



# MANUFACTURED CAPITAL

UNGC

1

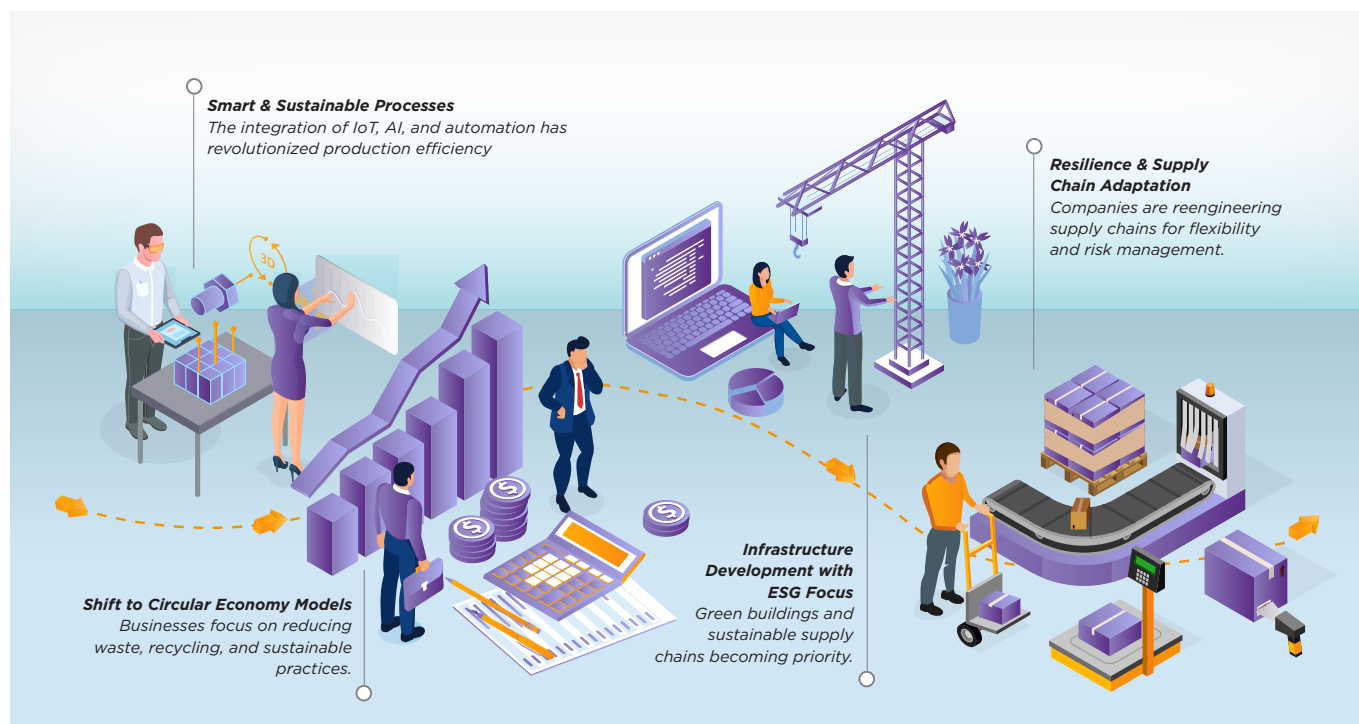
2

&lt;IR&gt;

2C

## DRIVING TRANSFORMATION AT SOFTLOGIC LIFE

At Softlogic Life, we believe that progress is not just about keeping up—it's about leading the change. Our manufactured capital plays a pivotal role in building a future-ready insurance ecosystem, integrating technology, innovation, and sustainability to enhance customer experiences and operational excellence.



## CHALLENGE TO CHANGE PROCESS

With state-of-the-art infrastructure, SLI leverages manufactured capital to turn operational challenges into growth opportunities, boosting efficiency and positioning itself as an innovator in the insurance sector.





## 1 GOVERNANCE OF MANUFACTURED CAPITAL

At Softlogic Life, our Code of Conduct outlines the responsible management and protection of our manufactured capital. All employees, including senior management and the Board of Directors, are required to safeguard the company's physical and digital assets, ensuring their efficient and ethical utilization. Misuse, carelessness, or waste of company resources is strictly prohibited, and all assets must be used solely for legitimate business purposes.

## 2 OPTIMIZING OUR PHYSICAL ASSET BASE

We efficiently manage our physical assets to achieve outstanding results. Our strategic focus on digitalization and automation enhances the effective utilization of company resources, contributing to overall operational efficiency.

### 2.1 Fixed Asset Composition

The allocation of our fixed asset is detailed in page 305.

### 2.2 Physical Infrastructure (Branch Network)

We benefit from an extensive island-wide network of 115 branches including head office, enabling us to effectively serve diverse market segments. Maintaining a broad branch network allows us to expand our customer base, improve accessibility, enhance brand presence, and create employment opportunities for local communities.

This year, we strategically expanded our network by opening four new branches, focusing on high-potential locations where demand for our services is growing. We adopted a targeted approach, ensuring that each new branch is optimally placed to maximize impact. Additionally, as part of our digital transformation strategy, we continue to integrate technology-driven solutions, allowing us to enhance service delivery while maintaining operational efficiency.

Table 40: New Branches

New Branches Province	No. of branches
Northern Province	1
North Central Province	1
Southern Province	1
Western Province	1
Total	4

This strategic expansion reflects the increasing demand for our services beyond the Western Province, reinforcing our commitment to reaching new markets and strengthening our nationwide presence.

## 2.3 Utilization of Public Infrastructure

We leverage government-provided infrastructure, including roads, water supply, and waste management services. In return, we contribute to economic progress through timely tax payments and by reducing overall tax burdens.

## 3 ADVANCEMENTS IN OPERATIONS & TECHNOLOGY

### 3.1 Digitalization

Technology is a key enabler in our journey toward full digital transformation. We continuously innovate to streamline processes, enhance efficiency, and implement advanced digital solutions such as auto-underwriting and digital proposals. Please refer to page no. 158 on our technological improvements

### 3.2 Maintenance and Certification

We ensure that we extract the utmost value from our manufactured capital through regular maintenance, upgrades, and necessary certifications. SLI currently holds the following certifications.

- ISO certified Internet Service Providers from SLT and Dialog
- "ORACLE" as our ERP system which is one of the best among ERP Systems
- "Enterprise User" of Microsoft

## 4 RISKS AND CHALLENGES

During the year management of SLI faced challenges in managing our Manufactured Capital. The impact and action taken are listed below

Risk Factor	Impact	SLI Responses
Rapid Technological Advancements	Frequent upgrades have led to increased operational costs.	SLI has invested in scalable and flexible digital infrastructure, including Copilot and ChatGPT.
Cybersecurity Threats	The rapid advancement of digitalization, combined with a strong push for innovation, has created new weaknesses, increasing the likelihood of cyber threats.	We have established strong management and technical controls to enhance oversight and security measures.  Continuously assess and upgrade the IT security system to maintain its effectiveness.

## 5 FUTURE FOCUS

Category	Short term target	Medium to long term target
Digital Transformation	Strengthening IT infrastructure by integrating advanced digital tools for process optimization.	As digitalization expands, we planned to implement AI-driven automation and predictive analytics to enhance decision-making and resource management while simultaneously developing a resilient cybersecurity framework with AI-driven threat detection and proactive defense mechanisms to mitigate rising cyber risks.
Cybersecurity & Risk Management	Enhance security protocols and monitoring systems to mitigate cyber threats.	

## 6 MANUFACTURED CAPITAL CONTRIBUTION TO VALUE CREATION (TRADE OFF)

