



SOCIAL AND RELATIONSHIP CAPITAL COMMUNITY



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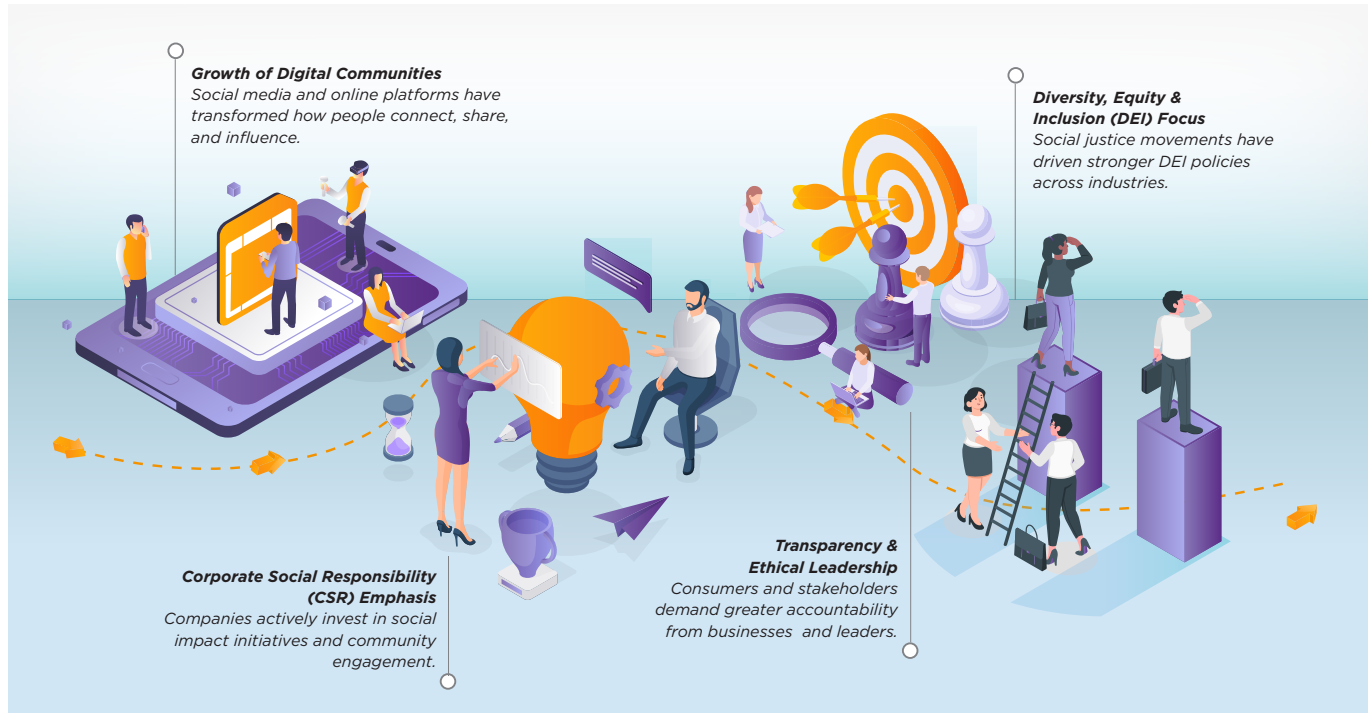
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EMPOWERING A NATION: STRENGTHENING LIVES, SUPPORTING COMMUNITIES, SECURING FUTURES

We are committed to transforming lives and shaping a brighter future. By challenging traditional perceptions, we empower individuals and communities to change the way they think, embrace progress, resilience, and opportunity. Through innovation and purpose-driven initiatives, we create impact that goes beyond financial security, inspiring a nation to thrive.



CHALLENGE TO CHANGE PROCESS

With a community-first approach, SLI leverages community capital to convert local challenges into collaborative opportunities, building stakeholder trust and cementing its role as a catalyst for positive social change.



The Resources We Used

- 1.1 Commitment to Combating Corruption
- 1.2 Commitment to Preventing Child Labour
- 1.3 Regulatory Compliance Oversight
- 1.4 Non-Discrimination Practices Enforcement



The Steps We Took

- 2.1 Ethical Advertising Practices
- 2.2 Commitment to Responsibility, Accountability, Transparency, and Fairness.
- 3 Protecting Customer Rights and Privacy
- 4 Legal Claims
- 5 Minimizing Negative Operational Impact



The Results We Achieved

- 6 Enhancing Community Economic Well-Being.



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EMPOWERING LIVES, REDEFINE LIFE INSURANCE

SHAPING MINDSETS FOR A BETTER TOMORROW

With initiatives like “Think Wise, Think Twice”, we nurture young minds to develop critical thinking and informed decision-making. Our Children’s Day message reinforces the importance of shaping a responsible and forward-thinking generation.

MAKING INSURANCE ACCESSIBLE TO ALL

We believe financial security should be for everyone. Through micro-insurance, we provide affordable, innovative solutions, ensuring even underserved communities have access to life protection.

INVESTING IN LONG-TERM GROWTH

Our commitment goes beyond financial security—we invest in education, sports, and entrepreneurship. By providing scholarships, supporting young athletes, and mentoring entrepreneurs, we create lasting community impact.

INSPIRING HOPE, NOT FEAR

We redefine life insurance by shifting from fear-driven messaging to empowerment. Through campaigns, we inspire Sri Lankans to embrace life with confidence and take bold steps toward their future.



1. GOVERNANCE OF S & R CAPITAL - COMMUNITY

We are committed to adhering to all relevant laws and regulations while embracing strong governance practices to foster a positive and socially responsible environment within the community.



OUR ESG POLICY

This policy outlines the company’s approach to managing Environmental, Social, and Governance (ESG) risks. ESG considerations are embedded within the Corporate Strategy, utilizing the existing Risk Management Framework and processes. The ESG Framework is fully integrated into the broader Risk Management Framework, operating based on key stakeholder priorities. The primary goal of this policy is to formalize Softlogic Life Insurance PLC’s commitment to responsible and strategic management, ensuring ESG factors are consistently incorporated across all operations. This dedication aims to minimize risks while maximizing value creation. The policy encompasses ESG risk assessment, reporting, awareness and training initiatives, and the establishment of a risk appetite statement.

As a socially responsible entity, we pledge to avoid providing insurance coverage or making investments in activities linked to forced or child labour, gambling, casinos and similar businesses, pornography or prostitution, media promoting racism or anti-democratic views, weapons and ammunition, and any actions leading to the displacement of Indigenous Peoples from traditional or culturally significant lands that result in adverse societal consequences.

Integrity is the foundation of a strong and thriving community. As an organization committed to ethical conduct, we recognize that combating corruption is not just a corporate responsibility but a societal imperative that directly impacts trust, fairness, and economic progress. By upholding transparency, accountability, and strict anti-corruption measures, we contribute to a just and equitable society where businesses, individuals, and communities can flourish without fear of exploitation.

1.1 Commitment to Combating Corruption

As a responsible organization, we maintain a strict zero-tolerance stance against frauds, corruption. We uphold rigorous compliance standards, ethical business practices, and non-discrimination principles, all while adhering to our Environmental, Social and Governance Policy. Additionally,

we ensure full compliance with Sri Lanka’s governance and regulatory requirements, reinforcing our dedication to responsible and ethical conduct.

Anti-Corruption Measures

Our Fraud Risk Management Policy applies uniformly to all employees and directors, ensuring strict compliance. Internally, anti-corruption efforts are managed by the Internal Audit team, while external compliance is monitored by the Compliance Officer. The Human Resources department plays a vital role by addressing internal concerns such as discrimination and corruption through thorough reviews, discussions, and mandatory employee training programs, ensuring awareness and adherence to anti-corruption practices across the organization.

Anti-Corruption Incidents - Business Partners

Softlogic Life’s anti-corruption policy extends beyond its employees to include agents and advisors who are authorized to act on the company’s behalf. During the reporting period, there were no instances requiring the termination or non-renewal of contracts with business partners due to corruption-related violations. Additionally, no public legal action was initiated against the organization or its employees concerning corruption.

Fraud Prevention and Management

In addition to anti-corruption measures, Softlogic Life maintains a Fraud Risk Management Policy toward fraud. The company has implemented rigorous fraud detection and prevention mechanisms, including internal controls, data analytics, and whistleblower channels to identify and mitigate fraudulent activities. Any suspected fraud is

promptly investigated by the Internal Audit and Compliance teams, ensuring accountability and swift action. Employees and business partners are also required to adhere to fraud prevention guidelines, reinforcing a culture of integrity and transparency across the organization.

Ongoing Monitoring of Anti-Corruption and Fraud Prevention Efforts

The internal audit department, in collaboration with the compliance officer, continuously oversees the anti-corruption measures to evaluate its effectiveness, adequacy, and relevance. Regular assessments are conducted to identify areas for enhancement, ensuring the program remains robust and evolves to meet the highest ethical standards.

1.3 Regulatory Compliance Oversight

Softlogic Life’s compliance officer diligently monitors all statutory payments and regulatory obligations, delivering monthly reports to the Board. Throughout the year, there were no significant fines or violations related to compliance matters, demonstrating the organization’s commitment to strict adherence to regulatory standards.

1.4 Non-Discrimination Practices Enforcement

Softlogic Life is dedicated to fostering an inclusive and equitable work environment where fairness and respect are fundamental. Our HR policies are designed to uphold non-discriminatory practices, ensuring equal opportunities for all employees.

Type	Category	No. of cases received	No of cases settled	Proved as frauds
Customer complaints	Misappropriations	20	17	-
	Misconducts/ misleading	36	36	-
Total		56	53	-
Internal investigations	General Inquiries	17	15	3

1.2 Commitment to Preventing Child Labour

Softlogic Life upholds a strict policy against employing individuals under the age of 18 and maintains a firm stance against child labour in any form. This commitment is embedded in the company’s environmental and social policy, which explicitly prohibits business engagements linked to child labour. To reinforce compliance, a policy condition is included in all insurance agreements, ensuring that the company does not support or participate in child labour-related activities. Regulatory Compliance Oversight.

During the reporting period, there were no reported incidents of discrimination, reflecting our strong commitment to maintaining a workplace culture built on diversity, equality, and mutual respect.

2 ETHICAL AND SOCIALLY RESPONSIBLE MARKETING

At Softlogic Life, we are dedicated to an ethical and socially responsible marketing approach that builds trust and respect among our customers while delivering long-term benefits. By integrating social responsibility into our business strategy, we create a positive impact on all stakeholders, including the

community, employees, customers, shareholders, business partners, and regulators. Our commitment to responsible marketing is reflected in our adherence to best practices that promote integrity and ethical business conduct. Notably, throughout the reporting period, there were no instances of non-compliance with regulations, voluntary codes, or guidelines, and no financial losses resulting from legal actions related to marketing communications.

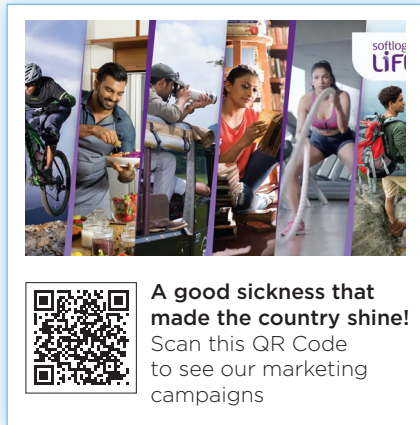
2.1 Ethical Advertising Practices

Advertising plays a crucial role in connecting businesses with customers, especially in an increasingly globalised market. Acknowledging its influence, we place a strong emphasis on ethical advertising to uphold cultural values, create meaningful engagement, and incorporate social and environmental considerations into our promotional efforts. Our advertisements are crafted with integrity, adhering to legal and ethical standards, and ensuring transparency, honesty, and social responsibility. We strictly follow fair competition principles and are committed to avoiding deceptive practices that could mislead consumers or erode public trust.

2.2 Commitment to Responsibility, Accountability, Transparency, and Fairness

We prioritize responsibility, accountability, transparency, and fairness across all our products and services, ensuring ethical interactions with stakeholders. Before introducing any new product to the market, our product forum conducts a thorough review to guarantee compliance with industry standards and consumer expectations. Each product launch is accompanied by a press conference, reinforcing our commitment to openness and accountability. Unlike fear-based marketing tactics, we

focus on educating and informing potential customers about the value of insurance and how it can improve their lives.



3 PROTECTING CUSTOMER RIGHTS AND PRIVACY

We are committed to safeguarding customer rights, including the right to redress, access to information, and data privacy. Further details on these initiatives can be found in the 'Customer Segment' section of the Social and Relationship Capital report.

4 LEGAL CLAIMS

For a detailed explanation regarding legal claims, please refer to page 385 of this report.

5 MINIMIZING NEGATIVE OPERATIONAL IMPACT

Softlogic Life has established clear operational goals and key performance indicators (KPIs) to ensure our activities do not negatively impact social capital. Our strategic approach emphasizes responsible business practices that contribute positively to society.

We were honoured as one of Sri Lanka's top 25 outstanding corporates at the prestigious LMD Awards Night 2024. This award is a testament to our passion for excellence and the positive impact

we have created in insurance for the betterment of all Sri Lankans.



6 ENHANCING COMMUNITY ECONOMIC WELL-BEING

Our commitment to improving community economic prosperity is embedded in our business model. Through micro-distribution channels, we provide life insurance solutions that are affordable, innovative, and relevant, ensuring accessibility for all Sri Lankans. This initiative not only enhances financial security but also creates livelihood opportunities, directly benefiting the community. By offering insurance products tailored to low-income earners, we contribute to elevating living standards and promoting financial inclusion.

Our micro insurance portfolio has played a transformative role in the industry, expanding access to life insurance for those who need it most.

490,073

No. of micro insurance policies sold

Rs. 176 Mn

Claims paid for micro insurance policy holders

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7 FUTURE FOCUS

Strategic Focus Area	Short term goals	Medium to Long term goals
Increased CSR Projects	We aim to expand the number of CSR projects, ensuring a wider reach and long-term benefits for society.	Through these efforts, we strive to drive lasting, positive change in communities across Sri Lanka
Environmental Sustainability	We plan to increase projects focused on environmental conservation, promoting sustainability and eco-friendly practices.	
Social Development	Our focus will be on enhancing community well-being through education, healthcare, and empowerment programs.	

8 COMMUNITY CONTRIBUTION TO VALUE CREATION (TRADE OFF)

