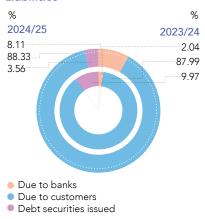
In addition to the strong performance of traditional lending products, the margin trading segment continued to gain traction, as customers increasingly turned to leveraged facilities to participate in capital market investments. This segment has emerged as a valuable contributor to the Company's non-traditional revenue streams and is positioned for further growth in line with capital market developments.

Growth in Liabilities

The expansion of the Company's asset base was supported by a corresponding increase in liabilities, ensuring adequate funding for the growing volume of business. The Company's funding mix, which consists primarily of customer deposits, demonstrated robust growth in FY 2024/25.

Customer deposits increased by 27.80% year-on-year, reaching Rs. 124,529.68 million as at 31 March 2025. These deposits are largely short-term in nature, resulting in a higher repricing frequency relative to the longer-term lending portfolio. To address the resultant asset-liability mismatch and enhance the stability of its funding profile, the Company made a concerted effort to secure long-term borrowings. As a result, term loans increased significantly, rising from Rs. 1,755.75 million in the previous financial year to Rs. 10,003.22 million by year-end 2024/25.

Composition of Interest Bearing Liabilities



Debt securities issued (debentures) declined significantly by 54.55%, from Rs. 11,032.25 million in 31 March 2024 to Rs. 5,014.65 million in 2024/25 owing to the maturity of earlier instruments and a temporary reduction in long-term borrowing during the period.

The same trends were reflected at the Group level as well where the total deposit base registered a 25.26% year-on-year increase whilst recording 164.55% growth in term loans.

OTHER ASSETS AND STRATEGIC LIQUIDITY MANAGEMENT

Beyond its core lending operations, the Company reported a substantial increase in cash and cash equivalents. This enhancement to liquidity provided the Company with greater strategic flexibility to meet ongoing investment requirements and funding obligations. Through its disciplined and forward-looking approach to balance sheet management, People's Leasing has reinforced its position within the Non-Banking Financial Institution (NBFI) sector.

The Company's market share increased to 9.31% in 2024/25, up from 9.03% in the previous year, underscoring its growing influence and competitive standing in the industry.

STRATEGIC MANAGEMENT OF CAPITAL ADEQUACY

In line with the Company's continued business expansion during the financial year 2024/25, total assets recorded a notable increase. This asset growth was accompanied by a corresponding rise in risk-weighted assets (RWA), which led to

a moderation in capital adequacy ratios when compared to the previous year.

Despite this expected decline, the Company maintained capital levels significantly above regulatory requirements and industry averages. As at 31 March 2025, the Tier 1 Capital Ratio stood at a healthy 22.94%, while the Total Capital Ratio was recorded at 22.68%. These figures compare favourably against the industry average Tier 1 Capital Ratio of 19.68% and Total Capital Ratio of 20.53%, affirming the Company's strong capital position and prudent risk management practices.

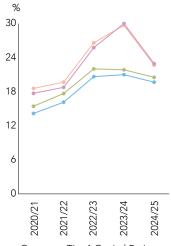
Liquidity management was a key area of focus throughout the year, particularly in the context of expanding business volumes. In compliance with the Directions on Minimum Liquid Asset Requirements issued by the Central Bank of Sri Lanka (CBSL), the Company ensured liquidity buffers remained well above the mandated thresholds. As at 31 March 2025, PLC maintained liquid assets amounting to Rs. 25,233.76 million, comfortably exceeding the minimum required liquid assets of 13,314 million. This proactive approach to liquidity planning was aimed at not supporting day-to-day operational needs and also strengthening the Company's capacity to respond to market fluctuations and funding pressures, thereby safeguarding financial stability as the Company continues to scale its operations.

Total Equity

As of 31 March 2025, People's Leasing reported a total equity of Rs. 42,411.76 million, compared to Rs. 41,826.14 million in the previous financial year 2023/24, reflecting a growth of 1.40%. The increase was mainly driven by the growth in the statutory reserve fund, which rose to Rs. 3,147.97 million from Rs. 2,967.85 million, and higher retained earnings, which stood at Rs. 19,976.74 million whilst stated capital remained unchanged at Rs. 19,230.48 million.

At the Group level, total equity stood at Rs. 50,025.37 million as of 31 March 2025, up from Rs. 49,145.83 million in the previous financial year, an increase of 1.79%. This was supported primarily by a substantial increase in retained earnings, which reached Rs. 24,431.10 million, reflecting a growth of 1.90%, and a significant positive movement in other

Tier 1 Capital Ratio & Total Capital Ratio



- Company-Tier 1 Capital Ratio
- → Industry-Tier 1 Capital Ratio
- → Company-Total Capital Ratio
- → Industry-Total Capital Ratio

reserves, which rose to Rs. 633.01 million from Rs. 431.46 million.

This growth in equity reflects the Group's strengthened financial position, driven by consistent earnings retention and prudent capital management practices, aligning with its objective of sustaining capital adequacy and long-term financial resilience

Cash Flow Position

During the financial year 2024/25, the Company witnessed a marked enhancement in its cash flow position, resulting in a healthy cash surplus by year-end. This improvement was largely underpinned by the increase in investments in securities under reverse repurchase agreements.

The excess liquidity enabled the Company to allocate funds strategically towards its core business priorities. These included strengthening the lending portfolio, supporting digital transformation initiatives, and reinforcing risk management frameworks. The prudent deployment of cash resources also ensured uninterrupted operational continuity amidst evolving market conditions.

At the Group level, the overall increase in cash and cash equivalents reflected both operational strength and cautious capital allocation. This solid cash position underlines the Group's readiness to fund future growth, meet regulatory liquidity

requirements, and respond proactively to emerging opportunities.

SUSTAINABLE VALUE CREATION FOR STAKEHOLDERS

Investors are the driving force behind every thriving organisation, providing the capital, expertise, and connections that fuel growth and innovation. At People's Leasing & Finance PLC, we go beyond financial returns, nurturing a relationship built on trust, transparency, and shared success.

The "Value to Investors" supplement embodies this commitment, offering more than just data it's a testament to our dedication to open communication, fair treatment, and meaningful engagement. With valuable insights and essential information, this section reflects our promise to empower and support our investors at every step.

COMMITMENT TO INVESTOR ENGAGEMENT

People's Leasing views regular and consistent engagement with its investors not only as a best practice but also as a key responsibility. Beyond financial reporting, the Company prioritises proactive communication, establishes feedback channels, and ensures timely responses to investor inquiries across multiple platforms.

MODE OF ENGAGEMENT

Investors

lacksquare

Shareholders/Debenture holders



Board of Directors and Corporate Management



Investor Relations officer



Financial Analysts



Regulatory Authorities



Financial Media

MODE OF ENGAGEMENT	FREQUENCY
1. Annual General Meeting	Annually
2. Annual Report	Annually
3. Interim Financial Statements	Quarterly
4. Updates on investor	As required
5. Interim paper publications	Semi-annually
6. Corporate disclosures to CSE	As required
7. Press releases	As required
8. Corporate Website and other online Platforms	Continuous

ADHERENCE TO COMPLIANCE AND CONTINUOUS IMPROVEMENT

The Company ensures that all disclosures and communications meet regulatory requirements and adhere to its Communication Policy. PLC is committed to continuously refining its communication strategy to enhance investor value and build stakeholder confidence.



VALUE DELIVERED TO SHAREHOLDERS IN 2024/25

Adhering to the uniform policy implemented with the aim of deriving satisfaction returns to its shareholders, People's Leasing & Finance PLC declared a gross dividend of Rs. 1.40 per share during the financial year 2024/25.

As at 31 March 2025 the public float of the Company was recorded as 24.98% represented by 538,060,833 shares and 9,889 shareholders, slightly change from 538,233,546 shares and 9,973 shareholders at the beginning of the current financial year. The float when adjusted to reflect market capitalization as at the 31 March 2025 was Rs. 9,631,288,910.70. People's Leasing & Finance PLC has observed and complied with the option No.04 of Rule 7.14 (i) (a) of the Listing Rules of the Colombo Stock Exchange on the minimum Public Holding requirement.

ANALYSIS OF THE PERFORMANCE OF GLOBAL AND LOCAL EQUITY MARKETS

Performance of Global Equity Markets

In 2024, global equity markets exhibited remarkable resilience and steady growth despite persistent global challenges and geopolitical complexities. The year was defined by market adjustments to evolving economic policies, emerging technologies, and a focus on sustainability. Key sectors such as artificial intelligence, clean energy, and biotechnology witnessed significant growth, while traditional industries faced headwinds due to inflationary trends and regulatory changes. All major equity markets concluded the year with solid returns, although the extent of gains varied across regions. In the United States, the Dow Jones and the Nasdaq posted impressive gains of 15.2% and 38.7%, respectively, driven by strong corporate earnings and advancements in technology In Europe, the British FTSE100 rose by 5.6%, reflecting cautious optimism amid stable economic recovery. Germany's DAX and the French CAC surged by 18.9% and 14.2%, respectively, highlighting continued investor confidence in the region

Meanwhile, in Asia, performance was more mixed. The Japanese Nikkei index soared by 25.6%, fuelled by robust

Value delivered to Shareholders in 2024/25	2024/25	2023/24
Earnings per share - Group (Rs.)	1.67	1.64
Dividend per share (Rs.)	1.40	1.40
Dividend payout (%)	83.70	80.74
Dividend yield (%)	7.82	12.73
Dividend cover (times)	1.19	1.24
Net asset value per share (Rs.)	19.69	19.41
Price earning (times)	10.72	6.71
Price to book value (times)	0.91	0.57

domestic demand and a weaker yen boosting exports. India's BSE Sensex recorded a notable increase of 20.3%, driven by strong GDP growth and infrastructure investments. Conversely, Singapore's Straits Times Index experienced a modest decline of 0.8%, while China's Shanghai Composite Index dropped by 2.9%, reflecting lingering economic headwinds and regulatory challenges in the region.

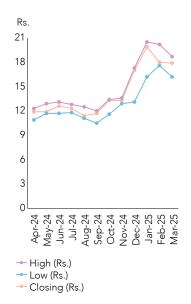
Performance of the Domestic Equity Market

Building on the mixed performance observed in 2023, the year 2024 saw the local equity market deliver a more consistent and stable performance across key metrics, including price indices, market capitalization, and daily turnover.

Both the All-Share Price Index (ASPI) and the Standard & Poor's Sri Lanka 20 (S&P SL 20) maintained positive momentum throughout the year. The ASPI recorded a growth of 18.3%, while the S&P SL 20 posted a rise of 12.6%, reflecting sustained investor confidence. Market capitalisation increased by 20.5%, reaching Rs. 5,100 billion by the end of the year. However, the Colombo Stock Exchange observed a slight reduction in the average daily turnover, which declined by 12%, averaging Rs.1, 492 million compared to the previous year's Rs.1, 696 million. These results highlight the gradual recovery of the local equity market despite prevailing economic and fiscal challenges.

	20	25	20	24
	Number	Rs	Number	Rs
Balance as at 1 April	2,154,375,750	19,230,478,846	2,041,883,116	18,015,558,392
Scrip Dividend	-	-	112,492,634	1,214,920,454
Balance as at 31 March	2,154,375,750	19,230,478,846	2,154,375,750	19,230,478,846

Share Price Movement



Year ended	No. of Shares at the the Financia		Addition/(redempt during the Fina		Cumulative Shares the Financi		Issued Capital at the end of
	Ordinary Shares	Preference Shares	Ordinary Shares	Preference Shares	Ordinary Shares	Preference Shares	the Financia Year (Rs.)
1995/96	2	-	-	-	2	-	20
1996/97	2	-	-	-	2	-	20
1997/98	2	-	2,500,000	-	2,500,002	-	25,000,020
1998/99	2,500,002	_	_	_	2,500,002	_	25,000,020
1999/00	2,500,002	-	1,500,000	-	4,000,002	-	40,000,020
2000/01	4,000,002	-	2,000,006	-	6,000,008	-	60,000,080
2001/02	6,000,008	-	4,000,000	-	10,000,008	-	100,000,080
2002/03	10,000,008	-	-	-	10,000,008	-	100,000,080
2003/04	10,000,008	-	10,000,000	50,000,000	20,000,008	50,000,000	700,000,080
2004/05	20,000,008	50,000,000	-	-	20,000,008	50,000,000	700,000,080
2005/06	20,000,008	50,000,000	30,000,000	-	50,000,008	50,000,000	1,000,000,08
2006/07	50,000,008	50,000,000	-	-5,000,000	50,000,008	45,000,000	950,000,08
2007/08	50,000,008	45,000,000	-	-10,000,000	50,000,008	35,000,000	850,000,08
2008/09	50,000,008	35,000,000	-	-10,000,000	50,000,008	125,000,000	1,850,000,08
2009/10	50,000,008	125,000,000		-10,000,000	50,000,008	115,000,000	1,850,000,08
2010/11	50,000,008	115,000,000	_	-10,000,000	50,000,008	105,000,000	1,850,000,08
2011/12	50,000,008	105,000,000	1,510,000,152	-15,000,000	1,560,000,160	90,000,000	12,958,000,80
2012/13	1,560,000,160	90,000,000	-	-20,000,000	1,560,000,160	70,000,000	12,736,073,30
2013/14	1,560,000,160	70,000,000	19,862,322	-20,000,000	1,579,862,482	50,000,000	12,736,073,30
2014/15	1,579,862,482	50,000,000		-20,000,000	1,579,862,482	30,000,000	12,936,073,30
2015/16	1,579,862,482	30,000,000	-	-20,000,000	1,579,862,482	10,000,000	13,136,073,30
2016/17	1,579,862,482	10,000,000		-10,000,000	1,579,862,482		13,236,073,30
2017/18	1,579,862,482		-	_	1,579,862,482		13,236,073,30
2018/19	1,579,862,482		-		1,579,862,482	-	13,236,073,30
2019/20	1,579,862,482		47,840,906		1,627,703,388		13,915,414,17
2020/21	1,627,703,388		76,899,372		1,704,602,760		14,892,036,20
2021/22	1,704,602,760		182,592,242		1,887,195,002	-	17,071,960,89
2022/23	1,887,195,002		154,688,114		2,041,883,116		18,015,558,39
2023/24	2,041,883,116		112,492,634		2,154,375,750		19,230,478,84
2024/25	2,154,375,750	-	-	-	2,154,375,750		19,230,478,84

Share Trading Turnover of People's Leasing & Finance PLC

While the share trading turnover of the company fluctuated throughout the financial year 2024/25, the highest turnover was recorded in December 2024 at Rs. 1,015.46 million. The lowest turnover, amounting to Rs. 60.85 million, was documented in September 2024.

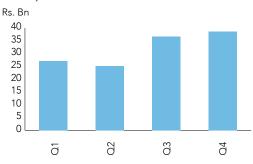
Share Trading Turnover



Market Capitalization of People's Leasing

The Company's market capitalization as at the 31 March 2025 surmounted to a value of Rs. 38.56 billion; a 62.72% increment from the Rs. 23.70 billion recorded on 31 March 2024.

Market Capitalisation



Profile of Ordinary Shareholders						
	2024/25	Q4	Q3	Q2	Q1	2023/24
Highest	20.50	20.50	17.30	12.80	13.10	13.00
Lowest	10.50	16.20	11.60	10.50	10.90	7.00
Closing	17.90	17.90	17.00	11.70	12.60	11.00
Number of transactions	29,399.00	9,300	10,481	4,596	5,022	21,035
Number of shares traded (million)	325.90	83.80	116.58	31.40	94.12	209.19
PLC Turnover (Rs million)	4,732.05	1,552.95	1,643.56	376.49	1,159.05	2,287.64
PLC turnover to total market turnover (%)	0.68	0.65	0.62	0.54	0.95	0.61
Number of days traded	239	56	62	63	58	238
Average daily turnover (Rs million)	19.80	27.73	26.51	5.98	19.98	9.61
Market capitalisation - CSE (MC) (Rs billion)	5,606.37	5,606.37	5,695.56	4,381.83	4,760.00	4,534.65
Market capitalisation - PLC(MC) (Rs billion)	38.56	38.56	36.62	25.21	27.15	23.7
PLC MC to CSE MC (%)	0.69	0.69	0.64	0.58	0.57	0.52
Market turnover- Rs million	694,220.42	239,201.57	263,919.45	69,402.98	121,696.43	376,004

Public Float

Abiding by the option No. 03 of Rule 7.13.1 (i) (a) of the Listing Rules of the Colombo Stock Exchange on the minimum public holding requirement, People's Leasing recorded a public holding percentage of 24.98% and a float adjusted market capitalization of Rs. 9,633.12 million, reflected by 538,060,833 shares and 9,889 shareholders as at the 31 March 2025. These metrics are in comparison to the public float of 24.96%, float adjusted market capitalization of Rs. 5,919.79 million, 538,233,546 shares, and 9,973 shareholders recorded as at 31 March 2024.

Analysis of the Ordinary Shareholders									
Distribution of Ordinary	31-Mar-25				31-Mar-24				
Shareholders	No. of Shareholders	Shareholder %	No. of shares	share %	No. of Shareholders	Shareholder %	No. of shares	share %	
Less than or equal to 1000	3,495	35.32	949,577	0.04	3,161	31.66	803,077	0.05	
1,001 - 10,000	4,737	47.87	15,023,334	0.70	4,925	49.33	15,164,073	0.7	
10,001 - 100,000	1,349	13.63	39,122,630	1.82	1,539	15.42	43,350,044	2.01	
100,001 - 1,000,000	256	2.59	73,216,533	3.40	307	3.08	85,997,384	3.99	
Over 1,000,000	59	0.60	2,026,063,676	94.04	51	0.51	2,009,061,172	93.25	
Total	9,896	100.00	2,154,375,750	100.00	9,983	100	2,154,375,750	100	

Composition of Ordinary Shareholders									
Distribution of Ordinary	31-Mar-25				31-Mar-24				
Shareholders	No. of Shareholders	Shareholder %	No. of shares	share %	No. of Shareholders	Shareholder %	No. of shares	share %	
Resident - Individuals	9,556	96.56	138,293,983	6.42	9,585	96.01	131,805,896	6.12	
Resident - Institutions	303	3.06	1,995,479,862	92.62	352	3.53	2,012,073,965	93.39	
Non-resident - Individuals	34	0.34	4,631,843	0.21	43	0.43	5,627,086	0.26	
Non-resident -Institutions	3	0.03	15,970,062	0.74	3	0.03	4,868,803	0.23	
Total	9,896	100.00	2,154,375,750	100.00	9,983	100	2,154,375,750	100	

Twen	ty Largest Shareholders					
No.	Name of the shareholder	3	31-Mar-2	25	31-Mar-2	4
		No of shares	%	Description	No of shares	%
1	People's Bank	1,615,781,805	75.00	No Change	1,615,781,805	75.00
2	Employee's Provident Fund	116,931,207	5.43	No Change	116,931,207	5.43
3	National Savings Bank	59,547,976	2.76	No Change	59,547,976	2.76
4	Hatton National Bank PLC - Capital Alliance Quantitative Equity Fund	19,363,054	0.90	New Entrant		N/A
5	J.B. Cocoshell (Pvt) Ltd	16,773,335	0.78	1 Position Up	18,355,558	0.85
6	Perera And Sons Bakers Pvt Limited	16,000,000	0.74	2 Positions Up	14,000,000	0.65
7	Bank Of Ceylon No. 1 Account	15,618,671	0.72	No Change	15,618,671	0.72
8	Citibank Newyork S/A Norges Bank Account 2	15,397,106	0.71	New Entrant		N/A
9	Employees Trust Fund Board	13,493,316	0.63	4 Position Down	20,273,922	0.94
10	Invenco Capital Private Limited	9,652,798	0.45	New Entrant		N/A
11	Union Assurance PLC-Universal Life Fund	8,064,525	0.37	New Entrant		N/A
12	Sri Lanka Insurance Corporation Ltd-General Fund	7,226,844	0.34	2 Positions Down	9,576,844	0.44
13	Ceylon Investment PLC A/C # 02	6,731,672	0.31	4 Positions Down	9,865,504	0.46
14	Deutsche Bank Ag Trustee To Lynear Wealth Dynamic Opportunities Fund	6,422,894	0.3	New Entrant		N/A
15	Capital Alliance PLC	5,360,201	0.25	New Entrant		N/A
16	Ceylon Guardian Investment Trust PLC A/C # 02	5,305,780	0.25	3 Positions Down	6,285,724	0.29
17	Seylan Bank PLC/A.C.Senanka	5,147,858	0.24	No Change	4,818,210	0.22
18	Union Assurance PLC-Traditional Life Participating Fund	3,967,187	0.18	New Entrant		N/A
19	Hatton National Bank PLC A/C No.4 (Hnb Retirement Pension Fund)	3,791,186	0.18	3 Positions Down	5,138,133	0.24
20	Est.of Lat M.J. Fernando	3,480,680	0.16	1 Position Down	3,480,680	0.16
	Subtotal	1,954,058,095	90.70		1,956,099,964	
	Other Shareholders	200,317,655	9.30		198,275,786	
	Total	2,154,375,750	100.00		2,154,375,750	100

Solvency and Debt Capital							
	2024/25	2023/24	Change %				
Debt to equity ratio excluding deposits	0.39	0.32	22.03				
Tier 1 capital/ Core capital ratio %	22.94	30.00	(23.53)				
Total capital ratio/ Total risk weighted capital ratio %	22.68	29.70	(23.64)				
Interest cover (Times)	1.48	1.31	12.89				
Current ratio (Times)	1.28	1.04	23.28				

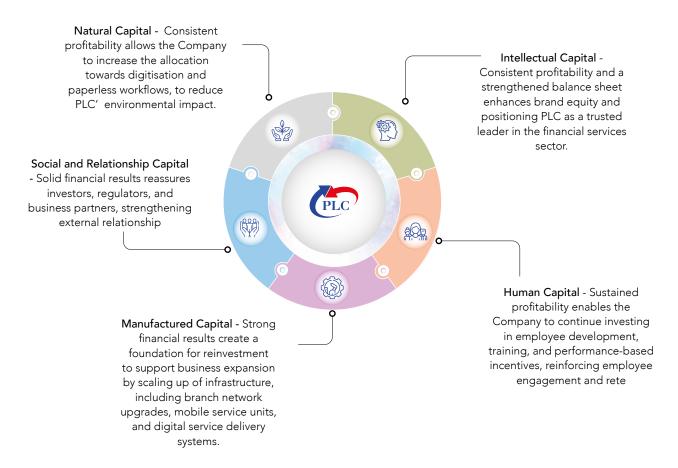
FITCH RATINGS

Fitch Ratings has upgraded People's Leasing & Finance PLC's National Long-Term Rating from A-(lka) to A (lka) with a Stable Outlook as of January, 2025. This upgrade reflects our strong financial position, enhanced liquidity buffers, and continued resilience amid economic challenges. As a leading finance and leasing Company, this recognition reinforces stakeholder confidence and our commitment to risk management, operational excellence, and long-term value creation for investors.

Directors' and CEO's Shareholding (A Name	Position	Appointed Date / Resigned date	No of share:
Prof. S M A K Samarakoon	Chairman	Appointed 31 December 2024	140 or stiales
Mr. P D Samarasinghe	Director	, ppointed 61 2 55511261 252 .	
Mr. K C J C Fonseka	Director		66,133
Mr. K J D G Perera	Director	Appointed 23 January 2025	, -
Ms. P G U Gallage	Director	Appointed 31 January 2025	-
Mr. S. Sudarshan	Director	Appointed 10 February 2025	-
Mr. R B R Emerson	Director	Appointed 10 February 2025	-
Mr. P G A C Perera	Director	Appointed 10 February 2025	-
Mrs. K S R S Kolu Kaluge	Director	Appointed 17 February 2025	-
Mr. M J Thilakarathne	Director	Appointed 11 March 2025	-
Mr. K S Bandaranayake	CEO/GM	Appointed 06 August 2024	-
Total		, <u> </u>	66.133
Directors' and CEO's Shareholding (A	s at 31 March 2024)		00,100
_	s at 31 March 2024) Position	Appointed Date / Resigned date	No of shares
Name		Appointed Date / Resigned date Resigned w.e.f. 31 December 2024	
Directors' and CEO's Shareholding (A Name Mr. M P Amirthanayagam Mr. Y.Kanagasabai	Position	Resigned w.e.f. 31 December 2024	No of shares
Name Mr. M P Amirthanayagam Mr. Y.Kanagasabai	Position Chairman	Resigned w.e.f. 31 December 2024 Resigned w.e.f. 31 January 2025	No of shares
Name Mr. M P Amirthanayagam	Position Chairman Director	Resigned w.e.f. 31 December 2024 Resigned w.e.f. 31 January 2025 Resigned w.e.f. 23 January 2025	No of shares 13,632
Mr. M P Amirthanayagam Mr. Y.Kanagasabai Mr. C J Wijetillake	Position Chairman Director Director	Resigned w.e.f. 31 December 2024 Resigned w.e.f. 31 January 2025	No of shares 13,632
Mr. M P Amirthanayagam Mr. Y.Kanagasabai Mr. C J Wijetillake Mr. U L A W. Bandara Mr. P D Samarasinghe	Position Chairman Director Director Director	Resigned w.e.f. 31 December 2024 Resigned w.e.f. 31 January 2025 Resigned w.e.f. 23 January 2025	No of shares 13,632
Mr. M P Amirthanayagam Mr. Y.Kanagasabai Mr. C J Wijetillake Mr. U L A W. Bandara	Position Chairman Director Director Director Director Director	Resigned w.e.f. 31 December 2024 Resigned w.e.f. 31 January 2025 Resigned w.e.f. 23 January 2025 Resigned w.e.f. 10 Feruary 2025	No of shares 13,632
Mr. M P Amirthanayagam Mr. Y.Kanagasabai Mr. C J Wijetillake Mr. U L A W. Bandara Mr. P D Samarasinghe Mr. T M Wellalage	Position Chairman Director Director Director Director Director Director	Resigned w.e.f. 31 December 2024 Resigned w.e.f. 31 January 2025 Resigned w.e.f. 23 January 2025 Resigned w.e.f. 10 Feruary 2025 Resigned w.e.f. 11 March 2025	No of shares 13,632
Name Mr. M P Amirthanayagam Mr. Y.Kanagasabai Mr. C J Wijetillake Mr. U L A W. Bandara Mr. P D Samarasinghe Mr. T M Wellalage Mr. H I Balapatabendi	Position Chairman Director Director Director Director Director Director Director	Resigned w.e.f. 31 December 2024 Resigned w.e.f. 31 January 2025 Resigned w.e.f. 23 January 2025 Resigned w.e.f. 10 Feruary 2025 Resigned w.e.f. 11 March 2025 Resigned w.e.f. 11 December 2024	No of shares 13,632
Name Mr. M P Amirthanayagam Mr. Y.Kanagasabai Mr. C J Wijetillake Mr. U L A W. Bandara Mr. P D Samarasinghe Mr. T M Wellalage Mr. H I Balapatabendi Mr. A M P M B Atapattu	Position Chairman Director Director Director Director Director Director Director Director Director	Resigned w.e.f. 31 December 2024 Resigned w.e.f. 31 January 2025 Resigned w.e.f. 23 January 2025 Resigned w.e.f. 10 Feruary 2025 Resigned w.e.f. 11 March 2025 Resigned w.e.f. 11 December 2024 Resigned w.e.f. 27 December 2024	No of shares 13,632
Mr. M P Amirthanayagam Mr. Y.Kanagasabai Mr. C J Wijetillake Mr. U L A W. Bandara Mr. P D Samarasinghe Mr. T M Wellalage Mr. H I Balapatabendi Mr. A M P M B Atapattu Mr. H M U K Samararathne	Position Chairman Director	Resigned w.e.f. 31 December 2024 Resigned w.e.f. 31 January 2025 Resigned w.e.f. 23 January 2025 Resigned w.e.f. 10 Feruary 2025 Resigned w.e.f. 11 March 2025 Resigned w.e.f. 11 December 2024 Resigned w.e.f. 27 December 2024	No of shares 13,632 - 5,972
Mr. M P Amirthanayagam Mr. Y.Kanagasabai Mr. C J Wijetillake Mr. U L A W. Bandara Mr. P D Samarasinghe Mr. T M Wellalage Mr. H I Balapatabendi Mr. A M P M B Atapattu Mr. H M U K Samararathne Mr. K C J C Fonseka	Position Chairman Director	Resigned w.e.f. 31 December 2024 Resigned w.e.f. 31 January 2025 Resigned w.e.f. 23 January 2025 Resigned w.e.f. 10 Feruary 2025 Resigned w.e.f. 11 March 2025 Resigned w.e.f. 11 December 2024 Resigned w.e.f. 27 December 2024 Resigned w.e.f. 10 Feruary 2025	No of shares 13,632 - 5,972
Name Mr. M P Amirthanayagam Mr. Y.Kanagasabai Mr. C J Wijetillake Mr. U L A W. Bandara Mr. P D Samarasinghe Mr. T M Wellalage Mr. H I Balapatabendi Mr. A M P M B Atapattu Mr. H M U K Samararathne Mr. K C J C Fonseka Mr. M A A Ahamat	Position Chairman Director	Resigned w.e.f. 31 December 2024 Resigned w.e.f. 31 January 2025 Resigned w.e.f. 23 January 2025 Resigned w.e.f. 10 Feruary 2025 Resigned w.e.f. 11 March 2025 Resigned w.e.f. 11 December 2024 Resigned w.e.f. 27 December 2024 Resigned w.e.f. 10 Feruary 2025 Resigned w.e.f. 10 Feruary 2025	No of shares 13,632 - 5,972

Debenture Market Information						
	As at 31 M	arch 2025		As at 31 M	arch 2024	
Туре	Туре С	Type D	Туре А	Туре В	Туре С	Type D
Tenure (Years)	5 years	5 years	3 years	3 years	5 years	5 years
Issue Date	21-Aug	21-Aug	21-Aug	21-Aug	21-Aug	21-Aug
Maturity Date	26-Aug	26-Aug	24-Aug	24-Aug	26-Aug	26-Aug
Interest Rate	Fixed	Zero Coupon	Fixed	Zero Coupon	Fixed	Zero Coupon
Coupon Rate (%)	9	-	8	-	9	-
Effective Annual Yield (%)	9	9	8	8	9	9
Interest Rate Comparable Government Security (%)	6.93	6.93	6.25	6.25	6.93	6.93
Frequency of Interest Payable	Annual	Maturity	Annual	Maturity	Annual	Maturity
Rating	A+	A+	A+	A+	A+	A+
Amount (Rs. Mn)	4,272.36	561.27	2,943	2,420	4,272	365
ISIN No.	LK0399D24821	LK0399D24854	LK0399D24847	LK0399D24839	LK0399D24821	LK0399D24854
Market Value (Rs.)						
Highest	Not traded	Not traded	Not traded	Not traded	Not traded	Not traded
Lowest	Not traded	Not traded	Not traded	Not traded	Not traded	Not traded
Closing	Not traded	Not traded	Not traded	Not traded	Not traded	Not traded
Current Yield (%)	9	9	8	8	9	9
Yield to Maturity (%)	9	9	8	8	9	9

TRADE-OFF'S AND IMPACT ON OTHER CAPITALS



FUTURE PLANS

Short Term (1 -2 years)

- Leveraging PLC strong financial position, diversified portfolio, and digital capabilities.
- Focus on enhancing operational efficiency with the strategic goal of reducing the cost-to-income ratio to below 50%
- Improve Return on Equity (ROE) to above 10% by enhancing profitability, optimizing capital allocation, and driving sustainable growth.
- Reduce reliance on customer deposits, enhancing financial stability and optimising the cost of funds.

Medium Term (2 -4 years)

- Implement product to product financing solutions to minimise maturity mismatch.
- Reduce the cost-to-income ratio to approximately 37%.
- O Improve ROE above 15%

Long Term (4 - 5 years)

- Diversify funding sources by exploring foreign funding sources to improve funding stability.
- Reduce cost-to-income ratio below 35%

MANUFACTURED CAPITAL



MANAGEMENT APPROACH

People's Leasing's approach to developing Manufactured Capital is centred around strategic investments in physical infrastructure, technology, and equipment, underscoring the emphasis on balancing immediate operational needs and future growth requirements.

To that end, the Company ensures that investments in Manufactured Capital are accompanied by comprehensive risk assessments to ensure compliance with regulatory standards and best practices.

MATERIAL THEMES

- Geopolitical and socio economic uncertainty
- Business model flexibility in an environment that is continually changing
- Developing sustainable ecosystems to support sustained wealth creation regardless of headwinds

Manufactured Capital encompasses the physical infrastructure and technological assets that support the delivery of our financial services. At People's Leasing & Finance, our branch network, digital platforms, and operational systems form the backbone of service delivery, enhancing customer convenience, speed, and accessibility. We continuously invest in upgrading our infrastructure and streamlining processes to create seamless experiences across both physical and digital channels. Whether through branch refurbishments or innovations in digital onboarding, our aim is to optimise efficiency while ensuring customer satisfaction. Our physical assets are maintained with a view toward long-term resilience,

cost-effectiveness, and alignment with evolving client expectations. By leveraging technology and process automation, we enhance operational capabilities and support sustainable growth.

Manufactured Capital not only drives performance and productivity, but also plays a key role in strengthening stakeholder trust. As we look to the future, we remain committed to modernising our asset base and ensuring that our physical and technological infrastructure continues to meet the changing demands of the industry. In doing so, we reinforce our position as a forward-thinking financial institution, equipped to deliver value responsibly and reliably across all touchpoints.









VALUE DRIVERS

- O Branch Network
- O Investment in PPE
- O Digital Front-End
- O IT Backbone
- IT Support Systems

KEY INITIATIVES

- ⊙ Two branches relocated as part of the branch resizing strategy
- O Digital enablement of Branch teams as part of smart positioning of branches
- Introducing AI chatbots and avatars to enhance customer reach and elevate the digital experience.
- ⊙ ISO 27001:2022 version upgrade

STAKEHOLDER OUTCOMES



- O Long-term financial stability and growth owing to improved operational efficiency.
- \odot Strengthened competitive position and lower risk for investment.



- Improved service accessibility and faster financial transportions
 - O Consistent and trustworthy service through reliable systems.



- O Higher productivity and job satisfaction
 - Upskilling opportunities



- Compliance with regulatory standards.
- Alignment with national digital and financial inclusive goal.



Target 8.2 | 8.3



9.1 |9.4



Target 17.6

OUTPUTS FOR PEOPLE'S LEASING

- Streamline operations with minimal manual effort and reduced errors.
- O Expand reach with 1 new branch and 2 relocations.
- ⊙ Faster response time
- O ZERO data breaches



BRANCHES ISLAND WIDE

PPE INVESTMENT

IT INFRASTRUCTURE

MANUFACTURED CAPITAL

BRANCH NETWORK

People's Leasing & Finance PLC (People's Leasing) branch network serves as a key touchpoint for customer interactions, allowing the Company to promote financial inclusion and support sustained economic growth Country-wide.

Over the years, the Company's branch expansion strategy has sought to strengthen its position as a trusted financial services provider while contributing to economic resilience and nationwide financial empowerment. To achieve this, the Company has placed significant emphasis on setting up branches in areas with substantial unmet demand for financial services, ensuring financial accessibility where it is needed most. At the same time, People's Leasing has also prioritised first-mover advantage in new markets, alongside geographic diversification to safeguard against regional economic downturns or localized challenges.

Significant locations of operations of People's Leasing & Finance PLC include its Head Office based in Colombo and its 109 island wide branches which collectively support the Company's nationwide coverage and enable delivery of core financial products (leasing, loans, savings, fixed deposits, and other financial products) and services across all nine provinces and 25 districts in Sri Lanka.

 The branch governance and oversight mechanism was strengthened to streamline operations and enhance efficiency. While each branch will be responsible for its own operations, Chief Managers are required to report all key performance indicators, strategies, and major decisions directly to the CEO to enable greater control over branch performance, ensuring consistency and real-time issue resolution. To facilitate this, the number of Chief Managers relating to branch network increased to 19, with four Zonal Heads introduced to er hance supervision and operational efficiency across regions.

Province	No of PLC	Market Potential				
	Branches	Population '000	Contribution to GDP (%)			
Western	36	6,114	43.70			
Southern	16	2,606	9.34			
Sabaragamuwa	9	2,015	7.02			
Uva	6	1,399	4.71			
Eastern	8	1,782	4.70			
Central	11	2,713	10.29			
North Central	7	1,407	4.81			
Northern	8	1,149	4.51			
North Western	9	2,579	10.92			
Total	110	21,764	100.00			

Having invested significant resources over the years to build a strong well-diversified branch footprint, People's Leasing is currently in the process of transitioning towards a more cost effective branch model via branch right-sizing to optimise space and other resources, as well as smart positioning to drive synergy between branches by sharing resources. As part of this ongoing branch resizing initiative, the Hingurakgoda & Deniyaya branches were relocated in the current financial year.

Smart Positioning Initiatives to Optimise Efficiency of the Branch Network

Smart Workforce Concept

• Tablets were introduced for flexibility, mobility, and enable real-time access to the PLCCORE system for both the marketing teams and approving authorities, empowering them to work with greater autonomy, thereby reducing the need for a physical presence at the branch.

Laptops for Branch Staff

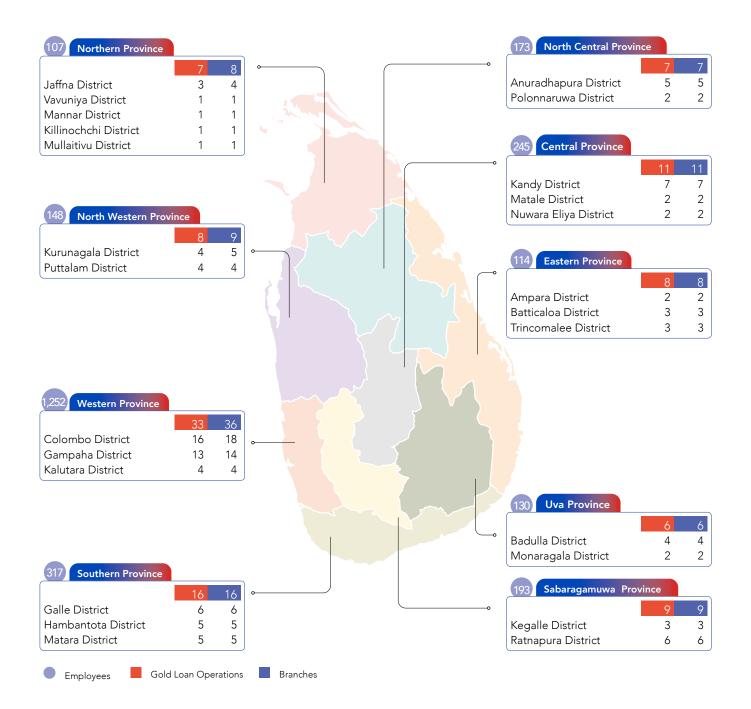
O Deputy branch managers and key staff members were provided laptops to enhance productivity, improve communication, and support both in-office and remote work.

Ongoing improvements to the PLC Core System

The PLCORE system was enhanced for greater efficiency, automation, and data integration under the oversight of the Business Process Reengineering (BPR) unit. This upgrade streamlines operations across the branch network, reducing manual workload and creating a paperless environment enabled faster, more accurate service delivery.

Establishing the PLC Call center

O Centralising arrears management through the establishment of a dedicated Call Center to manage rental arrears less than 90 days. This initiative aims to improve communication, prevents escalation of payment issues, and ensures professional handling of sensitive interactions, thereby reducing the administrative burden on branch staff, allowing them to focus on core operations and improving overall branch network efficiency.







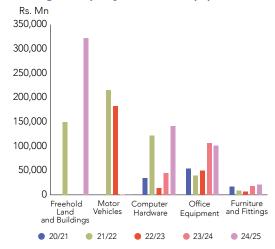


MANUFACTURED CAPITAL

INVESTING IN PROPERTY, PLANT AND EQUIPMENT

People's Leasing invests in PPE to improve branch efficiency, service quality, and long-term growth. A structured CAPEX plan directs investments in infrastructure and technology, supported by a transparent procurement process, as outlined in the procurement manual. This process includes calling for tenders and obtaining recommendations and approvals from the Decision-Making Unit

Investing in Property, Plant and Equipment



REVOLUTIONIZING ANNUAL REPORTS WITH AI-POWERED CHATBOTS

As part of our commitment to enhancing customer reach and delivering a truly inclusive and interactive experience, we've transformed our annual report microsite into the most technologically advanced platform in our industry. Every feature has been designed with the end-user in mind ensuring easier access, better engagement, and smarter insights.

Smart Al Chatbots

To provide a more personalized and human-like interaction, we've introduced both video-based and text-based AI chatbots. Users can now engage through:

- Text Chat
- Video Chat
- Al Avatar Videos

This multichannel approach ensures we can connect with a broader audience, catering to different preferences and needs.

Text Chat

Our Al-powered text chatbot allows users to ask questions and receive real-time answers about company performance, strategies, and milestones. It's like chatting with a financial expert anytime, anywhere.

Video Chat

For users who prefer face-to-face style interaction, our Al chatbot is available in a video chat format. With human-like expressions and speech, it makes the annual report feel more conversational and approachable.

Al Avatar Videos

We've introduced dynamic AI avatar videos that guide users through key sections of the report. These avatars deliver content in an engaging and personalized way, making complex information easier to digest.

Integrated Dashboard

Our integrated dashboard presents a comprehensive view of our business performance. Featuring both financial and non-financial highlights, this visual summary improves transparency and helps us connect more effectively with diverse stakeholder groups.

Accessibility Features

To ensure our content is accessible to all, we've built in a range of accessibility features. Whether users have visual, auditory, or cognitive challenges, the micro-site offers tools that break down digital barriers, widening our reach.

PLC SMARTFORCE





PLC SmartForce is a cutting-edge solution that equips over 300 of our marketing officers with tablets integrated with real-time access to our core systems. This enables them to facilitate loan applications, credit assessments, lead management, and customer onboarding on the go.

Key Features and Integration

- Real-Time Connection to "WorldCheck"
- O CRIB Automation
- Inspection and Valuation
- O Document Management

PLC SmartForce is a strategic initiative aligned with the Sustainable Development Goals (SDGs), promoting financial inclusion and sustainable growth. It supports Poverty Alleviation through access to credit, fosters Decent Work and Economic Growth by enabling entrepreneurship, and enhances Industry, Innovation and Infrastructure via a mobile-first approach. The initiative reduces inequalities by bridging digital and geographic divides and exemplifies Partnerships for the Goals through cross-functional collaboration and community engagement.

DIGITAL FRONT-END

People's Leasing is leading the digital disruption of the local financial services industry by transforming its digital front-end systems to revolutionise the way financial services are delivered. The Company's mobile and web-based platforms that offer real-time customer support are reshaping service delivery by making financial solutions more personalised, intelligent, and responsive. As a digital finance pioneer, People's Leasing is also breaking traditional barriers by leveraging technology to enable underserved and remote communities conduct transactions entirely online, with minimal involvement of physical branches.

Digital Front End Systems

eDOC Portal

Target Users

All Customers of People's Leasing

Key Features

Digital Document
 Repository designed
 to improve document
 accessibility by enabling
 customers to view and
 download all Receipts, FD
 Certificates, PLC TOUCH
 receipts



Target Users

O Gold Loan Customers

Key Features

Offers customers seamless access to their Gold Loan wallet balance, enabling transactions through ATMs and POS terminals. With a single branch visit, customers can efficiently combine multiple Gold Tickets to enhance their Gold Wallet balance, ensuring greater flexibility and convenience in managing their funds.

PLC Touch

Target Users

O PLC Existing Customers

Key Features

- O Pay by QR
- Fund Transfers
- Utility Payments
- Facility Payments
- O Just Pay Transactions
- O Insurance Premium Payments
- O Self-e-Cash
- O Gold Cash
- O Card Management
- Transaction History

IT BACKBONE

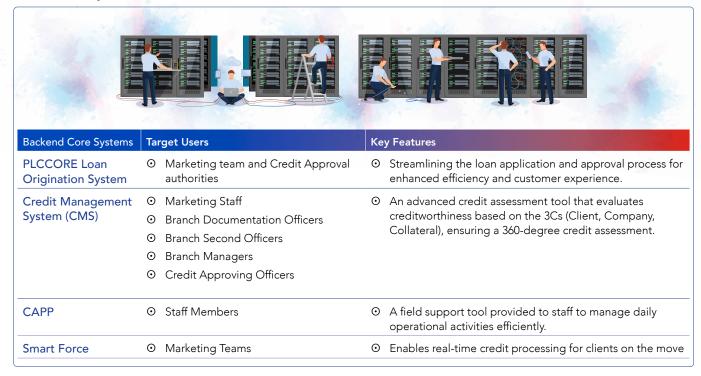
A strong IT backbone is essential to enable secure, real-time transactions, support advanced digital front-end systems, and facilitate automation to streamline processes. It also ensures scalability, allowing People's Leasing to adapt to evolving industry demands while maintaining high performance and reliability.

IT infrastructure of People's Leasing is built on a seamlessly integrated ecosystem that combines core financial systems with real-time data processing capabilities. At the centre of this ecosystem is the InBank & PLCORE system, which integrates with the online/real-time GL-Ledger to manage critical financial functions, including leasing, loans, savings, fixed deposits, treasury, margin trading, factoring, and Islamic financial services. Non-financial and subsidiary systems operate across different platforms but are fully integrated to ensure operational efficiency and data accuracy.

People's Leasing's structured IT governance framework ensures that technology investments align with business objectives while emphasizing risk management, compliance, and continuous improvement

MANUFACTURED CAPITAL

Backend Core Systems



IT SUPPORT SYSTEMS

IT support systems play a critical role in safeguarding the integrity of the Company's front-end and back-end systems by supporting stability, security and seamless operations.

Disaster Recovery (DR) Infrastructure

People's Leasing's robust DR infrastructure is designed to mitigate risks and ensure the rapid restoration of critical business functions. Built on redundancy and resilience, it features primary and secondary data centres with real-time system replication and redundant network connectivity. Regular testing and continuous refinements enhance its effectiveness, ensuring operational continuity even in challenging situations. Ongoing improvements to DR infrastructure included enhancements in the VM environment (servers), storage expansions to provide greater scalability, resilience, and enhanced data security.



Business Continuity Planning (BCP) Framework

People's Leasing has established a comprehensive BCP framework to ensure seamless operations and uninterrupted service delivery during unforeseen challenges or disasters. The BCP includes tailored strategies for risk assessment, crisis management, and contingency planning across all operations, including the Head Office and branches nationwide, ensuring business continuity even in difficult situations. A dedicated Incident Management Team is entrusted with the responsibility of overseeing the implementation of the BCP in the event of an emergency.

As a part of continuous improvement, the Risk & Control Department performs BCP drills with findings reported to the BIRMC on a quarterly basis.

ICT Quality Assurance Unit

The ICT Quality Assurance Unit is a dedicated team tasked with ensuring the quality, reliability, and performance of the Company-wide IT systems and applications. The primary purpose of the ICT QA unit is to conduct ongoing due diligence to verify that the Company's IT products meet specific compliance requirements and adhere to quality standards. Maintenance of hardware also falls under the purview of the ICT Quality Assurance Unit.

Information Security (IS) Architecture

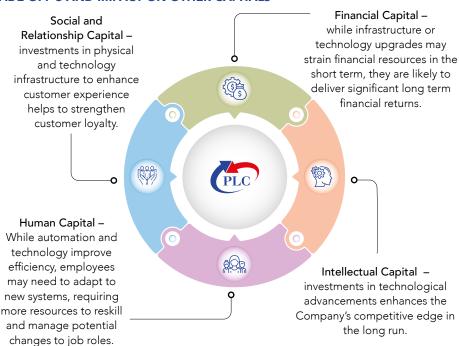
Information security architecture of People's Leasing is built on the ISO 27001 certification, which has been in place since 2011 and serves as the foundation for the Company's information security system. The Information Security Committee (ISC), chaired by the CEO, oversees the information security and technology risk management, ensuring the Company policies align with the ISO 27001 standards and other global best practices, while internal audits, Vulnerability and Penetration Testing (VAPT), and CBSL onsite examinations complement the efforts to identify and mitigate potential risks.

In the current year, People's Leasing upgraded its certification to ISO 27001:2022, with all policies reviewed and updated in line with the latest version of the standard.

Business Analyst (BA) Unit

The BA unit was established in the current financial year to focus on strengthening business-technology alignment through ongoing process improvements, and fostering greater collaboration and communication between internal stakeholders.

TRADE-OFF'S AND IMPACT ON OTHER CAPITALS



FUTURE PLANS

Short Term (1 -2 years)

- As per the Board Approved Business Expansion Plan, set up 10 new branches to promote financial inclusion in underserved regions across Sri Lanka
- O Launch a digital platform to involve stakeholders in business generation
- Enhance the Delinquency
 Management System for improved efficiency and risk control
- Upgrade the SMART FORCE initiative with TAB-based tools for better engagement and sales
- Introduce social media-based services for fund transfers, bill payments, and inquiries

Medium Term (2 -4 years)

- Upgrade Data Loss Prevention (DLP) software & Web Access Firewall (WAF) to enhance the integrity of DR infrastructure
- Utilize Al-driven analytics to improve credit assessments, recovery, and cross-selling

Long Term (4 - 5 years)

 Deploy Endpoint Detection & Response (EDR) and Security Incidents and Event Management (SIEM) tool to strengthen information security architecture

INTELLECTUAL CAPITAL



MANAGEMENT APPROACH

People's Leasing embraces a holistic and forward-looking approach to managing and investing in Intellectual Capital, focusing on strengthening the unique attributes that define the Company's identity, while also driving greater synergy between the different components to unlock their collective value to enhance the Company's ability to adapt, innovate, and sustain long-term growth in a dynamic operating environment.

MATERIAL THEMES

- Business model flexibility in an environment that is continually changing
- Assembling and retaining a skilled, involved, and driven team
- O Increase customer awareness through responsible communication
- Heightened demands on governance, compliance and regulatory context

Intellectual Capital refers to the institutional knowledge, systems, brand equity, and innovation that shape our competitive advantage. At People's Leasing & Finance, we leverage our accumulated expertise, well-established reputation, and customer insights to build and sustain long-term value. Intellectual Capital is embedded in our corporate culture, business model, and service delivery. It includes our brand trust, governance frameworks, digital capabilities, and the continuous refinement of internal processes. We focus on harnessing data, embracing digital transformation, and improving customer-centric solutions to stay ahead in an evolving financial services landscape. Knowledge-sharing, innovation, and

compliance are encouraged at every level of the organisation, allowing us to respond swiftly and strategically to new challenges. We also invest in technology and process optimisation to strengthen operational agility and ensure regulatory alignment.

By nurturing Intellectual Capital, we not only drive internal efficiency but also foster differentiation in a competitive marketplace. Our focus is on remaining future-ready by protecting and growing the knowledge assets that underpin our ability to deliver superior service and drive sustainable growth.





VALUE DRIVERS

- O Brand Heritage
- Ethics and Integrity
- Brand Achievements
- O Knowledge Base
- O Strategic Business Partners
- O Standards and Certifications
- O Memberships and Affiliations

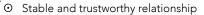


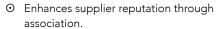
- High quality products and services
 Inposet:
 - Innovative financial solutions
 - Trusted partner

STAKEHOLDER OUTCOMES



- - Sustainable investment
 - O Low risk profile for their investment
 - Opportunities for collaboration through shared systems and process innovation.







KEY INITIATIVES

O Conducted the

health study

new strategic

partnerships

O Forged three

business

first-ever brand

- O Assurance of compliance and industry leadership through ethical practices and institutional knowledge.
- O Positive industry influence



Target 8.10



Target 17.16 | 17.17

OUTPUTS FOR PEOPLE'S LEASING

- O Stronger market position and enhanced top of mind brand awareness leading to enhanced competitive edge
- Increased customer retention
- Facilitates talent acquisition and retention.
- O Operational excellence
- Regulatory recognition



BRAND VALUE

Rs. **5.40** Bn

(lka);

(OUTLOOK STABLE) FITCH RATING UP-GRADATION

INTELLECTUAL CAPITAL

BRAND HERITAGE

People's Leasing & Finance PLC (People's Leasing) boasts a powerful brand heritage within Sri Lanka's Non-Banking Financial Institution (NBFI) sector. In 2025, People's Leasing celebrates 29 years of operation, a milestone that reflects the Company's deep and enduring commitment to the people of Sri Lanka. Over the past three decades, People's Leasing has combined conventional models alongside a strong focus on digital transformation to enhance customer

convenience and promote financial inclusion, which has made People's Leasing one of the most iconic and recognisable finance services brands in Sri Lanka today.

Further, as a subsidiary of People's Bank, one of the Country's most respected state-owned banks, People's Leasing brand identity personifies the core values of the "People's" brand legacy.

In an effort to understand its current brand positioning and plan for the strategy for the next decade, the Company conducted its first-ever Brand Health and Equity study in the current year. The objectives of the research were to assess the brand health of People's Leasing in comparison to its competitors, covering aspects such as brand awareness, usage, consideration, and perception. Additionally, the research aims to evaluate brand equity of People's Leasing relative to competitors and analyse the effectiveness of recently launched advertisements against key competitor ads.

ANALYSIS OF IMPACTS TO THE PEOPLE'S LEASING'S BRAND VIA THE PORTER'S FIVE FORCES MODEL

Force	Competitive Rivalry	Threat of Substitutes	Threat of New Entrants	Bargaining Power of Customers	Bargaining Power of Suppliers
	■ ■ ■ ■ ■ ■ ■ ■ ■ ■	≥		<u> </u>	×
Challenge	The financial services sector is saturated with numerous competitors offering similar products, supported by aggressive marketing and digital outreach.	Increasing availability of alternative financing options like traditional bank loans, fintech platforms, credit cards, and peer-to-peer lending.	The rise of digital- only financial service providers lowers entry barriers, including the capital requirements set by regulators, fostering agile competition, though unregulated services pose potential threats.	Consumers now demand personalized, competitive, and digitally efficient financial services, increasing their negotiation leverage.	Leveraging diversified funding and robust in-house capabilities, People's Leasing currently encounters minimal influence fror institutional funders and banks; however, digital transformation and the outsourcing of specialized, highswitching-cost service could amplify that influence.
Strategic Response	Differentiate through customer-centric innovation and advanced digital solutions. Build long- term relationships by offering value-added services beyond pricing.	Introduce sustainable offerings, such as solar leasing solutions. Forge strategic partnerships with companies such as DIMO and CodeGen to diversify and enhance service portfolio.	Leverage People's Leasing's established market reputation, regulatory knowledge, and solid financial base to maintain a robust entry barrier and reinforce market trust.	Provide customized financial solutions with transparent pricing. Enhance customer convenience through swift service delivery via the PLC Core System, digital marketing strategies, and strategic partnerships, while strengthening market positioning.	Ensure transparent, mutually beneficial supplier relationships and invest in internal tech developments.
Brand Impact	Enhances competitive positioning, strengthens customer loyalty, drives sustainable growth, and reinforces identity of People's Leasing as the truly "people's" financial partner.	Positions People's Leasing as an innovative, eco- conscious, and customer-first brand, especially resonating in environmentally sensitive and tech- savvy regional markets.	Emphasizes stability, expertise, and resilience of People's Leasing, fostering trust among customers amid a dynamic and increasingly digital financial landscape.	Reinforces People's Leasing's image as adaptive and responsive, dedicated to delivering seamless and high-quality digital customer experiences.	Resilience, uninterrupted service delivery, and operational stability, coupled with strong brand associations, will enhance People's Leasing's brand imag

■ HIGH ■ MEDIUM ■ LOW

ETHICS AND INTEGRITY

As a leading player in the local NBFI sector, People's Leasing Board considers it a duty to maintain the highest standards of ethical conduct not only as the basis of building stakeholder trust but also to safeguard the integrity and stability of the Country's financial system. The Board sets the tone from the top to foster a culture of ethics and has established a comprehensive conduct framework to ensure best practices permeate across all levels of the business.



These areas are explained in detailed under Corporate Governance Section

KNOWLEDGE BASE

Knowledge base of People's Leasing comprises the Company's leadership team, whose expertise is instrumental in driving business agility and resilience. With years of handson experience in diverse disciplines ranging from financial management, regulatory compliance, risk mitigation, customer relationship management, and market strategy, leadership team of People's Leasing brings deep knowledge enabling informed decision making, drive innovation and continuous improvement to enhance competitive edge of the Company while remaining agile and resilient in an ever-evolving financial landscape.

Moreover several of the Company's senior leaders hold positions in industry bodies and professional organisations. This strong network of expertise not only facilitates knowledge sharing but also raises profile of People's Leasing as a thought leader within the financial services sector.



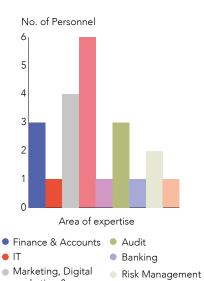
Knowledge Base

marketing &

Credit/ Branch

operationsLegal

Communication



& Compliance

&Treasury

Corporate Finance

Area of expertise	No. of personnel*
Finance/ Accounts	3
IT	1
Marketing/ Digital Marketing/ Communication	4
Credit/ Branch Operations	6
Legal	1
Audit	3
Banking	1
Risk Management/ Compliance	2
Corporate Finance/ Treasury	1
Treasury	



INTELLECTUAL CAPITAL

BRAND ACHIEVEMENTS FOR FY 2024/25

Throughout the 2024/25 financial year, People's Leasing has solidified its reputation as an industry leader by securing a distinguished array of local and international accolades in business excellence, technology innovation, reporting transparency and sustainability. These honours underscore our commitment to operational excellence and responsible growth, while our strengthened financial position and upgraded credit rating reflect the robustness of our strategic vision. Together, these achievements not only celebrate our past successes but also pave the way for continued leadership and value creation in the years ahead.

BUSINESS EXCELLENCE AWARDS

Global Brand Magazine Award 2024

O Most Trusted Financial Institution Sri Lanka

Asian Business Leadership Awards

O Financial Fortitude Best Leasing Company of the year

Sri Lanka Islamic Banking and Finance Industry (SLIBFI) Awards

- O Bronze Award for Islamic Finance Entity of the Year
- O Merit Award for Islamic Finance Product of the Year
- Gold Award for Transformative Leadership-Head of Islamic Finance
 -Al Safa Islamic Finance

Sri Lanka Branding and Marketing Leadership Awards 2024

- O Islamic Finance Service Provider of the Year
- ⊙ Islamic Finance Innovative product of the year
- ⊙ Transformative Leadership- Head of Islamic Finance Al Safa Islamic Unit
- O Rising Personality of the year in Islamic Finance-Women's Category
- ⊙ Best NBFI Brand of the Year

Islamic Finance Forum of South Asia (IFFSA) Awards 2024

- O Silver Award- Islamic Banking Window / Unit of the Year
- $\odot\,$ Silver Award- Digital Marketing Campaign of the Year
- $\odot\,$ Bronze Award Marketing Campaign of the Year
- O Merit Award- Islamic Finance Product of the Year
- O Special Recognition Award-Standout Submission Award

BestWeb.lk Awards 2024

- Gold Award Best Mobile User Experience Finance and Insurance Website.
- ⊙ Silver Award-Best Finance and Insurance Website.

FINANCIAL STABILITY

Rs. **5.79** Bn

(7.67% year on year growth)

Rs. **194.53** Bn

Total Assets (21.69% year on year growth)

A(lka); (Outlook Stable)

upgraded by Fitch Ratings Lanka Ltd on 24 January 2025

TECHNOLOGY EXCELLENCE AWARDS

National ICT Awards 2023/24

O Chief Information Officer of the Year

National Best Quality Software (NBQSA) Awards 2024

 Merit Award- In-House Development category



REPORTING EXCELLENCE AWARDS

TAGS Awards hosted by CA Sri Lanka

- O Annual Report 2023/24 of People's Leasing placed among top-ten nominees for overall excellence in Annual Reports.
- Silver Award: Finance Companies, Leasing Companies & Other Financial Institutions (Total Group Assets Above Rs. 75 Bn.)
- Certificate of Recognition: Corporate Governance Disclosure Financial Services
- Certificate of Recognition: Digitally Transformative Reporting
- Certificate of Recognition: Sustainability Reporting
- Certificate of Recognition: Integrated Reporting

CMA Excellence in Integrated Reporting Awards – 2024

- People's Leasing was adjudged and awarded as one of the "Ten Best Integrated Reports".
- "First Runner Up" Best Integrated Report – Finance & Leasing Sector

Best Presented Annual Report Awards organised by South Asian Federation of Accountants (SAFA)

O Joint Bronze, Financial Services

ARC Awards, hosted by Mercomm Inc., USA.

- O Best of Sri Lanka Grand Award
- Best of Financial Data Category Grand Award
- Category Awards (Financial Services: General Category)
 - Gold Award : Financial Data
 - Gold Award : Chairman's/ President's Letter
 - Gold Award : Non-Traditional Annual Report
 - Gold Award: Written Text
 - Silver Award: Infographics
 - Bronze Award : Printing & Production.

AWARDS FOR SUSTAINABILITY EXCELLENCE

• Token of Appreciation from Biodiversity Sri Lanka as an appreciation for the impactful partnership to "Life to our forests" Project in Kanneliya"



INTELLECTUAL CAPITAL

STRATEGIC BUSINESS PARTNERSHIPS

People's Leasing's network of strategic business partnerships play a key role in strengthening market position. The Company engages in strategic collaborations that provide access to new technologies, and expertise to help improve operational efficiency and expand service offerings that enable People's Leasing to tap into new customer segments, mitigate risks, and enhance its competitive edge in the dynamic financial services market.

New Strategic Business Partnerships formed in FY 2024/25

Partnership with Malabe Punchi Car Niwasa

• People's Leasing has partnered with Punchi Car Niwasa, a vehicle sales outlet with a capacity to accommodate over 400 vehicles and a vehicle inspection facility. This partnership allows People's Leasing to provide convenient financial services to customers visiting the sales outlet. Customers benefit from value-added services, including the lowest interest rates in the market, flexible repayment options, and an extended repayment period of up to seven years.

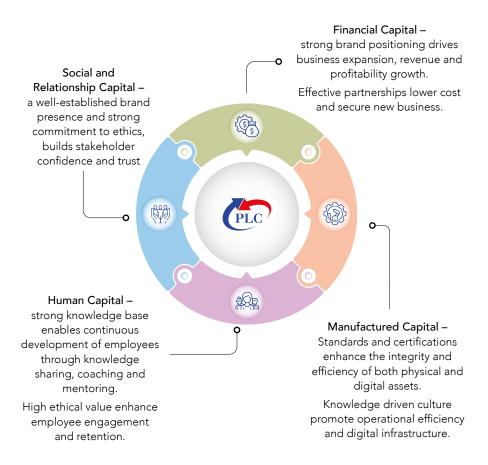
Partnership with DIMO for Agricultural Vehicles

• People's Leasing has also collaborated with DIMO, a leading diversified conglomerate, to introduce a financing scheme for Sri Lanka's agricultural sector. The partnership offers flexible financing with special interest rates, minimal down payment requirements, and the option to extend lease terms up to seven years for DIMO's range of Mahindra and Swaraj tractors, Lovol and CLASS harvesters, and other agricultural machinery.

Partnership with Codegen Pvt Ltd for ETX Electric Three-Wheels

• People's Leasing has teamed up with Codegen Pvt Ltd to provide leasing facilities for their ETX electric three-wheelers. Under the partnership, Codegen will promote the Company's leasing options to its customers.

TRADE-OFF'S AND IMPACT ON OTHER CAPITALS



STANDARDS AND CERTIFICATIONS

- ⊙ ISO 27001:2022 Information Security Standard
- On Boarded to Sustainability Certification Standards and Certifications & Standards Initiative (SSCI) of European Organization for Sustainable Development (EOSD)
- Carbon Conscious Certificate from Climate SI for the year ended 31st March 2025
- SS Certification from the National Productivity
 Secretariat.
- EDGE Green Building
 Certificate for Classique by
 PLC from Green Business
 Certification Inc. (GBCI)

FUTURE PLANS

Short Term (1 -2 years)

- Complete rollout of insights from the Brand Health & Equity Study across all marketing channels
- Consolidate and evaluate performance of newly established partnerships
- Enter in to new strategic tie-ups to capture different market segments
- ⊙ Employee up-skilling
- O Continue delivering cross-functional training programs to strengthen the organisational knowledge base

Medium Term (2 -4 years)

- SSCI certification process
- Build AI powered platform for real time knowledge sharing and employee engagement
- Accelerate digital lead generation and optimize customer acquisition cost across digital platforms
- Expand engagement with younger, digitalnative audiences through tailored campaigns
- Position People's Leasing as a thought leader

Long Term (4 - 5 years)

- Brand positioning at cross border level for financing
- Innovation & New Channel Development
- Market Expansion and Long-Term Loyalty
- Enhance Social and Content Engagement

@ GRI 2-28

MEMBERSHIPS AND AFFILIATIONS

People's Leasing leverages its memberships and affiliations with industry bodies and professional organisations for the purpose of knowledge enhancement and to stay informed about best practices, regulatory changes, and emerging trends. Additionally, links to broader industry initiatives and community-focused affiliations allows the Company to contribute to more meaningful social and environmental causes. Ongoing memberships include;

- The Financial House Association of Sri Lanka
- Credit Information Bureau of Sri Lanka
- The Financial Ombudsman, Sri Lana
- The Leasing Association of Sri Lanka
- The Association of Margin Providers
- Sri Lanka Business and Biodiversity Platform - Patron Member

HUMAN CAPITAL



MANAGEMENT APPROACH

Human capital development approach of People's Leasing centres on a comprehensive Employee Value Proposition (EVP) designed to cultivate a high-performing, inclusive, and valuesdriven workplace.

To achieve these objectives, the EVP goes beyond traditional rewards to integrate opportunities for continuous learning, clear career growth, and wellbeing. Ultimately the EVP aims to foster a culture where employees feel valued, engaged, and empowered to contribute meaningfully, supporting the creation of a future-ready and people-centric workforce.

MATERIAL THEMES

- Geopolitical and socio economic uncertainty
- Business model flexibility in an environment that is continually changing
- Assembling and retaining a skilled, involved, and driven team
- Heightened demands on governance, compliance and regulatory context

Human Capital encompasses the knowledge, skills, experience, and commitment of our people the driving force behind our success. At People's Leasing & Finance, we believe that empowered, motivated, and wellequipped employees are essential to achieving our strategic goals. Our approach to Human Capital focuses on building a resilient and agile workforce through continuous learning, development opportunities, and a strong performance-driven culture. We strive to attract and retain talent by offering a supportive work environment, fostering inclusivity, and ensuring employee well-being. Leadership development, succession planning, and employee engagement are integral to our strategy for

nurturing future-ready teams. We also recognise the importance of aligning personal growth with organisational objectives, promoting a sense of ownership and purpose across all levels of the company.

By investing in Human Capital, we strengthen not only our internal capabilities but also our capacity to adapt and thrive in a rapidly changing environment. Our people are central to delivering customer value, driving innovation, and upholding our brand promise. Through ongoing development and support, we aim to build a culture of excellence that supports both individual fulfilment and collective achievement.





VALUE DRIVERS

- HR Management and Oversight
- Recruitment Strategy
- Diversity, Equality and Inclusion
- ⊙ Employee Integration
- O Human Rights
- Compensation and Benefits
- Performance Monitoring
- O Competency Development
- Developing Future Leaders
- Communication and Engagement
- Grievance Handling
- Safe Workplace

KEY INITIATIVES

- Focus on recruiting more females into the workforce
- Strengthening the onboarding process
- Adjustment of minimum salary of employees with discrepancies
- 10% salary increment for all employees
- O 823 promotions
- ⊙ 79,660 training hours
- Launch of the "Talent Pool" initiative
- Launch of the HR at Your Doorstep programme

STAKEHOLDER OUTCOMES



Shareholders (ICON) Higher returns owing to improved productivity and retention.

- Business continuity
- Future readiness .



Higher employee engagement and satisfaction translate into better customer interactions and service delivery.

Minimize service disruptions



- Fair labour practices
- Compliance with laws and regulations
- Compliance with succession planning requirements of the regulator

OUTPUTS FOR PEOPLE'S LEASING

- Revenue per employee is Rs. 10.61 Mn
- ⊙ 83.60% employee retention
- Increase in employee satisfaction leading to an increase in employee retention
- ⊙ ZERO incidents of discrimination



Target 3.4 | 3.8



Target 4.4 | 4.5 | 4.7



larget 5.2 | 5.2 | 5.5



Target 8.2 | 8.3 | 8.5 | 8.6



Target 10.3 | 10.4



2,679

Rs. **4.86** Bn

EMPLOYEE EXPENSES

964

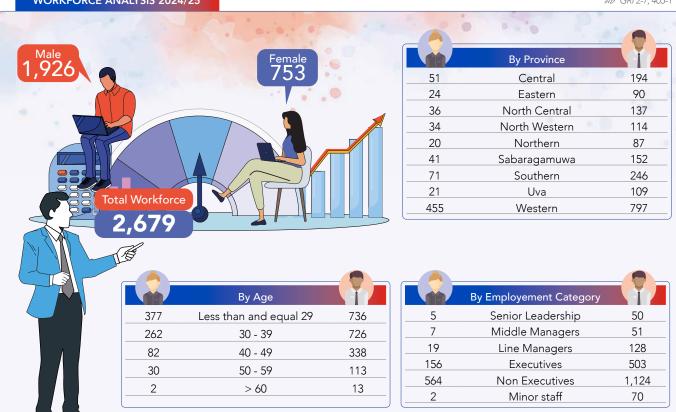
NEW RECRUITS



HUMAN CAPITAL

WORKFORCE ANALYSIS 2024/25

\$\mathref{G} \text{ GRI 2-7, 405-1}



Employee Analysis E	By Employment Types							
Desire	N (D ///)	Permanent		Probation		Contract		Province-wise
Region	No of Branches/Units	Female	Male	Female	Male	Female	Male	Total
Central	11	43	148	7	44	1	2	245
Eastern	8	14	62	10	28	-	-	114
North Central	9	30	102	6	35	-	-	173
North Western	8	28	88	6	25	-	1	148
Northern	8	15	58	5	28	-	1	107
Sabaragamuwa	9	33	111	8	41	-	-	193
Southern	15	53	192	17	54	1	-	317
Uva	6	16	90	5	17	-	2	130
Western	87	345	664	109	124	1	9	1,252
Grand Total	161	577	1,515	173	396	3	15	2,679

			Age Analysis (Years)					
Employee category	Gender	Total Employee Count	> 60	50 - 59	40 - 49	30 - 39	<= 29	Total-Gender analysis (No.
C !	F	5	0.00%	0.07%	0.07%	0.04%	0.00%	0.19%
Senior Leadership	М	50	0.04%	1.12%	0.67%	0.04%	0.00%	1.87%
N 4 1 11 N 4	F	7	0.00%	0.07%	0.11%	0.07%	0.00%	0.26%
Middle Managers	М	51	0.00%	0.60%	1.05%	0.26%	0.00%	1.90%
l: N4	F	19	0.00%	0.37%	0.19%	0.11%	0.04%	0.71%
Line Managers	М	128	0.00%	0.82%	2.80%	1.16%	0.00%	4.78%
- 4	F	156	0.00%	0.52%	2.39%	2.69%	0.22%	5.82%
Executives	М	503	0.00%	1.01%	5.52%	11.68%	0.56%	18.78%
NI.	F	564	0.07%	0.04%	0.26%	6.87%	13.81%	21.05%
Non executives	М	1124	0.45%	0.26%	1.75%	13.44%	26.05%	41.96%
M	F i	2	0.00%	0.04%	0.04%	0.00%	0.00%	0.079
Minor staff	М	70	0.00%	0.41%	0.82%	0.52%	0.86%	2.619
Total	0	2679	0.56%	5.34%	15.68%	36.88%	41.55%	100.00%



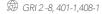
HR MANAGEMENT AND OVERSIGHT

Human resource management and oversight at People's Leasing focuses on regulatory compliance with global best practices.

A robust policy framework encapsulating regulatory requirements and provisions for human rights and labour set out under the ILO conventions and the United Nations Global Compact, form the basis of effective management of human capital at all levels of the organisation. As part of the overall approach to management and oversight, HR policies are regularly updated to facilitate the changing needs of the business as well as to capture regulatory requirements and best practices.

The Board of Directors of People's Leasing remains the main authoritative body providing oversight for ensuring human capital strategy and for ensuring practices are consistent with the Company's broader objectives. Oversight is further strengthened through clearly defined roles and responsibilities, internal audits and continuous monitoring.

Additionally, HRIS platform of People's Leasing serves as the backbone for managing essential HR functions to ensure all aspects of the employees from recruitment, onboarding, performance management, compensation & benefits, performance management and career mobility resonate with employee aspirations and align with the Company's long-term objectives.



RECRUITMENT STRATEGY

At People's Leasing, recruitment is guided by an annual cadre plan developed to ensure that each business function has access to the right number of skilled employees in line with strategic goals.

As per established policy guidelines, recruitment is a systematic and thorough process based on the "hire for potential" principle. In line with this approach, vacancies are

People's Leasing & Finance PLC - HR Governance Structure Board approves The CFO is Board HR and policies relating to responsible for Chief Manager Remuneration HR Governance implementation Human Resources Committee of overall strategy **Board Nomination** & Governance (V) Committee Chief Manager These two sub HR heads the Board of committees to the Human Resources Chief Board supports Directors Executive Department and the Board, making overseas the Officer recommendations operationalising the based on reviews. HR strategy.

notified internally and advertised externally followed by a rigorous process of shortlisting to determine the best-fit candidates, who are then required to undergo several rounds of interviews and testing to assess the candidate's suitability. The process is designed to be fair and objective, focusing solely on qualifications, competencies, and experience. Likewise strong emphasis is placed on diversity and inclusion, with no discrimination permitted on the basis of gender, race, religion, or any other legally protected status. The Company also upholds strict adherence to labour laws, including the legal age of employment, only hiring individuals aged 18 or above.

Moreover, in strict adherence to all labour regulations regarding the legal working age, People's Leasing conducts necessary verifications to ensure that only candidates aged 18 or older are considered for employment. Hence, operations of People's Leasing are not at risk for child labour.

Selected new recruits are issued with a contract of employment which includes standard clauses regarding employment type, leave entitlement, employees' provident fund (EPF) contributions, notice periods, working hours and etc.

All new hires are placed on a probationary period, usually six months, during which time, the employee's performance is closely monitored to ensure they meet expectations. Upon successful completion of the probationary period, the employee is made permanent.



KEY IMPROVEMENTS IN FY 2024/25 - REDUCING RECRUITMENT LEAD TIMES

- O Given the highly competitive nature of the local NBFI sector, several process improvements were made in the current year to reduce recruitment lead times. The recruitment process for selected employee categories was streamlined to enable selected candidates to receive feedback on the same day as their interview, while the on-boarding process was also further strengthened with the offer letter and other documentation for successful candidates completed on the same day.
- Further at People's Leasing, all senior managers of the company are locally hired.



HUMAN CAPITAL

Diversity, Equality and Inclusion (DEI)

People's Leasing actively works to eliminate gender discrimination and has implemented extensive mechanisms and programmes to support women in achieving their fullest potential, including recruiting more females to the workforce and promoting females in leadership roles.

People's Leasing works to ensure a 1:1 ratio between the salaries offered to men and women at entry level as well as those performing comparable roles across all employee categories and operational levels.

As part of this commitment, the Company conducts regular pay equity analyses to identify and proactively address any gender pay gaps across all employee categories, ensuring fair and equitable compensation practices.

Organisation-wide gender parity indicators are monitored for comparability against industry norms.

People's Leasing & Finance PLC - HR Policy Manual

COMPLIANCE



- ⊙ Shop and Office Employees Act, No. 19 of 1954
- O Employees' Provident Fund Act No. 24 of 1971
 - ⊙ Gratuity Act No. 12 of 1983
 - O Inland Revenue Act No. 24 of 2017
 - O Employees' Trust Fund Act No. 46 of 1980

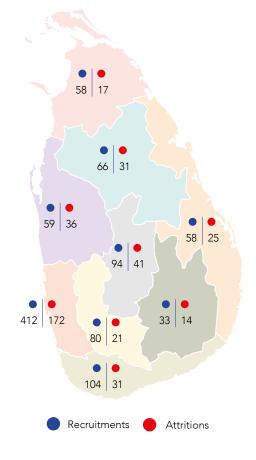
HR POLICIES AND PRACTICES



Recruits and Attritions by Employee Category and Gender							
Employee category	Gender	Recruitn		Attrition			
		Number	%	Number	%		
Senior Leadership	F	1	0.10	1	0.26		
	М	3	0.31	5	1.29		
Middle Managers	F	1	0.10	-	0.00		
	М	4	0.41	2	0.52		
Line Managers	F	2	0.21	5	1.29		
	М	7	0.73	9	2.32		
Executives	F	13	1.35	10	2.58		
	М	17	1.76	31	7.99		
Non Executives	F	275	28.53	96	24.74		
	М	618	64.11	222	57.22		
Minor staff	F	-	0.00	-	0.00		
	М	23	2.39	7	1.80		
Total		964	100.00	388	100.00		

Recruits and Attritions by Age Group						
Age	Recruitm	nent	Attrition			
Age	Number	%	Number	%		
Less than and equal 29	797	83	213	55		
30 - 39	113	12	131	34		
40 - 49	29	3	29	7		
50 - 59	16	2	5	1		
> 60	9	1	10	3		
Total	964	100	388	100		

Province wise Recruitments and Attritions



PEOPLE'S LEASING'S GENDER PARITY DASHBOARD

Indicator	Indicator People's Leasing's commitment		2023/24
×	*	¥	*
		1,926:753	1,498:554
		Gender Ratio (Overall)	
Diversity and Inclusion	Gender parity-policies to promote diversity and inclusion	30.29%	37.88%
	,	Female recruits from total recruits	Female recruits from total recruits
		1:1	1:1
Remuneration	Guidelines on gender pay equity	Ratio of basic salary between men and women	Ratio of basic salary between men and women
Sexual Harassment	Gender parity-policies to prevent sexual harassment at the workplace	ZERO Incidents reported	ZERO Incidents reported
Training	Torining and David and ant Dalina	30.41:28.22	41.09:41.61
Opportunities	Training and Development Policy	Training hours per person (M:F)	Training hours per person (M:F)
		206 females promoted	118 females promoted
Career Development	Promote females in leadership	9.09%	10.64%
Opportunities	roles	Female representation at Senior management level	Female representation at Senior management level

KEY IMPROVEMENTS IN FY 2024/25 - DRIVING DEI AT ALL LEVEL OF THE ORGANISATION

People's Leasing took definitive action to embed DEI across its operations, starting with focused efforts to recruit more females into the workforce. Moving forward, the Company aim to establish gender parity targets for all key operations coupled granular level monitoring and reporting frameworks.

GRI 405-2 Ratio of Basic Salary between Men and Women							
Employee category	Gender	Basic salary ratio FY 24/25	Basic salary ratio FY 23/24				
Senior	М	1.00	1.00				
Leadership	F	1.02	0.99				
Middle	М	1.00	1.00				
Managers	F	1.15	0.92				
Line	М	1.00	1.00				
Managers	F	1.08	1.10				
Executives	М	1.00	1.00				
	F	1.09	1.11				
Non	М	1.00	1.00				
executives	F	0.97	0.94				
Minor staff	М	1.00	1.00				
	F	0.81	0.81				

Employee Integration

People's Leasing has a structured employee integration (onboarding) programme designed to help new recruits feel welcomed, supported, and equipped to contribute effectively from the outset. The programme includes a comprehensive induction to familiarise employees with the Company's code of conduct, policies, and operational procedures as well as introduce new hires to their teams and assigned mentors to ensure new employees transition smoothly into their roles within the organisation.

GRI 2-30, 406-1, 407-1, 409-1

Human Rights

A strong commitment to upholding human rights underpins all aspects of HR management. Guided by internationally accepted standards such as the United Nations Global Compact and ILO conventions, People's Leasing maintains a zero tolerance approach towards discrimination. Leaders at all levels are expected to model inclusive behaviour, foster a culture of mutual respect, and ensure that all employment-related decisions are fair, transparent, and based solely on merit. There were no incidents of discrimination reported in the current year.

Equally importantly, People's Leasing rejects any form of forced or compulsory labour, with all employment relationships

deemed to be undertaken through mutual consent and free choice. Hence, operations of People's Leasing are not at risk for forced or compulsory labour.

Likewise, freedom of association and the right to collective bargaining are fully respected and supported, with over 45% of employees currently represented by a recognised trade union. Hence, operations of People's Leasing are not at risk for freedom of association or collective bargaining.

@ GRI 202-1,401-2

Remuneration and Benefits

Remuneration and Benefit Policy of People's Leasing is designed to ensure that compensation is competitive, equitable, and aligned with both individual and organisational performance, while being consistent with industry benchmarks. Remuneration structures are based on a grading system where employees are categorised on their roles and responsibilities, with each grade consisting of minimum, medium, and maximum salary bands to facilitate appropriate remuneration to inspire career progression within the category and beyond. Remuneration for all executive employees is also closely tied to performance metrics, with bonuses awarded annually based on the overall Company performance.

HUMAN CAPITAL

For certain employees who fall under the monthly minimum wage requirements of Rs. 21,000 under the Shop and Office

Act, People's Leasing offers a significantly higher salary than the mandatory requirement.

Remuneration and Benefits			
	2024/25	2023/24	2022/23
	Rs.million	Rs.million	Rs.million
Salaries and bonus	2,582.32	2,318.24	2,445.16
EPF	228.89	204.68	208.98
ETF	57.22	51.17	52.24
Overtime	56.74	34.07	23.24
Leave encashment	82.30	71.12	68.65
Allowance and incentives	1,448.54	1,187.21	1,351.64
Casual wages	4.11	1.55	1.45
Medical insurance	246.24	204.7	181.52
Gratuity	158.22	175.37	155.67
Total	4,864.57	4,248.11	4,488.55



PERFORMANCE MONITORING

Performance monitoring is seen as a key component in developing a high performing workforce. The main aim of the People's Leasing performance monitoring process is to link each employee's contributions directly to corporate strategy. This is achieved by cascading corporate strategic objectives to departmental level goals and further refining them into team targets and individual KPI's set annually.

Monitoring of performance is an ongoing process supported by the formal mid-year assessment and annual appraisal where each executive is assessed against clearly defined Key Performance Indicators (KPIs) and their ability to consistently demonstrate the organisation's core values in practice.

High-performing individuals are recognised and rewarded through merit-based salary increments, performance bonuses, and career progression opportunities.



COMPETENCY TRAINING

For a financial institution such as People's Leasing, competency training aims to ensure employees are equipped with the knowledge, skills, and behavioural attributes necessary to navigate an evolving regulatory landscape, maintain operational excellence, and uphold high standards of customer service and compliance.

Competency development at People's Leasing is undertaken through a blended learning approach pivoted on the 70:20:10 model, where the majority of learning takes place through on-the-job training (70%), followed by structured classroom training (20%), and mentoring and coaching (10%). The Company's structured approach to classroom training is guided by the annual performance evaluation process, which helps identify individual training needs. Identifying skill gaps enables the development of targeted upskilling and reskilling initiatives designed to support specific developmental needs of employees.

Classroom training is delivered by both internal subject matter experts and reputed external training partners using in-person workshops and seminars that provide interactive, hands-on sessions. Similarly, e-learning modules accessible via the Learning Management System are also increasingly used to promote continuous learning, while webinars on timely and relevant topics broaden exposure and promote cross-functional learning.

KEY IMPROVEMENTS IN FY 2024/25 - STRENGTHEN EMPLOYEE ON-BOARDING

- A comprehensive induction programme was introduced for new recruits to provide in-depth exposure to all aspects of the organisation while gaining hands-on experience with systems and procedures.
- To further support these efforts, a mobile application is being designed to provide new recruits with seamless access to essential resources, including company policies, corporate history, and other key information necessary for a smooth transition into the organisation

Benefits provided to Permanent Employees of People's Leasing and Finance PLC



- Allowances and Incentives
- Leave Encashment Facility
- Medical Insurance
- Gratuity
- O Life Insurance
- O Staff Loans
- O Critical Illness Funding Support
- O Salary Increment
- O Death Donations
- O Bonuses
- O Parental Leave
- Holiday Home Facilities

KEY IMPROVEMENTS IN FY 2024/25 -ENHANCING SALARY SCALES

- In keeping with the adjustment in the national minimum wage requirements introduced in 2024 under the Shop and Office Act, the Company proceed to adjust the minimum salary of 57 individuals.
- A 10% salary increment granted to all staff

KEY IMPROVEMENTS IN FY 2024/25 - RECOGNISING EMPLOYEE PERFORMANCE

People's Leasing employees were granted several bonus payments during the year and 750 were promoted with unsuccessful candidates given the opportunity to submit appeals for reconsideration.

To ensure effectiveness, every training initiative is evaluated through pre and post-training assessments to gauge knowledge transfer and behavioural change. Participant feedback is systematically collected to inform future enhancements in content and delivery, enabling the Company to continuously elevate its learning ecosystem.

KEY IMPROVEMENTS IN FY 2024/25 - FORMALISING THE COMMITMENT TO TRAINING

The Company is in the process of developing a Learning & Development policy to formally institutionalise commitment of People's Leasing to training and development.

⊕ GRI 401-3		
Parental Leave Indicators		
Service Indicator (as at 31.03.2025)	Number	As a % of Total Female Workforce
Employees Entitled for Parental Leave	753	100.00%
Total number of employees due to return after taking parental leave	38	5.05%
Employees on Parental Leave	32	4.25%
Employees who returned after parental Leave	31	4.12%
Employees still in employment 12 months after returning on parental leave	-	_
Return to work rate of employees who took parental leave	82%	
Note: All male employees are eligible for 3 days of paternity leav	/e.	

Promotions Granted							
Indicator		2024/25 Men Women		2023/24 nen Men Women		2/23 Women	
Senior Leadership	16	-	5	3	16	-	
Middle Managers	18	3	11	-	1	1	
Line Managers	66	10	28	4	4	-	
Executives	238	64	155	45	2	2	
Non Executives	269	129	257	66	1	1	
Minor staff	10		24	-	-	-	
Total	617	206	480	118	24	4	
Grand Total	82	!3	59	98	2	8	

Employment Category	Type of Training
₩	*
Managerial	⊙ Sustainability related areas
	⊙ Leadership building programs
	⊙ Tax related training
	⊙ Strategy formulation
Executives	O Product Awareness Training Program
	O Interpretation of new credit reports and credit score
	⊙ Workshop
Non-executives	Awareness on Customer Screening Process
	⊙ Identification of genuine currency/ forged notes

HUMAN CAPITAL

Competency Training Highlights

GRI 404-1

Gender wise Training Details in Summary Number of Trainings **Total Training Hours** 107 17,567 Training Investment External 13.35% Internal 86.65% Total Training Investment Rg. 82.15 million

Gender-wise Trainin	g Informati	on in Detail							
Category	Gender		Training M	Training Mode		Total Staff	Total Staff Trained EMP	Gender Wise proportion of staff trained	Average Hours per employee category
		Internal (hr)	External (hr)	Online/ Virtual (hr)	Total Training Hours				
Senior Leadership	F	65	23	39	127	5	4	0.07	25.40
Senior Leadership	М	1,244	36	183	1,463	50	50	0.93	29.26
Middle Managers	F	101	16	7	124	7	7	0.12	17.71
	М	983	66	3	1,052	51	51	0.88	20.63
l : N4	F	300	387	231	918	19	19	0.14	48.32
Line Managers	М	2,865	67	110	3,042	128	120	0.86	23.77
F	F	3,850	134	548	4,532	156	148	0.23	29.05
Executives	М	14,009	326	1,498	15,833	503	490	0.77	31.48
Name Constitution	F	14,526	-	674	15,200	564	559	0.33	26.95
Non Executives	М	33,346	58	1,714	35,118	1,124	1,124	0.67	31.24
N 4:	F	49	-	134	183	2	1	0.02	91.50
Minor staff	М	2,068	-	0 ' , '	2,068	70	50	0.98	29.54
-0. 0	F	18,891	560	1,633	21,084	753	738	0.28	28.00
Total	М	54,515	553	3,508	58,576	1,926	1,885	0.72	30.41
Grand Total		73,406	1,113	5,141	79,660	2,679	2,623	1.00	29.73



Developing Future Leaders

People's Leasing places strong emphasis on cultivating future leaders as part of its long-term talent strategy. Prioritising the development of future leaders, the Company invests in targeted training and mentoring, to prepare employees to take on greater responsibilities and contribute to strategic goals.

High-potential employees are identified through performance evaluations and succession planning processes, and are given targeted opportunities to build critical leadership competencies covering both technical and soft skills.



Communications and Engagement

People's Leasing's principal approach to employee communication is based on trust, transparency, and two-way dialogue. Managers at all levels are expected to maintain open communication with their respective teams, while the open-door policy encourages employees to freely raise concerns, share ideas, and engage in constructive dialogue with leadership. Open forum with CEO is also provide an opportunity for employees to touch base with the Company's leadership on a regular basis.

Meanwhile employees are informed of operational changes through various channels, including the intranet and monthly review meetings and adequate notice is given prior to the implementation of operational changes.

Scheduled meetings with union representatives also provide an opportunity to convey operational changes. Meetings with union representatives also serve as a source

for the exchange of ideas for continuous improvement in workplace practices. Commitment of People's Leasing to build cordial relationships with union representatives over the years, have prevented the need for a collective bargaining agreement.

In the year under review, employee engagement activities continued with the aim of promoting team bonding and collaboration.

Get-togethers and celebrations for key events such as Christmas, Vesak, Pirith ceremonies, Iftar.



Grievance Handling

Grievance handling process of People's Leasing underscores the commitment to ensure employee concerns are addressed promptly, transparently, and with sensitivity. Clearly defined channels allow employees to raise issues without fear of retaliation. All grievances managed under the oversight of designated HR personnel to ensure employee rights are safequarded.

GRI 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10

Safe Workplace

As a financial institution, People's Leasing staff are not generally exposed to occupational health hazards typical of industrial settings. Nonetheless, employee health and safety remains a top priority.

The Company strictly adheres to all national fire safety regulations, including implementing appropriate firefighting equipment at all locations across branch network and at the head office premises. Fire safety protocols are implemented in line with regulatory standards and cover

KEY IMPROVEMENTS IN FY 2024/25 - PROMOTING DIRECT ENGAGEMENT WITH LEADERSHIP

O Introduced a leadershipdriven initiative to foster a positive and engaging workplace culture, centered around the vision of becoming the happiest workplace. Through direct engagement opportunities with the CEO and interactive programs, the initiative promotes open communication, trust, and collaboration, reflecting the Company's strong commitment to employee well-being and satisfaction.

employees and all third parties present on Company locations any given time. As part of the overall approach, fire wardens have been appointed at each location to serve as first responders in the event of emergencies. Fire wardens are also entrusted with the responsibility of conducting routine fire drills to ensure that employees are well-prepared to respond effectively in case of emergencies.

Meanwhile, the Company's Risk and Control Department conducts regular safety checks to identify potential safety risks and determine the efficacy of emergency preparedness across the branch network. The Risk and Control Department together with the Administration Department also undertakes targeted training activities to promote the organisation-wide safety culture.

HUMAN CAPITAL

Additionally all confirmed employees are entitled to comprehensive insurance coverage, including Personal Accident Cover, Surgical and Hospitalisation Cover, as well as Life and Critical Illness Cover. Marketing and recovery officers, who operate in the field are entitled to Personal Accident Cover from the start of their probation period. In recent years, more emphasis has also been placed on mindfulness and mental wellness.

In the fiscal year 2024/25, two work-related injuries were officially reported. In both cases, the affected employees were granted paid medical leave to facilitate their recovery and ensure a safe return to work. The organization remains committed to supporting the well-being of its workforce by adhering to occupational health and safety standards and providing necessary assistance during periods of injury and recuperation.

As well there have been no work-related ill health recorded during the year.

Given the nature of our business, our employees are not exposed to

occupational health risks. Therefore, we haven't in placed an Occupational health and safety management system for our company.

Non-Employee Service Personnel

At our organizational level, this category includes individuals who do not have a direct employment relationship with the organization. This primarily refers to personnel such as security and janitorial staff engaged through reputable thirdparty service providers to support operations at the PLC Head Office and branches across the island. These individuals perform essential services that help maintain a secure, clean, and professional environment, while ensuring compliance with security procedures and upholding the dignity and well-being of all employees, clients, and other stakeholders.

The exact number of outsourced personnel cannot be disclosed, as its varies over time based on service requirements.

KEY IMPROVEMENTS IN FY 2024/25 - HR AT YOUR DOORSTEP PROGRAMME FOR EFFECTIVE GRIEVANCE HANDLING

• The HR at Your Doorstep programme was inaugurated with active participation of HR department representatives, who visited branches across the island to engage directly with employees to enable them to voice their concerns, share feedback, and engage in open dialogue.

KEY IMPROVEMENTS IN FY 2024/25 - LEGENDARY MINDSET PROGRAMME FOCUSING ON MENTAL WELLNESS

Launch of the Legendary
 Mindset programme to raise
 awareness on key topics
 such as stress management,
 behavioural transformation,
 mindful parenting etc.

First Aid Training



As part of the training, employees participated in practical exercises, including hands-on demonstrations of CPR techniques and emergency response protocols

Eye Clinics



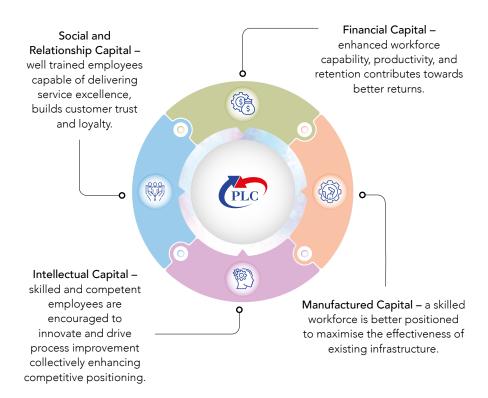
Employees are encouraged to undergo eye examinations, with reimbursement for corrective measures such as medications or spectacles.

Doctor Consultations



Weekly doctor consultation programmes are conducted at our head

TRADE-OFF'S AND IMPACT ON OTHER CAPITALS



FUTURE PLANS

Short Term (1 -2 years) O Set qualitative and quantitative KPIs for senior management. Review the succession plan for key positions. Revamp the HRIS and management systems. Review and align incentive schemes based on performance. Conduct regular CEO forums to foster open communication.

O Streamline HR processes through

Implement the e-memo system to ensure efficient HR services. Conduct regular HR visits to

branches to strengthen relationships.

automation.

Medium Term (2 -4 years) O Revamp the rewards framework linked to clear KPls to encourage consistent high performance. O Revisits of the policy and procedures.

Long Term
(4 - 5 years)

O Strengthen employer branding by positioning People's Leasing as the "Happiest Place to Work".



MANAGEMENT APPROACH

People's Leasing's approach to managing Social and Relationship capital is anchored in its commitment to building trust-based, long-term relationships with customers, suppliers/business partners, and the wider community. The Company strives to deliver fair, transparent, and customercentric financial solutions, while also creating inclusive platforms for dialogue, feedback, and continuous improvement. Relationships with suppliers/ partners are nurtured through ethical procurement practices and shared values around quality, compliance, and sustainability. Meanwhile, community engagement is driven by a deep sense of responsibility to create lasting social value through inclusive, locallyrelevant initiatives.

MATERIAL THEMES

- Geopolitical and socio economic uncertainty
- Business model flexibility in an environment that is continually changing
- Developing sustainable ecosystems to support sustained wealth creation regardless of headwinds
- Increase customer awareness through responsible communication
- Heightened demands on governance, compliance and regulatory context

Social & Relationship Capital represents the networks, partnerships, and trust we cultivate with our stakeholders, including customers, communities, regulators, and business partners. At People's Leasing & Finance, we view these relationships as fundamental to our long-term success. We are committed to building transparent, responsible, and mutually beneficial partnerships that enhance our social licence to operate. By engaging with stakeholders meaningfully and regularly, we ensure that our services are relevant, inclusive, and aligned with societal expectations. Community development, financial literacy, and ethical business practices are key elements of our

relationship-building approach. We also prioritise stakeholder feedback and collaboration, recognising that strong external relationships support resilience, innovation, and shared value creation. Trust is a vital currency in the financial sector, and we strive to uphold the highest standards of governance, integrity, and customer service.

By nurturing Social & Relationship Capital, we reinforce our role as a responsible corporate citizen and a dependable financial partner. Our stakeholder relationships enable us to better understand the needs of the communities we serve, positioning us to make a lasting, positive impact on society.





VALUE DRIVERS

- O Purposedriven Product Portfolio
- O Service Touchpoints
- Marketing and Communication
- Complaint Handling
- O Data Protection and Privacy
- O Procurement **Best Practices**
- ⊙ Supplier Development
- Community Well-being

KEY INITIATIVES

- O New Products Customised Gold loans products for target customer segments such as teachers, government officers, self-employed individuals.
- O Digital Enablement Introduced digital payment capability for Gold Loans through the PLC Touch-app.
- Customer Convenience

Introduced payment capability for Gold Loans through the People's Bank CDM network Reminder alerts to customers

regarding upcoming FD renewals together with the automatic renewal option

- New Supplier Registration 74 new suppliers were screened, of which 57 were successfully on boarded to supplier registry of People's Leasing.
- ⊙ **CSR** Rs. 1,075,542 invested in **CSR** activities

STAKEHOLDER OUTCOMES



Improved trust and satisfaction through transparent communication and responsible service delivery.



Strengthened brand equity and risk mitigation through positive stakeholder relations.



Opportunities for long-term collaboration through fair and inclusive procurement practices.



Better quality of life through education, healthcare, and livelihood development initiatives.



Improved compliance and alignment with national development goals.



Target



Target



Target 5.5



Target





OUTPUTS FOR PEOPLE'S LEASING

- ⊙ Total customer base of 438,579
- ⊙ Over 1 Mn+digital transaction volume
- ⊙ 53.61% year on year reduction in customer complaints
- O ZERO breaches of customer privacy
- O 100% of newly on boarded suppliers completed ESG due diligence checklists



TOTAL CUSTOMER BASE

REPEAT CUSTOMER RATIO

TOTAL SPEND ON SUPPLIERS

GRI 2-6,416-1, 416-2

PURPOSE-DRIVEN PRODUCT PORTFOLIO

Since the inception, People's Leasing has placed the customer at the heart of its operations. The Company's purposedriven product portfolio is designed to meet the needs of multi-generational, multi ethnic customers across Sri Lanka.

Every offering, from mainstream financial services and innovative financial tools to flexible, tailored solutions are carefully crafted to promote financial empowerment and help people and businesses access the financial resources they need to grow and thrive. This approach underpins the Company's efforts to improve the relevance of its product portfolio through the introduction of new

market products and refreshing existing offerings to capture market trends.

All products are subject to regular reviews to assess performance vis-a-vis market uptake and relevance in order to determine viability/ continuity/ need for further refinements. There were no incidents concerning the health and safety impacts of products and services reported in the current financial year.

Product Portfolio

Lending Products



People's Friendly Lease



Auto Loan



Shakthi Business Loan



Ran Naya Gold Loan



Margin Trading



PLC Solar Lease





Fast Track



Islamic Lending Products



ljarah



Trading Murabaha



Musharakah



Wadi'ah Gold Safekeeping

Islamic Savings and Investment Products



Mudharabah Savings Account



Mudharabah Investment Account



Usfoor Minor Savings



Wakala Investment
– New Product

Deposit Products



Super Savings



Senior Citizen Savings



Senehasa Minor Savings Account



People's Leasing Fixed Deposits



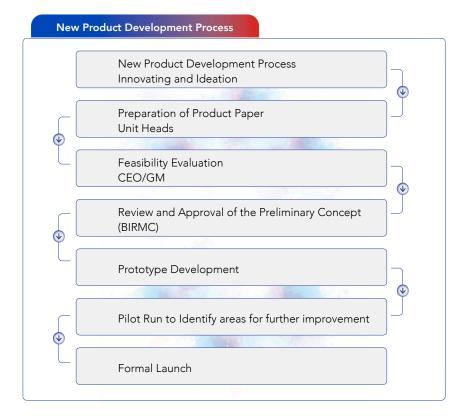
Premier Reward Plan



Senehas Minor's Fixed Deposits



"Senehasa Minor's" Future Investment Plan





LAUNCH OF GOLDCASH CARD



During the financial year, People's Leasing introduced the GoldCash Card, a groundbreaking product designed to offer customers a highly convenient, flexible, and secure way to access credit using their gold assets. This card features a revolving loan facility, enabling customers to borrow, repay, and re-borrow in line with their financial needs granting them greater autonomy over their credit utilization and limits.

Beyond its financial flexibility, the GoldCash Card also supports environmental sustainability by operating through a fully paperless process. With digital loan applications and online transactions, customers can seamlessly apply for loans, monitor their balances, and make payments via both the card and the mobile app ensuring 24/7 access to funds from anywhere.

DEMONSTRATING THE COMMITMENT TO CUSTOMER INCLUSIVITY

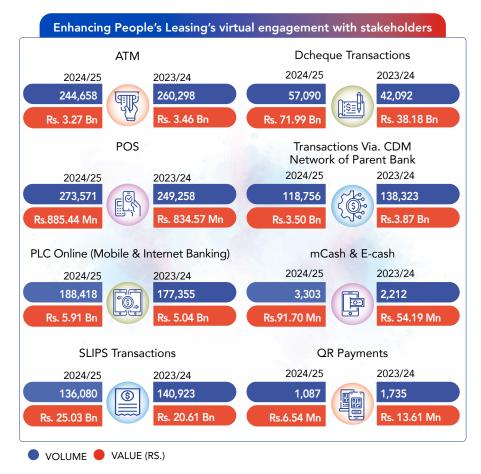
O In the year under review, People's Leasing further deepened its commitment to customers through the formal roll out of the Accessibility Policy, outlining the Company's commitment to customer inclusivity. The policy reinforces People's Leasing's intention to empower all customers including those with disabilities or other barriers to easily access and use the Company's products, services, and facilities.

SERVICE TOUCHPOINTS

Reinforcing its commitment to delivering exceptional customer experiences, People's Leasing has built a solid network of service touchpoints that serve customers through their preferred medium either in-person or via digital platforms. The Company's extensive islandwide branch network offers customers personalised service delivered by sales teams and dedicated relationship managers who aim to ensure every interaction is meaningful and tailored to individual needs. Likewise, People's Leasing's Customer Care Centre, manned by a team of well-trained professionals, handles all customer inquiries.

Moreover, People's Leasing continues to drive innovation, delivering seamless and accessible services through a diverse range of digital and online front-end platforms. Customers can choose from multiple access points, including the People's Bank ATM/CDM network, QR code and POS payment options, and the intuitive PLC Touch App, all offering a 24/7 service experience that enables customers to manage their financial needs quickly, securely, and conveniently as they desire.





\$\mathref{G}\$ GRI 417-1, 417-2, 417-3

MARKETING AND COMMUNICATIONS

As a licensed financial institution regulated by the Central Bank of Sri Lanka (CBSL), People's Leasing is firmly committed to upholding transparency and accountability in all its dealings with customers. The Company strictly adheres to CBSL-mandated disclosure requirements for all financial products and services. Interest rates, terms and conditions of products, associated risks and any other relevant information is disclosed upfront to the customers.

Marketing and promotional material are developed for target audiences and to ensure relevant customers fully understand the nature of the financial products and services they are engaging in, all critical disclosures are presented upfront in a clear and transparent manner without any ambiguity or misleading information.

Further underscoring the commitment to safeguarding the long-term financial well-being of its customers, People's Leasing also makes a conscious effort to ensure messaging within promotional material and customer communication remains consistent across all platforms. The Company's marketing teams and dedicated marketing officers are also provided extensive training on product knowledge and encouraged to follow responsible selling, rather than simply promoting products.

As a company deeply committed to cultivating long-term relationships, People's Leasing consistently prioritizes building and maintaining strong, positive connections with its valued customers.

Recognizing that effective communication and customer appreciation are fundamental to this commitment, the Company organized several customer engagement events throughout the financial year 2024/25.

These thoughtfully planned get-togethers served as vital platforms to enhance direct interaction with customers, gather valuable feedback, and strengthen mutual understanding. More importantly, they provided an opportunity to recognize and honour loyal, long-standing customers, whose continued trust and support have been instrumental to the company's sustained success.

Through these initiatives, People's Leasing reinforced its customer-centric approach, further solidifying its reputation as a trusted financial partner dedicated not only to service excellence but also to meaningful, enduring relationships.

Moreover, in line with its commitment to ethical business conduct, People's Leasing refrains from engaging in anti-competitive behaviour or monopolistic practices in promoting the Company's products and services.

There were no incidents of non compliance concerning product and service information and labelling as well marketing communication reported in the current financial year.

Information about the company's products and services is publicly available on the corporate website (insert link). All advertising and marketing communication materials are developed in Sinhala, Tamil, and English to ensure accessibility and inclusivity across all customer segments.

Promotional Campaigns - FY 2024/25

People's Leasing & Dimo Lanka Tieup



Target Customer Segment: Transport sector

Medium used: Facebook

Reach: 6,865



Target Customer Segment: Potential leasing customers

Medium used: Facebook

Reach: 6,956





Social Media Reach - FY 2024/25 Reach: 35.42% Impressions: 88% Reach: 0.9% Impressions: 0.9% Views: 6,495 Subscriber Gain: 208



COMPLAINT HANDLING

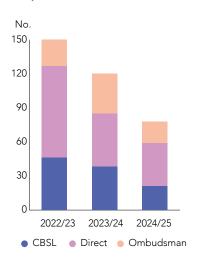
Customers are provided with a wide array of accessible channels to voice complaints or concerns, including email, social media, the Customer Care Centre, in-person visits to any People's Leasing branch, or via the Financial Ombudsman's office. Additionally, complaints may also be directed to People's Leasing through the Central Bank of Sri Lanka (CBSL).

Each complaint is treated with the utmost importance and handled with diligence, with a strong emphasis on prompt and effective resolution to ensure 100% customer satisfaction. All complaints are systematically logged by the Customer Care Centre and promptly routed to the relevant internal authority for resolution. Feedback loops are in place to ensure timely follow-up and resolution within the stipulated service timelines.

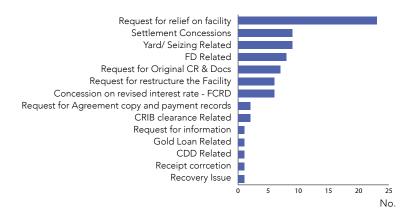
As part of the Company's commitment to service excellence, the Customer Care Centre also conducts follow-up calls to verify the customer's satisfaction with the resolution provided. These callbacks serve not only as a quality check but also offer valuable insights that help drive continuous improvement across products, services, channels, and internal processes of People's Leasing.

Meanwhile for greater effectiveness, disputes related to electronic transactions are directed to the Customer Service and Dispute Resolution Department. A system implementation is currently underway to automate the monitoring and handling

Complaints Received - Mode wise



Complaints Summary based on the Nature



of electronic transaction disputes. The initiative is expected to significantly enhance responsiveness and expedite resolutions, reinforcing People's Leasing's dedication to protecting customer interests in an increasingly digital environment.

DATA PROTECTION & PRIVACY

Data Protection Policy which outlines the comprehensive Customer Protection Framework developed in line with the fundamental principles set out under the Finance Business Act No. 42 of 2011. The Customer Protection Framework serves as a guideline to educate staff on the confidentiality and privacy of its customers' personal and financial information.

There were no incidents regarding breach of customer privacy reported in the current financial year.

GRI 2-6,308-1,308-2,407-1,408-1,409-1,414-1,414-2

SUPPLIERS

Procurement Best Practices

Supply chain of People's Leasing is composed entirely of local suppliers based in Sri Lanka, who deliver a diverse range of essential products and services. These include stationery, software solutions, office equipment, marketing materials, security services, facility management, and several other categories all of which are critical to supporting the Company's seamless day-to-day operations.

Recognising the vital role suppliers play in enabling operational continuity, People's Leasing has implemented a comprehensive supplier management framework designed to build and maintain a database of approved vendors that meet rigorous standards of quality, compliance, ethics, and sustainability.

Central to this approach is the annual supplier registration process, where suppliers are invited to register under various categories. During the year under review, the number of categories was increased from 24 to 26, with the inclusion of new areas such as IT software, IT maintenance and software support services

Supplier registration forms for each category are made publicly available for download via the corporate website.

All applicants are subject to a stringent screening process in line with the Company's Procurement Policy, to evaluate price competitiveness, product and service quality, delivery capabilities, after-sales service, and adherence to both social and environmental criteria.

In the current year, a total of 74 new suppliers were screened, of which 57 were successfully on boarded to People's Leasing's supplier registry. All new suppliers were required to complete an ESG due diligence checklist, affirming their commitment to social and environmental best practices. This included compliance with local labour laws, occupational health

and safety standards, human rights principles, and relevant environmental regulations. Notably, no adverse social or environmental impacts were identified during the onboarding process.

No operational risks related to child labour, forced labour, or violations of collective bargaining rights were identified within the supplier's operations. Furthermore, our ESG due diligence conducted during the supplier registration process confirmed their adherence to these labour standards.



Sourcing Locally

People's Leasing prioritizes the procurement of goods and services from local and national suppliers, with nearly 99% of our procurement spending directed toward local businesses. This approach not only strengthens the local economy but also helps reduce our environmental footprint. Overseas suppliers are engaged only when local providers are unable to meet specific procurement requirements.

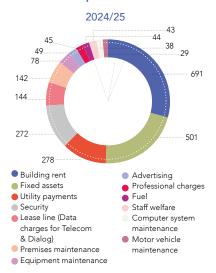
In the reporting year, cumulative payments to suppliers amounted to Rs. 152,380.32 million, marking an increase from Rs. 76,385.13 million in the previous year. Payments to local suppliers are managed through a centrally controlled procurement budget at Head Office.



Supplier Development

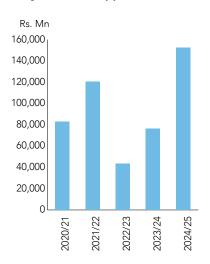
Supplier development takes the form of training and capacity building to encourage suppliers to align with business practices and work ethics of People's Leasing. Premised on this, special emphasis is placed on raising awareness on certain topics. In line with this approach, branch managers are required to educate outsourced service personnel (including third party security personnel) operating at Company locations on such matters as safeguarding basic human rights in general including responsible visitor/customer management.

Procument Spend



People's Leasing raises awareness about cybersecurity by engaging customers through social media platforms and its network of marketing officers. The Company shares important information and practical tips to help customers safeguard their personal and financial data online, ensuring they remain informed and secure in today's digital landscape.

Payments To Suppliers



@ GRI 413-1.413-2

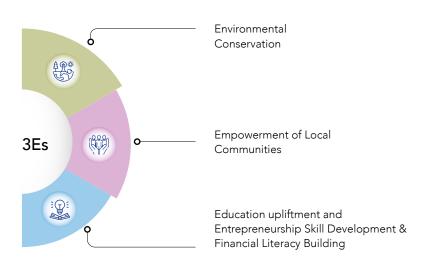
COMMUNITY

Community Well-being

At People's Leasing, our Corporate Social Responsibility efforts are focused on three key areas, known as the 3Es:

	2020/21	2021/22	2022/23	2023/24	2024/25
Investment on Community (Rs. Mn.)	17.60	27.53	5.57	0.71	0.71

 During the FY 2024/25, there were no operations with significant actual and potential negative impacts on local communities.



A FOCUSED APPROACH TO COMMUNITY WELL-BEING

- People's Leasing's community initiatives are a direct reflection of the Company's broader commitment to sustainability aimed at amplifying the positive impacts of its operations while consciously working to reduce any negative effects. To that end, People's Leasing leverages its widespread presence and financial expertise to drive positive change to uplift communities by enhancing access to education and enabling economic empowerment through entrepreneurship. Likewise the Company also makes a conscious effort to offset adverse impacts by extending its services to support socially vulnerable groups to achieve economic resilience.
- People's Leasing's approach to addressing community needs is rooted in a structured, inclusive, and impact-driven framework that ensures meaningful engagement with communities across Sri Lanka.

- At the heart of this approach is a dedicated liaison officer who is tasked with maintaining open communication, building strong partnerships, and responding proactively to community needs and concerns. Branch officers also work closely with community leaders, local organisations, and government institutions to understand regional priorities and co-develop initiatives that are mutually beneficial.
- O Strategic direction and decision-making are guided by the Company's management. The Management Team allocates resources, provides policy oversight, and ensures the availability of internal procedures to support the branch network in executing CSR initiatives effectively. Accordingly, a portion of the Company's profit after tax is earmarked for community wellbeing initiatives. During the

- year under review, Rs. 711,000 was invested towards community development initiatives.
- The Board approved Company CSR Manual provides detailed guidelines to Branch Network on the planning, implementation, monitoring and evaluation of strategic CSR initiatives initiated at Branch or Head office Level. Monitoring and evaluation are conducted jointly both at the Branch and the Head office level to measure the impact and sustainability of each initiative.



COMMUNITY OUTREACH PROJECTS



Sustainable Cities and Communities

People's Leasing Kandy partners with the Kandy Municipal Council to introduce QR code that enables real time public engagement

In a context where digital transformation of the governmental institutions is set to elevate the nation to a new level, the Kandy Municipal Council (KMC) introduced a Quick Response Code (QR Code) recently. Through this in-house developed QR Code, KMC expects to effectively engage the public living within the Municipal limits and of those visiting the city daily to channel their general complaints /suggestions on real time basis. At the request of the Kandy Municipal Council, Kandy Branch of People's Leasing & Finance PLC partnered towards the success of this initiative by sponsoring 15,000 QR Code stickers. These stickers are expected to display in food outlets and other public places in the Kandy area.





Reducing Inequalities

Financial Support for Athletes with Disabilities at the Kandy District Athletics Competition 2025

As per the request received from the District Secretariat of Kandy, People's Leasing has provided financial assistance for the Kandy District Athletics competition to support athletes with disabilities. The event was organised by the Department of Social Service in collaboration with Kandy District Secretariat and was held on February 19, 2025 at Grounds of the University of Peradeniya. It was aimed at supporting their participation in the 2025 Paraolympics.



SME Goods Markets at People's Leasing Head Office

As an initiative taken by PLC Sports & Welfare Society, Company has hosted a monthly good-market at the Head Office to provide a platform for Small and Medium Entrepreneurs (SME) to showcase and sell their products to Company employees. The initiative was extended to People's leasing customers, as well as local entrepreneurs and community members.



Access to Basic Needs

Distributing water bottles for sil observed devotees on Poson Poya Day

People's Leasing Anuradhapura Branch successfully carried out its annual CSR project by distributing water bottles to the devotees observing Sil at Jaya Sri Maha Bodhiya and Ruwanweliseya on Poson Poya Day. A total of 5,000 water bottles were provided to the devotees as part of this initiative, which aims to support and care for the community during this significant religious occasion.



Providing School Stationery for School Students in underprivileged households in Higurakgoda

In line with the 8th Anniversary of Hingurakgoda Branch, Branch has presented stationery items to children of needy households in that area as their one of CSR initiative.



Scholarship scheme for Children of deceased employees of People's Leasing

As a dedicated organization that cares deeply for our employees and their families, People's Leasing continues to provide a monthly scholarship of Rs.10,000/= for the children of deceased employees to help cover their educational expenses. The scheme aims to support and strengthen the families of deceased employees, ensuring that their children's education continues without interruption.

Supporting Education for Rural School Children in Eluwapola Primary School in Kuliyapitiya

In response to a request from Eluwapola Primary School in Kuliyapitiya, People's Leasing Kuliyapitiya Branch has donated needy school stationery items to seventy of school children. The lack of adequate school supplies significantly hinders the learning process for many children in the school, and the Company's donation of school stationery items directly contributes to improving their educational opportunities and overall well-being. This initiative is part of Company CSR focus on supporting underprivileged students and enhancing educational opportunities for children in rural areas.



People's Leasing Hingurakgoda Branch's Contribution to Kumudupura Primary School

In line with the relocation of People's Leasing Hingurakgoda Branch, the Company provided assistance for the establishment of an electric fence around the community school to help manage the human-elephant conflict in the area. Additionally, the branch presented essential school stationery items to five students from the school who achieved the highest marks in the Grade 05 Scholarship Examination 2024.





Hosting PLC Kidz Got Talent for the third consecutive year

Sports & Welfare Society of People's Leasing & Finance PLC hosted "Kidz Got Talent" for the third consecutive year in celebration of World Children's Day 2024 with a fresh approach that brought new energy and excitement to the stage.

The latest edition held under the theme "Right to Shine", presented a fresh new concept of live performance aimed at recognising the hidden talents of employees' children across the Island.

The competition featured a wide range of talents, including Art, Singing & Dancing. Participants were categorised into five age groups: below 05, 05-08, 08-11, 11-14 & 14-17, ensuring that every child had a platform to showcase their creativity. The response was overwhelming with over 102 entries in the art, 83 entries in singing and 44 entries in dancing, demonstrating the enthusiasm and vibrant talent of the young participants.

Five contestants from each age category in Art, Singing, and Dancing were shortlisted for the live performance round of "Kidz Got Talent," which took place on 13th December 2024 along with the award ceremony held at Mihilaka Medura, BMICH, where 73 talented young individuals were recognized for their exceptional performances.

All the participants at the Kidz Got Talent 2024 were presented a token of appreciation along with a Certificate of Appreciation, while first-place winners were awarded a one-time, one-year scholarship to cover their school and education related expenses. Moreover, the drawings of the 01st place winners were featured in the PLC Note Book 2025.









Annual Blood Donation Campaign at People's Leasing Head Office

As part of our commitment to supporting worthy causes, Annual Blood Donation Campaign organized by the PLC Sports & Welfare Society was held on 14th August 2024 at People's Leasing Head Office for the second consecutive year. During the event, we successfully donated 97 pints of blood to the National Blood Transfusion Service of Sri Lanka. This initiative was organized by the People's Leasing Sports & Welfare Society.

Donors from People's Leasing & Finance PLC, its subsidiaries, People's Bank, and other local community stakeholders also participated in the campaign, contributing to the success of the event.







Awareness session to Employees & their Children

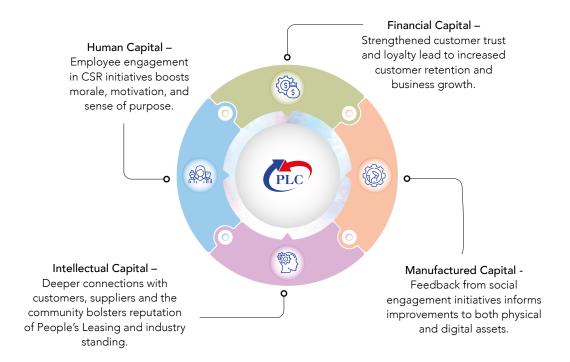
PLC Sports & Welfare Society, in collaboration with the Company HR Department, hosted a workshop on the "Art of Parenting" to educate our employees on effective parental practices, including how to balance personal and professional responsibilities.

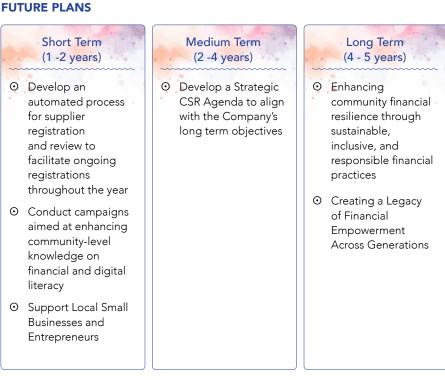
Additionally, a workshop on the "Mindful Garden for Kids" was organised, focusing on the well-being of employees' children. Both sessions were conducted by our in-house mindfulness expert and HR Department employee, Mr. Srihan Kanishka Ariyasinghe.











NATURAL CAPITAL

@ GRI 3-3

MANAGEMENT APPROACH

As a financial services provider, People's Leasing & Finance PLC (PLC) operations do not cause significant environmental harm. The Company's limited dependence on natural resources has a relatively low direct impact on the environment. Nonetheless, fully aware of its corporate responsibilities, PLC has implemented a robust Environmental Strategy focused on five core areas - Compliance and Best Practices, Green Finance, Green Operations, Green Awareness, and Green Outreach Initiatives. Together, these pillars aim to ensure the long-term viability of the planet and address the pressing challenges posed by climate change. Further reinforcing this commitment, PLC strives for clarity and transparency in reporting on environmental performance by publishing key indicators through the annual report.

Green Awareness Operations Green Operations Green Finance Compliance and Best Practices Green Finance Green Finance

Initiatives

MATERIAL THEMES

- Business model flexibility in an environment that is continually changing
- Developing sustainable ecosystems to support sustained wealth creation regardless of headwinds
- Increase customer awareness through responsible communication
- Heightened demands on governance, compliance and regulatory context

Natural Capital refers to the environmental resources and ecosystems that support our operations and impact our stakeholders. As a responsible financial services provider, People's Leasing & Finance recognises the importance of preserving and respecting the natural environment. We understand that our business operations, while not heavily resourceintensive, still bear a responsibility to minimise environmental impact. Through energy-efficient practices, responsible paper usage, and waste management initiatives, we aim to reduce our environmental footprint. We also remain mindful of the growing relevance of environmental risks and climate change in the financial sector, and seek to integrate sustainability

considerations into our decision-making frameworks. Our approach is guided by the principles of conservation, compliance, and continuous improvement.

Natural Capital is not only a shared resource but also a shared responsibility, and we strive to promote environmental awareness across our value chain. By embedding environmentally conscious practices into our operations and engaging stakeholders on sustainability, we aim to create long-term value that extends beyond economic gains. Our commitment to Natural Capital underlines our role as a steward of environmental responsibility, ensuring that we contribute positively to the communities and ecosystems we serve.





VALUE DRIVERS

- Compliance and Best Practices
- O Green Finance
- O Green Operations
- O Green Awareness
- Green Outreach Initiatives

KEY INITIATIVES

- Rs. 580.08 Mn disbursed through Green Financing Schemes
- GHG Inventory report in line with the ISO 14064:2018 standard
- Rs. 0.36 Mn
 spent on Green
 Outreach
 programmes

STAKEHOLDER OUTCOMES



Access to flexible, affordable and convenient eco-friendly financing solutions



Increased confidence due to improved ESG performance and alignment with climate-related disclosure standards



Improved compliance with environmental regulations and emerging climate disclosure requirements



Opportunities for value adding partnerships for mutual growth

OUTPUTS FOR PEOPLE'S LEASING

- O 68% year on year reduction in energy intensity
- Company Carbon Footprint 5,663.76 tCO₂e



Target 6.6 | 6.a



Target 7.2 | 7.3



Target 12.2 | 12.4 | 12.6



Target 13.1 | 13.2



Target 15.1 | 15.2 | 15.5



Target 17.16 | 17.17



Rs. 580.08 Mn

GREEN DISBURSEMENT

5,664 tCO₂e

NATURAL CAPITAL

COMPLIANCE AND BEST PRACTICES

PLC has always taken great pride in positioning itself as a responsible environmental steward by strictly adhering to the provisions of the National Environmental Act and any other applicable environmental laws and standards. Striving to lead by example to reinforce its commitment to responsible environmental stewardship, in the current year PLC sought to comply with the Sri Lanka Sustainable Energy Authority's (SLSEA) "Specific Energy Consumption (SEC) Benchmark," targeting energy efficiency improvements across high-consumption sectors such as banking, finance, and retail.

Seeking proactive compliance, the Head of Administration was designated as the Energy Manager and tasked with quarterly reporting of electricity consumption through the National Energy Benchmarking Portal (NEBP) managed by the SLSEA. Reporting commenced during the current financial year, covering both the Head Office and branch network.

Beyond compliance, the Company also continues to focus on embedding global best practices into its environmental strategy.

GREEN FINANCE

PLC clearly understands that the most meaningful environmental impact can be achieved by managing the financed emissions associated with its lending portfolio. Efforts in this regard are aligned to the Guideline on Sustainable Finance Activities for Licensed Finance Companies, issued under the Central Bank of Sri Lanka's (CBSL) Roadmap on Sustainable Finance, the Green Finance Taxonomy, and more recently the directives issued by the Colombo Stock Exchange (CSE).

As an early adopter in this space, the Company is known as a pioneer leasing and lending solutions to encourage individuals and businesses to transition to eco-friendly solutions. Keen to further solidify its presence in this space, the Company also actively pursues strategic partnerships to increase the share of green finance within the total lending portfolio.



People's Leasing & Finance PLC and Code Gen International (PVT) Ltd join hands to promote ELEKTRATEQ electric three wheel

Key Pillars of PLC's Green Finance Model

Solar Leasing Scheme

Green Leasing for Electric & Hybrid Vehicles



No of facilities 185

Total disbursement

Rs. 469.95 Mn



No of facilities 26

Total disbursement

Rs. 110.13 Mn

Voluntarily Best Practices



ISO 14064-1:2018 - Greenhouse Gases



UN Sustainable Development Goals 2030



Nationally Determined Contributions (NDC) under the Paris Agreement on Climate Change - Sri Lanka

- Voluntarily published environmental impact generated from business operations annually.
- No fines or non-monetary sanctions were reported for noncompliance with environmental laws and regulations during the year reporting financial year of 2024/25.



GREEN OPERATIONS

Green Operations are anchored by the fundamental principle of resource efficiency. Specifically through the effective management of energy, emissions, water, and waste.



Energy Management

As a service-based organisation, PLC's operations are not highly energy-intensive. Electricity consumption at the branches and head office accounts for approximately 66% of the Company's total energy footprint, with the remainder primarily arising from business-related travel.

Acknowledging the corporate duty to achieve energy sustainability, PLC is committed to reducing energy consumption through proactive efficiency initiatives, collectively targeting a systematic, and year-on-year reduction in energy intensity. Due to increased electricity consumption in financial year 2024/25 and the inclusion of People's Insurance, PML standalone branches, and the newly acquired holiday home, PLC Group's energy usage increased by 25.71% compared to financial year 2023/24.

As a financial services company, we do not produce or deliver physical goods. Our energy use mainly comes from office operations, IT systems, and customer service, which are shared across the company. Because of this, we cannot accurately measure energy reductions for specific products or services. However, we are committed to improving energy efficiency across our offices and digital platforms to reduce overall energy use.

Energy consumption within and outside of People's Leasing (Company)

Within PLC

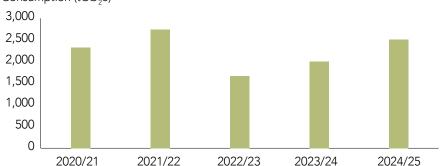
Energy Source	Energy Type	Consumption level GJ (Gigajoules)			
		2024/25	2023/24	2022/23	
Renewable	Solar	57.71	N/A	N/A	
Non-renewable	Fossil fuel	24,900.11	17,091.14	14,857.49	
Total		24,957.82	17,091.14	14,857.49	
Energy Intensity (per employee)		9.32	8.33	6.32	

Outside PLC

Energy Source	Energy Type	Consumption level GJ (Gigajoules)			
		2024/25	2023/24	2022/23	
Renewable	Solar	N/A	N/A	N/A	
Non-renewable	Fossil fuel	12,721.71	7,409.98	5,885.03	
Total		12,721.71	7,409.98	5,885.03	
Energy intensity (per employee)		4.75	3.61	2.50	

People's Leasing (Group) Electricity Consumption (Grid)

Consumption (tCO_2e)



Note: People's Insurance emission is not included in the calculation of financial year 2023/24 & 2022/23.

FOLLOWING THE GHG PROTOCOL, WE REPORT OUR EMISSIONS ACROSS THREE SCOPES:

Scope 1

Direct emissions that occur directly from our activities, such as fuel consumption from company vehicles, on-site energy use from sources we own or control.

Scope 2

Indirect emissions that occur from energy we purchase

Scope 3

Emissions from the production of goods and services we purchase, business travel, waste management, employee commuting, and the environmental impact of the companies we finance or invest in.

NATURAL CAPITAL

(3) GRI 305-1,305-2,305-3,305-4,305-5,305-6,305-7

EMISSION MANAGEMENT

The financial year 2024/25 signifies a decade since PLC began calculating its greenhouse gas (GHG) emissions, a journey marked by steady progress in the depth and quality of emission reporting. For the past 11 years, PLC has been publicly disclosing its annual group-wide emissions covering both Direct (Scope 1) and Indirect (Scope 2 and Scope 3) categories.

Base year for GHG Emission of People's Leasing

In 2014/15, the Company started communicating its annual carbon footprint calculation to all branch and departmental teams to raise awareness.

DIRECT EMISSIONS (SCOPE 1)

Scope 1 emissions arise directly from PLC's operations, as a result of fuel consumption from Company-owned vehicles as well as on-site energy needs. PLC is committed to reducing these direct emissions through a combination of energy efficiency initiatives and a focused transition to renewable energy, alongside the adoption of low-carbon technologies across the organisation.

Calculation of People's Leasing Greenhouse Gas Emission

Scope: People's Leasing Group Greenhouse Gas Assessment

×

Applied Standard: ISO 14064 - 1:2018

×

Based Year: 2014/15

×

Reporting Period: 01st April 2024 to 31st March 2025

 \sim

Consecutive 11th year for calculation

×

Reporting Boundary: People's Leasing Head Office and 110 Island-wide branches, along with its subsidiaries: People's Insurance PLC (Head Office and 17 branches), People's Micro-commerce Ltd (Head Office and 2 branches), People's Leasing Fleet Management Ltd, People's Property Development Ltd & People's Havelock Property Ltd, 05 People's Leasing Vehicle yard and 02 People's Leasing Holiday Home

×

GHG calculation for 2024 was conducted by Climate Smart Initiative (PVT) Ltd

People's Leasing's Direct Emission Inventory Factors and Emission

Scope	Emission Source	GHG Emiss	ions (tCO ₂ e)
Š		Company	Group
	×	3	*
	Employee commuting - fuel paid by company	176.94	179.60
	Business travel (company own vehicle)	490.62	509.33
_	Stand by diesel generators	65.37	65.37
e 01	Rented vehicles	19.69	18.85
Scope (Fire extinguishers	0.64	0.64
S	Refrigerant leakages	535.48	535.48
	Cooking gas	0.57	0.57
	Total Direct Emissions	1,289.32	1,309.84

People's Leasing (Company) Carbon Footprint





5,663.76 tCO₂eTotal GHG Emission



42.51% Increase in

Increase in GHG Emission



2.11 tCO₂eGHG Emission Intensity
Per Employee

INDIRECT EMISSIONS (SCOPE 2 AND SCOPE 3)

Indirect emissions, which are not produced directly by the Company's operations but result from its activities, are addressed under Scope 2 and Scope 3 categories.

Scope 2 emissions arise from purchased energy, and efforts to mitigate these emissions are directly linked to PLC's ongoing energy efficiency initiatives, as previously discussed. Scope 3 emissions, meanwhile, encompass a broader range of activities including the production of goods and services procured, business travel, waste management, employee commuting etc. As a financial institution, a significant share of PLC's Scope 3 emissions are also associated with the Company's lending portfolio.

PLC does not monitor ozone-depleting substances (ODS), Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions.

People's Leasing's Indirect Emission Inventory Factors and Emissions					
Scope	Emission Category	Emission Source	GHG Emission	ons (tCO ₂ e) Group	
	₩	₩	Company		
Scope 02	Grid Electricity		2,240.83	2,514.84	
	Indirect Emission from Transportation	Employee commuting - fuel not-paid by company	1,390.08	1,716.06	
		Hired vehicles	388.5	392.8	
		Business air travel	5.72	9.11	
Scope 03		Transport locally purchased items	107.19	109.37	
	Indirect Emission	Municipal water	6.1	7.41	
	from Services used by the company	Waste disposal	6.09	6.29	
	T & D Loss		229.94	257.86	
	Total Indirect Emission	ons	4,374.45	5,013.74	

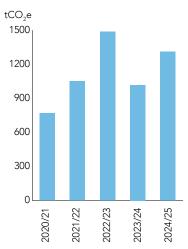
Included gases in calculation of Direct & Indirect GHG Emissions						
Scope	GHG Emissions (tCO ₂ e)					
	CO ₂	N ₂ O	CH₄	HFC	Total	
Direct GHG Emissions (Scope 1)	759.15	9.45	5.76	535.48	1,309.84	
Indirect GHG Emissions (Scope 2)	2,514.84	_		_	2,514.84	
Other Indirect GHG Emissions (Scope 3)	2,498.90				2,498.90	
Total GHG Emissions		-		-	6,323.58	
GHG Emissions (Per Employee)	-	-	-	-	1.74	

Indicator	2024/25	2023/24	YoY Change (%)
Total GHG Emissions (Group) (tCO ₂ e)	6,323.58	3,974.42	37%

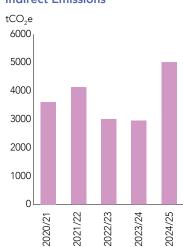
READINESS FOR SLFRS S2 CLIMATE-RELATED DISCLOSURE REQUIREMENTS

• At present, PLC does not report on the energy consumption associated with its products or services. However, in the current year, the Company commenced work on implementing the structural framework for the quantification of emission data relating to products and services offered, including financed emissions associated with the lending portfolio.





People's Leasing (Group) Indirect Emissions



NATURAL CAPITAL

Overall, People's Leasing (Group) Carbon Footprint



Energy 5,773.76 tCO₂e



Water 7.41 tCO₂e



Waste 6.29 tCO₂e



GRI 303-1, 303-2,303-3, 303-5

WATER MANAGEMENT

While water may not be considered a material topic for a service-based organisation, PLC accepts water scarcity as a growing global concern. With access to clean drinking water proving to be a major challenge both in Sri Lanka and globally, PLC is firmly committed to promoting water conservation within its operations and among its broader stakeholder ecosystem.

Regular employee awareness and education programmes aim to promote responsible use of water resources across Company-wide operations. Additionally, in line with PLC's strict policy of ensuring zero harm to natural water bodies and related habitats, the Company's credit evaluation process is designed to reject projects or activities that pose a risk of contaminating, depleting, or otherwise adversely impacting water ecosystems.

Water Withdrawal and Consumption				
Water	2024/25 (m3)			
Water withdrawal and consumption	49,943.77			
Per employee water consumption	13.74			

\$\mathref{m}\$ GRI 306-1, 306-2, 306-3, 306-4, 306-5

WASTE MANAGEMENT

PLC's primary sources of waste stem from routine administrative activities carried out at the head office and across branches. Although the Company's service-based business model results in relatively low waste volumes compared to industrial sectors, PLC remains fully committed to responsible waste management underscored by the 3R principle (Reduce, Reuse, and Recycle), where the main emphasis is on reducing waste generation, coupled with active efforts to promote reuse, and encourage recycling practices as much as possible and practical coupled with active efforts to promote reuse, and encourage recycling practices as much as possible and practical.

Effectively managing the waste lifecycle



O Waste Segregation: All PLC have been instructed to follow established waste segregation guidelines, categorising waste into food, paper, plastic/ polythene, and e-waste to ensure responsible disposal with a view to reducing waste sent to landfills.









• Responsible disposal in partnership with certified waste collectors and recyclers: PLC collaborates with waste management companies registered with the Central Environmental Authority (CEA), ensuring that all solid waste is either recycled or disposed of in full compliance with national environmental standards.

Waste Generated and Disposed					
Waste Type	Location	Disposal Method	Disposed Quantity (Kg)	% of Waste Recycled	
Food waste	PLC group	Combustion	7,072.00	N/A	
		Composting	23,456.22		
		Piggery feeding	13,140.00		
Mixed waste	PLC group	Combustion	13,862.10	N/A	
		Composting	4,905.00		
Paper waste	PLC group	Closed loop recycling	1,409.00	30%	
		Combustion	4,962.50		
		Composting	1,862.80		
		Open loop recycling	2,453		
		Re-use	2,049.94		
Plastic waste	PLC group	Closed loop recycling	134.02	60%	
		Combustion	780		
		Open loop recycling	1,029.50		
E- waste	PLC group	Open loop recycling	0.0069	75%	
		Combustion	10		
		Closed loop recycling	30		



Managing Scope 3 Emissions

Given they originate from sources beyond the Company's immediate control, Managing Scope 3 emissions presents a greater challenge. To address these indirect emissions, PLC has adopted a broad based approach focused on four key areas:



Energy Efficiency Improvements:

PLC continues to implement measures that drive systematic reductions in energy consumption across its operations.



Sustainable Procurement:

Conducting Environmental, Social, and Governance (ESG) due diligence during the supplier registration process to ensure suppliers are aligned with sustainability principles with priority given to suppliers who demonstrate a commitment to environmental responsibility and strong social governance practices.



⊙ Green Finance:

PLC's three-pronged approach focused on Solar Financing, Green Leasing and ESG due diligence screening of Credit Proposals, collectively aimed at promoting the transition to a low-carbon economy.



Employee Awareness:

PLC invests in raising employee awareness about sustainability issues, fostering a culture of environmental stewardship throughout the organisation.

NATURAL CAPITAL

AUTOMATION AND DIGITISATION TO TRANSITION TO PAPERLESS OPERATIONS

PLC has placed a strong emphasis on automation and digitisation to significantly reduce paper waste - the largest component in the Company's waste matrix. Internally, the implementation of the eMemo system in 2024 and process automation through the PLC Core System in 2023, particularly the capability to upload all credit approval documents, has culminated in a substantial reduction in organisation-wide paper usage year on year.

As part of the broader automation strategy, PLC is also undertaken to promote digital literacy among its customer base to create a channel to promote sustained paper reduction across a wider audience. By continuously enhancing its digital front end with such initiatives as eDoc, eReceipt and eFD Certificates as well as the added functionality of the PLC Touch App, and PLC Online, the Company anticipates notable progress in reducing paper consumption on a broader scale.

GREEN AWARENESS

Green awareness remains a fundamental element of PLC's approach to reducing energy and water consumption and minimising waste. Targeted initiatives focused on sustainable practices aim to educate employees, customers, and the broader community and foster responsible behaviours that align with the Company's collective vision for long-term sustainability.

- Awareness on green practices (awareness campaign on "Bring your Own Lunch Box")
- "ESG Tuesday" was introduced in the current financial year, to provide employees with informative material on ESG related aspects, on a weekly basis.

GREEN OUTREACH PROJECTS

To further amplify its environmental programmes, PLC engages in public – private partnerships to undertake and support impactful environmental projects. These partnerships help to ensure resources are allocated toward projects that not only meet environmental criteria but also deliver measurable social and economic benefits to the communities they serve.

During the year under review, the following initiatives were implemented by our branches as their volunteer commitment. Rs. 0.36 Mn was invested for environmental conservation initiatives in FY 2024/25.



Support for the Kolongoda City clean-up

Based on the request from the Kolongoda Trade Committee, PLC's Mahiyanganaya Branch has donated waste segregation bins to promote environmental sustainability and proper waste management in the area.

Support for Solid Waste Management at Mirisawetiya Temple Premises

Based on the request from Chief Incumbent of the Mirisawetiya Chaithyaramaya in Anuradhapura, PLC's Anuradhapura Branch initiated a project to streamline the waste segregation at the Temple premises Under the project, waste segregation bins were installed at the temple premises.



NEW INITIATIVES WERE UNDERTAKEN IN 2024/25

- O The PLC's 2025 calendar was themed "Embracing ESG Excellence for a Sustainable Future" and designed as an environmentally friendly desk calendar, accompanied by an eco-friendly notebook provided to all staff across the Company
- Paperless operations with e-memos
- Smart Force Tabs to create digitally literate business forces

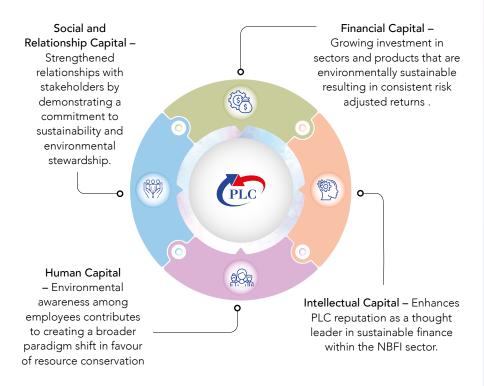
Patron Member of Biodiversity Sri Lanka

Since 2013, PLC has been a Patron member of the Sri Lanka Business & Biodiversity Platform (BSL), a national initiative that is fully owned and operated by the private sector. Over the past decade, the Company has remained committed to supporting BSL's core mission of promoting active corporate involvement in biodiversity and environmental conservation efforts throughout Sri Lanka. The BSL plays a crucial role in protecting Sri Lanka's fragile ecosystem by advocating for policies that support biodiversity and championing conservation initiatives. This is primarily achieved through technical assistance programs, knowledge sharing, and fostering collaboration and dialogue among key stakeholders.



Handover of solid waste segregation units to Mirisawetiya Temple, Anuradhapura

TRADE-OFF'S AND IMPACT ON OTHER CAPITALS



APPRECIATION FOR LIFE PROJECT

In recognition of People's Leasing & Finance PLC's long term support for the multi-stakeholder "Life" Kanneliya forest restoration initiative, PLC was received an appreciated award by Biodiversity Sri Lanka at the ceremonial awarding ceremony by Preferred by Nature of conformity with the ecosystem restoration field verification standard V3.1

The award recognises PLC's contribution to successfully restoring 10ha degraded fern land adjacent to the Kanneliya Forest Reserve, Halgahawala in Opatha. The project was initiated by Biodiversity Sri Lanka and guided by the Forest Department with the technical assistance provided by the International Union for Conservation of Nature (IUCN). 10 leading responsible corporates have been part of this path breaking initiative which is also the Country's first carbon accrual project.

FUTURE PLANS

Short Term (1 -2 years)

- Support local green projects through financial assistance or strategic partnerships for communitybased initiatives that promote environmental conservation and sustainability
- O Continue advancing green initiatives across all branches by promoting paperless operations, enhancing energy efficiency, segregating solid waste, and ensuring environmentally responsible disposal practices.
- Pursue fintech partnerships to enhance digital channel architecture in support of green operations.
- Advance and Strengthen ESG due diligence across lending and procurement functions to promote sustainable and ethical business practices.
- Implement a company-wide energy audit to assess current energy usage and develop targeted improvement measures.

Medium Term (2 -4 years)

- Conduct a study on the methodologies and implementation steps towards calculating financed emissions
- Introduce innovative green finance solutions that promote sustainability and empower MSMEs and vulnerable communities
- Develop a robust framework for data collection and reporting on the environmental impacts resulting from business activities.
- O Deploy a comprehensive Environmental Management System (EMS) to enable accurate tracking and continuous improvement of environmental performance across energy, emissions, water, and waste streams.
- Set measurable energy reduction goals to effectively minimize the company's carbon footprint

Long Term (4 - 5 years)

- Set clear targets and key performance indicators (KPIs) across all branches and departments to drive progress toward achieving net zero emissions.
- Improve reporting transparency regarding performance and progress on environmental matters
- Promote and advance the adoption of green building concepts at branch level in compliance with globally accepted standards on green building.