



SOCIAL AND RELATIONSHIP CAPITAL BUSINESS PARTNER

Our business partner network represents a strategically interconnected ecosystem that supports distribution, risk management, operational execution, and regulatory integrity. Each partner category contributes specialised expertise and capabilities that strengthen our value chain and enhance organisational resilience. The sections that follow outline the nature of these relationships and how we engage each group to drive shared value and sustainable performance.



Galle Fort

Within the walls of Galle Fort, trade flourished because trust was shared. It was a place where different worlds met, collaborated, and built something lasting. Our partnerships are shaped in that same spirit. We grow stronger not in isolation, but alongside those who share our vision. Built on mutual respect and shared responsibility, these relationships allow us to stand firm, adapt together, and create value that endures far beyond a single transaction.

Expanded our agency distribution network by onboarding 1,000 agents through the acquisition of Allianz Life Insurance Lanka Limited,

Sri Lanka's first financial reinsurance agreement with Munich-re and USD 15 Mn subordinate debt from Norfund and OP Finnfund to support expansion.

Strategic collaboration with telco partners and the Postal Department strengthens nationwide distribution, ensuring broader market penetration and improved customer access across Sri Lanka.

VALUE DRIVERS TO STRATEGIC IMPACT

GOVERNANCE FRAMEWORK



Strategic Capital Infusion

Relationship with diverse business partners

- Field staff
- Regulators
- Intermediary Partners
- Other business Partners



Value Addition Mechanisms

- Training and development
- Commitment to fair and equitable transactions.



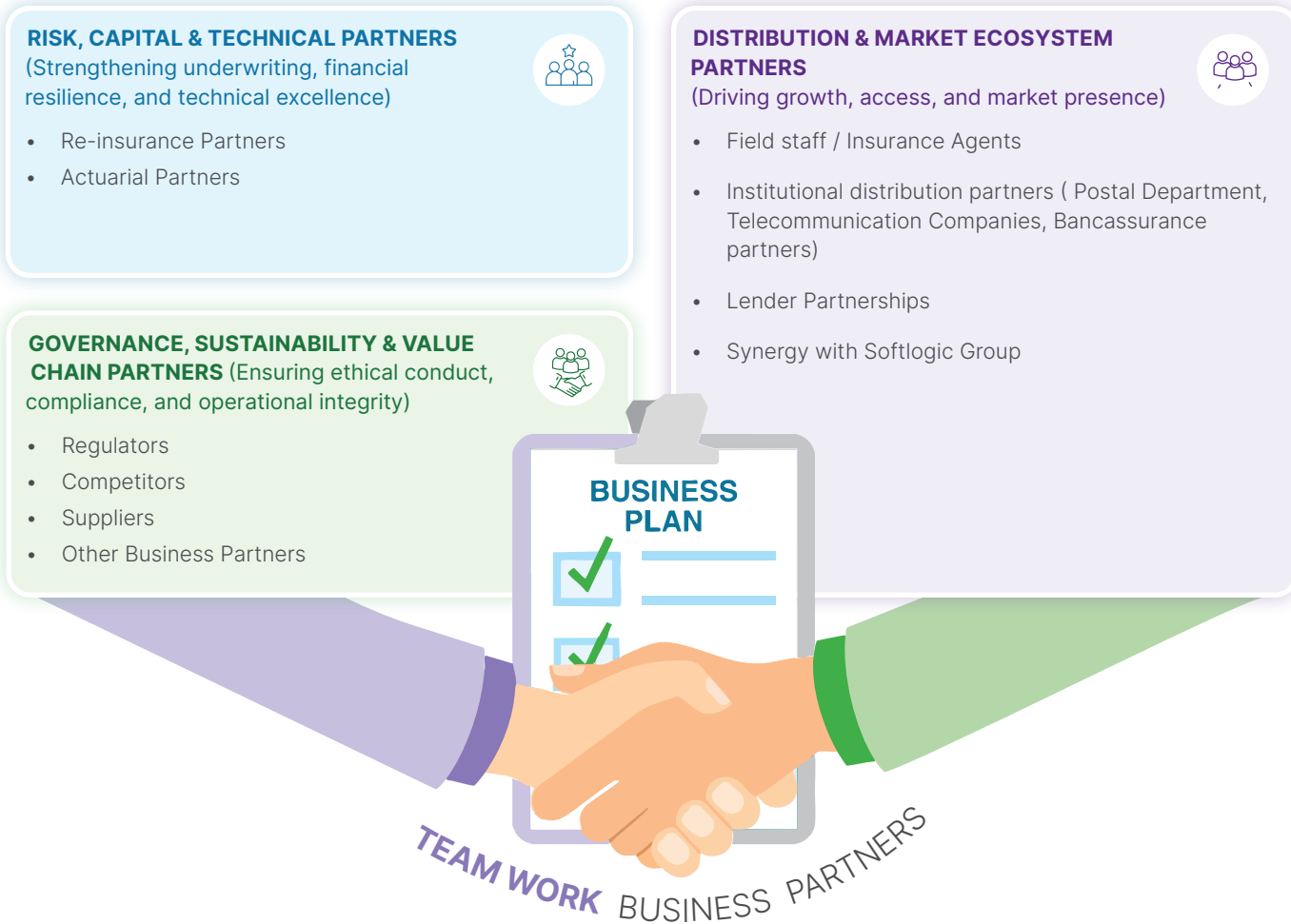
Performance Milestones

- Field staff recognition
- Empowering local suppliers



Strategic Impact

- MDRT qualifiers
- No. of promoted field staff



1. GOVERNANCE OF SRC - BUSINESS PARTNER

Commitment to Fair and Equitable Transactions

We are committed to fostering an inclusive and responsible business environment in alignment with Softlogic Life’s internal policies, applicable laws, regulatory requirements, and established governance standards. Our engagements with business partners are conducted with fairness, integrity, and impartiality, ensuring transparent and ethical collaboration. We also uphold disciplined financial practices, including the timely settlement of obligations, reinforcing trust and reliability across our partner ecosystem. ^{LA}

2. DISTRIBUTION & MARKET ECOSYSTEM PARTNERS

Our Distribution & Market Ecosystem Partners include field staff, institutional channels, lender collaborations, and strategic group synergies drive growth and market reach through our. Empowered by digital enablement and strong alignment, these partnerships enhance customer access, productivity, and service excellence while strengthening our competitive position and sustainable value creation.

2.1 OUR FIELD STAFF

Our field force represents the frontline of our business and plays a pivotal role in driving sustainable growth. Through disciplined execution of well-structured strategic initiatives, they remain highly engaged and performance-driven despite evolving market challenges.

The field staff are instrumental in the marketing and sale of life insurance solutions, customer acquisition, policy servicing support, and sustained after-sales engagement, strengthening customer relationships and reinforcing our market presence. Their commitment to excellence has consistently translated into strong business outcomes, enabling SLI to outperform industry benchmarks over the past decade.

The field force operates under formal contractual arrangements and structured commission-based frameworks. Their activities are governed by clearly defined operational guidelines, performance monitoring systems, compliance protocols, and regulatory requirements.

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2. OUR FIELD STAFF

FIELD STAFF COMPOSITION	TRAINING AND DEVELOPMENT	SALES STAFF RECOGNITION
<p>The gender composition of our field team highlights our progress toward inclusive workforce participation. Continued focus on attracting, retaining, and developing female talent within sales functions reinforces our commitment to diversity-driven performance and sustainable growth.</p>	<p>We prioritise continuous capability enhancement to ensure they are equipped with the skills and knowledge required to perform effectively to represent the frontline of the business and serves as the primary connection between the Company and its customers.</p>	<p>Acknowledging Field Excellence Creating Lasting Impact: External Recognition</p> <p>With their exceptional performance and commitment, our field employees continue to establish standards for excellence.</p>
<p>2025</p> <p>2,674 Male 2,005 Female</p>	<p>Through structured development programmes delivered via our Learning Management System (LMS), digital platforms, and a fully equipped training centre supported by industry specialists, we strengthen technical expertise, advisory competence, regulatory understanding, and customer engagement standards.</p>	 <p>Seven of our outstanding team members were honoured for their outstanding accomplishments at the SLIM National Sales Awards 2025</p>
<p>2024</p> <p>1,935 Male 1,088 Female</p>		<p>Celebrating Frontline Moves: Internal Recognition</p> <p>At Softlogic Life, we take great pride in honouring and appreciating our sales team for their remarkable work, which accelerates change both inside the organisation and the insurance industry. We honour these outstanding achievers with a renowned yearly Sales Convention.</p>
<p>43% of female composition 2025 36% of female composition 2024</p>	<p>6,695 Training Hours 106Mn Investment</p>	<p>Sales convention 2025 honoured nearly 446 top achievers whose infinite grit and drive contributed significantly to Softlogic Life's standing in the industry.</p>
<p>2,640 New Recruitments 803 Promotions</p>	<p>Fully Equipped Training Centre LMS</p>	<p>Sales convention 2025 honoured nearly 446 top achievers whose infinite grit and drive contributed significantly to Softlogic Life's standing in the industry.</p>
<p>Attrition Rate 47% Company 53% Group</p>	<p>The training programmes includes both professional and personal development programmes including Sales Capability & Distribution Excellence, Technical & Product Knowledge Development, Leadership & Management Development.</p>	
<p>The head count of the field staff is based on the active status within internal operational systems at 31 December 2025.^{1A}</p> <p>The increase in field staff is attributable to the acquisition</p>		

**REWARDING EXCELLENCE
BEYOND THE WORKPLACE**

The Power of One: Welcoming Our New Advisors

New Advisor Day 2025 brought together advisors recruited in the first half of the year, united under the theme “The Power of One.



New business competition winner's celebrations

To recognise and motivate outstanding performance, we organise exclusive incentive trips and engagement gatherings for our top-performing advisors. These experiences go beyond traditional rewards, fostering team spirit, strengthening professional networks, and reinforcing a culture of excellence. By celebrating success in meaningful and memorable ways, we inspire sustained high performance and deepen loyalty across our sales force.



**MDRT
QUALIFIERS**

The top performers in the life insurance and financial services sector are represented by MDRT (Million Dollar Round Table) qualifiers, who are renowned throughout the world for their outstanding customer service, ethical standards, and sales performance. Our MDRT qualifiers at Softlogic Life are raising the standard, sparking innovation and reaffirming our commitment to providing our clients with top-notch financial protection.

Qualifying category	2025	2024
TOT Qualifiers	5	3
COT Qualifiers	16	13
MDRT Qualifiers	281	227
Total Qualifiers	302	243

In 2025, our sales force recorded a significant milestone under the LIMRA International Quality Awards.

This accomplishment reflects the strength of our advisory standards, leadership excellence, and commitment to quality and persistency. It underscores our continued focus on professionalism and sustainable growth across the distribution network.



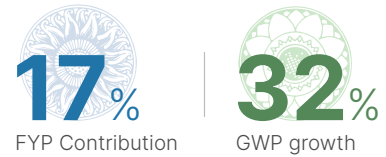
2.2 INSTITUTIONAL DISTRIBUTION PARTNERS

THREE CHANNELS. ONE UNIFIED IMPACT

By partnering with telecommunication providers, the postal system, and banking institutions, we repositioned our outreach from standalone messaging to embedded communication naturally occurring within customers’ everyday interactions. These partnerships demonstrate our capacity to connect with a broader customer base, highlighting our potential for growth.

Telecommunication Partner

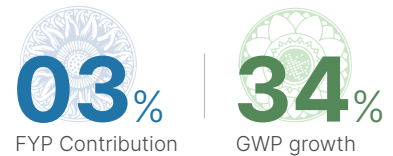
Connecting Protection Through Digital Reach



+18 Mn Digital Reach

Bancassurance partners

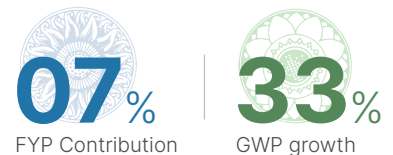
Integrating Protection with Financial Confidence



+18 Strategic Bank Partners
+4500 Branch Access Points

Postal Department

Extending Insurance to Every Corner of the Nation



+4,000 Rural Access Points
25 District Coverage

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2.3 Lender Partnerships

Global impact investors Norfund and OP Finfund have collectively disbursed USD 15 million in subordinated debt, renewing their financial support following the successful repayment of the previous facility. This funding strengthens our capital base and positions the Company to effectively capitalise on emerging opportunities, sustaining our growth momentum.

2.4 Synergy with Softlogic Group

As a member of the diversified Softlogic Group, SLI derives significant value from strong group synergies. In particular, its partnership with Sri Lanka's leading healthcare provider plays a pivotal role in its value creation strategy. Through cross-industry collaboration, brand alignment, and economies of scale enabled by bulk procurement, this Allianz enhances SLI's market positioning, operational efficiency, and overall competitive strength.

3. RISK, CAPITAL & TECHNICAL PARTNERS

Our Risk, Capital & Technical Partners strengthen underwriting discipline, capital adequacy, and long-term financial resilience. Through close collaboration with reinsurance and

actuarial experts, we enhance pricing accuracy, risk selection, reserving integrity, and regulatory compliance ensuring sustainable profitability, balance sheet strength, and technical excellence across our insurance portfolio.

3.1 Re-Insurance Partners

Reinsurance remains a cornerstone of our risk management and capital optimisation strategy. By transferring selected risks to financially strong and reputable global partners, we enhance balance sheet resilience, improve capital efficiency, and reinforce long-term financial stability. These partnerships allow us to operate within defined risk parameters while supporting sustainable growth.

The strategic contribution of our reinsurance partnerships to value creation is as follows.

Area	Strategic Focus	Value Delivered to SLI
Risk Transfer	Diversified treaty and facultative arrangements	Optimised risk retention and reduced earnings volatility
Capital Management	Structured reinsurance solutions	Enhanced capital efficiency and solvency position
Underwriting Support	Technical collaboration and risk assessment expertise	Improved pricing accuracy and portfolio quality
Product Innovation	Co-development of specialised and complex products	Expanded market offerings and competitive differentiation
Claims Management	Large loss support and claims advisory	Strengthened financial resilience and customer confidence
Market Intelligence	Access to global insights and emerging risk trends	Improved preparedness for evolving risk landscapes

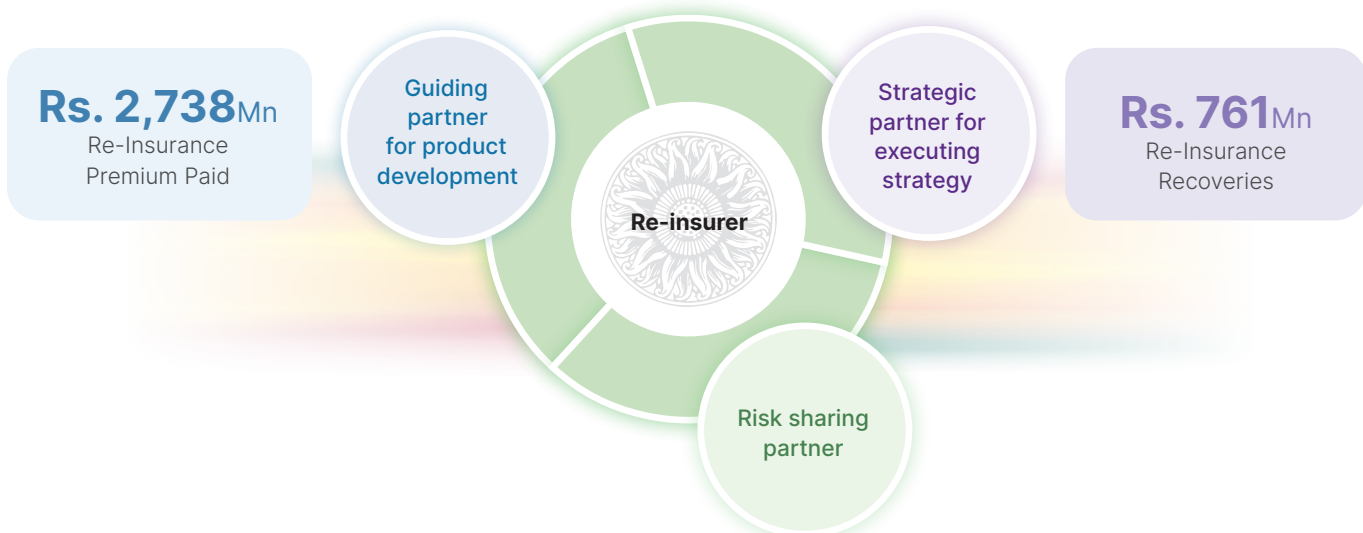





Table 50: Our Reinsurance Panel

Reinsurer	Logo	Credit Rating		Years of experience	Profile As at 31.12.2024 Total Assets (Bn)
		(A.M. Best)	(FITCH)		
Munich Re		A+	AA	145	€ 112
SCOR		A	A+	54	€ 37
AXA PPP Healthcare Ltd		A+	-	40	\$ 654
Canopus Managing Agents Limited (Lloyd's Syndicate Number 4444)		A-	AA-	44	\$ 7
SiriusPoint International Insurance Corporation		A -	A	30	\$ 13
AllianzSE		A+	-	135	€ 137
RGA		A+	-	51	\$ 119

3.2 Actuarial Partners

Softlogic Life Insurance PLC partners with globally renowned actuarial specialists, Messrs. Willis Towers Watson India Private Limited, is a subsidiary of Willis Towers Watson, a multinational consultancy organisation. This collaboration is essential to price plans, product development, and liability assessments. These actuarial partners make a substantial contribution to the company's value creation process by utilising their global experience, which guarantees sound financial decision-making and long-term success.

4. GOVERNANCE, SUSTAINABILITY & VALUE CHAIN PARTNERS

Our Governance, Sustainability & Value Chain Partners uphold the highest standards of ethical conduct, regulatory compliance, and operational integrity. Through proactive engagement with regulators, suppliers, and industry stakeholders, we promote responsible practices, transparent reporting, and sustainable procurement—strengthening trust, accountability, and long-term value creation across our ecosystem.

4.1 REGULATORS

Our regulatory ecosystem includes the Insurance Regulatory Commission, Colombo Stock Exchange, Securities and Exchange Commission, financial reporting standard setters such as CA Sri Lanka, and other applicable statutory and regulatory authorities. These institutions play a direct and active role in shaping our governance framework, reporting standards, and operational practices.

Through strict regulatory compliance, SLI strengthens stakeholder confidence, safeguards policyholder interests, and ensures financial stability. Adherence to capital, governance, and reporting standards enhances transparency, risk discipline, and operational credibility—reinforcing our license to operate while supporting sustainable growth and long-term value creation

Furthermore, we maintain active memberships in key industry bodies that enable us to create broader impact through our business while ensuring our practices remain aligned with emerging trends, evolving standards, and best-in-class industry developments.

Association Membership ^{LA}

1. *The National Chamber of Commerce Sri Lanka*
2. *Institute of Chartered Accountants of Sri Lanka*
3. *Insurance Regulatory Commission of Sri Lanka (IRC SL)*
4. *Insurance Association of Sri Lanka (IASL)*
5. *Sri Lanka Insurance Institute (SLII)*
6. *Colombo Stock Exchange (CSE)*
7. *Central Bank of Sri Lanka (CBSL)*
8. *Life Insurance Marketing and Research Association (LIMRA)*
9. *Employee Federation of Ceylon (EFC)*

5. COMPETITORS

The Sri Lankan insurance market remains highly competitive, comprising 13 life insurers and two composite insurers as at the reporting date. Limited product differentiation and relatively low market penetration continue to intensify competitive dynamics across the industry. In this environment, competition is viewed

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not as a constraint but as a catalyst for progress, driving higher benchmarks and elevating industry standards. This perspective enables continuous improvement, innovation, and sustained advancement.

2.85 Bn
Payment for Local Suppliers

53%
of supplier payments made to local suppliers ^{1A}

6. COMMITMENT TO ETHICAL COMPETITION AND MARKETING

Softlogic Life actively participates in ethical competition, concentrating on improving internal capabilities as opposed to trying to affect external market conditions. To stay ahead of the competition, our approach centres on bolstering our key skills.

Accordingly, we maintain ethical marketing techniques by guaranteeing transparency, protecting the privacy of consumer data, and immediately addressing customer concerns. In order to build confidence with our clients, we are dedicated to upholding integrity in all of our communications and avoiding making exaggerated or false statements.

7. SUPPLIERS

To ensure seamless service delivery, the company engages a diverse range of suppliers, including equipment providers, technology vendors, facility management providers, and other operational support service partners.

8. OTHER BUSINESS PARTNERS

We comprehend the significance that our consultants, media partners, carriers, and security services are to our business environment. We strengthen our dedication to operational excellence and improve our value creation process by cultivating solid, mutually beneficial connections with these stakeholders.

9. RISKS AND CHALLENGES

Throughout the year, SLI's management encountered numerous difficulties in overseeing our Business Partner Capital. The following is a list of the effects and actions.

Risks	SLI Responses
Talent Retention & Capability Risk : Increasing industry competition for high-performing agents and technical professionals may result in talent attrition and skill gaps.	<ul style="list-style-type: none"> • Structured career progression and performance-linked incentives • Continuous training, digital enablement, and professional certification • Succession planning and leadership development • Strong engagement and recognition frameworks
Technological changes: Rapid advancements in AI and automation impacting traditional insurance sales models.	<ul style="list-style-type: none"> • Strategic investment in AI-enabled underwriting and customer engagement tools • Hybrid advisory model integrating digital and human touchpoints • Continuous technology upgrades and cybersecurity strengthening

10. FUTURE OUTLOOK AND STRATEGIC PRIORITIES

Strategic Pillar	Short-Term Goals »	Long-Term »
Preventive Health & Wellness	Collaborate with business partners to develop climate-resilient and health-focused insurance products. Integrate wellness value propositions into bancassurance channel offerings.	Build co-developed wellness-integrated product pipelines, leveraging SLI's HealthScore and preventive health capabilities.
Personalised Products & Services	Upskill field staff and MDRT members on empathy-based, data-informed financial advisory.	Enable all distribution partners to deliver hyper-personalised insurance solutions through AI-powered digital advisory tools.
Digital Transformation & InsurTech	Introduce a digital-first upskilling programme for field staff.	Transform the partner ecosystem into a fully AI-enabled distribution network.
Sustainability & ESG	Ensure full regulatory compliance across all partner channels. Embed ESG expectations into supplier and partner engagement frameworks.	Build a resilient, sustainability-aligned partner ecosystem that prioritises ethical conduct, environmental responsibility, and long-term shared value.

As part of its commitment to responsible business practices and community development, the Company prioritises engagement with local suppliers. *For the purpose of reporting, a local supplier is defined as a business entity that is registered and operates within Sri Lanka.*

The Company's operation is based only in Sri Lanka, and accordingly, procurement activities are primarily conducted within the country. By sourcing goods and services locally, the Company contributes to strengthening domestic value chains, supporting small and medium-sized enterprises (SMEs), generating employment opportunities, and promoting inclusive economic growth.

11. CONTRIBUTION TO VALUE CREATION (TRADEOFF)

