



MANUFACTURED CAPITAL

MANAGEMENT APPROACH

Our physical infrastructure including our head office, network of regional branches, and digital platforms forms the backbone of our service delivery. We are committed to maintaining these assets to ensure uninterrupted service and a positive customer experience. Our approach includes regular upgrades to our branch network, investment in reliable and secure IT infrastructure, and a business continuity plan that safeguards our operations against disruptions. We measure our effectiveness through metrics like system uptime, branch accessibility across districts, and the pace of technological adoption in our customer interactions.



Victoria Dam

Victoria Dam stands as a testament to what can be built when vision meets engineering. It channels immense natural force into steady, reliable power that supports daily life. Manufactured capital reflects this tangible strength, assets thoughtfully constructed, maintained with diligence, and designed to serve communities over time. It is structure that provides reassurance, and infrastructure that turns ambition into dependable reality.

Expanded our geographical presence through a network of 46 branches, strengthening nationwide accessibility and enhancing our ability to serve customers across Sri Lanka.

Robust digital infrastructure enabling world class innovation and transformative customer solutions.

VALUE DRIVERS TO STRATEGIC IMPACT

GOVERNANCE FRAMEWORK



Strategic Capital Infusion

- Strategic capital deployment into branch and technology infrastructure
- Expansion of physical distribution network
- ERP backbone (Oracle) and enterprise digital systems
- AI-enabled underwriting and claims platforms
- Business continuity and disaster recovery frameworks



Value Addition Mechanisms

- Digitalisation and workflow automation
- Standardisation of operating procedures across branches
- Continuous system upgrades and preventive maintenance
- Governance oversight and disciplined asset stewardship



Performance Milestones

- Expanded nationwide branch footprint
- Faster policy issuance and claims processing
- Improved operational consistency and service reliability
- Integrated physical and digital customer touchpoints



Strategic Impact

- Enhanced market penetration and financial inclusion
- Strengthened operational resilience
- Superior customer experience
- Sustainable long-term growth and scalability

1. GOVERNANCE OF MANUFACTURED CAPITAL

Our Code of Conduct ensures responsible stewardship of manufactured capital, requiring everyone in SLI to safeguard digital and physical assets. With zero tolerance for misuse or waste, assets are utilised ethically and strictly for legitimate business purposes to protect long term value.

2. STRATEGIC CAPITAL INFUSION (INPUT)

During the year, Softlogic Life significantly strengthened its manufactured capital base through expansion of its branch infrastructure and continued investment in digital capabilities. The establishment of 8 new branches in high-potential regions, together with the access of 38 additional branches due to acquisition, substantially widened our geographical footprint.

This expansion enhanced accessibility beyond established urban centres and reinforced our commitment to inclusive insurance penetration across Sri Lanka.

Simultaneously, we continued to strengthen our digital infrastructure through enterprise-wide systems including Oracle ERP, Microsoft enterprise integration, and secure, certified connectivity platforms. AI-enabled underwriting, digital proposal systems, and automated claims processing further reinforce our scalable operational framework.

Table 52: New Branches

Province	No. of New branches
North Central Province	1
North Western Province	2
Northern Province	1
Southern Province	1
Uva Province	2
Western Province	1
Total	8

In 2025, Softlogic Life Insurance PLC executed a decisive expansion of its physical distribution infrastructure through the acquisition of Allianz Life Insurance Lanka Limited. This bold move significantly strengthened the Group's manufactured capital, enhancing its ability to deliver insurance solutions efficiently and consistently across a wider geographic footprint.

Table 53: Branch access added to the branch network due to acquisition

Province	No of location access added
Central Province	4
Eastern Province	2
North Central Province	2
North Western Province	3
Northern Province	7
Sabaragamuwa Province	5
Southern Province	4
Uva Province	4
Western Province	7
Total	38

3. DIGITALISATION & OPERATIONAL INTEGRATION (PROCESSES)

Technology remains central to operational excellence. We have streamlined end-to-end processes through:

- Digital proposal and onboarding systems
- Auto-underwriting capabilities
- AI-powered claims settlement mechanisms
- Paperless workflow automation



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These initiatives reduce turnaround time, enhance pricing accuracy, and improve risk discipline while delivering seamless customer experiences.

To ensure operational alignment across the expanded branch network, standard operating procedures and service guidelines have been deployed consistently. Monitoring frameworks and periodic operational reviews maintain service quality and governance discipline across all locations.

Preventive maintenance, periodic system upgrades, and certification standards ensure that our infrastructure remains secure, reliable, and future-ready.

4. EXPANDING REACH & SERVICE CAPABILITY (OUTPUTS)

The expanded branch network significantly enhanced Softlogic Life's service capability. By strengthening our presence in both established and emerging markets, we have improved responsiveness, reduced service gaps, and increased operational continuity.

The integration of physical branches with digital platforms creates a hybrid distribution model combining personal advisory strength with technological efficiency. This integrated approach strengthens customer trust while supporting productivity gains across the network.

5. OPERATIONAL RESILIENCE & SUSTAINABLE IMPACT (OUTCOMES)

Our strengthened manufactured capital has delivered measurable strategic outcomes:

- Greater accessibility across provinces
- Improved business continuity preparedness
- Enhanced agility in responding to market and environmental disruptions
- Higher operational consistency and governance compliance

Our Business Continuity Plan incorporates risk assessments related to natural disasters and systemic

disruptions, ensuring coordinated response mechanisms and minimal operational downtime.

This infrastructure-led resilience positions Softlogic Life to sustain growth while safeguarding policyholder interests.



GWP Growth
10 year CAGR



Profitability
ROE

6. FUTURE OUTLOOK AND STRATEGIC PRIORITIES

Strategic Pillar	Short-Term Goals	Long-Term
Preventive Health & Wellness	Ensure all branch infrastructure across expanded provinces meets health, safety, and ergonomic standards.	Maintain a branch network that fosters a comfortable and welcoming environment
Personalised Products & Services	Deploy standard operating procedures and service guidelines consistently across all 46 new locations to ensure a uniform, high-quality customer experience.	Sustain the hybrid branch infrastructure model capable of delivering personalised, data-driven customer interactions through seamlessly integrated physical-digital environments.
Digital Transformation & InsurTech	Strengthen IT infrastructure with advanced digital tools; scale Agentic AI modules across all departments; enhance cybersecurity protocols and monitoring systems.	Implement AI-driven automation and predictive analytics enterprise-wide
Sustainability & ESG	Embed environmental consideration and efficiency standards in new branch development.	Ensure minimal disruption and sustainable infrastructure management aligned with ESG commitments.

7. CONTRIBUTION TO VALUE CREATION (TRADEOFF)

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Financial Capital

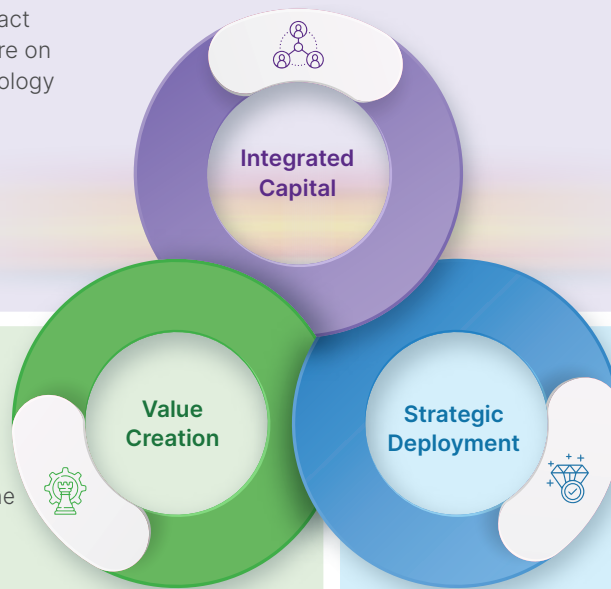
- + Long-term profitability growth through increased business volumes and efficiencies.
- Short-term financial impact due to capital expenditure on infrastructure and technology enhancements.

Social & Relationship Capital

- + Greater accessibility for customers and business partners through expanded service touch points.

Human Capital

- + Improved employee performance and productivity through enhanced work environments and digital tools.



Operational Infrastructure Enhancement

- Upgrading operational infrastructure to streamline business processes and elevate service delivery.

Digital Capability Expansion

- Broadening digital capabilities to enable fluid, insight-driven decision-making across the organisation.

Customer Touchpoint Strengthening

- Reinforcing both physical and digital customer touchpoints to enhance accessibility and deepen engagement.

Service Quality & Lean Operations

- Maintaining excellence and consistency in service delivery through well-organised facilities and efficient, lean operations

Digital Transformation and Insurtech

Robust and modern IT systems facilitate smooth digital workflows, enhancing capabilities in data-driven insights and process automation.

Personalisation & Customer-Centric Products and Services

A strong infrastructure backbone accelerates policy handling, streamlines claim processing, and enables tailored support experiences for customers.

Sustainability and ESG

Channelling resources into eco-friendly technologies and environmentally conscious infrastructure helps minimise ecological footprint while driving down operational expenditures.