

ABOUT OUR INTEGRATED REPORT



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2-4

WELCOME TO OUR 12TH INTEGRATED ANNUAL REPORT

Softlogic Life is proud to present its 12th Integrated Annual Report for the year ended 31st December 2024, offering a comprehensive account of the Company's financial and non-financial performance. This report provides a balanced and in-depth perspective on the progress made toward achieving our strategic priorities throughout the reporting year. Beyond assessing our operating landscape, governance framework, and stakeholder value creation, this report underscores our ability to generate value across the short, medium, and long term.

We maintain an annual reporting cycle for both financial and sustainability disclosures, ensuring transparency and accountability. Our financial reporting adheres to the Sri Lanka Financial Reporting Standards (SLFRS), while our sustainability reporting aligns with globally recognized reporting frameworks, reinforcing our commitment to best practices and responsible business conduct.

SUSTAINABILITY REPORTING FRAMEWORKS WE REFERRED IN PREPARATION OF OUR ANNUAL REPORT.



OUR INTEGRATED THINKING

We apply INTEGRATED THINKING to recognize factors that may impact our capacity to generate value in a more sustainable manner over an extended period. These considerations shape our strategy, aiming to mitigate risks and capitalize on emerging opportunities.



STRATEGIC ORIENTATION

The Annual Report outlines the company's current and future business strategies aimed at achieving sustainable growth, providing valuable insights for its stakeholders.

NON FINANCIAL INFORMATION

Creating a wider understanding of a company's position, performance and strategy and enhancing the transparency, this report discloses non-financial information where relevant and appropriate.

ICON NAVIGATION

CAPITALS



Financial



Manufactured



Natural



Human



Intellectual



Social and Relationship

STAKEHOLDERS



Investors



Customers



Employees



Sales Staff



Re-Insurers



Government & Regulator



Suppliers



Community



Environment

OUR STRATEGIC PILLARS



Preventive Health and Wellness



Personalization and Customer centric Products/services



Digital transformation and insure tech



Sustainability / EESG

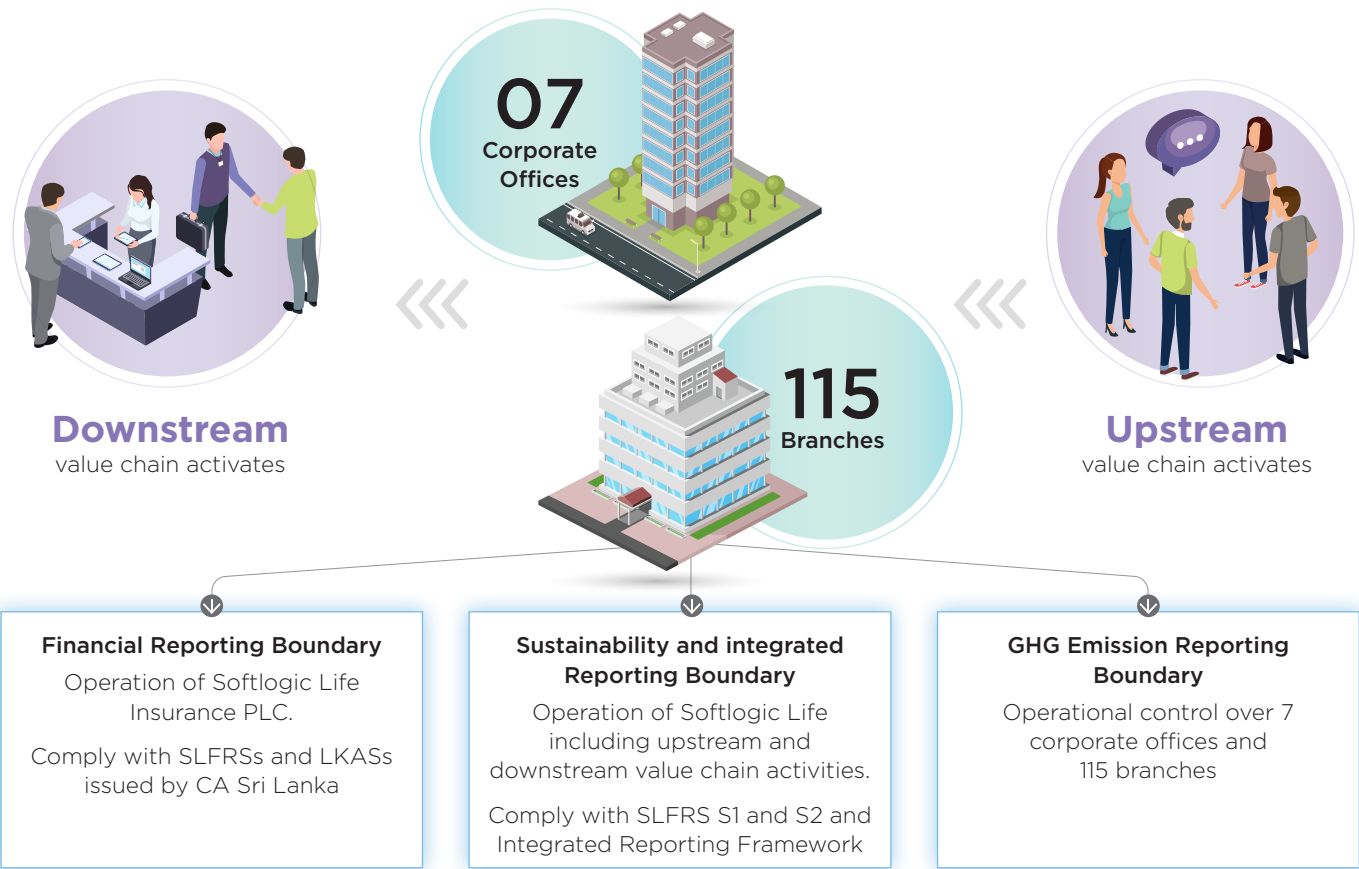
COMPARATIVE INFORMATION

This report offers comparative data for the year ending 31st December 2024, Reclassifications and restatements have been made as necessary to enhance presentation and ensure compliance with regulations.

ABOUT OUR INTEGRATED REPORT

BOUNDARY AND SCOPE

This Integrated Annual Report covers the performance of Softlogic Life for the 12-month period ended 31st December 2024 and material events up to the approval of the report by the Company’s Board of Directors on 4th March 2025. The scope of the annual report spans to matters arising in the external environment and stakeholder engagement.



Softlogic Life Insurance (SLI) is a publicly listed company on the Colombo Stock Exchange (CSE) and currently doesn't own any subsidiaries as at reporting date. There were no notable alterations in the organization's type, structure, or ownership during 2024.

COMPLIANCE WITH SLFRS S1 AND S2

The SLI sustainability report has been prepared in compliance with the SLFRS Sustainability Disclosure Standards issued by CA Sri Lanka. Additionally, relevant disclosure topics from the Sustainability Accounting Standards Board (SASB) standards have been reviewed and incorporated in the report.

Reporting Standards and Framework

Mandatory Reporting Standards, Frameworks and Guidelines	Voluntary Reporting Frameworks and Guidelines
FINANCIAL REPORTING	INTEGRATED REPORTING
<ul style="list-style-type: none">Sri Lanka Accounting Standards (SLFRSs/LKASs)The Regulations of Insurance Industry Act No.43 2000 and amendments thereto.Statement of Recommended Practice (SoRP)Regulations and directions issued by the of Insurance Regulatory Commission of Sri Lanka (IRCSL).Companies Act No. 07 of 2007 and amendments thereto	<ul style="list-style-type: none">IFRS Foundation's International <IR> Framework"Guidelines for Presentation of Annual Reports" issued by the Institute of Chartered Accountants of Sri LankaHandbook on Integrated Corporate Reporting (CA Sri Lanka)

Mandatory Reporting Standards, Frameworks and Guidelines	Voluntary Reporting Frameworks and Guidelines
SUSTAINABILITY REPORTING	
<ul style="list-style-type: none"> Sri Lanka Sustainability Disclosure Standards S1 – General Requirements of sustainability-related financial information. Sri Lanka Sustainability Disclosure Standards S2 – Climate Related Disclosures. 	<ul style="list-style-type: none"> GRI Standards. Sustainability Accounting Standards Board (SASB) Standards. Gender Parity Reporting Framework of the Institute of Chartered Accountants of Sri Lanka. Sustainable Development Goals (SDGs). Guide on communicating sustainability issued by the Colombo Stock Exchange. United Nations Global Compact (UNGC).
CORPORATE GOVERNANCE REPORTING	
<ul style="list-style-type: none"> Listing Rules of the Colombo Stock Exchange. Laws and Regulations of the Companies Act No. 7 of 2007. Securities and Exchange Commission of Sri Lanka Act No. 36 of 1987 (as amended). Corporate governance framework for insurers issued under Section 96A of the Regulations of the Insurance Industry Act No. 43 of 2000 (IRC SL). 	<ul style="list-style-type: none"> Code of best practices on Corporate Governance 2023 (CA Sri Lanka). Integrated Risk Management Framework is crafted based on the guidelines provided in ISO 31000:2018.
ASSURANCE	
<ul style="list-style-type: none"> Sri Lanka Auditing Standards (SLAuSs). Sri Lanka Standard on Assurance Engagements SLSAE 3000; Assurance Engagements other than Audits or Review of Historical Financial Information (CA Sri Lanka). Internal Auditing Framework of Institute of Internal Auditors. 	<ul style="list-style-type: none"> Independent Assurance on Integrated Reporting by KPMG. Independent Assurance on Sustainability Reporting by KPMG. Independent Assurance on SLFRS S1 and S2 Reporting by KPMG.

CHANGING THE WAY WE REPORT

We have fully adopted SLFRS S1 and S2 standards, marking a significant transformation in our reporting content. From a broader perspective, many Integrated Reporting practices can be seamlessly aligned with SLFRS S1 and S2. However, in compliance with SLFRS S1, paragraphs 60–63, management has carefully merged only material content, ensuring that the integration does not obscure any critical disclosures required under these new standards. To uphold the integrity and value of both SLFRS S1 and S2 and Integrated Reporting, we conducted a rigorous evaluation to ensure that information integration enhances rather than impairs reporting quality.

This adoption reflects our commitment to transparent and comprehensive sustainability and climate-related financial disclosures. By integrating these principles, we enhance the clarity and relevance of material risks, opportunities, and climate impacts on our business. This approach ensures alignment with global best practices while strengthening the quality and reliability of our corporate reporting.

CONNECTIVITY WITH FINANCIAL STATEMENTS

The sustainability report has been prepared for the company and should be read in conjunction with the company's financial statements prepared in accordance with SLFRS Accounting Standards. It covers a 12-month period for the year ended 31 December 2024 which is aligned with the reporting period of the related financial statements.

In preparing its sustainability-related financial disclosures, the Company has assessed its own operations and its value chain activities. The presentation currency of the sustainability-related financial disclosures is Sri Lankan Rupees (Rs), which aligns to the presentation currency used in the financial statements.

FIRST-TIME ADOPTION OF SLFRS SUSTAINABILITY DISCLOSURE STANDARDS AND TRANSITIONAL PROVISIONS

The company is reporting under SLFRS Sustainability Disclosure Standards for the first time for its annual reporting period ending 31 December 2024. It has applied the following standards for its annual reporting period commencing 1 January 2024:

- SLFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information.
- SLFRS S2 Climate-related Disclosures.

SLFRS Sustainability Disclosure Standards provide transition reliefs for the first annual reporting period in which an entity applies the standards. The company has applied the following transition reliefs:

- relief from the requirement to disclose comparative information in the first annual reporting period.

- relief to conduct comprehensive climate-related scenario analysis to assess climate resilience.

FUTURE REPORTING PERIODS

Information is organized across three reporting periods: "Short term", "Medium term", and "Long term".

Management has designated 2025 as the Short term future, 2026 and 2027 as the Medium term, and any period beyond 2027 as the Long term for financial planning and sustainability reporting purposes. For climate change impact reporting, the short term is set up to 2030, the medium term from 2030 to 2050, and the long term beyond 2050. Actions taken to manage climate-related risks and opportunities during regular evaluations are integrated into financial planning processes.

PROCEDURE FOR COMPILING THE ANNUAL REPORT

The following processes were followed in the preparation and approval of our reports:

- An expert reporting project team ensures that a mature and effective report preparation process is followed. Detailed debriefing together with internal and external feedback on processes and content, as well as the application of the Integrated Reporting (IR) Framework in the prior year's reporting, were used to improve this integrated report.
- Executives and senior management throughout the company provide oversight and guidance for the processes, particularly in the reporting approach and content planning.
- The robust strategy setting process and company risk management framework facilitate the identification of material matters that form the foundation for the preparation of the integrated report. Material issues undergo review, finalization, and

approval by the board within the annual corporate planning cycle.

- The information contained in this report is gathered from interviews with the leadership team, as well as data collected through internal processes established to adhere to the requirements of both local and international reporting frameworks and guidelines.
- Majority of the report content were developed through AI software's including ChatGPT, Copilot etc. and manual intervention is made to verify the AI generated content as we using this for the first time.
- The company's leadership team is accountable to the board for preparing the integrated report. The board is review and approve the content of the annual report before publishing.
- Cross-functional collaboration involves key departments in the report preparation process, ensuring accurate and complete disclosures.
- A structured regulatory and compliance validation process is conducted to confirm that all disclosures adhere to applicable reporting standards, regulatory requirements, and governance best practices, ensuring transparency and accuracy.

EXTERNAL ASSURANCE

The Financial Statement and Non-Financial Information Sections included in this report have been audited by Messrs. KPMG who have expressed an opinion on the true and fair view of the annual financial statements as shown on pages 272 to 274, limited assurance on the Integrated reporting is provided on pages 102 to 106. Reasonable assurance in respect of the financial highlights on page 266, Limited Assurance on capital reports on pages 110 to 168 is presented on page 172 to 174. Further assurance



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2-3

2-5

IMPROVEMENTS TO THIS REPORT

CONTENT

Climate Target

N

Full implementation of
SLFRS S1 and S2

N

SASB industry Disclosure

N

Sustainability Dashboard

N

UNSDG contribution

✓

CSR

✓

N Improvement in 2024

is provided on disclosure made on SLFRS S1 and S2. The Board of Directors do not have any relationship with KPMG, apart from above engagement as the Independent External Auditor of the Company.

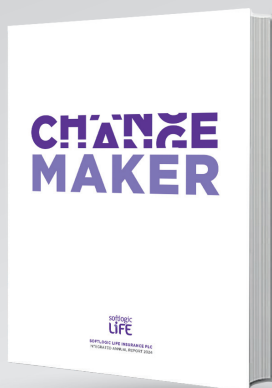
DISCLAIMER ON FUTURE ACTION

This report may contain forward-looking statements concerning the Company's future performance and prospects. While these statements reflect our current expectations, it is essential to recognize that various risks, uncertainties, and other significant factors could cause actual results to differ materially from those anticipated. We are dedicated to transparently and relevantly providing all future-oriented information to stakeholders whenever applicable.

FEEDBACK

Your comments or questions on this Report are welcome and we invite you to communicate your feedback.

USER FRIENDLINESS



Gamification

N

Live information

N

Clone annual report with
summarised data

N

AI analyser

✓

A feedback form is attached with this Report on page Annexure 419. You may direct your feedback to the designated person below.

Nuwan Withanage

Chief Financial Officer

Softlogic Life Insurance PLC

Level 16, One Galle Face Tower,

Colombo 2, Sri Lanka.

nuwan.withanage@softlogiclife.lk

RESPONSIBILITY FOR SUSTAINABILITY PRACTICES

The Board of Directors of the Company are responsible for sustainability practices and disclosures made in this Report and acknowledges its responsibility to ensure the integrity of this report. In our view we have prepared the annual report complying with all material aspects of amended IR Framework published in January 2021 In assessing compliance with Framework the management

TRANSPARENCY

03 External assurance for
SLFRS S1 and S2 /
Integrated reporting /
sustainability reporting

N

Six-year KPIs 3Y future /
3Y past

✓

Budget vs actual analysis
for 2024

✓

evaluated the report against the Guiding Principles and Content Elements stipulated in the framework. The Board has applied collective mind to the preparation and presentation of this Integrated Report and believes to the best of our knowledge that this Integrated Report fairly discusses all material issues.

Softlogic Life confirms that this Integrated Annual Report for the year ended 31st December 2024 has been prepared in compliance with the Sri Lanka Financial Reporting Standards (SLFRS) S1 General Requirements for Disclosure of Sustainability-related Financial Information and SLFRS S2 Climate-related Disclosures. The Board of Directors has reviewed and approved the disclosures to ensure they provide a fair and balanced representation of Softlogic Life's sustainability-related financial information.

Sgd.

Nuwan Withanage

Chief Financial Officer

Sgd.

Iftikar Ahamed

Managing Director

Sgd.

Ashok Pathirage

Chairman

(On behalf of the Board of Directors)