

Unstoppable Momentum, built on a renewed foundation

Annual Report 2024



With decades of professionalism, customer-centricity, and resoluteness combined with the single minded focus on protecting life and mitigating the many risks life presents, Sri Lanka Insurance Corporation Life Limited continues on its trend-setting journey, on a strengthened foundation. Our protective wings are spread across the nation, providing comfort and security in times of need to individuals and families alike, with unparalleled dedication to long term insurance, we are unstoppable in our unwavering commitment to protecting you and your loved ones, for the long term.



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About Us

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About Sri Lanka Insurance Corporation Life Limited

Established in 1962 as a state-owned entity, Sri Lanka Insurance Corporation (SLIC) is the nation's pioneer in the insurance sector and holds the distinction of being the most experienced Insurance provider in the country. Driven by its core mission to serve the people better, SLIC is committed to expanding its service reach while consistently delivering innovative, value-added solutions. This unwavering focus on customer convenience and service excellence continues to set industry benchmarks and reinforce SLIC's leadership in the insurance landscape.

In alignment with the guidelines of the insurance regulator and government directives, SLIC underwent a legal restructuring effective 01 February 2024. The company was segregated into two separate legal entities under a holding company structure, resulting in the establishment of two wholly owned subsidiaries: Sri Lanka Insurance Corporation Life Limited (SLIC Life) and Sri Lanka Insurance Corporation General Limited (SLIC General). This restructuring enables each entity to dedicate its full focus to its respective businesses, delivering



greater value and more effectively identifying the unique needs of its target market segments.

As the pioneer in the insurance industry in Sri Lanka, our reach is vast and our roots are deep, reaching a cross section of the society to address their evolving needs, in the life insurance sector. A well trained team of life insurance professionals, certified by the Insurance Regulatory Commission of Sri Lanka, serve the community offering need-based products from a diversified product portfolio and

stand by our policyholders through life's moments with utmost regard to protecting customer data and privacy.

Prudent investments across several banking, financial, healthcare, power and energy, and hospitality industries ensure a resilient return on investment, contributing to a sustainable operation, currently relevant and future ready. With a mandate of offering life insurance solutions to all Sri Lankans, we have continuously partnered with the Government of Sri Lanka in the process of the nation's economic recovery.



Our Purpose

Enhancing the lives of all Sri Lankans with customised Life Insurance solutions, we make Insurance accessible to all, offering efficient and empathetic services.



Our Vision

To be the Nation's first choice in Life Insurance companionship.



Our Mission

Tailoring services and crafting solutions to meet dynamic life insurance needs, embedding sustainability, resilience and inclusivity in our organisational culture, creating stakeholder value.



Our Values

Mutual trust and respect: Every employee is expected to demonstrate respect for the persons and positions irrespective of their gender, race, cast, creed or any other difference. This relates to all stakeholders of the organisation including superiors, colleagues, peers, subordinates, customers and members of the public. This attitude should be reflected in all interactions with stakeholders.

Togetherness: Every employee is expected to demonstrate this behavior when interacting with all stakeholders and when working towards accomplishing either personal or team oriented goals at all times by extending support, resources, and cooperation with a view to building a cohesive work group.

Integrity and ethical conduct: The Company strongly promotes uncompromising honesty in employees and strong moral character and expects each employee to carry out their personal and professional duties in an ethically and socially acceptable manner at all times.

Professional commitment: Every employee is expected to ensure fair, proper, and efficient conduct during all personal and professional interactions with the Company's stakeholders, in keeping with high moral standards it owes to the society.

Strive for excellence: All efforts should be directed towards delivering and surpassing stakeholder expectations while adhering to the stipulated rules and regulations and standards of the Company.

Board of Directors



**Mr Rohan
Buultjens**

**Mr Dushmantha
Thotawatte**

**Mr Nusith
Kumaratunga**



**Mr K Ravindra
Pathmapriya**

**Mr Niel
Unamboowe PC**

**Mr Rajiv
Dharmendra**

**Ms Shiromi
Kodagoda**

Board of Directors



MR NUSITH KUMARATUNGA

Chairman

Mr Nusith Kumaratunga is a distinguished finance professional with over three decades of experience. A Fellow member of the Institute of Chartered Accountants of Sri Lanka and a member of the Institute of Certified Management Accountants, he holds a BSc in Estate Management and Valuation from the University of Sri Jayewardenepura. His career commenced at Price Waterhouse Coopers, and in the year 2000, he founded his own company, Nusith Kumaratunga Co. a well recognised firm offering audit, tax planning, and business consultancy services, particularly focused on small and medium enterprises (SMEs).

Mr Kumaratunga has been a key figure in the development of the SME sector in Sri Lanka, conducting numerous training programmes funded by the World Bank and the Ministry of Finance to help entrepreneurs enhance their financial management skills. He is also involved in national economic discussions, serving on advisory panels to improve taxation and economic policies. Currently, Mr Kumaratunga is the Chairman of the Sri Lanka Insurance Corporation Limited, Sri Lanka Insurance Corporation Life Limited, Sri Lanka Insurance Corporation General Limited and a Board Member of the Ceylon Electricity Board and Lanka Hospitals Corporation PLC.



MR DUSHMANTHA THOTAWATTE

Director

Mr Dushmantha Thotawatte was appointed to the Board of Directors of Sri Lanka Insurance Corporation Limited (SLIC) with effect from 22 August 2022 and Sri Lanka Insurance Corporation Life Limited (SLICLL) with effect from 06 October 2023. He is the Chairman of Canwill Holdings Pvt Ltd. and L C B Finance PLC. Mr Thotawatte is a Fellow member of the Institute of Chartered Accountants of Sri Lanka with a Bachelor of Commerce (Special Degree) from University of Sri Jayewardenepura, and a Master in Financial Economics from University of Colombo. He is an accomplished Leader who has extensive experience in the field of Finance Management, Corporate Governance, Strategic Management and Public Relations together with a successful track record as a Chief Executive Officer, Chief Finance Officer and Chief Internal Auditor in many State Owned Enterprises and Private Organisations counting over 40 years of experience.



MR K RAVINDRA PATHMAPRIYA

Director

Mr K Ravindra Pathmapriya was appointed to the Board of Directors of Sri Lanka Insurance Corporation (SLIC) with effect from 30 September 2022 and Sri Lanka Insurance Corporation Life Limited (SLICLL) with effect from 06 October 2023. Mr Pathmapriya is an eminent public servant who has over 35 years of experience in a variety of positions in the public sector. He currently serves as the Director General of the Department of Information Technology Management, Ministry of Finance.

He is a BSc (Physical Science) graduate of the University of Kelaniya and holds a Master of Public Management from the Sri Lanka Institute of Development Administration (SLIDA).

Board of Directors



MR RAJIV DHARMENDRA

Director

In March 2019, Mr Dharmendra took over the leadership of MAS Intimates, the largest business unit of the MAS Group. Counting over 21 years of experience at MAS, Mr Dharmendra joined in 2003 as General Manager – Unichela Panadura and was promoted to the role of Director Merchandising of the MAS/Sara Lee Courtaulds Joint Venture in 2004. His role expanded in 2006 to Business Director – MAS Intimates with a purview over four of the key customers of Intimates product line at the time. He was appointed CEO of Silueta in 2010, where he was responsible for steering Silueta's evolution into a successful apparel and technology innovation hub. He was subsequently appointed as the Director – Limited Brands at MAS Intimates, thereafter taking on the role of Chief Marketing Officer of MAS Intimates from 2016 up until his elevation to CEO. In addition to his responsibilities at MAS Intimates, Mr Dharmendra provides leadership to the Innovation Board of MAS, which determines the innovation agenda and pipeline across the entire MAS group of companies.

He holds a BSc. in Mathematics and Economics from King's College, London and an MSc. In Finance from the London School of Economics. His executive education was from the business schools of Harvard and INSEAD. He was appointed to the Board of Sri Lanka Insurance Corporation Life Limited in the capacity of a Non-Executive Director with effect from 01 January 2025.



MR ROHAN BUULTJENS

Director

A senior professional in the Nuclear, Financial Services, IT, Oil and Gas sectors, Mr Buultjens is positioned to provide leadership through accomplishments in Telecom, digital transformation, data analytics, cyber security, digital commerce, and emerging technologies to drive an organisations strategic agenda.

He possesses a Master of Business in Information Technology (MBIT) from Royal Melbourne Institute of Technology, Australia. He is experienced in creating business aligned IT strategies with a focus on improving service excellence, customer experience, boosting operational efficiency, generating new revenue streams, and leading large transformational IT projects to achieve business excellence.

Mr Buultjens established an Enterprise architecture/Business architecture practice, bringing business innovation, optimised service delivery, customer engagement and IT transformation projects to improve business effectiveness and capability. His expertise includes competency in evaluating an organisations competitive advantage, identify digital opportunities and threats and enable its competitive position that is defined in a digital strategy.

He is accomplished in driving business effectiveness and efficiency across the entire telecom value chain, bank digital transformation journey, and establishing IT operating models to deliver value to the business.

Internationally experienced, Mr Buultjens' expertise was sought after by many companies in the UAE, Australia, Tanzania, India, Egypt, Saudi Arabia, and Sri Lanka. He is an connoisseur at delivering bottom line results by using technology in a prudent and cost effective manner, while leading multicultural teams across several large projects. He possesses a large repertoire of knowledge and understanding in the areas of digital technologies and its impact (IoT, AI, Digital Workplace, Cognitive Computing, Blockchain, Big Data, Cloud, Social Media, etc.).



MR NIEL UNAMBOOWE PC

Director

A legal professional with over three decades of experience in the field of law, Mr Unamboowe PC, is a retired Additional Solicitor General. During his tenure, his expertise was invested in high-profile legal investigations, regulatory compliance and government advisory roles. A specialist in intellectual property law, commercial law, and financial law, he holds two Master's degrees from George Washington University, USA, and the University of Turin, Italy. He has received international training in cyber law, air law, and nuclear safeguards.

During his tenure at the Attorney General's Department, his legal counsel was received by the Ministry of Finance, Sri Lanka Customs, and Inland Revenue Department. Additionally, he served as a legal consultant for the Atomic Energy Authority, Sri Lanka Standards Institute, and several other government agencies. He is now engaged in the practice of the law and is on the Board of Directors of Sri Lanka Telecom and of Mobitel Company Limited.

Board of Directors



MRS SHIROMI KODAGODA

Company Secretary

With effect from 02 April 2024, Mrs Shiromi Kodagoda has been functioning as the Company Secretary, having been appointed by the Board of Directors. She plays a pivotal role in ensuring the smooth administration of the Company Secretariat office and by attends to compliance requirements with the provisions of the Companies Act.

She has a Bachelor Degree in Arts (BA) from the University of Peradeniya. Having joined the Sri Lanka Law College, she was admitted to the Bar as an Attorney at Law in 1992.

Prior to joining the Company, Mrs Kodagoda served at Coca-Cola Beverages Sri Lanka Limited for 30 years. Her career at Coca-Cola culminated in her being appointed as Director (Legal & Governance) and as the Local Ethics Officer (LEO). Prior to this, she served as the in-house Legal Counsel, Legal Officer, Manager Legal and Company Secretary of Coca-Cola, where she served as Company Secretary for over a decade.

Mrs Kodagoda carries with her over 30 years of professional legal experience in the fields of corporate legal affairs, compliance, governance, ethics, product liability litigation, civil and industrial litigation. During her career at Coca-Cola Beverages, she has contributed widely towards the development of the corporate governance processes, statutory compliance and sector compliance regimes.

Leadership Team



MR CHANDANA L ALUTHGAMA

Group Chief Executive Officer

B.com (Sp), CMgr FCMI (UK), MBA, ANZIIF (Snr. Associate) CIP

Mr Aluthgama assumed duties as the Chief Executive Officer of Sri Lanka Insurance Corporation in 2018. He counts over 33 years of experience across diverse facets within the Insurance industry. His journey began in 1992 at CTC Eagle Insurance Co Ltd., where he started to build his career. Over the years, he has held several senior positions in renowned organisations such as Eagle Insurance PLC (A Member of the Zurich Financial Services Group) and HNB Assurance PLC.

Before assuming his current role at SLIC, Mr Aluthgama served as the Chief Business Officer and Principal Officer of HNB General Insurance Ltd. In addition to his insurance career, he has also held leadership positions in local and international associations. He is currently the Principal Officer for Sri Lanka Insurance Corporation Life Limited. and the immediate past President of the Insurance Association of Sri Lanka.

In addition to his professional achievements, Mr Aluthgama has made valuable contributions to academia over the past two decades by serving as a visiting lecturer at the Postgraduate Management & Finance Faculty at the University of Colombo.

He holds a Master's Degree in Business Administration from the University of Colombo and a Bachelor of Commerce Degree from the University of Kelaniya. He is a Fellow and Chartered Manager of the Chartered Management Institute of the UK (CMgr FCMI) and a member of the Australian and New Zealand Institute of Insurance and Finance (ANZIIF Snr. Associate). Mr Aluthgama has presented research papers at local and international conferences on insurance and bancassurance and has undergone extensive training both locally and overseas, including at Generali Insurance AG in Vienna, Austria, and NUS Business School in Singapore.



MR ALOKA JAYAWARDENA

Chief Information Officer

DCSD, HDCBS (NIBM), BSc (MIS), PGDBFA (ICASL), MBA, PMP, SAP, CISM, Postgraduate in Data Science

Appointed to the CDPLC Board on 07 September 2020, Mr Aloka Jayawardena is a professional Executive in Information Technology, ERP, and Project Management with 23 years of experience across business domains such as Telecommunications, Manufacturing, Sales & Distribution, Capital Markets, and Insurance. He is currently serving as Chief Information Officer at Sri Lanka Insurance Corporation Life Limited.

He holds a BSc in Management Information Systems from University College Dublin, Ireland, and an MBA from the University of Southern Queensland, Australia. He has also obtained a Postgraduate Diploma in Business and Finance from the Institute of Chartered Accountants of Sri Lanka. He is a PMP-certified Project Manager, a CISM-certified Information Security Manager (USA), and a SAP-certified Sales and Distribution Consultant. Additionally, he has completed his Postgraduate Studies in Data Science from Cardiff Metropolitan University, UK, and is currently reading for a Doctorate in Business Administration at ASIA eUniversity, Malaysia.

Leadership Team



MR DAYARATNE PERERA

Chief Officer – Life

BSc (Hons), FCII, Chartered Insurer, MBA (PIM-USJ), ANZIIF (Fellow) CIP, reading for Doctoral of Business Admin. (PIM-USJ)

Mr Dayaratne Perera has over 26 years' experience in the Insurance Industry. He graduated from the University of Colombo and holds a Special degree in Physics with a second class (Upper division) honors – BSc. (Hons). After graduation, he was privileged to be a part of the Academic staff of the same university, but he left the position on his own accord and joined the corporate sector.

Mr Perera is a Chartered Insurer and a Fellow member of the Chartered Insurance Institute (FCII), London. He is also a Fellow member of the Australian and New Zealand Institute of Insurance and Finance – ANZIIF (Fellow) CIP.

He obtained his Master of Business Administration degree (MBA) from the Post Graduate Institute of Management (PIM), University of Sri Jayewardenepura and at present he is reading for a Doctor of Business Administration Degree at the same University.

Currently he is a Non-Executive Director of the Board of Directors of the Ceybank Asset Management Ltd. and he also serves as the Specified Officer of the Sri Lanka Insurance Corporation Life Limited.



MS NAMALEE A SILVA

Chief Business Officer

MBA, MCIM (UK), Chartered Marketer, Prof. Dip. in Marketing-CIM, ACIB (UK)

Ms Namalee is a distinguished Marketing and Sales professional with over 37 years of experience spanning the Banking & Finance and Insurance sectors. Holding a Master's Degree in Business Administration from Asia e University and a Professional Diploma in Marketing from CIM (UK), she brings a wealth of knowledge and expertise to her current role as Chief Business Officer at Sri Lanka Insurance.

Her professional journey commenced in 1987 at Commercial Bank of Ceylon Ltd., followed by stints at Nationwide Building Society and Lloyds Bank in London, UK, from 1990 to 1995. Returning to Sri Lanka, Ms Namalee joined Seylan Bank as a Brand Manager in 1996, marking the beginning of her impactful presence in the local financial landscape.

In 2003, she moved to People's Bank, where she played a pivotal role in Marketing Communications until 2006 when she joined Sri Lanka Insurance. At Sri Lanka Insurance, Ms Namalee initially oversaw Marketing Communications before progressing to roles of increasing responsibility. Notably, she served as Deputy General Manager/Head of Marketing and Life Distribution before assuming her current position as Chief Business Officer in 2023.

Throughout her tenure at SLIC spanning 18 years, Ms Namalee has been instrumental in shaping the organisation's growth trajectory. Her strategic acumen and leadership have significantly contributed to SLIC's market prominence.

She also completed a three year tenure as the Chairperson of the Marketing and Sales Forum of the Insurance Association of Sri Lanka in 2024.

Leadership Team



MS SRIYANI KULASINGHE

Chief Financial Officer

FCA, ACMA, MBA-Finance (Colombo), B.Com (Hons.) Spl.

Ms Sriyani Kulasinghe began her career in the field of Finance in 2002 and brings over 23 years of experience in auditing, finance, and taxation. She joined SLIC in 2009 and currently holds the position of Chief Financial Officer at Sri Lanka Insurance Corporation Life Limited., with 16 years of dedicated service at SLIC. She is a Fellow member of the Institute of Chartered Accountants of Sri Lanka and was awarded the "Introduction to Financial Accounting Prize" in 2003. Additionally, she is an Associate member of the Institute of Certified Management Accountants of Sri Lanka. She holds a Bachelor of Commerce (Hons) Special Degree from the University of Kelaniya and a Master's Degree in Business Administration (Finance) from the University of Colombo. In 2011, she served as a Course Lecturer on Insurance Law and Regulation for the Diploma in Insurance Intake conducted by Wayamba University of Sri Lanka. Since February 2022, Ms Kulasinghe has been serving as a Non-Executive Board Director of Ceybank Asset Management Limited and is a member of the Audit and Compliance Committee at Ceybank Asset Management Limited.

Leadership Team

DEPUTY GENERAL MANAGERS



MR CHAMINDA ATHAUDA

DGM – Life (Technical)

BSc.(Hons), FCII, AIII, ANZIIF (Fellow) CIP, MBA (Colombo), Chartered Insurer



MR SHASHIKA RANASINGHE

DGM – Investment

MBA, CFA, FRM, BSc(Engineering), ACMA, AIB



MR JAGATH WELGAMA

DGM – National Sales (Life)

MBA, MABE (UK), Graduate Dip in Mgt. (Aus), PG Dip. – Marketing Mgt. (USJ), NDHTD (SLITAD), Ad. Dip in Marketing. Mgt. (USJ), Dip. in Mass Com. (USJ), Dip. in NIT, MSLIM



MR UDAYAPRIYA IMBULPITIYALAGE

DGM – Human Resources

BSc HRM (Special) (Hons) – SJP (SL), Chartered Member – CIPM (SL), Certificate in Business Administration – NIBM
Appointed w.e.f. 22 May 2025

Leadership Team

ASSISTANT GENERAL MANAGERS



MR MAHENDRA PERERA

AGM – Administration
Attorney-at-Law, LLB(Sri Lanka), MBA in HRM (OUSL), PGDip in HRM (OUSL), PGDip in Archae (UOK), NDES(IET), GCGI(UK), MIIE(SL), I Eng. AMCIPM



MR JEEVANTHA WELIHINDA

AGM – Engineering Services
BSc (Eng)



MR KASUN SAMEERA

AGM – Corporate Business & Marketing
Chartered Marketer, Pgd Dip in Marketing (CIM, UK), CPM (Asia Pacific), MCIM, Pgd Dip in Management (UoW UK), MBA (UWTSD, UK)



MR AMANDA PERERA

Head of Procurement
HND (ISMM), Dip. In Hardware Eng.



MR DUMINDA PEIRIS

Zonal Head – Central and Southern
Ndip. In SM (SL)



MR UPUL RATHNAKUMARA

Acting Zonal Head – Wayamba and Western
MBA (Cardiff Metropolitan)



MR PALANTHIRAN SATHIAN

Zonal Head – Northern and Eastern
B com(Hons) PG Dip in Pub. Administration.
M.A.



MR PRASHAN JAYATISSA

Head of Actuarial
Fellow Member (FIA), Fellow Member (FCII),
CFA Charterholder, CFA Institute

Leadership Team

SENIOR MANAGERS



MR RUWAN DE SILVA
Senior Manager – Life



MS SUJEEVA NANAYAKKARA
Senior Manager – Life



MR ANJANA DHARMASENA
Senior Manager – Life



MS NISHANTHI PERERA
Senior Manager – Life



MS SURAJI HETTIARACHCHI
Senior Manager – Software Development



MR SAMITHA PERERA
Senior Manager –
Actuarial



MR THILANKA GEGGANAGE
Senior Manager –
Fixed Income Investments



MS SUBHASHI JAYASUMANA
Senior Manager –
Enterprise Risk Management,
Market Intelligence & Corporate Planning



MS MANJULA JAYATHILAKA
Senior Manager –
Legal (Claims)



MS VIRAJINEE RAMANAYAKE
Senior Manager –
Financial Reporting, IFRS, Compliance
Reporting & System Development



MR NAMAL HERATH
Senior Manager –
Cyber Security

Leadership Team

REGIONAL MANAGERS



MR AJITH KULASENA

Regional Manager –
Western 01



**MR GAMINI
SARATHCHANDRA**

Regional Manager –
Uva



**MR SAMANTHA
DHAMMIKA BANDARA**

Regional Manager –
Central



**MR AJITH
THILAKARATHNA**

Regional Manager –
Southern 01



**MR MAHINDA
DISSANAYAKA**

Regional Manager –
Wayamba 01



MR P. PUWANENDRAN

Regional Manager –
Eastern



MR NAMAL LIYANAGE

Regional Manager –
Upper Western



**MR PRASANNA
SAMANKUMARA**

Regional Manager –
Wayamba 02



MR SUNIL SENADEERA

Regional Manager –
Western 02



**MS SULATHA
ANDRAMANA**

Regional Manager –
Western 03



MR NISHANTHA ALWIS

Regional Manager –
Western 04



MR NIHAL RAJAPAKSHE

Regional Manager –
Southern 02



MR SAUGI DISSANAYAKE

Regional Manager –
Ratnapura



MR A. SUPESAN

Regional Manager –
Northern



**MR SAJITH
WEERASINGHE**

Regional Manager –
North Central

Non-Financial Highlights

▶ Accolades



- ▶ Sri Lanka Insurance Life was awarded the “Most Loved Life Insurance Brand” for the 8th consecutive year
- ▶ Best Management Practices Company Awards 2024
 - Title winner in the “Insurance – Public Sector Company” category
- ▶ One of the Top 10 companies

▶ New products and services



- ▶ Sri Lanka Insurance Life Medi Champ – Health Insurance was launched in 2024 providing comprehensive health cover for up to three generations including policyholder’s spouse, children, parents and in-laws
- ▶ Facilitating the short term investment needs of customers, Sri Lanka Insurance Life Value Max – 5 year policy was launched
- ▶ A 24 hour dedicated Customer Service Centre for Life policyholders was launched

▶ Partnerships



- ▶ SLIC Life entered into a partnership with Regional Development Bank for DTA operations

▶ Ratings



- ▶ National Insurer Financial Strength Rating A+(lka) with a stable out look, issued in February 2025.

Non-Financial Highlights

▶ Environmental Standards

- ▶ Awarded with the Greenhouse Gas Verification Opinion for complying with ISO 14064-1:2018 International Standard



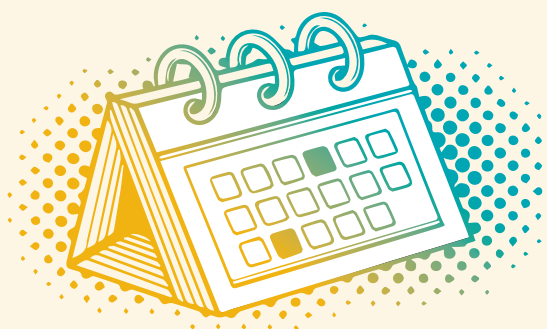
▶ Governance Risk and Compliance

- ▶ Incorporating International Standards and being in line with the Industry Standards – SLIC Life commenced the implementation of IFRS 17
- ▶ Awarded the ISO/IEC 27001:2022 standard accreditation, the foremost benchmark for Information Security Management Systems (ISMS)
- ▶ Effective implementation of ESG framework
- ▶ Up to date policies incorporating the latest compliance requirements



▶ Events

- ▶ MDRT Conference 2024 was held to recognise and reward The Sri Lanka Insurance Life MDRT achievers of 2023
- ▶ Rewarding the top performers during the first 6 months of 2023 the Life Congress Residential Programme was held in Nuwara Eliya
- ▶ Nuwara Eliya seasonal promotion was carried out in April 2024 with the participation of a large number of people from all over the island
- ▶ Special campaigns in Anuradhapura during Posen festival, Katharagama, in Jaffna during Nallur festival and another number of events attracted large crowds to the SLIC Life team who marked a significant presence at these events attracted large crowds to the SLIC Life team who were present on ground throughout this period
- ▶ Recognising top performing children of SLIC Life policyholders at the 2021/22 examinations, 300 *Suba Pathum* scholarships were awarded during the year
- ▶ Super Women 2024 award ceremony was held in celebration of Women's Day



Financial Highlights

Sri Lanka Insurance Corporation Life Limited operated its Life Insurance business for 11 months during the year that ended on 31 December 2024. However, for comparison purposes, information is presented for the full year of 2024, including the month of January, to reflect the complete performance of Life Insurance operations. This has been compared against the 12 month Life Insurance business performance for the year 2023 under Sri Lanka Insurance Corporation Limited.

	2024 Rs. Mn.	2023 Rs. Mn.
Result for the year		
Total revenue	53,238	43,327
Gross written premium	26,359	21,080
Net earned premium	25,331	20,406
Investment and other income	27,907	22,921
Profit before tax before transfer to Life Fund	30,767	23,596
Profit before tax after transfer to Life Fund	4,358	5,306
Profit after tax before transfer to Life Fund	29,004	21,734
Profit after tax after transfer to Life Fund	2,595	3,444
Benefits/claims, operating, admin and other expenses	48,880	38,021
Position at the year end		
Equity	15,272	30,738
Life insurance fund	213,228	180,870
Investments	230,577	211,291
Total assets	238,625	220,508
Capital adequacy ratio		
Total available capital (TAC)	125,497	126,522
Risk-based capital requirement (RCR)	22,229	29,770
Risk-based capital adequacy ratio (CAR)	565%	425%
Minimum CAR required by regulator	120%	120%
Ratios		
Return on total assets	13%	11%
Return on investment	12%	11%
Return on equity	17%	11%
Claims payout	51%	58%
Expense ratio	37%	39%



TOTAL ASSETS

Rs. Mn.

2024	2023
238,625	220,508



BONUS DECLARED

Rs. Mn.

2024	2023
12,522	11,242



PROFIT BEFORE TAX AFTER TRANSFERRED TO LIFE FUND

Rs. Mn.

2024	2023
4,358	5,306



TOTAL REVENUE

Rs. Mn.

2024	2023
53,238	43,327



GWP

Rs. Mn.

2024	2023
26,359	21,080



LIFE FUND

Rs. Mn.

2024	2023
213,228	180,870

21.

Leadership Reviews

22 Chairman's Message

25 Group Chief Executive Officer's Review



Chairman's Message

“ Our stellar performance is testament to the relentless pursuit of our goals amid many challenges, and our ability to work cohesively as an organisation to achieve these results. ”



I am pleased to present the Annual Report for the year 2024 for Sri Lanka Insurance Corporation Life Limited (SLICLL), following a successful legal segregation of the business in February 2024. The segregation was executed in accordance with the Regulation of Insurance Industry (Amendment) Act No. 3 of 2011 and the Cabinet Decision 23/0431/604/046 dated 17 March 2023 thereby segregating the previous existing entity known as Sri Lanka Insurance Corporation Limited (SLIC) into two separate legal entities. I trust the Report will provide you, our valued stakeholders, an in-depth understanding of the Company's long term value creation process, the strategic framework towards sustainable growth, the governance philosophy and underlying principles in by which the Company conducts its affairs.

Chairman's Message

TREND SETTING FOR THE INDUSTRY

As a state owned entity, our Company operates with a strategic mandate to ensure long term financial security and risk mitigation in life's many eventualities. Our financial achievement, therefore, is crucially important to reinforce national economic stability and upholding the highest work ethics, governance principles and regulatory compliant solvency management. These factors naturally translate to delivering policyholder returns for long term sustainability. Cognisant of this corporate responsibility and the accountability it places on our organisation, we continued to build on a robust actuarial framework, combined with product innovation and data driven decision making, to position SLICLL as a pioneering force in the life insurance industry in Sri Lanka.

SLICLL operated its life insurance business as a separate Company for eleven months during the year ended 31 December 2024. For comparison purposes, however, information is presented for the full year of 2024, including the month of January, to reflect the complete performance of life insurance operations. This has been compared against the 12 month life insurance business performance for the year 2023 under Sri Lanka Insurance Corporation Limited.

The year 2024, is pivotal in the evolution of SLICLL, as robust financial performance, strategic realignment, and regulatory compliance driven operational segregation earmarked a stellar performance to deliver a milestone value to our stakeholders. I am pleased to present an analytical review of our corporate trajectory, financial resilience, and strategic imperatives that stood well to reinforce our position as one of the strongest players in Sri Lanka's insurance industry.

OPERATING ENVIRONMENT

Sri Lanka's journey on a recovery path earmarked 2024, though it entailed difficult policy reforms and fiscal responsibility. These paved the way to subsequent currency stabilisation, disinflation, and an exponential growth in foreign reserves, that created a conducive business environment. The successful debt restructuring resulting

in sovereign credit rate upgrades further reinforced the magnanimous efforts of the Government of Sri Lanka, which is committed to restoring economic order instilling investor confidence.

FINANCIAL PERFORMANCE

The Company's financial achievement in 2024, marks the highest in its history. Gross Written Premium topped Rs. 26.3 Bn., a 25% increase and revenue of Rs. 53.2 Bn., increasing by 23% while Investments and other income achieved Rs. 27.9 Bn., growing by a 22% year on year. The Company achieved Rs. 5.3 Bn. in new business, recording a 48% increase, another highest in the history, while the Life Fund expanded to Rs. 213.2 Bn., recording a 18% increase. We attribute this historic milestone performance to strong policyholder confidence, innovative product offering, prudent financial management and robust risk management. The Risk Based Capital ratio moved up to 565% well above the minimum industry requirements. The Company's large agency distribution spread across the country continued to be the catalyst for this strong growth momentum, while strategic measures were key to driving policy retention and persistency.

RETURN ON INVESTMENTS

Strategic asset allocation in a diversified investment portfolio including government securities, bonds, and equity market, adhering to risk based capital allocation principles, ensured an optimum Return on Investments (ROI) managed within industry norms with adherence to guidelines of our primary regulator, the Insurance Regulatory Commission of Sri Lanka (IRCSL).

DIGITAL TRANSFORMATION

Agility and the speed with which we respond to the market is currently driven by innovative digital and technological portals. As such, we accelerated our digital transformation, integrating underwriting, automated claims processing, and enhanced customer engagement platforms.

In compliance with Anti Money Laundering regulations, we have implemented a cutting edge software, as a measure to

mitigate financial crime risk. This system includes a comprehensive database of both local and international terrorists, as well as a list of Politically Exposed Persons (PEPs). Integrated with our internal systems, this platform allows for automatic screening of transactions and performing due diligence on individuals.

These measures streamlined and enhanced operational efficiencies, ensuring customer service excellence and timely detection of any undesirable activity within our customer portfolios.

STRATEGIC INVESTMENTS

Diversified and strategically aligned with market trends, we prudently distributed our investments among profitable financial instruments that garnered optimal returns while mitigating risks. The expansion into sustainable investments such as green bonds and ESG compliance assets not only reflects our financial stewardship but is testament to our commitment to building a sustainable business, for the long term.

CUSTOMER-CENTRICITY

Risk mitigation in the long term insurance business is our primary focus and the core of our business. Founded on our vision, mission and the core values, our commitment to the policyholders was demonstrated by Rs. 12.9 Bn. in maturity settlements and claim payments, averaging Rs. 1.1 Bn. per month. The record-breaking bonus declaration of Rs. 11.2 Bn. in 2023 set the stage for an even higher bonus pay out in 2024, augmenting our market leadership in a variety of ways. It is with pride that I wish to mention SLIC Life has consistently delivered cumulative bonus declarations exceeding Rs. 116.6 Bn. in the past two decades, reinforcing our commitment to wealth creation for our valued policyholders.

The growth strategies, market development, penetration and new product development are all founded on customer needs. Operational excellence in our processes, people development and brand building efforts further augment our commitment to customer-centricity, delivering a customer experience par excellence through all our customer contact points.

Chairman's Message

CORPORATE GOVERNANCE

As a state owned enterprise, Sri Lanka Insurance Corporation Life Limited operates under a strong code of ethics and robust financial controls. In line with Direction 2 of 2022 issued by the Insurance Regulatory Commission of Sri Lanka, we adhere to the provisions of the Code of Best Practice on Corporate Governance 2017 (revised in 2023) issued by The Institute of Chartered Accountants of Sri Lanka. Furthermore, we follow the guidelines on corporate governance and the operational manual for State owned Enterprises (SOEs) issued by the Ministry of Finance. These frameworks collectively support our commitment to strengthening corporate governance and maintaining the highest standards of accountability and transparency.

Nested within a robust corporate governance structure is a strong risk management framework based on specific risk mitigation directions. As such, both these areas were foundational to our remarkable achievement in 2024. I wish to affirm that we are committed to upholding Company policies, with emphasis on ethical and legal dealings, zero tolerance for bribery and corruption and any form of harassment, as we operate a non-discriminatory, diverse, and inclusive workplace.

With transparency, accuracy, and timeliness, we ensure all regulatory disclosures are done with integrity, upholding the high ethics required of us, as a life insurance service provider and a responsible corporate citizen.

ESG AND SUSTAINABILITY

The ethos of our business is the preservation of life, and mitigation of risks. This is bonded with our commitment to implementing a comprehensive ESG (Environmental, Social, and Governance) Sustainability Framework and Policy, aligned with best practices in the insurance industry.

We have integrated these principles into our business strategy, daily operations, decision making, and risk management.

ESG is leveraged to drive long term value creation by focusing on relevance and materiality, for the sustainable growth of our business and its stakeholders. We are in the transition process of implementing SLFRS 1 and SLFRS 2, given their critical importance to drive sustainability.

TALENT DEVELOPMENT

Our market leadership was clearly demonstrated in 2024 through the 319 Million Dollar Round Table (MDRT) qualifiers, another highest ever, recorded by SLICLL. This is a testament to our continuous upskilling of our greatest asset, the workforce, and our commitment to achieving professional excellence through talent development. Our holistic approach of combining personal development, skill enhancement, training, and leadership development culminates in the employee well being that naturally translates to dedicated and customer centric performance that achieved the financial performance we have achieved in 2024.

Attracting and retaining the best talent, we invest continuously in our team for career progression and personal development, through a variety of HR initiatives and wellness measures. As a KPI driven organisation, performance indicators that meet with the overall strategic objectives are well rewarded, while performance gaps are addressed through structured training.

POLICYHOLDER VALUE

SLICLL's commitment towards fulfilling the evolving needs of the customers is evident in its financial performance. Combined with a comprehensive and need relevant product portfolio, and delivering exceptional customer service, as evident by deceleration of a policyholder bonus of Rs. 12.5 Bn., the highest in the industry.

DISTRIBUTOR VALUE

With over 8,000 insurance advisors, banking partners, and broker institutions energetically partnered with us in delivering protection to over 62,000 Sri Lankans in 2024, this translated into the highest ever financial performance in the history of our Company. While being immensely

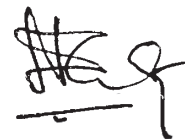
recognised for their performance, we paid Rs. over 3.7 Bn. in commission and incentives to our distributor network during the year.

FUTURE FOCUS

We are committed to growing the top line business by concentrating on New Business (FYP) and Renewals, while ensuring expenses are aligned with business growth and maintaining sustainable back office practices. We will strive to be a top of mind and most loved insurance brand in the country and work towards being the socially responsible brand for the customers and create a "Great Place to Work" culture, for our employees, delivering value to our policyholders, and stakeholders.

SLICLL proved its market leadership yet again, delivering sustainable growth and reinforcing its role in the nation's economic progress. Our goal is to continue to contribute significantly to the national development of Sri Lanka while ensuring financial security for current and future generations to come.

In conclusion, I wish to thank all those who contributed to our success and sustainability with dedication and vigour. My sincere thanks are extended to the Board of Directors and Group CEO who helped in a seamless segregation without interruption to the business and the regulators who assisted us greatly in compliance issues. My thanks also goes out to our agents who helped keep the wheels our business turning and to our staff for their dedication and commitment. Finally, I wish to thank our customers, whose implicit trust in us spurs us to deliver value for a sustainable long term, to a large segment of the Sri Lankan populace, across the island.



Nusith Kumaratunga

Chairman

03 June 2025

Group Chief Executive Officer's Review

“ In 2024, SLIC Life achieved record success, driven by our commitment to growth, innovation, and always prioritising our customers' needs. We're proud to lead the way in life insurance, delivering exceptional value and building a sustainable future for all. ”



INTRODUCTION

I am pleased to present the Chief Executive Officer's Review for the Annual Report 2024 of Sri Lanka Insurance Corporation Life Limited ("SLIC Life"). The year has been a defining chapter in our journey, marked by resilience, innovation, and continued progress amidst a dynamic external environment. While operating as an independently governed legal entity following the formal segregation in early 2024, SLIC Life remained persistent in executing its focused strategy with discipline and agility.

Although SLICLL operated as an independent legal entity for eleven months starting February 2024, this Annual Report reflects the full year performance of the life insurance segment to provide a comprehensive view and ensure meaningful comparison with the prior year's results reported under Sri Lanka Insurance Corporation Limited.

Throughout the year, we advanced our transformation agenda, strengthened customer engagement, introduced market

Group Chief Executive Officer's Review

relevant product innovations, and reinforced our financial fundamentals. Our ability to deliver strong results while deepening trust across all stakeholder groups stands as a testament to the strength of our team and the clarity of our vision for the future.

FINANCIAL PERFORMANCE

SLIC Life delivered a stellar financial performance in 2024, reporting a profit before tax of Rs. 30.7 Bn., while the Gross Written Premium (GWP) reached Rs. 26.3 Bn. reflecting a remarkable 25% growth YoY. A historic milestone was achieved with a new business volume of Rs. 5.3 Bn., a 48% increase, marking the highest in the Company's history.

Demonstrating our unwavering commitment to policyholders, SLIC Life disbursed Rs. 12.9 Bn. in maturity and claim settlements. The asset base expanded to Rs. 238.6 Bn. and the Life Fund grew to Rs. 213.2 Bn. reflecting the Company's continued financial strength and leadership.

The primary driver of revenue growth was the strategic focus on new business acquisition, reflected in the Rs. 5.3 Bn. milestone in First Year Premiums. This was supported by significant improvements in our distribution network including agency channel expansion, strengthened bancassurance partnerships, and digital sales enablement. Other key enablers included product innovation, digital transformation, process optimisation, data driven decision making, and fostering a performance oriented culture through talent development.

The 18% growth in the Life Fund, reaching Rs. 213.2 Bn. was largely driven by prudent and forward looking investment strategies and cost effective operational efficiencies. Our Investment Committee leveraged market insights and executed well-timed, risk-calibrated decisions to maximise returns while maintaining portfolio stability. We remained agile in anticipating shifts in interest rates and equity markets, ensuring financial resilience.

STRATEGIC PRIORITIES

In 2024, Sri Lanka Insurance Life focused on three strategic pillars: Growth, Operational Excellence, and

Brand Equity. On the growth front, we strengthened our market presence through targeted sales efforts and new product launches, achieving a historic milestone by surpassing Rs. 5 Bn. in First Year Premiums. Operational excellence was driven by digital transformation, process improvement, and staff development, leading to multiple global certifications –ISO/IEC 27001:2013, ISO 9001:2015, and ISO 14064-1:2018 – reflecting our strong commitment to quality, security, and sustainability. On the brand front, we enhanced visibility and trust through integrated campaigns, digital engagement, and purpose-led CSR initiatives, reinforcing our brand promise: Like a father, Like a mother.

DIGITAL TRANSFORMATION

We expanded our digital ecosystem to provide seamless access to services such as policy issuance, premium payments, and claims initiation. Enhanced customer insights, through analytics enabling personalised communication and tailored product recommendations. Service accessibility was improved through digital platforms, 24/7 call centres, and WhatsApp-based support. Automation in backend processes significantly reduced turnaround times, enhancing customer satisfaction.

PRODUCT DIFFERENTIATION

In 2024, Sri Lanka Insurance Life introduced innovative products tailored to evolving customer needs. Sri Lanka Insurance Life Medi Champ offered comprehensive family medical coverage, addressing rising healthcare costs. Sri Lanka Insurance Life Value Max provided a short term, investment focused life insurance plan with strong returns, attracting growth oriented customers. We also enhanced Sri Lanka Insurance Life Wealth Plus with greater flexibility for both protection and long term savings. These solutions reflect our commitment to accessibility, financial empowerment, and differentiated value in the market.

Sri Lanka Insurance Life Divi Thilina, our flagship product, accounted for 45% of First Year Premiums in 2024. Sri Lanka Insurance Life Value Max, a short term investment oriented product launched later

in the year, made a notable contribution of 10% to the FYP within just one month, reflecting its strong market acceptance.

CUSTOMER-CENTRICITY

We focused on need based solutions aligned to life stages, simplified onboarding, and proactive advisory services. Digital service channels were further optimised for convenience. Value added services like CRM driven engagement, and educational campaigns helped foster deeper trust and loyalty. Our service excellence and customer sensitive service delivery ensured a high policyholder retention through strong post sale support, personalised engagement, and digital renewal tools. Persistency was further reinforced by CRM programmes, timely communication, and value added services, all of which underscored our long term commitment to customers.

CORPORATE GOVERNANCE AND COMPLIANCE

SLIC Life upholds a robust governance framework rooted in integrity, accountability, and transparency. Ethical conduct is reinforced through a comprehensive Code of Conduct, regular compliance audits, continuous training, and well defined grievance redressal mechanisms. These ensure consistency and professionalism at all customer touchpoints. Risk management and Audit and Assurance functions work in tandem to ensure any emerging risks are identified well in advanced and risk mitigated without incident.

A structured Enterprise Risk Management framework, overseen by a Board-level Risk Committee, guides our risk approach. Underwriting is grounded in sound actuarial principles, data analytics, and regulatory compliance, ensuring prudent risk selection and portfolio sustainability.

OUR PEOPLE

Amidst challenges posed by brain-drain and mass migration, Sri Lanka Insurance Life remained deeply committed to nurturing and retaining its human capital. We invested in upskilling and cross-skilling initiatives to build internal capabilities, ensuring our teams remain agile and future ready. A culture of continuous

Group Chief Executive Officer's Review

learning, supported by structured training, digital learning platforms, and leadership development programmes, helped mitigate the impact of talent outflows. Our strong brand, job stability, and value driven organisational culture contributed to employee loyalty, even amid economic uncertainty. Strategic talent acquisition and retention strategies, combined with career growth opportunities and recognition, enabled us to maintain operational continuity and service excellence throughout the year.

SUSTAINABILITY AND CSR

Sustainability is a core principle at SLIC Life. We integrate environmental and social responsibility into strategic planning, operations, and customer engagement. This includes digital transformation, paperless processes, and energy efficiency. It flows through our corporate fabric and employee awareness is driven through regular training and sustainability focused initiatives.

In 2024, Sri Lanka Insurance Life reinforced its commitment to social responsibility through impactful initiatives across health, education, disaster relief, and cultural preservation. Over 1,100 families affected by floods in Gampaha, Ratnapura, and Matara Districts received essential dry ration packs in collaboration with the Disaster Management Centre. To commemorate World Children's Day, we provided a Rs. 1 Mn. free life insurance cover to parents of every child born on 01 October, across all hospitals in the country, a gesture now in its third consecutive year. Our flagship "Suba Pathum" Scholarship Programme awarded 370 high achieving students for their performance in national examinations, with a financial commitment of Rs. 30 Mn.

Additionally, our annual Poson assistance programme in Anuradhapura supported thousands of pilgrims with services such as lost and found assistance and the introduction of a dedicated wheelchair service, enhancing accessibility. We also contributed to the preservation of Sri Lankan heritage by supporting several major Perahera (cultural parades), including the Kandy Esala, Nawam, Bellanwila, Gatarbaruwa, Kataragama, and Kotte Peraheras.

Our CSR programmes, green operations, and ISO 14064-1:2018 certification reflect our ongoing commitment to sustainable development.

CHALLENGES

In 2024, SLIC Life operated amidst macroeconomic pressures, changing customer expectations, and rapid digital disruption. A major internal challenge was the successful implementation of business segregation, a complex undertaking requiring the realignment of people, processes, and priorities. We navigated this with transparent communication, employee assurance, and a focus on operational continuity. Externally, we strengthened distribution, enhanced digital capabilities, and optimised operations. These initiatives helped us maintain stability, improve customer reach, and sustain business momentum.

FUTURE FOCUS

Sri Lanka Insurance Life is navigating the competitive landscape by anchoring its strategy around six core pillars designed to deliver sustainable leadership. We are strengthening our financial position to support long term growth while enhancing operational efficiency through continued digital innovation and process reengineering. Customer-centricity remains a top priority, with solutions crafted to address evolving protection and investment needs. Simultaneously, we are reinforcing our governance frameworks through stronger compliance and risk management. Strategic alliances, both local and regional, will enable us to unlock new opportunities, while our commitment to cultivating talent and an empowered culture ensures we are future ready. Together, these pillars are driving us to remain ahead of the curve, delivering exceptional value, trust, and relevance to our policyholders.

We aim to reinforce its leadership position in the life insurance industry by focusing on long term, sustainable growth. Our strategic direction is centered around strengthening financial stability, driving operational efficiency, enhancing customer centric offerings, and deepening trust through strong governance. We will also continue to build meaningful partnerships and invest in developing a high performing,

future ready workforce. These priorities will guide us as we strive to achieve industry excellence in the years ahead.

ACKNOWLEDGEMENT

As we conclude another impactful year, I wish to extend my heartfelt appreciation to all those who contributed to the continued success of Sri Lanka Insurance Life in 2024. Our achievements this year reflect the unwavering dedication, resilience, and professionalism of our exceptional employees, whose passion and commitment have once again elevated our performance across all fronts.

To our loyal customers, thank you for the continued trust you place in us to protect what matters most. Your confidence drives us to innovate, adapt, and deliver solutions that truly meet your evolving needs.

I also gratefully acknowledge the invaluable contributions of our sales force, insurance brokers, bancassurance partners, reinsurance associates, and all other intermediaries and stakeholders who have worked tirelessly with us to deepen our reach and impact.

We remain appreciative of the invaluable support extended by the Insurance Regulatory Commission of Sri Lanka and the Ministry of Finance, Economic Stabilisation, and National Policies. Their guidance and collaboration have played a pivotal role in shaping our journey through a complex and evolving landscape.

Finally, I convey my sincere thanks to the Chairman and the Board of Directors for their strategic direction, wisdom, and visionary leadership. Their foresight has been instrumental in steering SLIC Life through change while staying focused on long term value creation.

Together with the strength of our people, the trust of our customers, the support of our partners, and the vision of our leadership, we look forward to building on this momentum and continuing to shape the future of life insurance in Sri Lanka.



Chandana L Aluthgama
Group Chief Executive Officer

03 June 2025

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Report Profile



Report Profile

We are pleased to present the Annual Report 2024 for Sri Lanka Insurance Corporation Life Limited (the “Company” or “SLICLL”), marking the Company's first Annual Report since the segregation of its operations in February 2024. It provides a comprehensive yet concise overview of the Company's performance during the financial year ending 31 December 2024. This Report details our value creation process and strategies and presents relevant information across financial, social, environmental, and governance areas within the context of our operating environment. Furthermore, we offer our forward-looking perspective and share our aspirations for the future, acknowledging that these could be shaped by the economic realities of the ensuring year.

The primary scope of the report covers the core strategy of the Company, which is the offering of life insurance products under eligibility criteria embedded in the laws applicable to the segment. The Report provides an in depth overview of the Company's strategy and functions, cohesively reflecting the interconnections

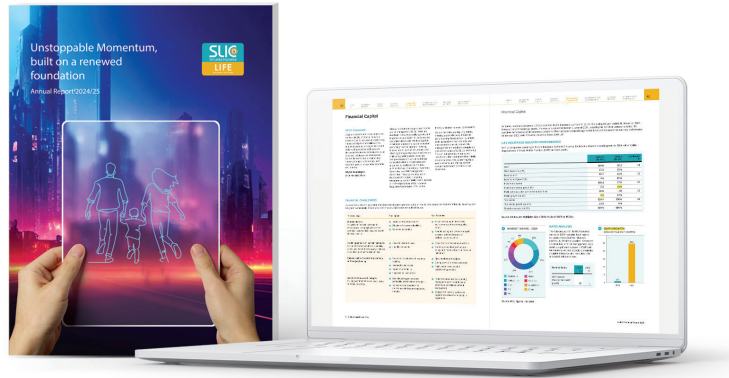
between various functions. It also highlights the Company's approach to value creation founded on good governance and sustainability principles, and how these impact the economy, the environment, and the society, in the long term.

SCOPE AND BOUNDARY

This Report covers the financial and non-financial performance of Company.

It builds on our previous report for the financial year ending 31 December 2023, encompassing the risks and opportunities arising from our business strategy and diverse stakeholders, how we create, preserve, or erode value through our business activities.

We aim to manage these complex business relationships and focus on material matters that define our success, which are:



Our Business Model
Page 38

Our Strategy
Page 32

Our Operating Context
Page 40

Our Material Issues
Page 34

Financial Reporting boundary aligns with our Financial Statements Reporting boundary

Our Stakeholder Relationships
Page 36

Customers, Employees, Regulators, Suppliers and Business Partners, the Community

We report with reference to the International Integrated Reporting Council's (IIRC) Framework, which encompasses the six capitals and their combined output that assures sustainability of the Company and the wider community, reflecting our commitment to accountable integrated reporting practices, creating value, and communicating with our stakeholders in a transparent manner.

Financial Capital

Manufactured Capital

Intellectual Capital

Human Capital

Natural Capital

Social and Relationship Capital

As a state owned entity, our approach to reporting is guided by the following key frameworks, standards, and regulations across different reporting domains:

The Regulation	Internal Assurance	External Assurance
Financial Reporting, Governance, Risk Management and Operations		
Sri Lanka Accounting Standards Legal and regulatory framework applicable to a government-owned entity in Sri Lanka Corporate Governance Regulations	Reporting to Board Audit and Compliance Committee	The Auditor confirming the accuracy of the Annual Financial Statements See page 105
Integrated Reporting		
With reference to International Framework of the International Integrated Reporting Council (IIRC)		
United Nation's Sustainable Development Goals (UN SDGs)		

Report Profile

MATERIALITY

A structured, organisation wide materiality assessment process identifies the issues that are material to the Company. Based on the double materiality principle, the process addresses both potential effects on the Company and its impacts on people and environment. The assessment systematically addresses risks, opportunities, macroeconomic trends, and other elements that influence materiality in co-relation to the Capitals, and the Company's ability to deliver value and mitigate erosion of value to its stakeholders. As an insurance service provider, we apply a robust, well-thought out, and holistic approach to identifying key material aspects, which are documents on page 34 of the Report. We meticulously address these issues to enhance performance, strengthen our sustainability framework, adhere to strong governance principles, and demonstrate accountability through our regulatory compliance.

Disclaimer for the Publication of Forward-Looking Statements and Data

This report includes forward looking statements regarding the Company's potential future performance and prospects. These statements are not guarantees of future results and are subject to various risks and uncertainties, including unforeseen events, volatile economic and political conditions, and other factors beyond our control. Actual outcomes may differ significantly from current expectations. The reader is advised to seek expert professional advice in all such aspects.

Value Creation

Our Value creation process is comprehensively detailed in the Business Model (refer page 32). It details the inputs, outputs, and outcomes across the Capitals, and their responsible management in creating value. Our reference to Integrated reporting assumes that the generation

of financial capital is driven by the interdependent cohesiveness between financial and of non financial interactions to create value for the Company and its stakeholders, while also consuming, developing, and transforming these capitals in the process.

Precautionary Principle

We use the precautionary principle as our commitment to social and environmental decision making, by mitigating action of potential risks, even in the absence of complete evidence or information, to ensure the long term viability of our operations. This allows us to operate as a responsible corporate citizen, safeguarding our stakeholders, the environment, and the community we impact. Implementation of the precautionary principle helps us anticipate challenges and innovate solutions that reinforce our resilience promoting trust among our stakeholders.

Combined Assurance

Assurance for the content embodied in this Integrated Report is reinforced by a carefully vetted combination of internal and external sources. The information included in this report has received approval from the leaders of respective business units and has been scrutinised by the Corporate Management Team prior to submission to the Board of Directors for final approval. The mandatory independent review of the Financial Statements, including the notes to the accounts, has been provided by the Department of Auditor General of Sri Lanka and the department's reviews are provided in detail on pages 105 of this Report. This external validation strengthens the credibility and transparency of the financial information presented in the report.

Board Responsibility Statement

The Board acknowledges its responsibility to ensure that the Integrated Annual Report provides a balanced view of its performance in 2024 and is of the opinion that it addresses all material issues that it believes may have a bearing on the

Company's capacity to create value over the short term. The Corporate Management team prepared and reviewed the Integrated Annual Report and submitted the same to the Board Audit Committee who recommended the reports to the Board for approval in accordance with the delegation of authority. The reports were unanimously approved by the Board on 28 April 2025.

GUIDING PRINCIPLES

The following principles were applied in preparing the Report to provide a credible review of our performance and operations.

- Reliability – Internal controls and processes currently implemented deliver reliability of both financial and non financial information.
- Conciseness – We have covered all critical matters in a complete but a concise manner.
- Authentic presentation – A balanced view, based on positive or negative outcomes are reported in a faithful manner.
- Materiality – Material matters are identified and reported in a responsible manner.
- Ensuring Integrated Reporting – Icons are used to integrate the variety of topics that are reporting, giving connectivity of information.
- Inclusion of International Standards in Reporting – GRI tagging is used to ensure compliance with the required international standards.

Feedback

We welcome stakeholder feedback on this report and other matters at as part of its ongoing commitment to enhancing reporting quality.

Company Secretary

Sri Lanka Insurance Corporation
Life Limited
"Rakshana Mandiraya",
No. 21, Vauxhall Street, Colombo 02.
Phone: +94 11 235 7741

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Strategy and Focus

- 32 Business Model
- 34 Material Issues
- 36 Stakeholder Relationships
- 38 Strategic Priorities



Business Model



VISION



MISSION

INPUT SOURCES	INPUTS
 Shareholders 100% – Sri Lanka Insurance Corporation Limited	Financial Capital Shareholders' funds, Investments, Life Fund
 Customers 989,963 Life Insurance Policies	Social and Relationship Capital Customers Product acceptance Premia payments Policy renewals
 Employees Male 429 Female 485 Total 914	Human Capital Customer interactions Productivity Best practices After sale services Operations
 Business Partners Reinsurers Agents Brokers Banks	Social and Relationship Capital Business partners Assurance services Collaboration and alliances Services and supplies Utilities
 Premises/Branch Network 142 Branches ABDCs	Manufactured Capital Property, plant and equipment Information and communication technology
 Institutional Knowledge	Intellectual Capital Collective expertise Organisational knowledge Data analytics Survey findings and action
 Community Interaction	Social and Relationship Capital The Community Investing in CSR activities
 Regulators – IRCSL, DROC, FIU-CBSL	Social and Relationship Capital Regulators Adherence to laws and regulations, timely reporting
 Consumption	Natural Capital Energy Electricity Water



OPERATING ENVIRONMENT



OBJECTIVES



REGULATORY LANDSCAPE

OUTPUT	OUTCOMES
Financial Capital Life Fund Rs. 213.2 Mn. ROI 12% Profit before tax before transfer to Life Fund Rs. 30,767 Mn. 565% Solvency ratio 14.4% Market share	Rs. 250 Mn. proposed as dividends Rs. 804.4 Mn. paid as taxes
Social and Relationship Capital Customers 62,346 New policies 0.19% Growth YoY	Rs. 12,994 Mn. settled as claims Rs. 12,522 Mn. as bonus to policyholders
Human Capital 129 new recruitments/permanent cadre 93.4% Employee Retention Rate	Rs. 3,187 Mn. paid as salaries and benefits Rs. 70.8 Mn. paid as retirement benefits Rs. 30 Mn. invested in training
Social and Relationship Capital Business Partners 4 new business relationships	Rs. 1,028 Mn. paid as reinsurance premium
Manufactured Capital 2 branches upgraded Acquired new technology/digitisation platforms Contributing to higher brand visibility	High visibility, island-wide reach, brand confidence
Intellectual Capital Digitisation contributing to easy and seamless access to insurance products Time efficient processing	Responsiveness, creative innovation, quick turn-around-times
Social and Relationship Capital The Community CSR activities, contributing to augmenting the social license to operate	Community beneficial CSR Activities Corporate social value, retained and enhanced
Social and Relationship Capital Regulators Uninterrupted operations	All in compliance with all applicable rules and regulations other than disclosed in the Auditors report
Natural Capital Responsible consumption contributing to preservation of the environment	Strong communities, sustainability, contributing to achieving national goals, and aligning with UN SDGs

Material Issues

A crucial component in our overall strategy, materiality assessment helps to identify the most significant areas that impact our overall business operations.

OUR APPROACH

We identify, gather input, assess impact and develop strategy involving the key issues that influence our business operations and the stakeholders. This includes evaluating the macroeconomic landscape, the regulatory requirements, and expectations and the concerns that generate from our strategic priorities. Therefore, we approach materiality determination in a structured and systematic manner, involving rigorous assessment, meticulous analysis, and effective ranking of the issues identified. This approach ensures that our sustainability initiatives effectively address significant challenges while driving a positive impact to the life insurance market in the country.



MATERIAL TOPICS

No.	Material Topic	Importance to SLICLL	Importance to Stakeholders	Reference Point in the Report
1	Economic Performance	Very High	Very High	Operating Environment – Page 40
2	Market Presence	Very High	Very High	Social and Relationship Capital– Page 66
3	Anti Corruption	High	High	Corporate Governance – Page 79
4	Anti Competitive Behaviour	Very High	High	Corporate Governance – Page 79
5	Employment	Very High	Very High	Human Capital – Page 60
6	Occupational Health and Safety	High	High	Human Capital – Page 60
7	Training and Development	Very High	Very High	Human Capital – Page 60
8	Diversity, Inclusivity, and Equality	Very High	Very High	Human Capital – Page 60
9	Non Discrimination	High	High	Human Capital – Page 60
10	Freedom of Association and Collective Bargaining	High	High	Human Capital – Page 60
11	Local Communities	High	Medium	Social and Relationship Capital – Page 66
12	Customer Wealth and Safety	High	High	Social and Relationship Capital – Page 66
13	Marketing and Labelling	High	Medium	Social and Relationship Capital – Page 66
14	Socio Economic Compliance	High	High	Corporate Governance – Page 79
15	Macroeconomic Development	Very High	Very High	Operating Environment – Page 40

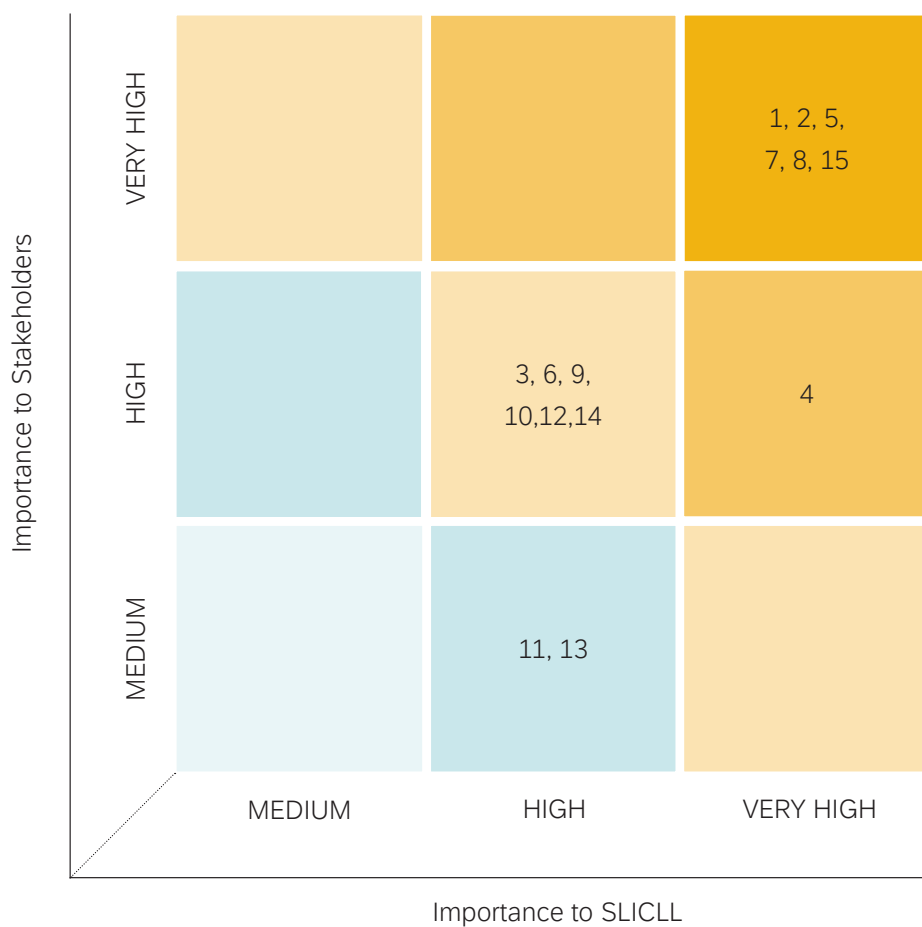
DETERMINING MATERIALITY

Our approach to identifying material issues has evolved over the years, as our focus on sustainability strengthened. We consider both internal and external stakeholders in determining material aspects which play a significant role in shaping our operational activities and strategic goals, as we are engaged in the business of mitigating risks posed to life, and those allied to conditions presenting a high risk to health.

MATERIALITY DETERMINATION PROCESS

The materiality determination processes seek to address key topics based on their potential ability to create value. This crucial requirement drives performance and strengthens our commitment to sustainability practices. It commences with effective engagement with all stakeholder groups that we identify through our Stakeholder Engagement process and their concerns which are further analysed to arrive at the probability of occurrence and the magnitude of impact. Throughout the process, our core focus is on the value created for insuring life and risk to life in a fast paced society, that often pose unforeseen endangers to life itself.

Material Issues



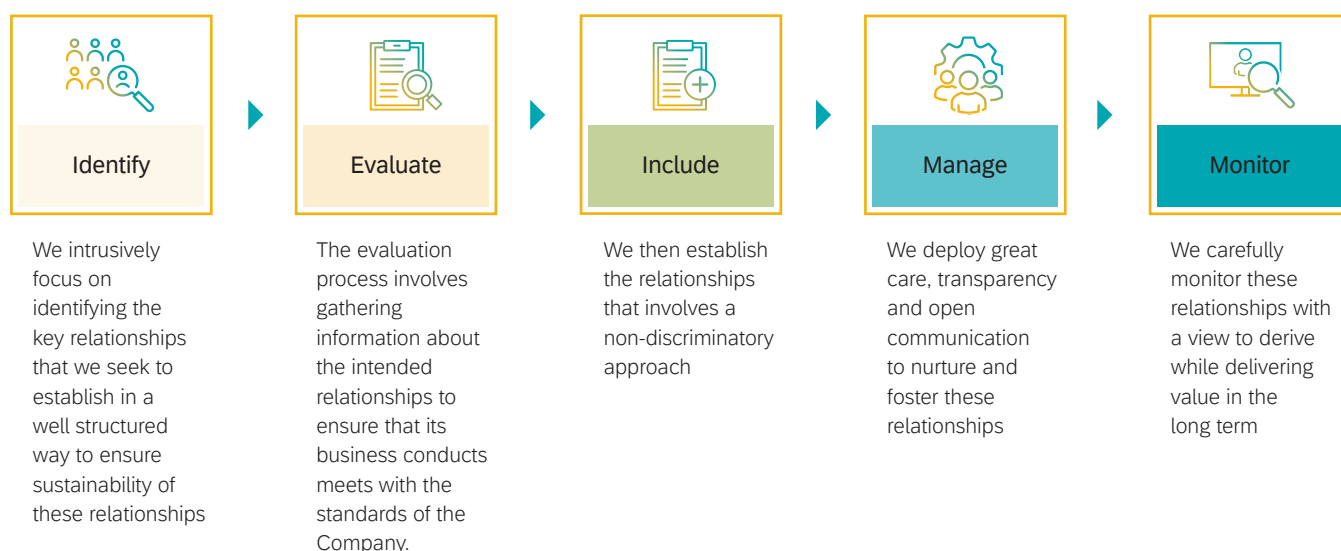
Stakeholder Relationships

Our commitment is to sustain our position as the foremost life insurance provider in the nation and to uphold our reputation as the most trusted insurer among all Sri Lankans

MANAGEMENT APPROACH

Transparency and mutual value adding are the ways in which we approach this aspect of our business, valuing long standing relationships and proactively seeking to build new relationships that can be fostered to derive mutual value. We have therefore, identified several key stakeholders that are mapped in the matrix below, as their input and engagement have a direct impact on the bottom line of the Company. We also cognisant of our social responsibility as we are engaged in offering life insurance and risk mitigation for life threatening events, to the eligible population in Sri Lanka.

STAKEHOLDER ENGAGEMENT FRAMEWORK



STAKEHOLDER ENGAGEMENT PRINCIPLES

The engagement channel differs according to the stakeholder category and relationship. The methodology relies on three cornerstones, which are practiced across all relationships.

- Openness and transparency to foster consultative discussion
- Timeliness, accuracy, and relevance of information
- Continuous and ongoing review to improve responsiveness.

Further, stakeholder engagement is decentralised, with every employee responsible to manage relationships, both external and internal, within the framework. As the life insurance market in Sri Lanka is saturated by insurance providers and penetration is a challenging task, it is imperative that the Board of Directors are informed of key concerns through established internal communication channels. This valuable insight is important for high level decision making, as the Board feels the pulse of the eligible potential customer segments, in the life insurance market.

Stakeholder Relationships

Stakeholder Category	Material Issue Relevant to the Stakeholders	Mechanism of Engagement	Frequency	Priority
Government of Sri Lanka	Investment, business development, returns, innovation and industry growth, compliances	Meetings and discussions with Board and Senior Management Press Releases Annual Report	Need based Need based Annually	High
Other Regulators	Compliance with laws and regulations, good corporate governance, stability of industry, ethical conduct	Meetings with the regulatory authority Annual Report Press Release Industry Forums Statutory returns and status reports Press releases	Need based Annually Need based Need based Quarterly/Annually Need based	High
Customers	Customer relationship, retention, relevant products, product information, policy bonuses, policy claims, other regulators	Call Centre Customer Satisfaction Survey One to one interaction The Website and Social Media Customer Feedback	Regular Need based Regular Regular Regular	High
Business Partners	For supply chain management, industry related forums, third party tie-ups	Meetings Communication via Email/telephones/letters	Need based Regular	Medium
Employees	Employee welfare, satisfaction, retention, training and development, recognition and rewards, career progression, job security	Meetings Communication via Emails, telephone, online platforms Succession planning Training and development Award ceremonies Engagement with community projects Grievance Handling Information sharing via Intranet B-Connect App Setting Objectives and KPIs Performance Evaluations	Regular Need based Annual/Need based Need based Annually Need based Bi-annual Regular Annually Bi-annually	High
The Community and the Environment	Community investment, CSR initiatives	Community Projects Press Releases Website, Social Media Events CSR Projects Sustainability initiatives	Regular Need based Regular Need based Regular Regular	Medium

Strategic Priorities

The segregation of Life and General business of SLIC in 2024 resulted in optimisation of resources, focusing on the respective streams of business, and capitalising on the opportunities that emanated as the country set on its economic recovery trajectory. Although the initial phase was rife with challenges, the dedicated team of SLICLL was able to navigate headwinds and achieve remarkable growth circumventing the macroeconomic and societal roadblocks.

The key strategies designed for driving the Life Insurance business for the year 2024 are summarised below.

STRATEGIC FOCUS OF SLIC LIFE

- To grow the topline business through concentrating on New Business (FYP) and policy renewals
- Be cost effective in balancing between business growth with operational expenses and maintain sustainable practices
- Adopt a customer centric culture by being digitally agile in back office services to deliver convenient, speedy and accessible services
- To be the top of mind and most loved insurance provider in the country and to be perceived as a socially responsible brand
- To establish SLICLL as a “Great Place to Work” and cultivate a workplace culture, with defining qualities appropriate to such a work place

39.

Management Commentary

- 40 Operating Environment
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Operating Environment

GLOBAL ECONOMY – RESILIENCE AND A RESET

The global economy was buffeted by unprecedented headwinds originating with the COVID-19 pandemic, escalating geopolitical conflicts, and extreme and adverse climate change events that impeded trade and paved the way to exponential increase in inflation. According to World Economic Forum statistics, global collaboration is 91% affected by geopolitical tensions and 83% by domestic political tensions. Despite the challenges the global economy held steady and resilient projecting a 3.2% growth for 2024 and 3.3% for 2025. Headline inflation is projected to decline to 4.2% in 2025, after four years of continued elevated inflation. This is attributable to the Central Banks across the global economic landscape tightening monetary control while a slower pace of ease was seen in supply chain disruptions. A cautious optimism is in place for the global economy with inflation in OECD countries expected to ease from 5.4% in 2024 to 3.8% in 2025.

India holds the mantle for economic growth, safeguarding a projected 6.5% expansion in GDP in 2024, which is forecasted to grow by a further 0.3% in 2025. On the heels of India are Indonesia, China, and Turkey, while advanced economies showcase lower growth promise in 2024. Advanced economies grew by 1.7% overall, with USA showing robust expansion of the economy, Europe lifting its economic growth marginally, in contrast to Japan where the economy only grew modestly in 2024. Japan was particularly beleaguered due to closure of auto manufacturing plants, a marginal recovery in consumption, low consumer confidence, although wages showed signs of bouncing back up. China showed growth of 4.9% in 2024, while the US economy showed stronger growth in the first two quarters while losing steam towards the end of the year.

SRI LANKAN ECONOMY

In 2024, the Sri Lankan economy experienced a strong rebound, recording a solid 5% growth in real GDP following two consecutive years of economic contraction. This recovery was consistent throughout the year, marking the first time since 2017 that all four quarters registered positive GDP growth. The overall economic expansion was principally driven by the industrial sector, underpinned by the revitalisation of manufacturing and construction activities. The services sector also contributed significantly, supported by continued growth in accommodation and transport services. Furthermore, the agriculture sector made a positive contribution to the overall economic performance. This trend indicates a favourable outlook for the future.

In 2024, agriculture grew by 1.2%, slightly down from 1.6% in 2023, mainly due to growth in animal production and fruit cultivation, though coconut production continued to decline. Industry saw a strong recovery, expanding by 11.0% after a 9.2% contraction in 2023, driven by rising domestic and external demand and a revival in construction projects. Services grew by 2.4%, up from a 0.2% decline the previous year, supported by a tourism boost, improved financial and real estate services, and gains in IT and telecommunications.

Monetary policy remained accommodative throughout the year, with the Central Bank reducing policy rates by a total of 125 basis points in 2024 as part of a broader 775 basis point easing cycle initiated in mid 2023. A key policy shift occurred in November with the introduction of the Overnight Policy Rate, replacing the previous dual rate system with a single policy rate framework. This transition, along with improved liquidity conditions and declining inflation, contributed to a continued decline in market interest rates.

The Average Weighted Call Money Rate (AWCMR) fell steadily during the year, stabilising at approximately 8.00% by

December. Despite a temporary uptick in government securities yields in mid 2024, lending and deposit rates resumed their downward trend toward year end. These developments reflect improving financial conditions, reduced risk premia amid progress in debt restructuring, and a more supportive environment for investment and credit growth moving into 2025.

In 2024, the Government primarily relied on domestic sources to finance the budget deficit, reflecting limited access to external funding. The majority of net domestic financing was obtained through the issuance of government securities.

In 2025, the merchandise trade deficit is expected to widen, primarily due to increased import demand stemming from the relaxation of import restrictions, stronger economic activity, and enhanced spending capacity among businesses and households, supported by accommodative monetary conditions.

Although global crude oil prices are forecasted to remain relatively low in 2025, petroleum import expenditure is projected to rise modestly compared to 2024, driven by increased import volumes associated with the expected domestic economic recovery and the potential impact of geopolitical risks on price volatility. Similarly, import expenditure on other intermediate and investment goods is anticipated to rise in line with the ongoing rebound in economic activity.

Nevertheless, the trade deficit is projected to remain at a manageable level over the medium term, supported by a steady growth in exports despite continued import expansion. The services account surplus is also expected to strengthen further in 2025 and beyond, underpinned by rising tourism revenues and enhanced competitiveness in other service exports.

A broad spectrum of structural, legal, and policy reforms will be ongoing to ensure the stability of the financial system. Sri Lanka is also preparing for its third Mutual Evaluation (ME) in 2026, underscoring its commitment to enhancing

Operating Environment

the Anti-Money Laundering (AML) and Combating the Financing of Terrorism (CFT) framework in alignment with global standards.

Sri Lanka's future economic prosperity will largely depend on maintaining the hard earned macroeconomic stability and implementing effective, growth focused reforms. Frequent policy misalignments and reversals have hindered the country's economic progress over the years, often reversing gains. The recent economic downturn, the hardships faced by citizens during the crisis, and the accumulated vulnerabilities leave little room for further policy mistakes. The ongoing reform initiatives are crucial for ensuring fiscal and debt sustainability, while also addressing long standing structural obstacles to sustained economic stability and growth.

LIFE INSURANCE SECTOR

In the year 2024, the Life Insurance sector demonstrated strong performance, recording a 20% YoY increase in Gross Written Premiums (GWP), which rose to Rs. 184 Bn. from Rs. 153 Bn. in 2023. This growth was largely underpinned by a 32% expansion in new business premiums and a 22% increase in short pay product contributions.

While the sector experienced notable growth in premium income, claims paid during the year also rose by 9%, reaching Rs. 83,719 Mn. compared to Rs. 76,502 Mn. in the previous year. Despite the increase in claims, the sector maintained profitability, with Profit Before Tax (PBT) increasing by 6% to Rs. 32,520 Mn., up from Rs. 30,617 Mn. reported in the fourth quarter of 2023.

Overall, the sector remained resilient, supported by a robust long term insurance segment, despite pressures on profitability and capital efficiency.

Sources:

- 1) World Economic Outlook IMF January 2025
- 2) Central Bank of Sri Lanka Annual Economic Review 2024
- 3) Insurance Regulatory Commission of Sri Lanka, Quarterly Statements

Financial Capital

With our commitment for prudent financial capital management, SLICLL remained steadfast in ensuring stability, growth, and long term value creation for policyholders and stakeholders alike. We leveraged on a balanced approach to capital allocation, reinforcing financial strength, investing in sustainable financial instruments, and adopting strategies that maximised returns while safeguarding assets. Oversight and governance of financial capital are embedded within a robust framework, supported by dedicated committees such as the Audit Committee, Investment Committee, and Risk Management Committee. These committees assist the Board of Directors in ensuring transparency, accountability, and alignment with the expectations of the Insurance Regulatory Commission of Sri Lanka (IRCSL) and other relevant stakeholders.

We retained adequate liquidity buffers, meeting capital adequacy thresholds, and preserving financial stability, amidst evolving regulatory requirements and macroeconomic trends. Vigilant risk management and regulatory compliance took centre stage as SLICLL's unwavering focus on transparency, integrity, and innovation further strengthened our ability to optimise resources, supporting digital advancements, and offering market relevant need based products to our customers.

Chief Financial Officer's Statement

Despite macroeconomic challenges and market volatility, Sri Lanka Insurance Corporation Life Limited. demonstrated strong financial discipline and resilience. Our prudent investment strategies and sound underwriting practices enabled us to deliver stable returns and sustained value to our policyholders and stakeholders. We remain committed to maintaining financial strength, transparency, and long term growth in a dynamic economic environment.

Sriyani Kulasinghe
Chief Financial Officer



Financial Capital

FINANCIAL CHALLENGES

In the complex and evolving environment insurance industry operates multiple financial challenges which can impact profitability, solvency, and long term sustainability of Company performance which some are outlined below;

The Challenge	The Impact	Our Response
Interest rate risks A significant financial challenge for the Company in managing its investment portfolio, insurance liabilities, and overall financial stability.	- Impact on investment returns - Valuation of insurance liabilities - Economic uncertainty	- Active monitoring of interest rate environments and monetary policy trends - Periodic testing and scenario analysis to assess potential impacts on profitability and solvency
Credit impairment of financial institutions Risk to the Company's financial stability, particularly due to the Company's reliance on banks and other financial entities.	- Loss of investment value - Liquidity constraints	- Diversification of investment portfolio - Continuous monitoring of the credit ratings and financial health of financial institutions
Rationalisation of costs in the Company and budget planning	- Fluctuation of valuation of insurance liabilities - Increase in claim cost - Impact on profitability - Negatives on investments	- Tight monitoring of budgets - Cutting down of unnecessary costs - Digitalisation practices and sustainability practices
Government taxes and chargers Rising government-imposed taxes, levies, and regulatory fees.	- Escalating charges compress profitability and investment margins - Indirect costs to operation for compliance with frequent regulatory changes	- Implement structured tax planning strategies to optimise deductions and ensure compliance without overpayment - Engage with industry bodies and regulators to advocate for clarity in regulations

Sri Lanka Insurance Corporation Life Limited operated its Life Insurance business for 11 months during the year ended 31 December 2024. However, for comparison purposes, information is presented for the full year of 2024, including the month of January, to reflect the complete performance of Life Insurance operations. This has been compared against the 12 month Life Insurance business performance for the year 2023 under Sri Lanka Insurance Corporation Limited.

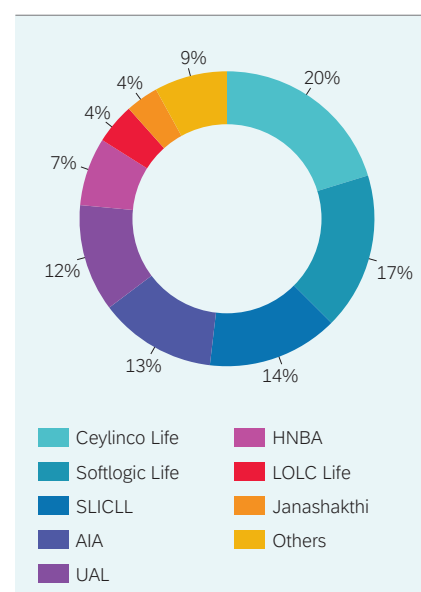
LIFE INSURANCE INDUSTRY ANALYSIS

With 15 companies operating in the Life Insurance market in Sri Lanka, the industry showed a steady growth in 2024, with notable improvements in Gross Written Premium (GWP) and total assets.

	Industry (Rs. Bn.)	SLICLL (Rs. Bn.)	Contribution %
GWP	184.0	26.3	14
GWP Growth rate	20%	25%	
Benefits paid	83.7	12.9	15
Benefits paid growth	9%	10%	
Investment income	101.1	27.5	27
Investment income growth	5%	21%	
Profit before tax after transferred to Life Fund	32.5	4.0	12
Profit growth rate	6%	-18%	
Total assets	924.4	238.6	26
Total assets growth rate	13%	8%	
Capital adequacy ratio	338%	565%	

Source: Q4 Industry Highlights (Q4 of 2024 Vs Q4 of 2023 by IRC SL)

→ LIFE INSURANCE INDUSTRY PERFORMANCE – MARKET SHARE 2024



Source: IASL Figures – Q4 2024

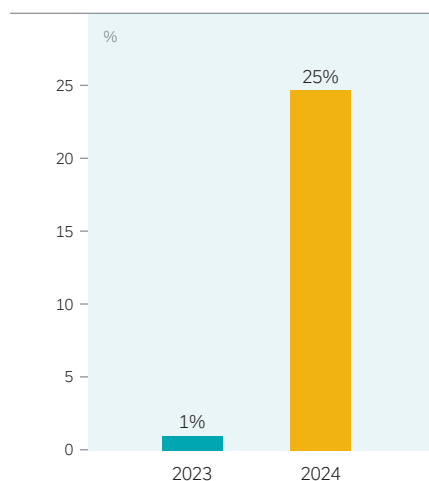
Financial Capital

RATIO ANALYSIS

The ratio analysis for the life insurance market in 2024 highlights key financial indicators that reflect the industry's profitability, efficiency, prudent investment opportunities, and risk management. As a result, a significant increase in GWP and the service providers capacity to maintain a capital adequacy ratio, well above the stipulated limit are shown.

Revenue Ratio	2024 %	2023 %
GWP Growth (Year on Year GWP growth)	25	1

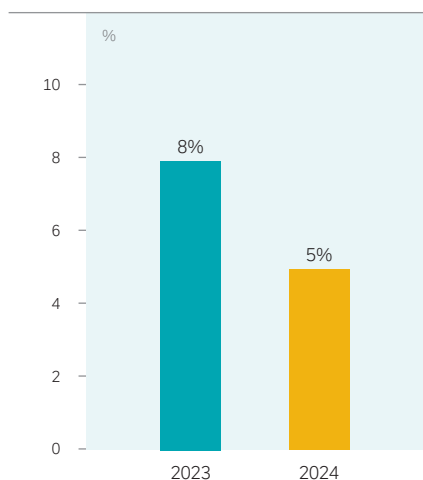
→ GWP GROWTH (YEAR ON YEAR GWP GROWTH)



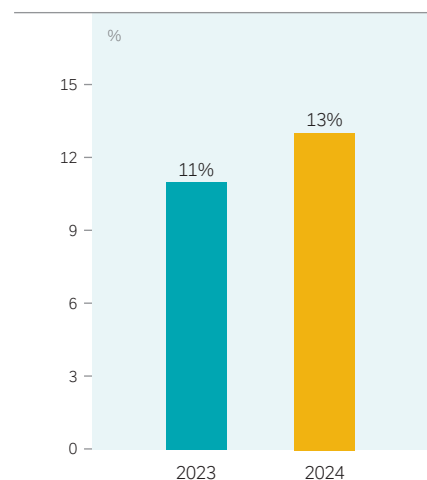
Profitability Ratios

	2024 %	2023 %
Net profit margin	5	8
Return on assets	13	11
Return on equity	17	11
Return on investment	12	11

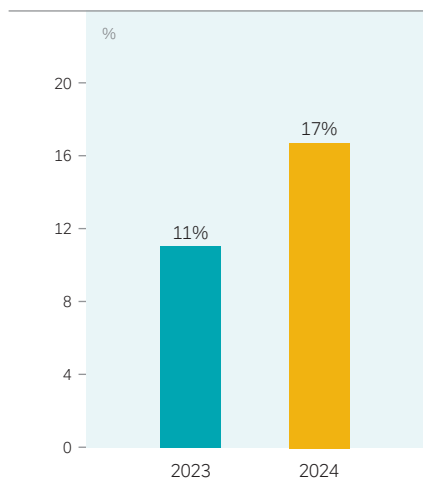
→ NET PROFIT MARGIN



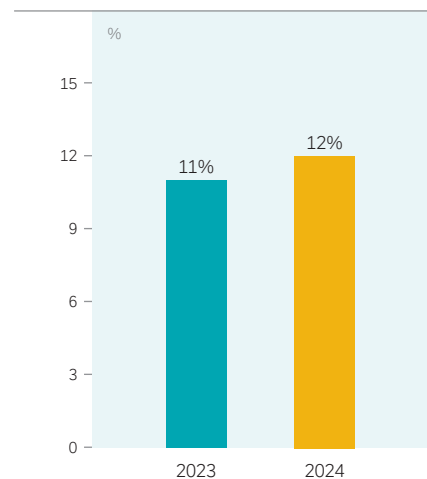
→ RETURN ON ASSETS (ROA)



→ RETURN ON EQUITY (ROE)



→ RETURN ON INVESTMENT (ROI)



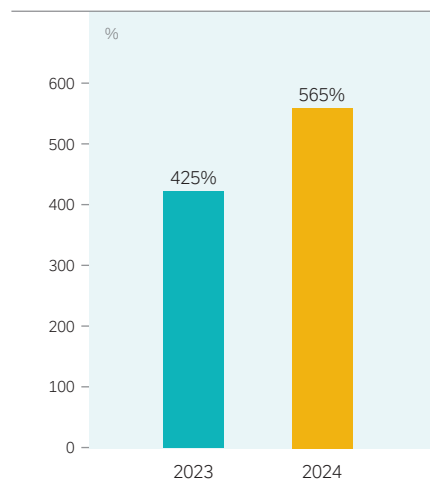
Financial Capital

Solvency Ratio	2024 %	2023 %
Risk-based Capital Adequacy Ratio (CAR)	565	425

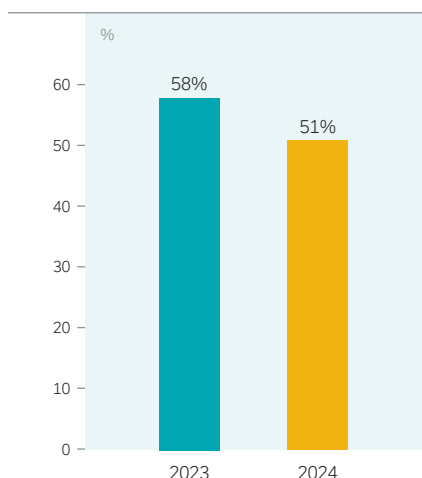
In accordance with Section 26(1) of the Regulation of Insurance Industry (RII) Act, all insurers are required to maintain sound solvency and Risk-Based Capital Adequacy Ratios (CAR) for their Life Insurance business.

Sri Lanka Insurance Corporation Life Limited (SLICLL) has consistently maintained its CAR well above the minimum regulatory requirements of 120% over last 5 years strengthening stakeholder confidence and trust in our financial stability. For the financial year 2024, the Company reported a CAR of 565% reflecting a significant improvement from 425% recorded in the financial year 2023.

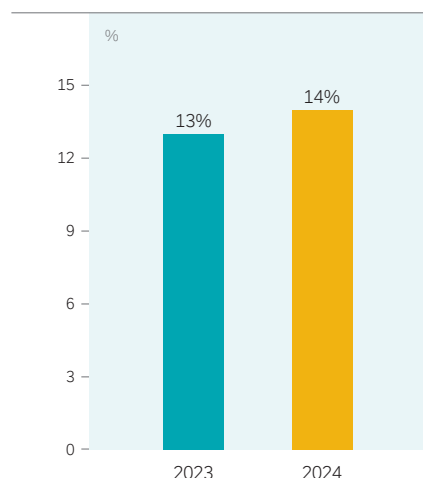
→ RISK-BASED CAPITAL ADEQUACY RATIO (CAR)



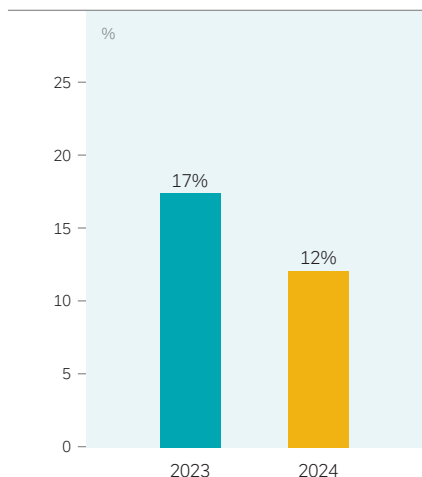
→ CLAIM PAYOUT RATIO



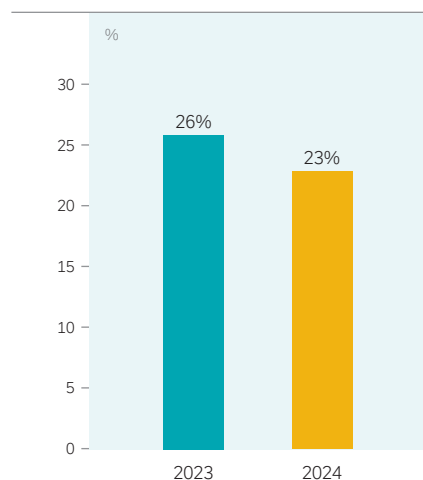
→ ACQUISITION RATIO



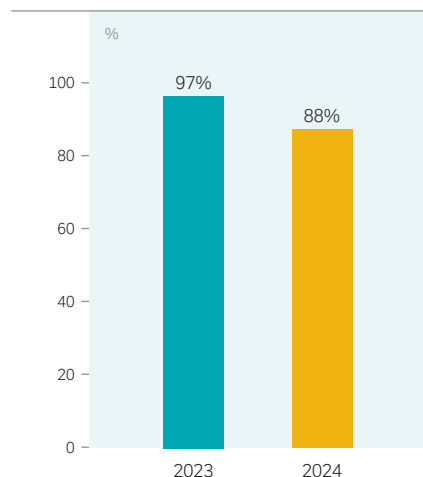
→ CLAIMS PAYOUT RATIO (EXCLUDING MATURITIES & SURRENDERS)



→ MANAGEMENT EXPENSE RATIO



→ COMBINED PAYOUT RATIO



Insurance-Specific Ratios	2024 %	2023 %
Claim payout ratio (claim cost/net earned premium)	51	58
Claims payout ratio (excluding maturities & surrenders)	12	17
Acquisition ratio (acquisition cost/net earned premium)	14	13
Management expense ratio (management expenses/net earned premium)	23	26
Combined payout ratio (claims + acquisition cost + management expenses)	88	97

Financial Capital

INCOME STATEMENT

The key line items of the Income Statement are outlined below, illustrating the generation of gross written premium, investment income, and other income, along with the associated costs and resulting profitability for the year. For better comparability, figures are presented alongside the insurance business performance for 2023, without considering the company's internal segmentation. This approach provides a clearer view of financial performance and supports the assessment of the organisation's long term return generating capacity.

	From 01 January 2024 to 31 January 2024 (SLIC) Rs. Mn.	From 01 February 2024 to 31 December 2024 (SLICLL) Rs. Mn.	From 01 January 2024 to 31 December 2024 Rs. Mn	From 01 January 2023 to 31 December 2023 Rs. Mn	Change %
Gross written premium	1,828	24,531	26,359	21,080	+25
Net written premium	1,762	23,569	25,331	20,406	+24
Net claims incurred	(978)	(12,016)	(12,994)	(11,760)	+10
Acquisition cost	(268)	(3,260)	(3,529)	(2,746)	+29
Operating & admin expenses	(447)	(5,501)	(5,948)	(5,224)	+14
Investment & other income	1,746	26,161	27,907	22,921	+22
Profit before tax before transferred to Life Fund	1,816	28,951	30,767	23,596	+30
Profit before tax after transferred to Life Fund	(19)	4,377	4,358	5,306	-18
Profit after tax before transferred to Life Fund	1,788	27,217	29,004	21,734	+33
Profit after tax after transferred to Life Fund	(47)	2,642	2,595	3,444	-25

Overall, the Life Insurance market in Sri Lanka demonstrated resilience and growth in 2024, supported strongly by a robust insurance regulatory environment, premium expansion, enhanced opportunities for investment and efficient cost and risk management. Customer centric solutions, diversified investment opportunities to policyholders, and a steady increase in Gross Written Premium, bolstered the industry which is poised to experience further expansion in 2025.

Gross Written Premium Comparison 2024 vs 2023

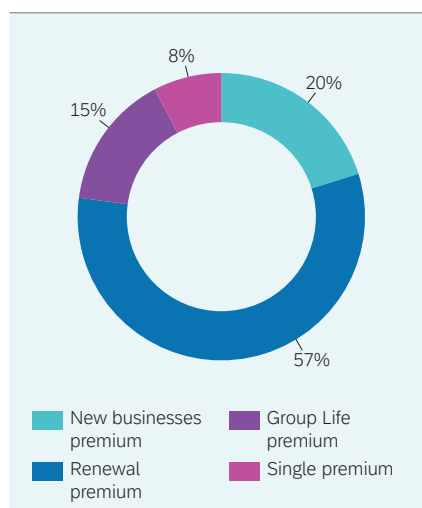
Composition	2024 Rs. Mn	2023 Rs. Mn	Change %
New businesses premium	5,320	3,598	48
Renewal premium	15,005	13,542	11
Group Life premium	4,011	1,437	179
Single premium	2,023	2,503	-19
Total gross written premium	26,359	21,080	25

Gross Written Premium (GWP) and Net Earned Premium (NEP)

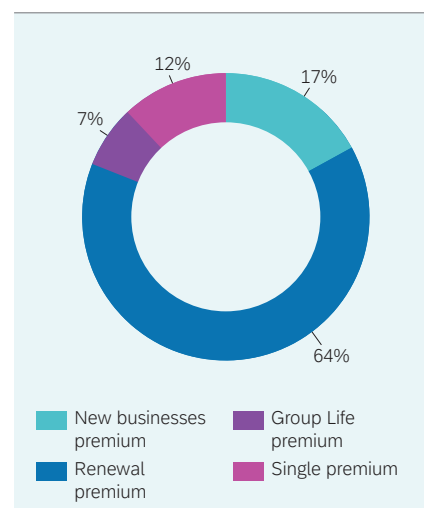
Represents the total sum of premium collected by an insurance Company. For the year ended 31 December 2024, GWP recorded a growth of 25% YoY to Rs. 26,359 Mn. from Rs. 21,080 Mn. a year ago. This growth is attributed to the increase in regular new business premium, renewal premium and group life premium during the year under review. Net Earned Premium topped Rs. 25,331 Mn. compared to Rs. 20,406 Mn. in 2023 reflecting a growth of 24% YoY.

Gross Written Premium Comparison 2023 Vs 2024

→ GWP COMPOSITION 2024



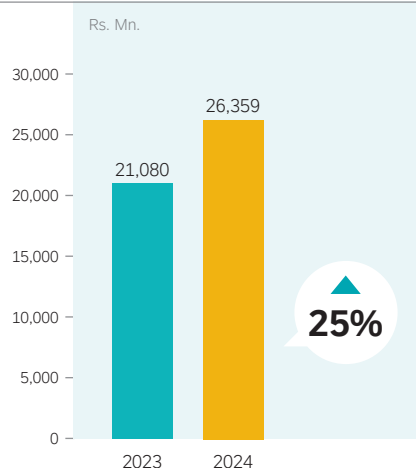
→ GWP COMPOSITION 2023



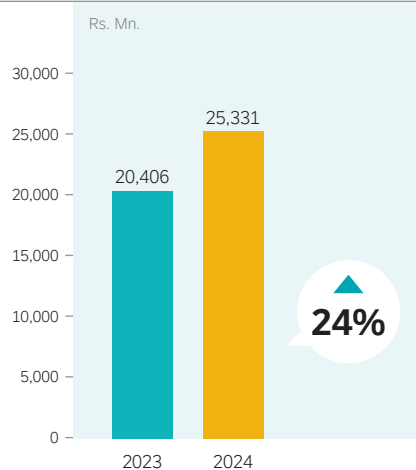
Financial Capital

The Company recorded a new business volume of Rs. 5,320 Mn. marking a 48% increase, the highest in its history. This highlights the Company's resilience to navigate economic challenges and the need to adapt to organisational transformations.

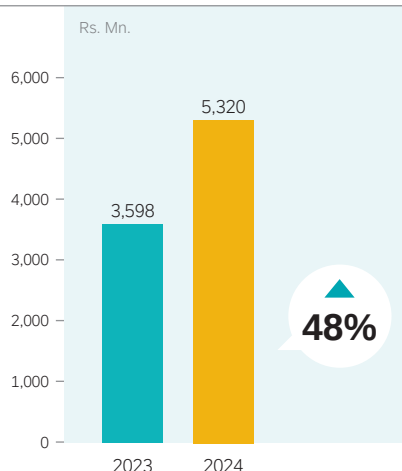
GROSS WRITTEN PREMIUM



NET EARNED PREMIUM



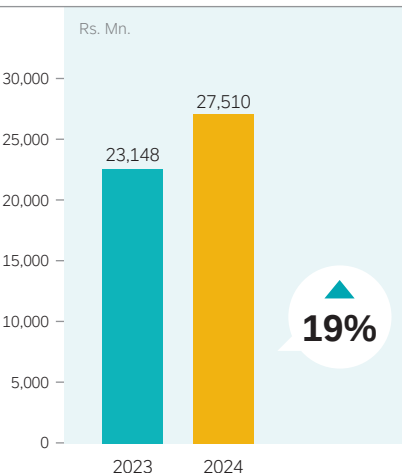
FYP



INVESTMENT INCOME

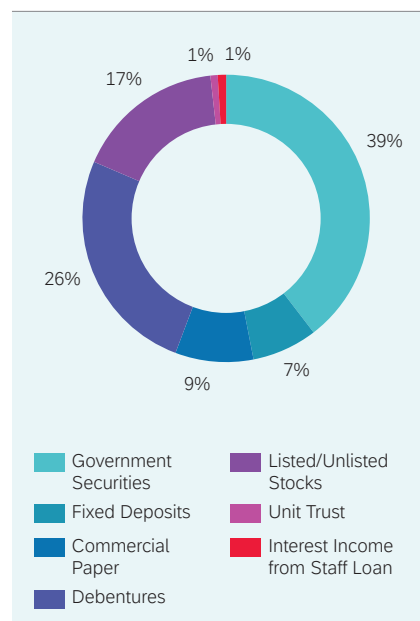
SLICLL's investment income comprises interest income on funds invested, dividend income, financial investment gains or losses and foreign currency gains or losses. In the year 2024, SLICLL reported Rs. 27,510 Mn., income from investments which is 21% year over year increment in overall investment income. This reflects a strong indicator of effective investment management and favourable market conditions.

INVESTMENT INCOME



Investment Category	Investment Income 2024 Rs. Mn.	Investment Income 2023 Rs. Mn.
Government Securities	10,889	9,463
Fixed Deposits	2,024	4,359
Commercial Papers	2,419	866
Debentures	7,071	7,116
Listed/Unlisted Stocks	4,624	560
Unit Trust	225	303
Interest Income from Staff Loan	258	481
Total	27,510	23,148

COMPOSITION OF INVESTMENT INCOME – 2024



Financial Capital

Gross Benefits and Claims Paid

The trust our policyholders deposited in us is evident in the way we honored claims, reporting Rs. 12,994 Mn. recording an increase of 10% over 2023, reflecting our ability and reliability in fulfilling obligations and delivering trusted protection. The Company continues to honour claim payments promptly, further strengthening its reputation for reliability and customer trust.

The increase in gross benefits and claims paid during 2024 was largely driven by a higher volume of policy maturities, in line with the company's profile as a mature and well established life insurer. Maturity pay outs reached Rs. 8,159 Mn., reflecting the consistent fulfilment of long term policy commitments.

The level of policy surrenders showed a slight decline to Rs. 1,691 Mn. (2023: Rs. 1,718 Mn.), supported by improving economic conditions and ongoing policyholder retention efforts by the company. The decrease in death and disability, Annuity & mortgage claims compared to the previous year highlights the company's ongoing commitment to fulfilling its obligations.

The company continues to uphold its structured claims processes, contributing to high levels of customer satisfaction and operational efficiency.

Gross Benefits and Claims paid

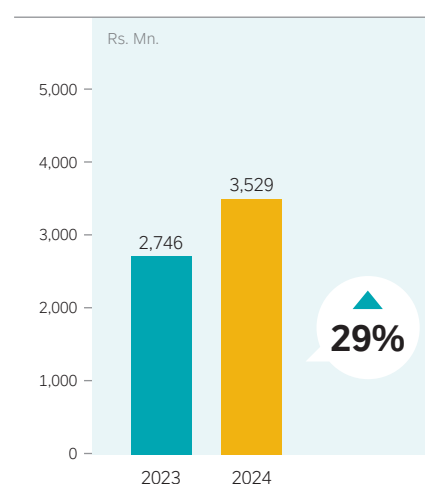
	2024 Rs. Mn.	2023 Rs. Mn.
Death claims	1,863	2,019
Policy maturities	8,159	6,152
Surrenders	1,691	1,718
Disability, Ex-gratia annuity & mortgage protection	1,975	2,304
Total gross benefits and claims paid	13,688	12,193
Claims ceded to reinsurers	(694)	(433)
Total net benefits and claims	12,944	11,760

GROSS CHANGE IN CONTRACT LIABILITIES

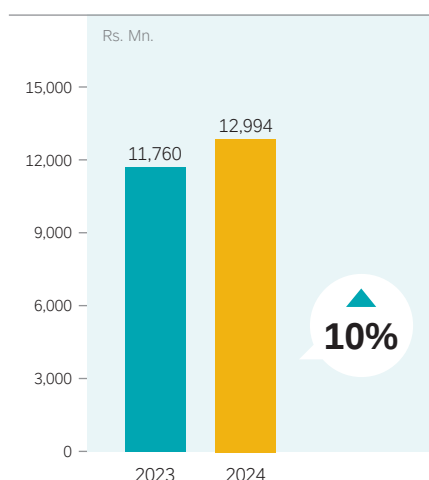
During 2024, the Company transferred a significant amount of Rs. 26,409 Mn. to the Long term Insurance Fund, following a transfer of Rs. 2,595 Mn. to the Shareholders' Fund. This was made possible by strong premium collections, effective cost management, and a disciplined investment strategy that together supported the sustainable growth of the insurance fund.

The reserve position was validated by a Liability Adequacy Test (LAT) conducted by an independent actuary, which confirmed that the reserves were sufficient to meet future policyholder obligations without requiring any further provisioning.

ACQUISITION COST



NET CLAIMS AND BENEFIT TO POLICYHOLDERS



Acquisition Cost	2024 Rs. Mn.	2023 Rs. Mn.	Growth %
Acquisition Cost	3,529	2,746	29

ACQUISITION COST

Acquisition cost increased from last year by 29% to reach Rs. 3,529 Mn. (2023: Rs. 2,746 Mn.), in line with increased business acquisition efforts and GWP growth. This increase was mainly due to a higher volume of policies issued and expanded sales campaigns.

OTHER OPERATING AND ADMINISTRATIVE EXPENSES

Other operating and administrative expenses mainly include Administration Costs, Selling and Distribution Expenses and Employee related expenses.

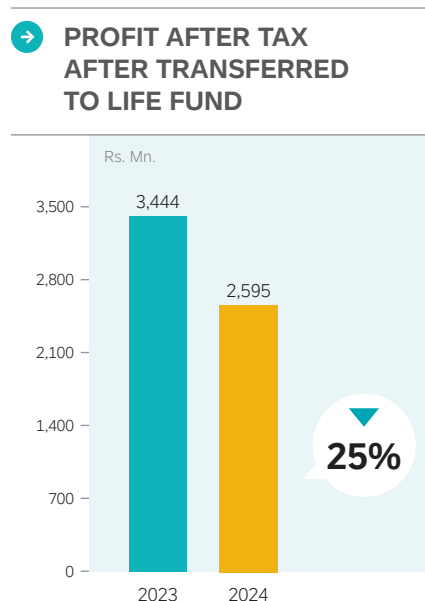
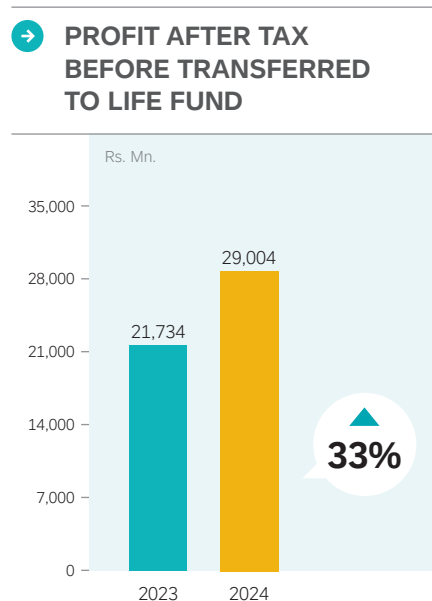
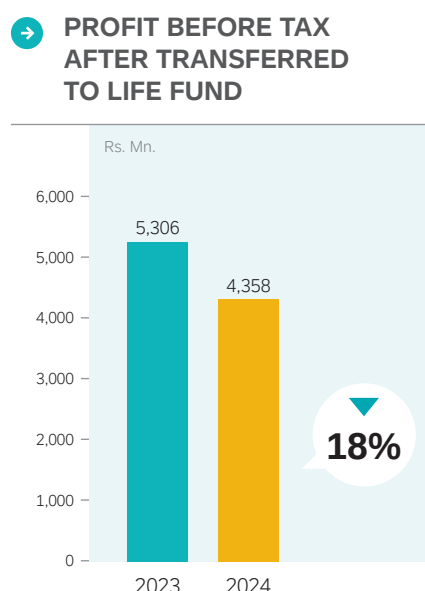
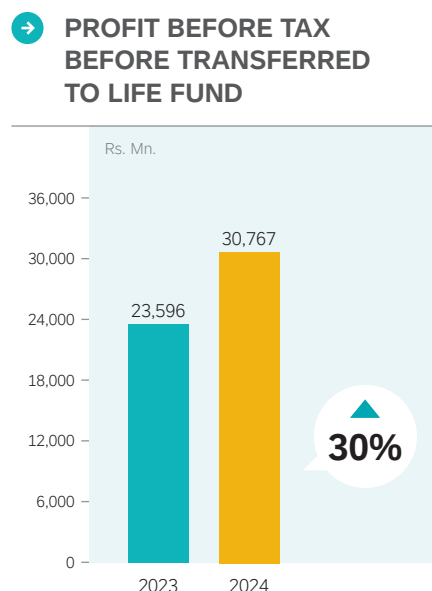
Following the segregation from Sri Lanka Insurance Corporation Limited, the SLICLL has established independent operations to support business activities. The Company has incurred the costs in terms of IT and infrastructure development, leases, legal and compliance costs, brand awareness, marketing and public relations expenses that were previously shared and incurred by SLIC. While certain administrative expense appear higher compared to when the Company operated under SLIC, they reflect the full standalone operations now required to support an independent business structure.

Although there is a temporary increase compared to the prior consolidated structure, the Company is focused on managing these costs efficiently as the Company continues its independent operations in future years.

Financial Capital

Other operating and administration expenses	2024 Rs. Mn.	2023 Rs. Mn.	Change %
Administration and other expenses	1,956	1,799	8.7
Selling and distribution expenses	805	719	11.9
Employee related expenses	3,187	3,180	0.2
Total	5,948	5,698	4.4
Reversal of impairment of SLDB	0	(473)	0
Total	5,948	5,225	14

PROFITABILITY



Financial Capital

STATEMENT OF FINANCIAL POSITION

The statement of financial position of the Company lists the assets, liabilities and equity of the organisation as at the reporting date.

Total Assets Rs. 238,625 Mn.	=	Total Liabilities Rs. 223,353 Mn.	+	Total Equity Rs. 15,272 Mn.
PPE Rs. 440 Mn.		Insurance Contract Liabilities Rs. 216,783 Mn.		
Investment Rs. 219,921 Mn.				
Other Assets Rs. 18,264 Mn.		Other Liabilities Rs. 6,570 Mn.		

Total Assets

The Company's assets and investments are essential for ensuring its long term continuity, providing strength and stability in a highly unpredictable environment. As of 31 December 2024, the Company's total asset base stood at Rs. 238,625 Mn., primarily driven by investments in financial assets, the net book value of property, plant, and equipment (PPE), and the total assets.

Financial Investments

In accordance with Sri Lanka Accounting Standards (SLFRS/LKAS), Sri Lanka Insurance Corporation Life Limited has classified its financial instruments into the following categories:

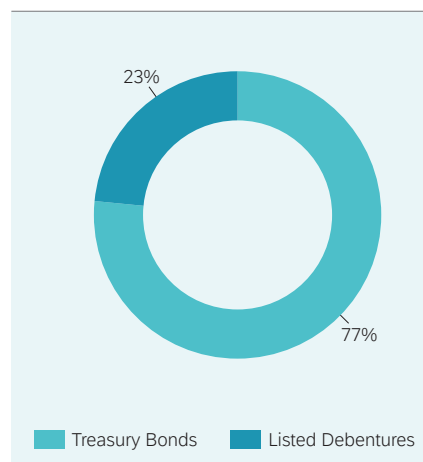
The Company's Return on Equity (ROE) for the financial year 2024 was 17% reflecting an improvement from 11% reported in financial year 2023. Return on Investments reflected 12% a marginal increase from 11% reported in financial year 2023.

Composition of Financial Investments	2024 Rs. Mn.	Composition %
Held to maturity financial assets (HTM)	79,757	36
Loans and receivables (L&R)	35,574	16
Available-for-sale financial assets (AFS)	89,307	41
Financial assets at fair value through profit or loss (FVTPL)	15,283	7
Total	219,921	100

Financial Capital

HTM	- Treasury Bonds - Listed Debentures
L&R	- Unlisted Debentures - Term Deposits - Staff Loans - Agent Loan
AFS	- Unit Trusts - Listed Shares - Listed Debentures - Treasury Bonds - Commercial Papers
FVTPL	- Unit Trusts - Listed Shares

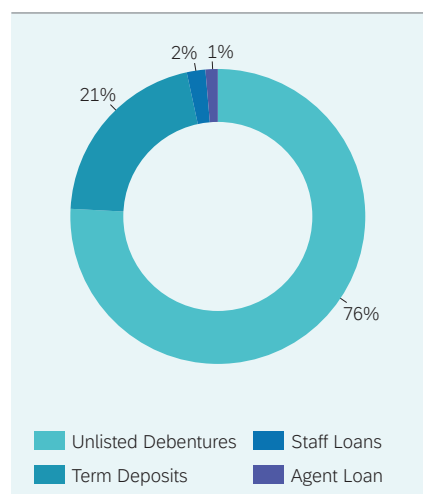
→ HELD-TO-MATURITY (HTM)



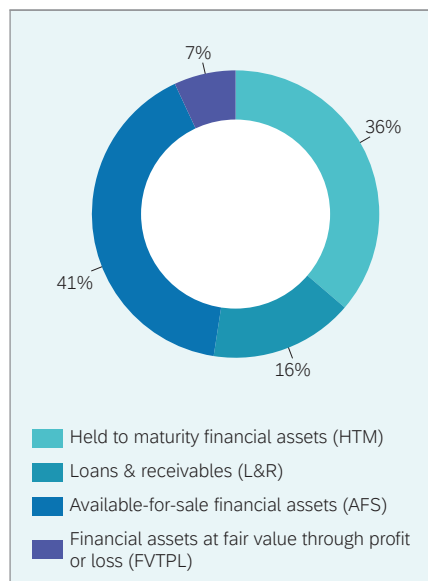
LOANS & RECEIVABLES (L&R)

These non-derivative financial assets feature fixed or determinable payments and are not traded in active markets. The Company classifies 16% of its financial instruments under the Loans and Receivables (L&R) category, with 76% of these investments consisting of unlisted debentures.

→ LOANS & RECEIVABLES (L&R)



→ INVESTMENT COMPOSITION



As Sri Lanka Insurance Corporation Life Limited is a Life Insurance Company, with the exemption granted under SLFRS 17: Insurance Contracts, the Company has deferred the adoption of the latest standard SLFRS 9, until the effective date of SLFRS 17 which is on 01 January 2026.

Investments in financial instruments are managed in strict adherence to regulatory requirements and internal investment guidelines. The Company's strategy focuses on generating consistent returns through relatively low-risk investment options.

Held to Maturity Financial Instruments (HTM)

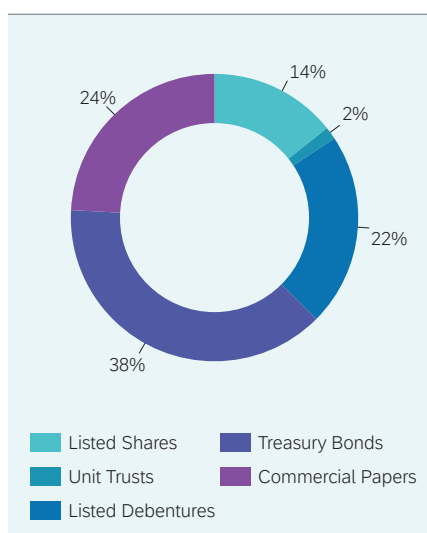
Held to Maturity (HTM) financial assets are defined by fixed or determinable payments and specific maturities, and Sri Lanka Insurance Corporation Life Limited has committed to holding these assets until maturity. These comprise 36% of the Company's financial instruments. As a prudent life insurer, Sri Lanka Insurance Corporation Life Limited strategically invests in long term assets to align with its long term insurance liabilities. A significant 77% of the HTM financial assets are allocated to "risk-free" Treasury Bonds, while the remaining portion is invested in high quality corporate debentures issued by reputable entities.

Financial Capital

Available-for-Sale Financial Instruments (AFS)

Available-for-Sale (AFS) financial assets are those designated as available for sale and are not categorised under any other classifications. AFS assets make up 41% of the Company's total financial instrument investments. Of this, 38% is invested in treasury bonds, with the remaining portion allocated to quoted shares, unit trusts, listed debentures, and commercial papers.

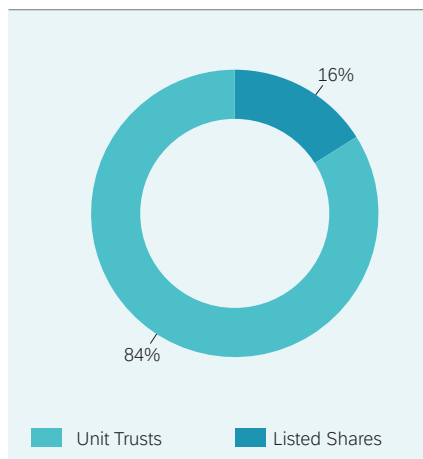
→ AVAILABLE-FOR-SALE (AFS)



Fair Value Through Profit or Loss Financial Assets (FVTPL)

These financial assets are held for trading purposes. During the year, the Company made a significant investment in listed shares, which now comprise 84% of its Financial Assets at Fair Value Through Profit or Loss (FVTPL). The remaining portion is invested in unit trusts.

→ FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL)



Total Liabilities

The Company's total liabilities amounted to Rs. 223,353 Mn. as of 31 December 2024. This was primarily driven by Insurance Contract Liabilities, which accounted for Rs. 216,783 Mn., representing 97% of the total liability balance.

Insurance Contract Liability

Insurance Contract Liabilities, or the Life Fund, represent the reserve maintained by Sri Lanka Insurance Corporation Life Limited for its long term insurance business, in compliance with the Regulation of Insurance Industry Act No. 43 of 2000, as amended. The size and robustness of the Life Fund serves as a key indicator of the financial strength and stability of a life insurer.

As of 31 December 2024, the Life Fund reached Rs. 216,783 Mn., reflecting a YoY increase supported by growth in Gross Written Premiums (GWP) and investment income. The net growth of the Life Fund occurred after a transfer of Rs. 2,641 Mn. to the Shareholders' Fund during the year. The actuarial valuation of the Life Fund as of 31 December 2024, was conducted

by Kunj Behari Maheshwari, Fellow of the Institute and Faculty of Actuaries UK, of Willis Towers Watson.

Total Equity

The stated capital of the Company is Rs. 12,500 Mn. The retained earnings balance amounted to Rs. 2,485 Mn. at the end of 31 December 2024. The revaluation reserve was Rs. 223 Mn. in 2024, reflecting the gain recognised on the revaluation of Motor Vehicles. The Restricted Regulatory Reserve, established in 2017 in compliance with Direction 16 of the Insurance Regulatory Commission of Sri Lanka, remain at Rs. 98 Mn. as at the end of 31 December 2024.

SLFRS Implementation

SLFRS 17 will significantly alter the financial reporting landscape for insurance companies, enhancing transparency and enabling better comparability of financial performance across firms. For SLIC Life, the implementation of SLFRS 17 is seen as more than just a compliance requirement; it is a strategic opportunity. This initiative allows the Company to thoroughly reassess its strategy and corporate plans to drive performance improvements. The implementation aligns with the Company's goal of transitioning from a volume driven to a value centric organisation, with a focus on increasing the Value of New Business (VNB). There is a clear connection between VNB and the Contractual Service Margin (CSM), which represents the overall profit attributable to an insurance contract.

To ensure a smooth transition and provide sufficient time for implementation, the Council of the ICASL has approved a one year extension for the effective date of SLFRS 17. As a result, SLFRS 17 will now be applicable for the annual reporting period starting on or after 01 January 2026. At the same time, the mandatory application of SLFRS 9 – Financial Instruments, is also deferred until the effective date of SLFRS 17 which

Financial Capital

is on 01 January 2026. Investments in financial instruments are managed in strict adherence to regulatory requirements and internal investment guidelines. The Company's strategy focuses on generating consistent returns through relatively low-risk investment options.

SLFRS 17 Mandated Changes in Reporting – Message to Our Stakeholders

The implementation of IFRS 17 will bring significant changes to the reporting structure of the insurance industry, affecting underwriting practices, actuarial profit recognition methods, finance process and even some sales techniques.

With this new standard our financial results more accurately reflect the economics of our business while providing greater insight into how we generate profits over time, the level of risk we manage, and the value we deliver to policyholders and shareholders.

The adoption of IFRS 17 involves in changes in accounting practices, it does not impact our core business operation, cash flow, or commitment to deliver value. Consistent application of IFRS 17 enhances the quality of information present allows our stakeholders to make better informed decisions, using the more robust representation of our financials.

SLICLL began its IFRS 17 implementation in May 2024 by establishing an internal team and initiating the RFP process for a Professional Advisor. Deloitte Partners were onboarded in December 2024 to support the process. With the completion of GAP analysis, internal team development and consultation selection, SLICLL achieved 30% from project key milestones.

SLICLL is focused on Technical Analysis with Deloitte and on-boarding system vendors in July 2025. SLICLL is confident in meeting ICASL's regulatory timeline and aims to produce IFRS 17 compliant financial statements from the Financial Year 2026.

Future Accounting Developments



Consistency – The core objective of IFRS 17 is a single, principles-based framework for all insurance contracts



What – Significant Shift in financial results reporting with enhanced transparency, consistency and comparability



When – Effective from 01 January 2026



Training – Top level management together with IT and System, Finance, Actuarial, Life and Underwriting, Compliance were going for trainings led by consultation partners



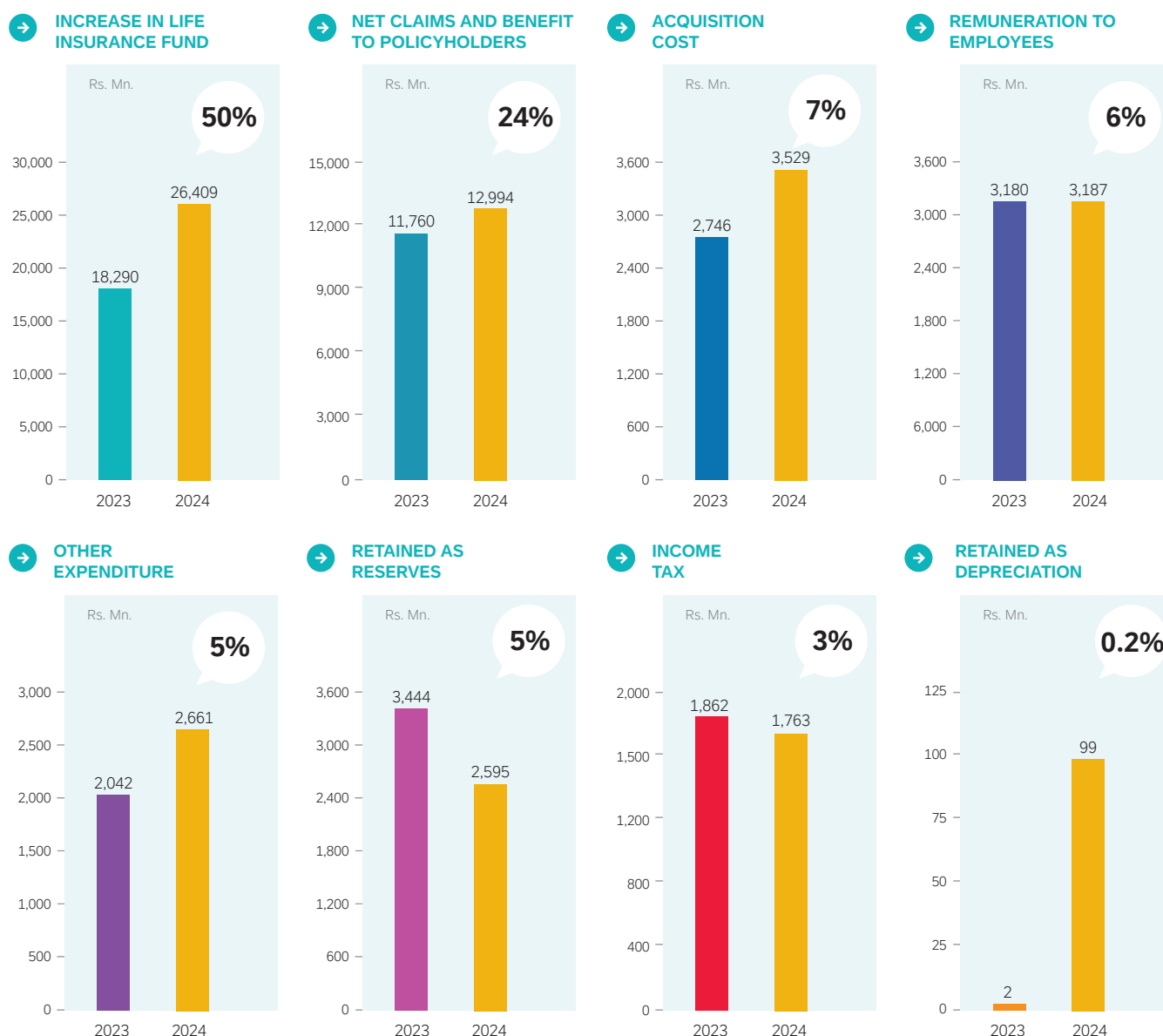
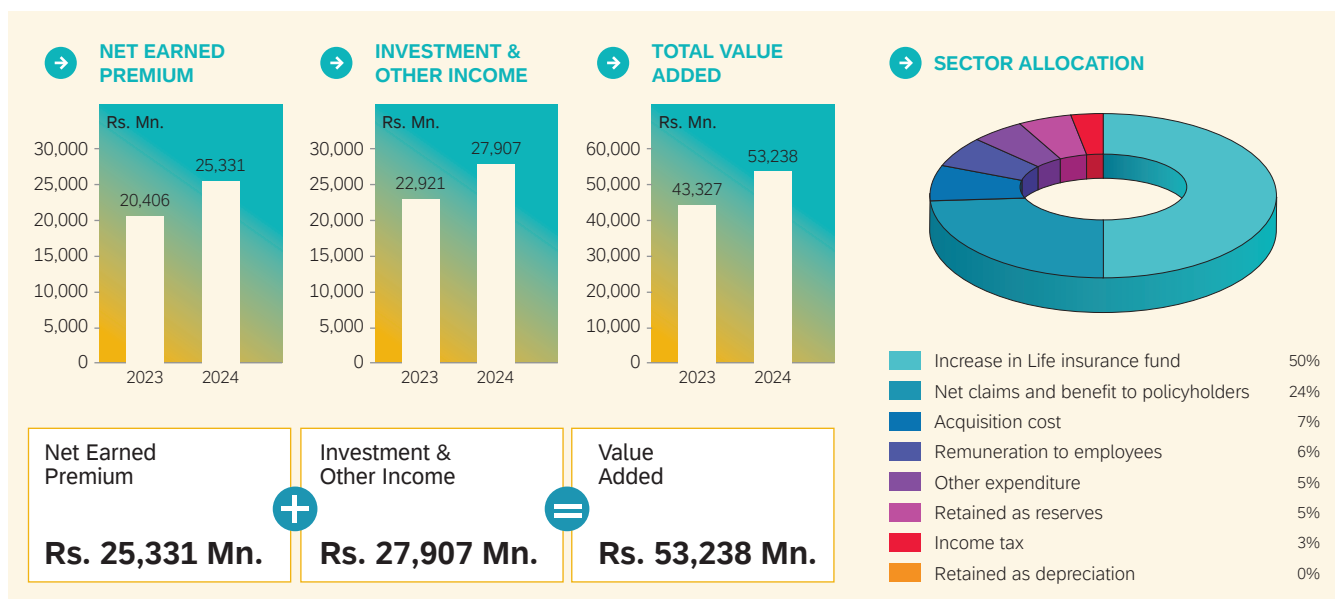
Our Partners – IFRS 17 implementation has commenced with Deloitte partners



IT System – Assist in system implementation for data accuracy, integration, traceability, and scalability

Financial Capital

VALUE ADDED STATEMENT



Manufactured Capital

SLICLL's strategic focus is on investing in assets that generate sustainable value and support economic growth and commitment to long term stability

OUR MANUFACTURED CAPITAL AND ITS VALUE CREATION PROCESS

SLICLL's manufactured capital comprises its offices, branches, computers and equipment, digital channels, and network infrastructure. The physical network extends to 142 branches, 60 Agency Business Development Centres (ABDCs), and the service counter it maintains at Lanka Hospitals Corporation PLC. Our network covers all 9 provinces and 25 districts in Sri Lanka.

As a life insurance service provider, we fully understand the value of face-to-face communication and strive to engage in it as often as required. We, however, offer virtual means of communication to our customers for easy access to products and services. Our 24 hour call centre is available for customer support and our corporate website, also available 24/7, provides information and access to our products and services.

Additionally, we offer mobile payment solutions and other hybrid channels to make it more convenient for our customers to access our services, all of which make us a more attractive option in a competitive marketplace.

Key Statistical Highlights 2024



4

ABDCs
opened

1

Branch
Relocated

1

Branch
Revamped

MEETING VALUE CREATION OBJECTIVES

Branch Expansion and Relocation

SLICLL has a well planned strategy for branch expansions that focuses on business potential. We target emerging small and medium sized townships with rapid urbanisation for branch expansion. Our approach involves setting up new branches or Agency Business Development Centres in areas with an optimal branch penetration ratio, adequate population density, and sufficient income levels. This helps us balance costs and

new business opportunities. We also follow the same strategy for branch relocation, based on which the city office branch was relocated during 2024.

Promoting branch Efficiency

Effectiveness of our branch network is reflected not only in the strategic decisions we make in expansion, but also in the ambiance the branches project to visitors. We have recently upgraded two of our branches, including the construction of new SLICLL owned building in Puttalam. The renovation was completed during 2024 and have given the branch a completely new look and feel.



Manufactured Capital

INVESTMENT IN FIXED ASSETS

	2024 Rs. '000
Additions to fixed assets	85,509
NBV of fixed assets	439,973

All figures mentioned above correspond to a full 12-month period for the Life Business, ensuring a comprehensive view of annual performance

BRANCH PENETRATION VS POPULATION DENSITY

Province	Branch penetration (No. of branches including ABDCs, including counter at LHC) 2024	Branch penetration (No. of branches including ABDCs, including counter at LHC) 2023	Branch penetration (No. of branches including ABDCs) 2022
Western	64	65	69
Southern	32	32	32
Central	15	18	17
Northern	18	14	10
North Central	15	13	12
Eastern	11	11	10
North Western	25	25	25
Sabaragamuwa	12	13	13
Uva	10	10	09

Projects completed in 2024 AND PLAN FOR THE YEAR 2025



Projects completed in 2024

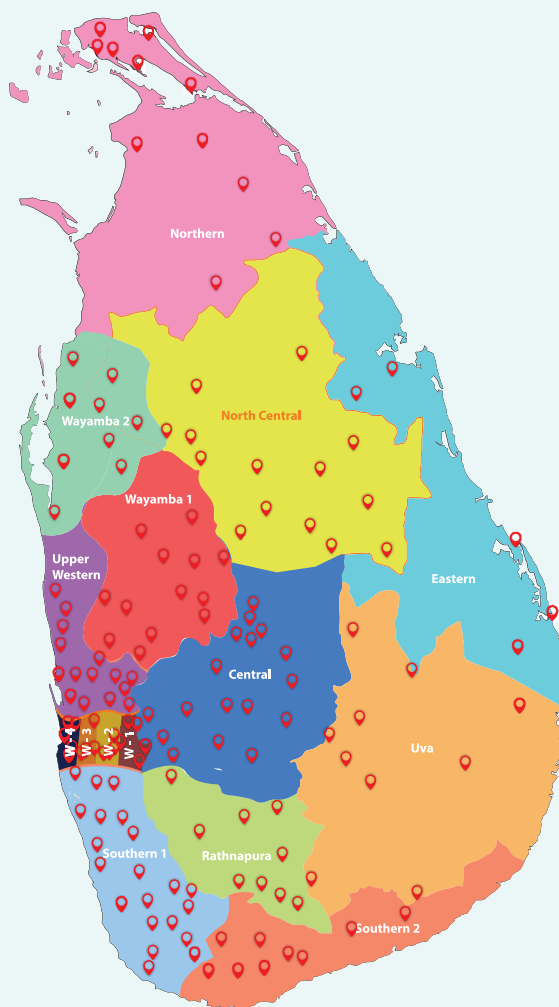
- New ABDCs at Mulankavi, Manipay, Pallai, and Naiwala
- City office branch was relocated
- Puttlam branch was refurbished

Looking ahead – plan for year 2025

- Relocations – 5
(Kamburupitiya, Hambanthota, Kalawana, Wattala, Giriulla)
- Refurbishments – 2
(Rikillagaskada – Owned property, Bakamoona – Rented Building)
- New construction project at SLICLL own properties – 5
(Nuwaraeliya, Badulla, City office Colombo, Kaluthara and Jaffna)
- Increasing ABDCs, we plan to broaden our network further by establishing 29 new Agency Business Development Centres, in areas identified by the adaptation of the specific methodology, to increase SLICLL's island-wide penetration.

Manufactured Capital

SLICLL REGIONAL MAP – 2024



Central

Branch – 12

Digana, Gampola, Kandy City, Kandy Main, Katugasthota, Kegalle, Matala, Mawanella, Mawathagama, Nawalapitiya, Pilimathalawa, Rikillagaskada

ABDCs – 5

Aranayaka, Bulathkohupitiya, Galagedara, Peradeniya, Wattagama

Eastern

Branch – 5

Akkaraipattu, Batticaloa, Kalmunai, Kanthale, Trincomalee

ABDCs – 3

Kaluwanchikudy, Pothuwil, Mutur

North Central

Branch – 10

Anuradhapura, Aralaganwila, Bakamuna, Dehiattakandiya, Hingurakgoda, Horowpathana, Kaduruwela, Kekirawa, Medawachchiya, Padavi Parakramapura.

ABDCs – 4

Habarana, Mahaoya, Medirigiriya, Galenbindunuwewa

Northern

Branches – 8

Chankanai, Chavakachcheri, Jaffna, Kilinochchi, Mannar, Mullaitivu, Nelliady, Vavunia

ABDCs – 10

Chunnakam, Mallavi, Kaithady, Visuwasadu, Kodikamam, Manipay, Pallai, Mulankavi, Puthukuduiruppu, Point-pedro

Rathnapura

Branches – 9

Avissawella, Balangoda, Eheliyagoda, Embilipitiya, Kahawatta, Kalawana, Pallebedda, Ratnapura, Ruwanwella

ABDCs – 2

Deraniyagala, Hanwella

Southern 1

Branches – 12

Aluthgama, Ambalangoda, Baddegama, Bandaragama, Elpitiya, Galle, Horana, Kalutara, Mathugama, Panadura, Thalagawala, Udugama

ABDCs – 5

Habaraduwa, Karapitiya, Pitigala, Thanipolgaha, Uragaha

Southern 2

Branches – 12

Akuressa, Ambalantota, Beliatta, Deniyaya, Dickwella, Hakmana, Hambantota, Matara, Neluwa, Tangalle, Tissamaharama, Weligama

ABDCs – 8

Deyyandara, Imaduwa, Kamburupitiya, Kekanadura, Middeniya, Morawaka, Urubokka, Walasmulla

Upper Western

Branches – 11

Gampaha, Ja-Ela, Kandana, Kochchikade, Marawila, Minuwangoda, Negombo, Nittambuwa, Veyangoda, Wennappuwa, Yakkala

ABDCs – 11

Dankotuwa, Divulapitiya, Ganemulla, Kirillawala, Kirindiwela, Mahabage, Mirigama, Pugoda, Urapola, Weliveriya, Naiwala

Uva

Branches – 10

Ampara, Badulla, Bandarawela, Bibila, Hatton, Mahiyangana, Monaragala, Nuwaraeliya, Welimada, Wellawaya

ABDCs – 3

Passara, Siyambalanduwa, Hettipola

Wayamba 1

Branches – 10

Giriulla, Kuliapitiya, Kurunegala City, Kurunegala Main, Melsiripura, Narammala, Polgahawela, Rambukkana, Rideegama, Warakapola

ABDCs – 5

Alawwa, Hettipola, Katupotha, Pannala, Polpigitigama

Wayamba 2

Branches – 10

Anamaduwa, Chilaw, Dambulla, Galewela, Galgamuwa, Maho, Nikaweratiya, Puttalam, Thambuttegama, Wariyapola

ABDCs – 2

Ambanpola, Norochchola

Western 1

Branches – 8

Battaramulla, Colombo City Office, Dehiwala, Kirulapone, Moratuwa, Nugegoda, Pitakotte, Ratmalana

ABDCs – 0

Counter – 1

Lanka Hospital Counter

Western 2

Branches – 9

Colombo Metro 1, Colombo Metro 10, Colombo Metro 11, Colombo Metro 2, Colombo Metro 3, Colombo Metro 4, Colombo Metro 6, Kadawatha, Kiribathgoda

ABDCs – 0

Western 3

Branches – 8

Athurugiriya, Homagama, Ingiriya, Kaduwela, Kottawa, Maharagama, Malambe, Piliyandala

ABDCs – 1

Padukka

Western 4

Branch – 7

Bambalapitiya, Borella, Kotahena, Kotikawatta, Pettah, Ragama, Wattala

ABDCs – 1

Wellawatta

Intellectual Capital

As an information intensive life insurance service provider, our Intellectual Capital is of essence to our continued effectiveness, in the market.

SLIC Life's intellectual capital is the result of decades of experience and learning. It is comprised of intangible assets such as technology, policies, systems and processes, and brand equity. These knowledge-based resources enhance SLIC Life's value proposition and give it a competitive edge.

Key Statistical Highlights 2024



Developing IT
systems

(Rs. Mn.)
109

CONTRIBUTION TO SDGs



Investment for the development of IT system was 109 Mn. for the year 2024



Most loved Life Insurance brand for the 7th consecutive year

BRAND EQUITY

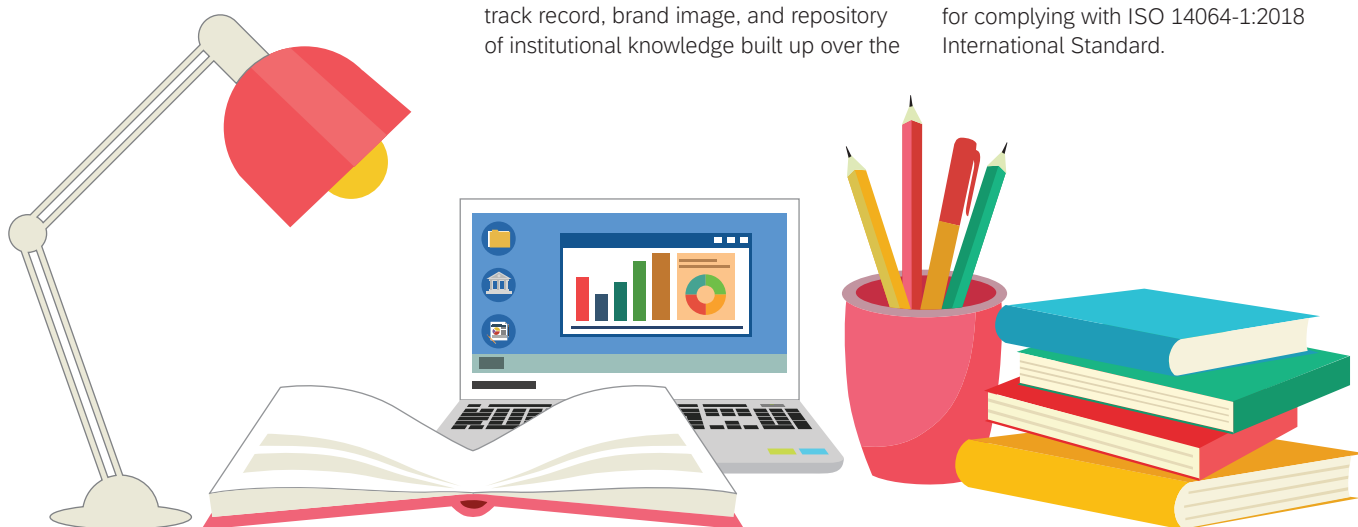
SLIC Life holds the title of the Nation's Insurer, and the Company's excellent service has enhanced its brand value despite adverse economic and social conditions. Sri Lanka Insurance Life brand is valued at Rs. 2.7 Bn. with the largest life fund of Rs. 213.2 Bn. and an asset base of Rs. 238.6 Bn. These accomplishments solidify the Company's position as Sri Lanka's largest and strongest life insurer.

BRAND ACHIEVEMENTS

SLIC Life as a brand has continued to grow in value and this is demonstrated by its winning a number of awards and accolades. In 2024, LMD Brand Finance recognised Sri Lanka Insurance Life brand as "Most Loved Insurance Brand" of the year, an accolade that was repeated for the 7th consecutive year. With its strong track record, brand image, and repository of institutional knowledge built up over the

years SLIC Life is well positioned to deliver on its brand promise to all stakeholders. Given our market share, knowledge, competencies, and the strength of the largest life fund and asset base, we have been able to expand our clientele through differentiated value propositions. SLIC Life has a broad product portfolio to cater to the needs of its diverse clientele, supported by best-in-class service and digital empowerment.

SLIC Life has a Quality Policy in place, aligned with ISO standards, which it stringently implements. For the year 2024, SLIC Life was awarded the ISO 9001:2015 quality standard as well as the ISO/IEC 27001:2013 standard accreditation, the foremost benchmark for Information Security Management Systems (ISMS). In addition, as a responsible corporate citizen driven by sustainability, SLIC Life was awarded with the Greenhouse Gas Verification Opinion for complying with ISO 14064-1:2018 International Standard.



Intellectual Capital

The policy epitomises the Company's vision of "Customer first in everything we do". This philosophy has been internalised and implemented by all teams. The policy lays down minimum operational standards for all products, services and processes and which are implemented at all locations; the head office and branches. The standards cover life underwriting, claims, settlement, and all support services in addition to being a guiding force for the sales teams.

ICT STRATEGY AND POLICY

The ICT strategy is firmly rooted in our ambition to be the driving force behind SLICLL's digital leadership. Our focus has been on building a secure, scalable, and intelligent technology ecosystem that accelerates time-to-market, enhances customer engagement, strengthens digital capabilities, optimises operations, and mitigates enterprise risks. This strategy is aligned with our transformation roadmap and enables us to lead Sri Lanka's insurance industry into a digitally empowered future.

We placed strong emphasis on data intelligence and advanced analytic to understand customer behaviour, claims patterns, and risk profiles. By leveraging AI/ML and predictive models, we enhanced our ability to offer personalised insurance solutions and proactive risk mitigation. We continuously assess and integrate emerging technologies to ensure agility, resilience, and innovation in an increasingly competitive and fast-paced digital landscape.

OUR KEY FOCUS AREAS AND ACHIEVEMENTS

Digital Customer Experience: Digital touchpoints such as mobile apps, customer portals, and social messaging platforms continued to play a key role in providing seamless, accessible, and personalised services. Customers can now conveniently access their policies, initiate

claims, and track status digitally, fostering greater satisfaction and trust. We have extended digital on boarding and servicing capabilities to cover a wider range of products.. We also expanded our online payment network through integration with leading banks and digital payment aggregators, ensuring a frictionless payment experience across platforms.

Legacy System Modernisation & Cloud Adoption:

In our journey to modernise legacy infrastructure, we undertook a phased transition towards a modern core system architecture. This involved building integration layers using open APIs and an Enterprise Service Bus (ESB) to enable interoperability across platforms. To enhance scalability, agility, and business continuity, we initiated migration of core workloads to cloud platforms, evaluating the suitability of public, private, and hybrid cloud models based on business requirements. Existing vendor support was retained during this transition to ensure uninterrupted operations and smooth system coexistence.

Digital Transformation & Operational Efficiency:

We accelerated our digital transformation agenda through structured change management, adoption of automation, and process optimisation. Collaborations with strategic technology partners, insurtechs, and domain experts enabled us to harness best practices in digitisation. The introduction of enterprise-grade solutions such as workflow for approvals, RPA automating repetitive tasks, and enterprise digital signature tools marked significant milestones, contributing to higher operational integrity and measurable efficiency gains.

Data Analytics, Information Security,

Governance & Compliance: As we are making efforts to transform our organisation from a traditional and intuitive decision-making culture to a data driven culture, we are looking into optimising our data analytics with the latest cutting-edge technology in Data Visualisation and Data Warehousing.

As we keep strengthening our human capital on Data Literacy, we intend to optimise the use of data with Machine Learning initiatives, enabling the use of Predictive Analytics.

With all these initiatives we look forward to add value to Management and strategic decisions which will further strengthen our business and brand.

As part of our ongoing commitment to protecting sensitive information and maintaining customer trust, we have strengthened our capabilities across three core areas: security operations, data governance, and cloud platform integrity.

In the area of security operations, we have enhanced our ability to detect and respond to potential risks around the clock. Stronger controls are now in place to ensure that only authorised individuals can access critical systems, and we've implemented continuous processes to monitor and safeguard our environment. These efforts enable us to respond swiftly to emerging threats and maintain operational stability.

Our data governance and compliance efforts have also been expanded. With growing regulatory expectations and heightened public awareness of data privacy, we've reinforced our internal practices and accountability measures. A dedicated team ensures that we meet the highest standards in how we handle and protect personal and business data. Our recent achievement of a globally recognised security certification reflects the effectiveness of these measures.

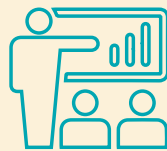
At the same time, we've made key improvements to the security and resilience of our cloud-based platforms. This includes reinforcing the protection of our online platforms and ensuring consistency across both on premise and cloud environments. This helps ensure our services remain reliable, secure, and responsive to the evolving digital landscape.

Human Capital

SLICLL's Human Capital is its greatest asset, and is the key driver of the Organisation's performance. Through the dedication and commitment of our employees, our products are recognised in every part of the island.

SLICLL's Human Capital is the Company's greatest asset, and the key driver of the organisation's performance. Our capable and professional team enables us to stay ahead of our peers in a highly competitive service industry. Through the dedication and commitment of our employees, products we offer have reached every part of the island.

Key Statistical Highlights 2024



Training
programmes

69

CONTRIBUTION TO SDGs



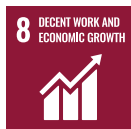
Employee physical well being, special health and safety policy



Employee training programmes conducted



Maintain gender balance – 55% to 45%



Diverse and inclusive growth



Maintain employee age diversity

Maintain strong regional representation in work force

Transparency and impartiality in recruitment process



Human Capital

Staff by Category

	2024
Permanent staff	877
Contract staff	37
Total	914

Age Analysis

Age group	Male	Female	Total	%
18-24	7	14	21	2
25-29	28	39	67	7
30-34	45	88	133	15
35-39	72	79	151	17
40-44	70	39	109	12
45-49	59	36	95	10
50-54	105	111	216	24
55 and above	43	79	122	13
Total	429	485	914	

Service Analysis

No. of years working at SLIC	Male	Female	Total	%
0-5	109	68	177	19.37
6-10	63	83	146	15.97
11-15	87	90	177	19.37
16-20	81	36	117	12.80
21 and above	89	208	297	32.49
Total	429	485	914	



Human Capital

Employment by Grade and Gender

Grade	Number			Composition %	
	Male	Female	Total	Male	Female
Senior Managerial	32	10	42	7	2
Managerial	131	33	164	31	7
Assistant Manager	26	20	46	6	4
Executive	74	214	288	17	44
Clerical	105	203	308	24	42
Technical	1		1	–	–
Non-clerical	38	1	39	9	–
Minor	22	4	26	5	1
Total	429	485	914	47	53

Best Practices in HR

SLICLL implements fair employment practices in accordance with the ILO Declaration of Fundamental Principles and the UN Global Compact. Both these covenants are based on the Universal Declaration of Human Rights. By following the above principles, we create a conducive working environment for our employees where they will be motivated and productive.

Emanating from the above, our HR policies and practices are guided by the following principles.

Policy

- Non-discriminatory and equal opportunity employment
- Promoting diversity and inclusion
- Prioritising the health and safety of employees
- Upholding ethics and integrity
- A clear procedure on handling employee grievances
- Recruitment strategy
- Retention strategy

Implementation

- From recruitment to retirement, we maintain a non-discriminatory attitude and encourage equal opportunity at all stages of the job lifecycle.

- SLICLL aims to create a diverse and inclusive workplace where all employees are treated fairly and equally regardless of race, social background, gender, religion, age, or any other legally protected status.
- We endeavour to provide whatever possible career opportunities for differently abled persons.
- SLICLL has a stringent policy against child labour, forced labour, or compulsory labour and does not engage in these as a responsible corporate citizen.
- Considering the nature of our industry, employees are not exposed to any major health and safety risks. Nevertheless, we take care to ensure our employees work in a safe and secure environment.
- Assessing of risks is done in coordination with many internal and external stakeholders.
- SLICLL's Risk Management Department assesses health and safety risks regularly and takes preventive and corrective measures as needed. The HR Department, with the help of other Departments and relevant authorities, provides the necessary training and awareness programmes to raise health and safety awareness among employees.

- We have a comprehensive Health and Safety Policy in place which provides a formal framework for the administration for workplace health and safety.
- We expect our employees to perform their duties upholding the highest standards of ethics and professionalism. We expect them to conform to this in dealings with all stakeholders, internal and external.
- We have a Code of Conduct in place, which must be known to and understood by all employees. If there are any breaches, disciplinary action will be taken against the employee concerned according to the severity of the offense.
- All employees are expected to adhere to the terms and conditions of their letters of appointment without exception.
- SLICLL has a clear procedure in place for dealing with employee grievances, with the objective of resolving them as close to the source as possible, avoiding prolonged disputes or crisis situations, increasing morale, satisfaction, and commitment, and ensuring harmonious employer-employee relationships through better understanding.
- There is a detailed grievance management mechanism in place that any SLICLL employee can use to report any work-related complaint, without any fear of reprisals.
- The policy includes specific information on how to file a grievance, as well as information on the many sorts of grievances, which might demotivate an employee, directly or indirectly.
- The grievances can include personal ones, in addition to official grievances
- The policy also describes the many steps of the grievance handling system, including the function of the Grievance Handling Committee, the role of the Human Resources Board Subcommittee, as well as the grievance resolution time frames. When it comes to dealing with individual or group issues, we follow this standard procedure.
- The recruitment policies and processes have been streamlined to ensure that all recruits have the required knowledge, skills, experience, aptitudes, and attitudes.

Human Capital

- Internal applicants are given the first preference in recruitment, with external applicants being recruited only if no internal candidates are found suitable.
- New recruits have to go through a series of selection levels to see if they are a good fit for the Company.
- SLICLL's interview panelists consist of subject matter experts and members of the Senior leadership team. However, the panel's composition may vary on depending on the posts and requirements.
- To maintain the transparency and impartiality of the recruitment process, our Recruitment Policy requires that a representative from the HR Department be present at all interviews. In addition, all panel interviews follow a set of pre set evaluation standards.
- All new hires are required to follow a thorough induction and orientation programme to help them get acquainted with the Company and to better integrate into the SLICLL culture.
- As the insurance sector in Sri Lanka becomes more competitive, it becomes more critical to retain competent individuals to sustain SLICLL's competitive edge and brand recognition.
- Our strategy for retaining talented personnel is based on a methodical succession plan that aims to develop identified employees into future leaders of the Company.
- The best performers are selected for inclusion in the "SLICLL Talent Pool" based on the results of our Performance Appraisal System (PAS).
- The goal of the "SLICLL Talent Pool" is to create a comprehensive succession plan within the Company, ensuring that there are always suitable people ready to fill any vacancies that may arise, especially in key positions.
- Candidates in the "SLICLL Talent Pool" can participate in a variety of development programmes to strengthen both their soft and technical skills, as well as benefit from our mentorship programme to enhance their leadership and management abilities.

Benefits to promote employee satisfaction

Fair remuneration

To retain talented employees, we have to provide remuneration and other benefits that are aligned with the market. We also follow all statutory and regulatory requirements that are relevant to our employees.

Benefit schemes

Furthermore, we allow all of our employees to enjoy the following privileges and improve their quality of life, based on the principle that "happy employees deliver quality products and services".

Benefits at work

Family leave SLICLL strictly follows all labour laws in conformance with and exceeding the legal requirements to ensure the safety and well being of its employees. In this regard, all of our female employees are entitled to maternity leave under the Maternity Benefits Ordinance. In addition to the provisions outlined in the Maternity Benefits Ordinance, SLICLL grants employees the option of taking up to two additional months of unpaid leave. Requests for paternity leave are also given favorable consideration, provided the leave is utilised

Flexible work arrangements Company provides remote work facilities and flexible working hour options for staff considering their personal situations.

Food and beverages Our staff cafeteria provides a wide range of food and beverages at concessionary prices.

Welfare We maintain a welfare shop that sells a variety of low-cost goods, together with providing other welfare activities.

Benefits for health

Wellness Our health facilities include a well equipped gymnasium with a qualified instructor who helps employees maintain their physical fitness.

Weekly yoga classes are conducted to help those who wish to maintain their mental and spiritual well being.

Healthcare Health and wellness programmes educate staff on health matters and create a conducive working environment.

Benefits for financial security

Medical coverage Company medical insurance coverage for SLICLL staff and their families.

Educational incentives Examination fees are reimbursed in line with the HR policies.

Lifestyle benefits

Work-life balance Our employees have the use of a library with about 1,800 books, both fiction and non-fiction.

The non-fiction section includes books on insurance, management, finance, marketing, and sales.

Our staff has adequate leave entitlements and enjoy annual get-togethers.

Travel and accommodation Every employee has the opportunity to use three holiday homes in Nuwara-Eliya, Anuradhapura, and Kataragama, all of which are furnished with modern conveniences and staffed by well trained caretakers.

Perks for employee family members

Employees' children receive educational support including seminars for students taking the year 5 scholarship examination.

Employees and their families are eligible for death benefits. We also provide emotional and psychological assistance to employees and their families in times of need, as part of SLICLL's vow to be with them "like a Father, like a Mother".

Career development to enhance workforce productivity

Our training and development strategy is geared to improving employees' skills and competencies in a way that supports SLICLL's growth. To prioritise the training needs identified by the Performance Appraisal System (PAS), we have implemented a well structured training and development framework. We regularly assess participation and progress to ensure that the training investment is delivering the expected results in terms of required skill and competency development.

Human Capital

Investment in Training and Development

Type	2024 (Rs.)
In-house training	12,283,346.63
External training	3,935,704.93
Conferences	339,500.00
Overseas training	4,402,331.00
Insurance and professional education	9,610,707.77
Professional memberships	2,861,036.67

All figures mentioned above correspond to a full 12-month period for the Life Business, ensuring a comprehensive view of annual performance

As part of our Succession Planning and Talent Pool Management plan, we now have a dedicated training module to improve the leadership skills of potential leaders from each Department, this is another project that contributes to the organisation's strategic business objectives.

We have also introduced a professional development reimbursement scheme to provide financial assistance to employees who wish to obtain further educational qualifications in a way that could add value to their respective work area. This affords them the opportunity to upgrade their skills on a regular basis and also benefits the Company. SLICLL also reimburses professional body membership expenses to encourage continued professional growth.

Reimbursement of Examination Expenses

	2024
Total investment on employees	1,316,046.59

Training Programmes

	2024
Number of programmes	69

Induction Programmes

	2024
Number of programmes	2

Recognition and Rewards

As a Company in a highly competitive industry we need to be performance driven and our appraisal and reward system needs to be aligned accordingly. We believe that a successful Performance Appraisal System (PAS) provides a foundation for achieving twin goals; corporate strategic objectives as well as promoting employee development. SLICLL's Performance Appraisal System, which is built on the philosophy of "Striving for Excellence," evaluates our workers' performance in a fair, transparent, and credible manner. All permanent employees are required to complete a bi-annual self-evaluation, where their own performance is graded against pre-agreed KPIs set at the start of the financial year as part of the process.

This is followed by a performance appraisal meeting in which employees can address their performance, training needs, and long term career ambitions with their line manager. Employees with a rating of less than 2 are offered help to overcome any obstacles through customised Individual Development Plans established by the HR in cooperation with their supervisors.

The PAS is fully linked into our HRIS, allowing employees to track their progress and line managers to evaluate the performance of their teams throughout the year, encouraging all employees and managers to strive for excellence jointly.

Outstanding Employee Awards: All staff members, excluding sales categories representing the Head office and Branches are considered for the award scheme. The intention is to recognise the employee contributions in the value chain of the Company and to ensure they are duly recognised and rewarded for their dedication. This fosters a culture of innovation and is a powerful motivator.

Human Capital

for further enhance their contributions towards the value chain of the Company. Through this Outstanding Employee Award Scheme, not only the employees will be rewarded and recognised for their contributions but will also be motivated since they realise the innovative culture in the organisation and the opportunity for sustainable growth.

Other significant statistics

Employees by Region

Region	Number
Central	49
Eastern	12
North Central	27
Northern	27
Ratnapura	32
Southern 1	50
Southern 2	42
Upper Western	37
Uva	35
Wayamba 1	41
Wayamba 2	30
Western 1	23
Western 2	14
Western 3	21
Western 4	14
Head Office	460

Employee Recruitment

Age Group	Male	Female	Total	%
18-24	9	26	35	27
25-29	24	21	45	35
30-34	5	5	10	8
35-39	13	5	18	14
40-44	5	3	8	6
45-49	4	4	8	6
50-54	2		2	2
55 and above	2	1	3	2
Total	64	65	129	

Employee Turnover

Age Group	Male	Female	Total	%
18-24	4	24	28	27.72
25-29	9	13	22	21.78
30-34	7	6	13	12.87
35-39	6	4	10	9.90
40-44	4	3	7	6.93
45-49	3	2	5	4.95
50-54	1		1	0.99
55 and above	5	10	15	14.85
Total	39	62	101	

Staff Retention Rate

	2024
Number of staff	914
Staff retention rate (%)	93.4

FUTURE CONCERNS



Performance driven culture

We intend to fully inculcate a performance driven culture wherein the entire organisation is driven by motivation to perform and achieve organisational success.



Enhance the process of succession planning

We intend to make further improvements by identifying critical positions within the organisation and developing a talent pool by training individuals to fill vacancies of those who retire or leave.

Social and Relationship Capital

SLICLL's social and relationship capital is made up of strong networks with various stakeholders. These relationships create value for both the Company as we strive to build trust and mutually beneficial connections with each group.

CONTRIBUTION TO SDGs



A diversified set of life investment solutions providing a financial safety net for Sri Lankans from all walks of life



Comprehensive coverage for health needs with customisable options to be selected based on the individual's needs



While the SLIC Life education insurance plans secure quality education for children even in an unforeseen circumstance it further supports the education dreams of children through "Suba Pathum" scholarship scheme.

Company supports the development of its staff and sales team with structured and continuous training programmes

Key Statistical Highlights 2024



SLIC Life
market share

14.4%



Driving to establish a great place to work culture within the organisation and systematically operating agents' development model



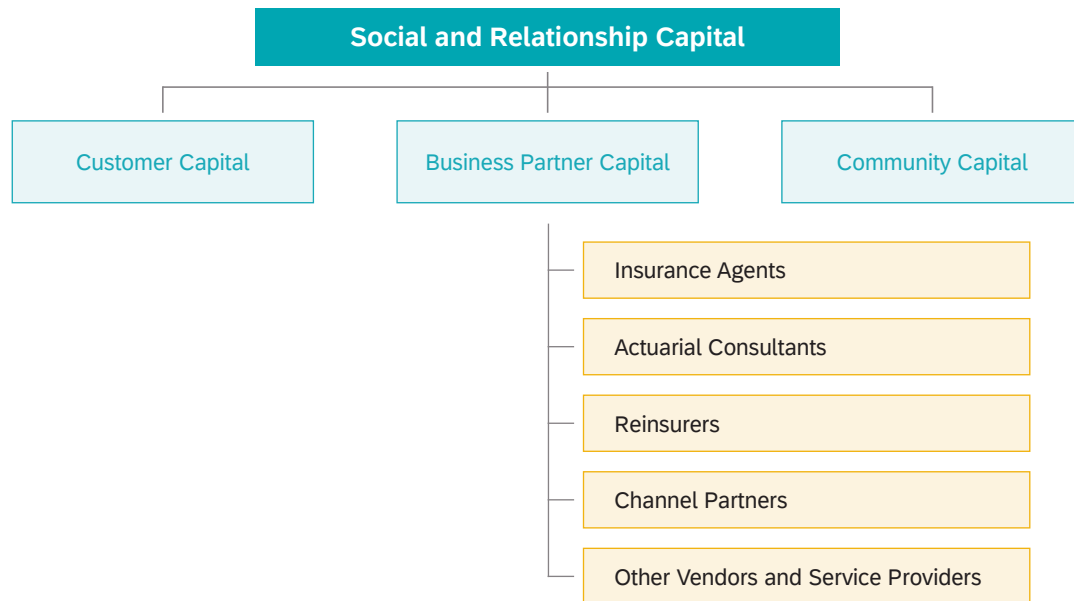
Innovative tailor-made insurance solutions for all needs and all Sri Lankans of every socio economic class Convenience, transparency and security through mobile functions, online payment solutions and digital customer facilities Hybrid channels



Offering inexpensive and simplified insurance solutions catering to all Sri Lankans under the "Insurance for all" concept



Social and Relationship Capital



VALUE ADDITION TO CUSTOMER CAPITAL

Driving Customer Capital towards Value Creation

To drive customer capital towards value creation, SLIC Life focuses on understanding the wants, needs, and preferences of its customers to compete in the marketplace and increase its market share. To increase our revenue streams, we need to attract new clients in addition to retaining our existing ones. To achieve this, SLIC Life offers a wide range of life investment products that are unique and affordable for all Sri Lankans. In keeping with our vow to remain by their side

"like a Father – like a Mother", our product portfolio is designed to cater to the diverse needs of individuals, SMEs, entrepreneurs, government institutions, and major corporations.

Going beyond the traditional protection and returns of Life Insurance plans, SLIC Life offers loyalty rewards throughout the policy period through its loyalty partner network offering value to the policyholders throughout the policy term.

A Varied and Distinctive Product Portfolio

The product offerings are divided into categories of protection/investment solutions, retirement plans, education

plans, health plans, micro-insurance, employee related covers, mortgage, and online solutions. Each product is tailored to meet the specific needs of its target customers, providing comprehensive protection and benefits that are unmatched in the industry. SLIC Life's commitment to its clients through product offerings designed to provide excellent customer experiences and ensure customer satisfaction and the Company's focus on creating value for its customers through its products and services have helped it attract and retain clients, making it a leading provider of Life Insurance solutions in Sri Lanka.



Social and Relationship Capital



PROTECTION SOLUTIONS

Sri Lanka Insurance Life
Divi Thilina
Protection Plan

Sri Lanka Insurance Life
Janadiri
Two year relief plan

INVESTMENT SOLUTIONS

Sri Lanka Insurance Life
Early Cash

Sri Lanka Insurance Life
SPEED INVESTMENT

Sri Lanka Insurance Life
WEALTH PLUS
Limited Premium Plan

Sri Lanka Insurance Life
YASAS
Insurance

SRI LANKA INSURANCE LIFE
VALUE MAX

HEALTH INSURANCE SOLUTIONS

Sri Lanka Insurance Life
SUC Comprehensive Health Plus

Sri Lanka Insurance Life
Comprehensive
The Health and Life Insurance Cover for Diabetics

Sri Lanka Insurance Life
MEDI CHAMP

EDUCATION SOLUTIONS

Sri Lanka Insurance Life
Mini Muthu
Children's Plan

Sri Lanka Insurance Life
Mini Muthu
Dayada

Sri Lanka Insurance Life
Mini Muthu
Parithyaga

Sri Lanka Insurance Life
Early Cash

SRI LANKA INSURANCE LIFE
SCHOOL FEE PROTECTOR

RETIREMENT INSURANCE SOLUTIONS

Sri Lanka Insurance Life
Freedom LIFESTYLE PLUS
RETIREMENT PLAN

Sri Lanka Insurance Life
Freedom
RETIREMENT PLAN

ONLINE SOLUTIONS

Sri Lanka Insurance Life
Early Cash

Product Category	Target Customers	Solutions	Description
Protection/ Investment	Customers who seek to enjoy both protection and investment benefits through their cover	Divi Thilina Protection Plan Speed Investment Plan Early Cash Advance Benefit Plan Jana Diri Two Year Relief Plan Wealth Plus Limited Premium Plan Value Max 5-year Plan	Customers can choose these products that offer the highest returns in the industry and can be customised according to their needs.
Retirement	Customers who wish to plan for their retirement in advance	Freedom Retirement Plan Freedom Single Premium Plan Freedom Lifestyle Plus Plan	Customers can opt for our retirement plans designed to help build a guaranteed retirement fund with a range of additional benefits.

Social and Relationship Capital

LIFE INSURANCE PRODUCT PORTFOLIO

Product Category	Target Customers	Solutions	Description
Education Plan	For the children of our customers, to cater to their needs from birth to completing of higher education.	Minimuthu Dayada Minimuthu Children's Plan Minimuthu Parithyaga School Fee Protector	Customers can choose an education plan that will help to build a fund that secures the child's future education dream and provide comprehensive protection to ensure uninterrupted education for the child.
Health	General public who seeks protection during critical surgeries	Surgical Plan	Customers can choose comprehensive coverage covering the costs of surgery up to a pre-determined maximum limit.
	General public with health expenditure concerns predominantly for private health care	Comprehensive Health Plus	Customers can opt for a plan that covers surgical, medical, and hospitalisation costs both in Sri Lanka and abroad with a range of additional benefits.
	Individuals looking for enhanced medical coverage for the entire family	Medi Champ	Enhanced medical coverage with OPD, Ayurveda, Mental Wellness, and a host of benefits for 3 generations including in-law parents
	Persons with diabetes	Comprehensive D+ Plan	Customers enjoy peace of mind and financial aid through a policy that provides access to the best hospitals and medical treatment, even if they suffer from diabetes.
	General Public with health expenditure concerns predominantly for public health care	Hospital Cash Plan	Customers can choose a plan that provides fixed financial coverage for each day an individual is in the hospital, regardless of actual expenditure.
Micro Insurance	Communities who need Life Insurance but do not have the financial strength and knowledge to obtain the necessary covers	Jeevana Shakthi – for tea plantation workers	Communities without the financial strength and knowledge to obtain the necessary covers can choose from the micro insurance covers designed to offer a significant life and health cover along with additional covers for specific problems that affect each community.
Employee related	Staff of companies	Group Protect Term Policy	Customers can cover the entire staff of their organisations under one insurance to create a greater sense of security and belonging inside the Company.
Mortgage Protection	Loan borrowers who obtain loans from banks/financial institutions	Mortgage Protection Plan	Customers can protect a mortgage performed in conjunction with a home loan or any other loan against the risk of the borrower's death or total and permanent disability during the policy's term.
Online Solutions	Digital savvy consumers who seek to obtain Life Insurance with improved convenience and transparency.	Early Cash Online	Customers have improved convenience and transparency with plans designed to offer an end to end digital experience with simplified processes and faster turnaround times and the assured protection of Life Insurance.

Social and Relationship Capital

NEW PRODUCTS/SERVICES LAUNCHED TO THE MARKET IN 2024

New products were introduced to the market in financial year 2024 as part of SLIC Life's continued efforts to broaden its offering. These include the following.

Medi Champ

SLIC Life introduced Medi Champ health insurance plan in 2024 enhancing its existing health insurance portfolio. The product offers comprehensive medical

coverage for up to 3 generations including the policyholder, spouse, children, parents and in-laws (limited to father-in-law and mother-in-law) under one policy. This provides enhanced protection including OPD, Dental, Ayurveda treatments, mental wellbeing and a range of benefits.

Value Max

Considering the short term protection and investment needs of the market, SLIC Life introduced Value Max, a short term investment solution in 2024. With a guaranteed return and a premium payment

and policy term of only 5 years, Value Max caters to a growing need of short term life insurance solutions among Sri Lankans.

Highly Valued and Optimal Customer Convenience

We recognise the need to innovate to stay ahead of the competition as customer behavior continues to evolve in tandem with the increasing use of smart devices and social media. In this environment, we seek to distinguish ourselves by providing unique value added services that are as convenient as possible for our customers.

SLIC Life Consumer App

To view policy and product details
To make premium payments
To locate SLIC Life branches in Google Maps
To view and claim Life Loyalty Reward offers

Our corporate website (www.sliclife.com)

SLIC Life corporate website has been launched specialising on Life category offering a wide range of information about the Company and the products to users

24 x 7 Call Centre

Dedicated Life Insurance call centre was launched to provide 24x7 assistance to our valued customers

Online Life Insurance products

Convenience of obtaining a Life Insurance cover from anywhere with ease and transparency through the SLIC Life website

Mobile and other payment solutions

Partnership with Mobile Payment partners

To provide a hassle free and convenient way for customers to pay their premiums using mobile solutions

Partnership with People's Bank

To settle their premiums via People's Bank's network of ATMs and self-banking centres across Sri Lanka

Partnership with the Bank of Ceylon

To enable QR-based life insurance premium payments using BOC Smart Pay

Service Counter at Lanka Hospitals

To facilitate the purchase of insurance policies, obtain information on insurance plans and premiums

Range of online payment options

Providing convenience and security with a range of online and banking payment options to the policyholders

Social and Relationship Capital

Responsible Marketing and Transparent Communication

Our customer interaction strategy aims to give clear and concise information to enable customers to make decisions swiftly and conveniently. We minimise the difficulties customers may meet when faced with a multitude of options. In this regard, when designing promotional and marketing materials, we adhere to all regulatory disclosure obligations. We seek to set industry standards by giving all required and relevant information to our clients so that they may make prudent decisions when transacting with us.

Our customers receive information about our products and services through a few channels, including both electronic and print media. Furthermore, all branch staff are taught to respond to enquiries regarding any information in a professional manner, to explain risks associated with our products and services, and to advise customers on appropriate solutions to meet their needs. The introduction of online products further strengthens the convenience and transparency offered to the customers.

Prompt and Effective Customer Complaint Handling

SLIC Life values client feedback and has provided a few avenues via which customers can communicate directly with the Company. These include a 24 hour call centre, our corporate website, and social media outlets.

All client concerns about our service quality are viewed as an opportunity to improve our services and improve the convenience, reliability, and gratification of doing business. Our well trained

resource staff makes certain that customer problems are logged, investigated, and, most importantly, swiftly addressed. We have a customer complaints management system in place that comprises a well defined process from the time a customer complaint is received until it is resolved, and the procedure is published in the Company website.

Taking a proactive stance to improve customer satisfaction and loyalty, SLIC Life conducts Net Promoter Score and Customer Satisfaction studies focusing on a diverse cross section of the policyholders in an attempt to identify and improve any and all shortcomings that might impact the customer delight on an annual basis.

Life Loyalty Rewards

A widely held belief regarding life insurance is that benefits can only be received at the end of the term or at a claim. At SLIC Life, we are committed to also providing continued benefits to our Life Policyholders throughout the policy term, without a claim necessarily being made.

With this in mind, the Life Loyalty Reward system was launched for SLIC Life policyholders, enabling them to avail themselves of a host of offers, discounts, and value additions through our merchant partners. We continuously enhance the benefits offered through the loyalty programme by adding new partners and offers covering hotels, education institutes, restaurants, healthcare, and many other sectors.

Our customers can view the available benefits through their SLIC Life mobile App and redeem the benefits via the virtual loyalty card.

Insurance Advisors

Our insurance agents are our brand ambassadors in the eyes of our clients. We therefore ensure that they reflect the same high standards of ethics and integrity as the SLIC Life brand. All agents are onboarded through SLIC Life's Sales Agreement, which lays out the terms and conditions that all advisors must follow.

We are very conscious of the need to motivate our agents. SLIC Life's Agency Career Path provides for the systematic advancement of advisors and allows them to grow with the organisation. We provide all our advisors with extra development opportunities. One channel of motivation is SLIC Life's internal award platforms that recognise high performers identified through the Agency Career Path programme. In addition, we ensure that SLIC Life's digitisation initiatives continue to benefit our agency personnel.

The Agency Development Model (ADM) has been implemented to provide a more productive and appealing development module as well as an operational structure for sales employees with SLIC Life agency contracts. This structure will be a supporting tool for the Company's agent recruitment drive since it provides a clear progression for new recruits and streamlines and gives a path for existing performers to be properly positioned. In addition, SLIC Life has taken steps to introduce the international LIMRA qualification criteria to its sales force and training team to enhance the service quality of the advisor force.

Agency Force

MDRT members from 2019 to 2024

Figures Achieved Year	2024	2023	2022	2021	2020	2019
Membership Year	2025	2024	2023	2022	2021	2020
Total Members	319	209	168	187	93	64

Social and Relationship Capital

Corporate Events and Launches

1 SLIC Super Women – Women's Day Campaign

The female advisor force plays a key role in the strategic plan of the Company and SLIC Life as an organisation has been proactive in strengthening and empowering the women of this country with rewarding careers as insurance advisors. Following its success in 2023, in celebrating the Women's Day, SLIC Life introduced a special sales competition focusing on the female advisors of the Company and the programme included attractive rewards for modern professional women as well as grooming and coaching sessions to help them achieve their true potential.



2 MDRT Conference

The 209 MDRT achievers of 2023 were rewarded with a unique experience at the MDRT conference organised at Shangri-La, Colombo, where they received their cash rewards and plaques and were able to experience training sessions that help improve their business skills and lives by industry leading professionals.



3 Life Congress

Individuals who performed exceptionally well during the first six months of 2023 were rewarded with Life Congress 2024, which was a two day residential programme held in Nuwara Eliya. While the winners received their achievement certificates at this event, they also took part in valuable training and motivational sessions.



4 Bonus Launch

Sri Lanka Insurance Life announced the largest bonus declaration in the Sri Lankan Insurance industry with a Rs. 11.2 Bn. bonus declaration. The bonus declaration was launched in Nuwara Eliya in line with the Life Congress with the participation of SLIC Life management and top life policyholders. The programme was followed by island-wide business activations and door to door programmes where the SLIC Life sales team carried the message of Life Insurance to all corners of the country.

5 RDB Partnership

Sri Lanka Insurance has focused on developing the bancassurance channel to complement the agency channel and support the overall business achievement of the Company during 2024. As part of this strategic vision, the Company entered into a bancassurance partnership with Regional Development Bank for loan protection covers during the year 2024.



6 Flood Donations

Sri Lanka Insurance Life in collaboration with The Disaster Management Center, distributed dry ration packs to 1,100 families affected by the floods in the month of May in the Gampaha, Ratnapura, and Matara districts. This initiative underscores the Company's commitment to supporting communities in times of need.

The dry ration packs were distributed through District Secretariats, Divisional Secretariats, and religious institutes, ensuring that aid reached the most affected areas efficiently. This act of service exemplifies SLIC Life's dedication to social responsibility, as the Company consistently engage in initiatives aimed at the betterment of the community.



Social and Relationship Capital

7 Rs. 1 Mn. free life cover to parents of children born on World Children's Day 2024

Sri Lanka Insurance Life continues to commemorate World Children's Day by providing a Free Life Insurance cover worth Rs. 1 Mn. for the parents of every child born on the 01 October 2024. The programme was carried out on 01 October 2024 covering all hospitals across the country. This special Corporate Social Responsibility (CSR) initiative was launched in 2022 with the objective of protecting the future of the children of the country. Realising the value this initiative has added to the community, SLIC Life decided to continue this initiative for the third consecutive year.



9 Assistance to Posen pilgrims of Anuradhapura

For more than 30 years, Sri Lanka Insurance Life has provided emergency assistance to pilgrims traveling to Anuradhapura for Posen Poya. A large crowd of people gathers to Anuradhapura during the Posen season and Sri Lanka Insurance provides a unique service that tracks down lost individuals and belongings in and around the sacred city of Anuradhapura. From 2024 a special wheelchair service was also introduced to assist pilgrim in need of the service.



10 Contribution to Preserve Cultural Programmes

Sri Lanka Insurance Life supports Cultural parades, the traditional "Perahera" events across the country emphasising its commitment to preserving and promoting significant cultural events in the country. During the year we supported the Kandy Esala Perahera, Nawam Perahera in Colombo, Bellanwila Perahera, Gatabaruwa Perahera, Katharagama Perahera, Kotte Perahera.

8 Suba Pathum Scholarships

The "Sri Lanka Insurance Life Suba Pathum Scholarship" programme was initiated in 2014 for the children of its Life policyholders across the country. This scheme has awarded over 2,000 scholarships, worth more than Rs. 200 Mn. up to date. Continuing the initiative, the scholarship scheme in 2024 rewarded 300 students, who excelled in the 2022 Grade 5 Scholarship, 2021/22 GCE Ordinary

Level and 2022 GCE Advanced Level examinations. 75 top ranking students were selected from each of the three examinations totalling up to 300 students. Grade 5 Scholarship and GCE Ordinary Level, qualifiers were selected based on the district achievement and for GCE Advanced Level applicants, selections were based on the national level achievement.

A financial scholarship of Rs. 20,000 for five years, Rs. 40,000 for two years and Rs. 50,000 for three years were awarded to the students who are eligible for the Suba Pathum scholarship from Grade 5 Scholarship, GCE Ordinary Level and GCE Advanced Level examinations, respectively. A total of Rs. 30 Mn. was allocated for the 2021/22 Suba Pathum Scholarship programme which will continue for the next five years.

The scholarship awarding ceremony was held at "Nelum Pokuna" Mahinda Rajapakse Theatre, Colombo on the 17 June 2024 with the participation of the Board of Directors, Chairman, Chief Executive Officer, and the Senior Management team along with the students and their parents.

FUTURE CONCERNS

➔ New products planned for 2025

As a dynamic organisation, we continuously evaluate the customer needs in the market and tailor our product offerings accordingly, to ensure the best solutions to our policyholders. With the insights received during the past few years, SLIC Life has planned to introduce a range of new products, upgrade of existing products and introduction of new and convenient services during the year 2025.

Natural Capital

As a life insurer and an entity in the service industry, SLICLL's business operations do not severely impact the consumption of this limited but valuable resource. Its' responsible usage, however, is a key component in our sustainability practices.

A RESPONSIBLE APPROACH

As an information intensive business operation, our consumption of the natural resource, is limited to the usage of water, electricity, fuel, paper, and disposal of waste (food, paper, and e-waste). We are aware that to some degree, our consumption and waste management will impact the environment either to enhance the natural capital or deplete its limited resourced. Nevertheless, believing in the saying, "If we surrender to earth's intelligence, we could rise, rooted like trees" (Rainer Maria Rilke), we treat every aspect of this limited resource with the respect it mandates.

Key Statistical Highlights 2024



Electricity
consumption

1,595,912
kWh



Water
consumption

24,400
m³



Paper
recycling

3.4
1000 Kgs

OUR CONTRIBUTION TO UN SDGs



SDG Definition

Responsible
Consumption and
Production

Ensure sustainable
consumption and
production patterns

Our Response

Our active involvement
in working with
households, the public
and the private sector



SDG Definition

Climate Action

Take urgent action to
combat climate
change and its impacts

Our Response

By complying with
national laws and
environmental policies



Natural Capital

OPPORTUNITIES

Development of eco conscious life insurance policies that incentivise policy holders to adopt sustainable lifestyles.

Introduction of green investment linked insurance, where premiums contribute to conservation projects, reforestation, and development of sustainable infrastructure.

Policies that integrate disaster preparedness benefits to protect communities that are vulnerable to environmental degradation.

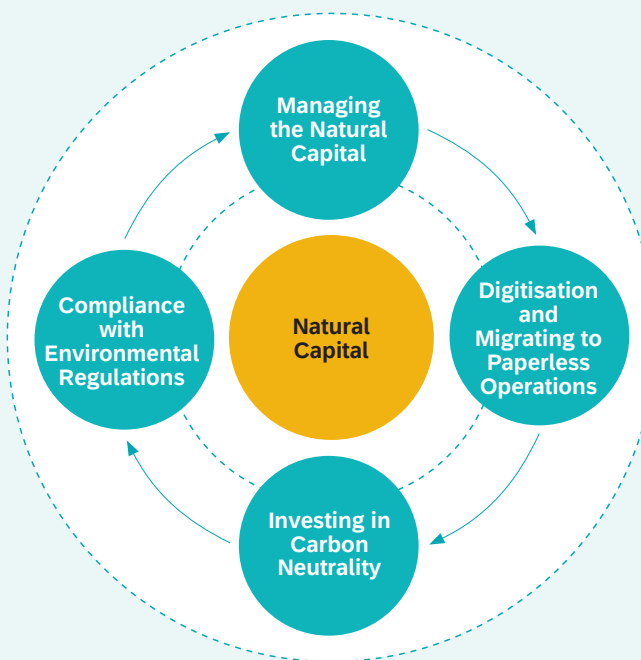
Expansion of microinsurance products to farmer communities and rural populations to mitigate risks arising from climate change and ecosystem shifts.

CHALLENGES

Increasing extreme weather events such as floods, droughts, and cyclones enhancing mortality risks thereby claims payouts and pricing models.

Deforestation and land degradation impacting ecosystem resilience, leading to higher health risks and lower life expectancy.

Air and water pollution contributing to rising cases of respiratory and waterborne diseases, to some extent increasing mortality rates and claims payouts.



CAPITAL LINKAGES

Financial Capital	Manufactured Capital	Intellectual Capital	Social and Relationship Capital	Human Capital
Sustainable use of the natural capital ensures long term cost saving and profitability, risk reduction, and creates market opportunities.	Responsible use of the natural capital ensures resource efficiency, infrastructure longevity, regulatory compliance, and innovation and sustainability.	Helps in brand building and brand reputation, strategic decision-making, knowledge-sharing, innovation and research.	Ensures community wellbeing, builds trust and collaboration, contributes towards economic equity.	Contributes towards a healthy environment, stronger workforce, pleasant working surroundings, and economic growth.

Natural Capital

MANAGING OUR NATURAL CAPITAL

Our governance structure which encompasses systems, policies, procedures, and processes are designed to manage responsible consumption of natural capital, with a view to retaining sustainability that is essential for human wellbeing and the preservation of the planet. We conduct our operations with due diligence towards environmental preservation and continually invested in reducing our carbon footprint. We are committed to digitisation and automating our systems and processes to reduce the paper consumption, as a key criterion for sustainability.

Our strategy for managing the natural capital is based on a three pronged plan.

Compliance with Environmental Regulations

We voluntarily adhere to the environmental regulations embedded in the National Environmental Policy, and exercise great care in responsible usage of the natural capital, a limited and valued resource. A tracking and monitoring mechanism is in place to manage water, energy, and waste disposal enabling us to reduce our carbon footprint. There have been no instances of non-compliance with any environmental laws by the Company.

Digitisation and Migrating to Paperless Operations

Reduced Paper Consumption

Digital transformation and sustainability practices at SLICLL implemented several initiatives to migrate towards paperless operations. These included electronic policy issuance, digital claims processing and automated document management system. Online policy management,

e-signature adoption, cloud based data storage and AI driven automation significantly contributed towards reducing paper consumption and enhancing cost effective operational efficiencies. These initiatives naturally enhanced customer experience while aligning with the country's broader sustainability goals. Indirect benefits are the reduction in emissions that are inherent in paper production, transportation, and disposal.

Energy Efficiency

By adopting energy efficient green building standards, including LED lighting, optimised insulation, and harnessing renewable energy (solar power), we ensured our energy consumption reduced the burden on the national grid. The digital transformation contributed significantly reduce energy intensive processes and staff engagement was sought to further embed energy conserving practices to daily operations.

Reduced Usage of Fossil Fuel

Our digital platforms and automated services allowed our workforce to carry out their tasks remotely, reducing the need for road travel, leading to reduced carbon emission and avert contributing to environmental pollution.

Customer visits however, are required to be made where necessary, and when underwriting requires further information for life quality assessment.

Overall, automation and digitisation in the insurance industry have the potential to reduce carbon footprint through efficiencies and reduced paper usage. Efforts to optimise energy usage, adopt renewable energy sources, and promote sustainable practices can further enhance the positive environmental impact of automation and digitisation in insurance.

Investing in Carbon Neutrality

GHG emission assessment of SLIC is commenced in 2021 and is continually carried out, from the results of this we hope to progressively realise carbon neutrality.

We continue to maintain the Carbon Footprint Certification received in 2021, 2022, and 2023, which is under the audit process currently for the year 2024 as required by the Greenhouse Gas Verification audit by complying with the requirements of ISO 14064-1:2018 and verified with a reasonable level of assurance in accordance with the specifications of ISO-14064-3:2019.

Awareness sessions were conducted to our employees to inculcate the sustainability practices as applicable to GHG emissions and gain their participation in achieving carbon neutrality.

Policy Framework

To achieve our objectives, we work within a robust policy framework which also defines the procedure and the process involved, across our operations. These include the following, and are reviewed periodically for relevance and where necessary, amended to incorporate current requirements and operational requirements.

- Policies and procedures
- Board level oversight
- Appropriate due diligence processes
- Responsible supply chain management
- Transparency and risk management
- Business and tax strategy governance

Energy Management

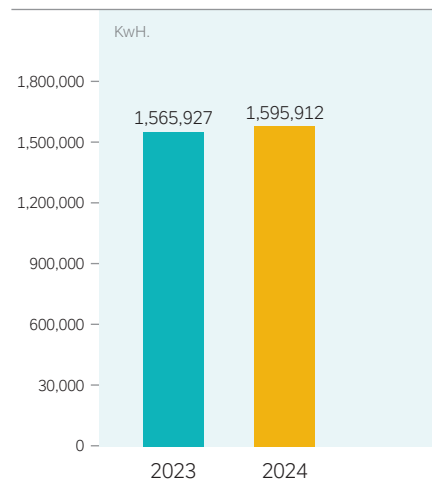
We work within a strong policy structure in managing energy consumption, allowing us to be a responsible corporate citizen in consumption and usage.

Fuel Usage

Fuel Type	Total litres	GHG Emissions (tCO ₂ e)			
		CO ₂	CH ₄	N ₂ O	Total
Petrol	343,860.2	781.1791	11.0853	9.847592	802.112
Diesel	26,794.352	71.71487	0.112479	0.158528	71.98587

Natural Capital

→ ELECTRICITY CONSUMPTION

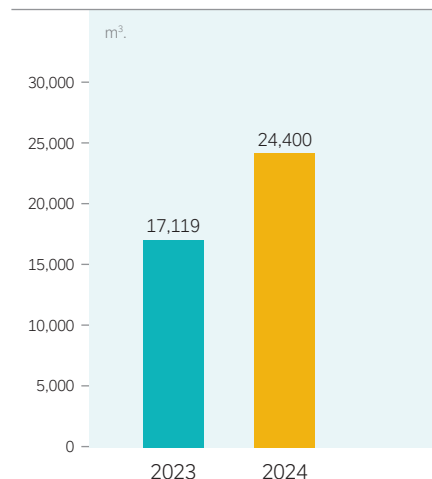


Water Management

Responsible Consumption

Optimising the use of water efficiency in our office premises is our contribution to conserving the water resource, thereby supporting environmental sustainability.

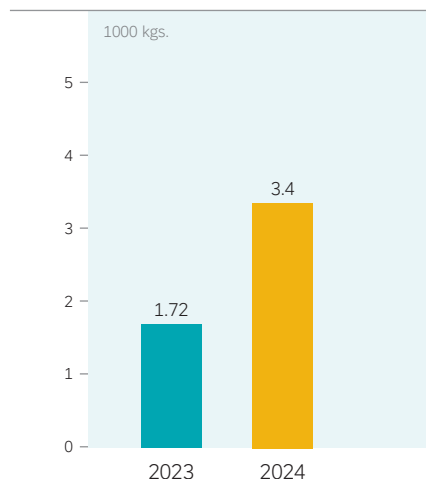
→ WATER CONSUMPTION



WASTE AND EFFLUENTS MANAGEMENT

As an information intensive service organisation, paperless policy issuance, digital claim processing, and green work place practices take precedence in reducing waste and responsible disposal of the created residue. We implemented a successful paper recycling process and strictly adhere to national environmental regulations. Food and water waste are managed within the regulatory standards, ensuring safe disposal. Safeguarding the ecosystems is in our DNA as we work towards protecting life and mitigating risks posed to life.

→ PAPER RECYCLING



EMISSIONS MANAGEMENT

We continued to implement greenhouse gas (GHG) emission management in line with ISO 14064-1:2018 standards, taking significant steps toward environmental sustainability. The verification process was conducted by Sri Lanka Climate Fund (Pvt) Ltd., ensuring impartiality and accuracy

in emissions reporting. The key initiatives towards emissions management included:

Carbon footprint assessment across all operational activities

Identification of major emission sources

Through employee engagement processes, committing to reduce emissions through a variety of sustainability practices

MATERIAL MANAGEMENT

As a service organisation, the mostly used material is paper, which we have successfully reduced as we aim to achieve a paperless operation. Paper waste is disposed in a responsible manner, in line with local regulations.

FUTURE CONCERNS

Long term policy holder wellbeing is intertwined with environmental preservation, for the sustainable risk management and financial resilience. We meticulously adopt relevant eco-conscious underwriting and continue to innovate risk assessment frameworks to ensure that we not only mitigate risk to life, but also to ensure preservation of the planet, and prosperity to all who come under our umbrella of life insurance.

78.

Governance and Risk Oversight

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Corporate Governance Report

CHAIRMAN'S INTRODUCTION

Sri Lanka Insurance Corporation Life Limited (SLICLL), being a State-Owned Enterprise has entrenched sound governance practices premised on accountability, transparency, ethical management and fairness, across the business, with the purpose of having nimble and swift decision-making, which includes having a clear code of ethics and conduct, regular risk assessments and strong financial controls.

The Board sets the tone and shares values for the way in which the Company operates on Four Pillars of Corporate Governance; namely, responsibility, accountability, transparency, and fairness. As per Direction, No. 17, issued by the Insurance Regulatory Commission of Sri Lanka, we comply with the provisions of the "Code of Best Practice on Corporate Governance-2017", issued by The Institute of Chartered Accountants of Sri Lanka as revised in November 2023.

We have embraced the fundamentals of the Guidelines on Corporate Governance and Operational Manual for State-Owned Enterprises issued by the Ministry of Finance in 2021.

To enhance our corporate governance practices, the Board has adopted a "Schedule of Matters Reserved for the Board." This document clearly outlines the issues that fall under the Board's responsibilities versus those that can

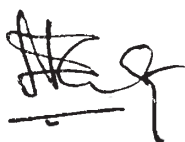
be delegated. It helps clarify things for stakeholders, allows the Board to concentrate on strategic priorities, and reduces risks.

Over the past financial year that's being reviewed, our approach to corporate governance included the following:

We worked to maintain strong governance practices across the Company. The Board of Directors and its various subcommittees, with their combined expertise, continued providing oversight and strategic guidance. They set clear policies and procedures to uphold our governance framework.

The Board met regularly, nearly every month, to monitor Management's performance and ensure we are operating effectively. Non-Executive Directors provide constructive feedback and offer specialist advice.

We believe robust corporate governance is vital for our long-term business success. As such, we remain committed to continuing to enhance our governance over the coming year, as you'll see detailed in the following reports.



Nusith Kumarathunga

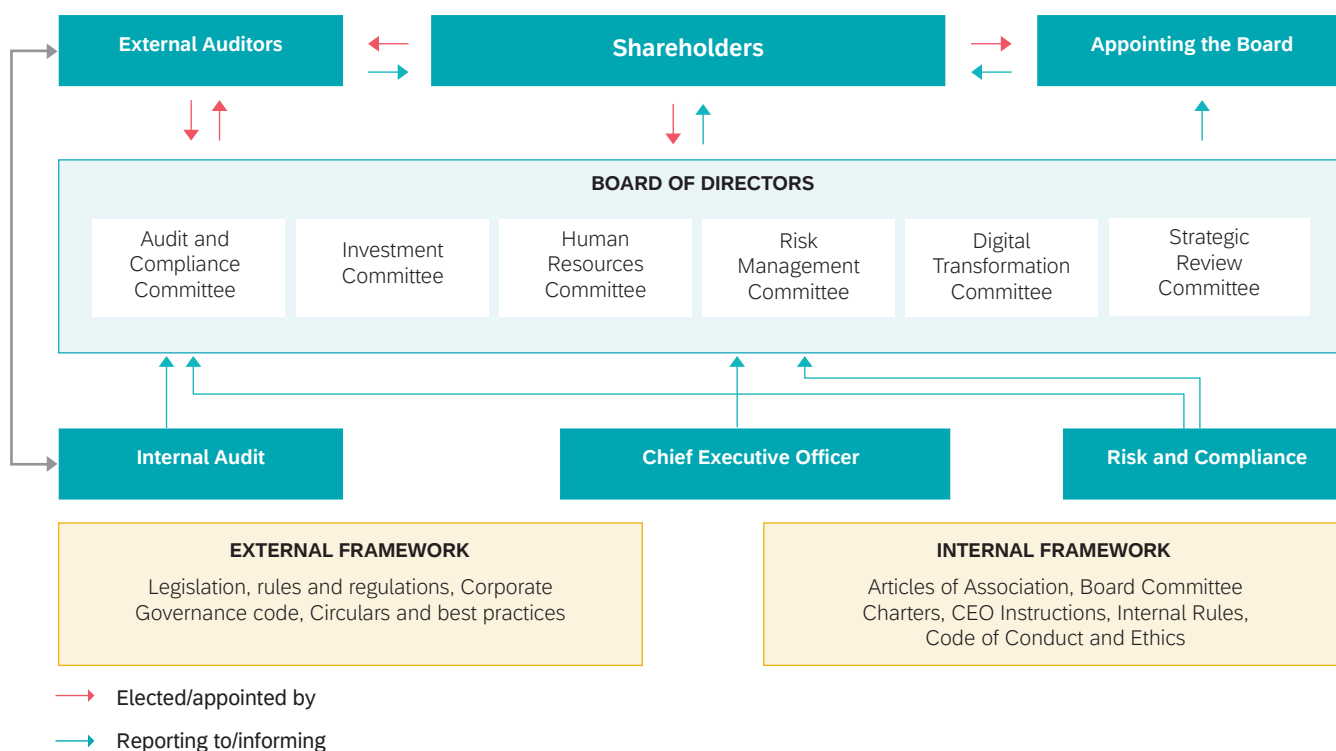
Chairman

03 June 2025

Corporate Governance Report

GOVERNANCE FRAMEWORK

The Company through its Board of Directors and Board Subcommittees maintains a governance framework in all areas of its operations including formalised policies, procedures, guidelines, and relevant management reporting lines.



BOARD COMPOSITION AND RESPONSIBILITY OF THE BOARD

As of the reporting date, the Board of Directors (Board) comprised seven (07) Directors. Non-Executive Directors are renowned professionals in their individual fields. The Board is of the view that the composition of the Board provides the extensive relevant business experience required to oversee the effective operations of the Company, while individual Directors bring a diverse range of skills, knowledge and expertise. The Company, being a State-Owned Enterprise (SOE), the Board acts as an intermediary between the State, as the main shareholder, and the Company and its management. The Board is responsible for the overall stewardship and provides leadership both directly and indirectly to the stakeholders. The main role of the Board is oversight and planning. The Company's financial and commercial performances are regularly assessed by the Board.

In addition, the Directors confirm that they have reviewed the effectiveness of the

systems of risk management and internal controls which operated during the period covered by these Financial Statements and up to the date of this report. The internal control framework of the Company encompasses the policies, procedures, processes, tasks, and behaviours.

THE COMPANY SECRETARY

The Company Secretary of a State Owned Enterprise (SOE) is responsible for ensuring the integrity of the governance framework, extending beyond traditional administrative duties to include strategic advisory and compliance functions. The obligations and responsibilities of the Company Secretary are primarily guided by the Companies Act No. 07 of 2007, and specific directions and guidelines issued by the Insurance Regulatory Commission of Sri Lanka (IRCSL), along with the Corporate Governance Code. All Directors have access to the advice and services of the Company Secretary, who is accountable to the Board for ensuring compliance with Board procedures.

BOARD AND COMMITTEE PROCEEDINGS

The Board members meet once a month to ensure that all its duties are discharged effectively. In addition, the Board members meet as needed for specially scheduled meetings. The number of Board meetings held during the financial year and the attendance of each Director are provided below.

BOARD APPOINTED SUB COMMITTEES

The Board has formed subgroups to enhance expertise, increase efficiency, improve oversight, and enhance accountability, including assessing internal controls and processes.

Board appointed subcommittees play a crucial role in effective corporate governance by focusing on specific areas of the organisation's operations, strategy, and oversight. Their primary responsibility is to provide in-depth analysis, informed recommendations, and diligent oversight

Corporate Governance Report

to the full Board on matters within their designated charters. This delegated authority allows the Board to address complex issues more efficiently and thoroughly, ensuring specialised expertise is applied to critical functions such as Audit & Compliance, HR & Rem. Com, and Risk Management etc. Subcommittees are accountable for conducting thorough due diligence, developing policies and procedures, monitoring performance against objectives, and reporting their findings and recommendations regularly to the full Board, thereby strengthening the Board's decision-making capabilities and enhancing overall organisational accountability and performance.

The committees are governed by Board approved charters, policies, and procedures.

For the year 2024, meetings of the Board approved subcommittees could not be convened as scheduled per their charters, due to unavoidable administrative and practical delays arising from the legal segregation of companies. Nevertheless, the Board of Directors remained compliant with all requirements and held subcommittee meetings during the review year, as detailed below:

01. Board Risk Management Committee (BRMC)

This Committee oversees the Organisation's risk management framework. It's responsible for developing, updating, enforcing, and monitoring the risk-management policy, taking actions

to mitigate risks, and ensuring that risk assessment is integrated into decision making and aligns with the Board approved risk appetite levels.

02. Investment Committee (IC)

The IC aims to optimise investment returns while adhering to strict risk and regulatory guidelines. It ensures an efficient and effective investment decision-making process by thoroughly screening investments and analysing various risks like liquidity, credit, price, and concentration.

03. Audit and Compliance Committee (ACC)

Primarily, the AC is tasked with ensuring the accuracy of the Company's Financial Statements. It also verifies that the Company operates in compliance with ethical standards and all relevant regulatory requirements.

04. Human Recourse and Remuneration Committee (HR & Rem.Com)

The HRSC of Sri Lanka Insurance Corporation Life Ltd. (SLICLL) ensures effective governance of the organisation's human resource functions. Guided by industry best practices and a data-driven, people-centric culture, the committee oversees recruitment, training, performance management (KRs and KPIs), employee engagement, compensation and benefits, industrial relations, and administration. It also makes strategic HR recommendations to the Board.

The committee comprises at least four members: two Non-Executive Directors (one serving as Chair), the GCEO, and the DGM-HR. Meetings are held monthly or as needed to deliberate on key HR policies and decisions. The HRSC approves non-monetary policy changes, structural adjustments, and disciplinary actions for staff below senior manager level, referring major decisions to the Board. Minutes are shared with the Board to ensure transparency, and the committee conducts an annual review of its performance and charter.

05. Strategic Review Committee (SRC)

The SRC supports the Board of Directors by providing recommendations and guidance on the creation and execution of the Company's strategic plan. This includes reviewing the Company's long-term objectives, key initiatives, and the risks associated with its strategic direction.

06. Digital Transformation Committee (DTC)

The Digital Transformation Committee assists and advises the Board of Directors regarding the Company's digital strategy and implementation of new, innovative technological solutions that facilitate the effective integration of digital technologies and procedures throughout the entire Organisation, ensuring their widespread adoption and success. The Committee is Chaired by a Non-Executive Director who is a renowned IT professional.

Board Meetings – 2024

There were eleven (11) Board meetings held during 2024

Name of the Director	No. of Meetings Attended
Mr Nusith Kumaratunga, Appointed w.e.f. 23 October 2024	03
Mr Ronald C Perera, PC, Resigned w.e.f. 08 October 2024	08
Mr Anil Koswatte, Resigned w.e.f. 02 January 2025	10
Mr Nishantha Dayananda, Resigned w.e.f. 31 December 2024	11
Mr Dushmantha Thotawatte, Appointed w.e.f. 06 October 2023	11
Dr Kithsiri Manchanayakke, Resigned w.e.f. 09 October 2024	08
Mr Naomal Pelpola, Resigned w.e.f. 08 October 2024	08
Mr Ravindra Pathmapriya Appointed w.e.f. 06 October 2023	10

Corporate Governance Report

Audit and Compliance Committee Meetings (ACC) – 2024

There were two (2) ACC during the year 2024

Name of the Director	No. of Meetings Attended
Mr Dushmantha Thotawatte, (Chairman of the Committee)	02
Mr Nishantha Dayananda, Resigned w.e.f. 31 December 2024	02
Mr Ravindra Pathmapriya	02

As at the date of Annual Report members of the ACC: Mr Dushmantha Thotawatte, (Chairman of the Committee), Mr Ravindra Pathmapriya, Mr Rohan Philip Buultjens

Investment Committee Meetings (IC) – 2024

There were seven (7) IC meetings held during 2024. A Non-Executive Director chaired the meeting.

Name of the Director	No. of Meetings Attended
Mr Ravindra Pathmapriya, (Chairman of the committee)	07
Mr Ronald C Perera, PC, Resigned w.e.f. 08 October 2024	06
Dr Kithsiri Manchanayakke, Resigned w.e.f. 09 October 2024	05
Mr Dushmantha Thotawatte	07
Mr Nusith Kumaratunga, Appointed w.e.f. 18 October 2024	01

As at the date of Annual Report members of the IC: Mr Ravindra Pathmapriya (Chairman of the Committee), Mr Nusith Kumaratunga, Mr Dushmantha Thotawatte, Mr Rajiv Dharmendra

Risk Management Committee Meetings (BRMC)– 2024

There were three (3) BRMC meetings during 2024. The Committee has a broad membership that represents different spectrums of risk managers from finance, investments, actuarial, reinsurance, compliance, internal audit, human resources management and ICT departments.

Name of the Director	No. of Meetings Attended
Mr Naomal Pelpola (Chairman of the Committee) Resigned w.e.f. 08 October 2024	02
Dr Kithsiri Manchanayakke, Resigned w.e.f. 09 October 2024	02
Mr Dushmantha Thotawatte (Chairman of the Committee), appointed w.e.f. 13 December 2024)	03
Mr Nishantha Dayananda, Resigned w.e.f. 31 December 2024	01
Mr Ravindra Pathmapriya, Appointed w.e.f. 13 December 2024	01

As at the date of Annual Report members of the BRMC: Mr Dushmantha Thotawatte, (Chairman of the Committee), Mr Ravindra Pathmapriya, Mr Rajiv Dharmendra

Human Recourse and Remuneration Committee Meetings (HR & Rem.Com) – 2024

There were seven (7) HR & Rem.Com meetings during 2024.

Name of the Director	No. of Meetings Attended
Mr Nishantha Dayananda (Chairman of the Committee-NED), Resigned w.e.f. 31 December 2024	07
Mr Ronald C Perera, PC, Resigned w.e.f. 08 October 2024	06
Dr Kithsiri Manchanayakke, Resigned w.e.f. 09 October 2024	06
Mr Nusith Kumaratunga, Appointed w.e.f. 23 October 2024	01

As at the date of Annual Report members of the HR & Rem.Com: Mr Niel D.B.Unabboowa (Chairman), Mr Nusith Kumarathunga, Mr Dushmantha Thotawatte

Corporate Governance Report

Digital Transformation Committee Meetings (DTC)– 2024

There was one DTC meetings during 2024.

Name of the Director	No. of Meetings Attended
Dr Kithsiri Manchanayakke, Resigned w.e.f. 09 October 2024	1
Mr Ravindra Pathmapriya	1

As at the date of the Annual Report members of the DTC: Mr Ravindra Pathmapriya (Chairman), Mr Dushmantha Thotawatte, Mr Rohan Philip Buuljens

Strategic Review Committee Meetings (SRC) – 2024

There was one SRC meetings during 2024

Name of the Director	No. of Meetings Attended
Mr Ronald C Perera, PC, Resigned w.e.f. 08 October 2024	1
Mr Ravindra Pathmapriya	1
Mr Dushmantha Thotawatte	1

As at the date of the Annual report members of the SRC: Mr.Dushmantha Thotawatte (Chairman), Mr K Rajiv Dharmendra, Mr Neil D B Unamboow, Mr Rohan Philip Buuljens

Operational Management Committees

In addition to the above mentioned Board Subcommittees, in order to assist the GCEO, other operational committees include the Executive Committee (EXCO), Reinsurance Committee, Audit Follow-up Committee, Product Development Committee, Legal Committee and the Sales and Marketing Review Committee, all of which play an essential role in the governance structure. Members are drawn from within the Company and in accordance with their relevant areas of expertise. EXCO manages day-to-day activities of the business through developing and implementing strategy, operational plans, policies, procedures and budgets etc. EXCO and Board work jointly on the development and the implementation of the corporate strategy. The Committee meets monthly

and otherwise as required. Meetings of the committee are called by the Chair of the committee who is the Group Chief Executive Officer of the Company, at any time to consider any matters falling within its Terms of Reference.

INFORMATION FLOW

The Directors are supplied with detailed papers in advance of all Board meetings and Subcommittee meetings to disseminate the required information enabling the Board to make an informed decision at the Board and Subcommittee meetings. Members of the Executive Management team and other key employees attend and make representations as appropriate at meetings. The Directors are authorised to seek independent professional advice at the Company's expense in performance

of their duties as Directors. In addition, all the Directors have access to the services of the Company Secretary, who is responsible for ensuring that Board procedures are observed and advising the Board on corporate governance matters. All Directors have access to Board and respective Subcommittee papers through an electronic platform which ensures timely and secure delivery of information to Directors whilst at the same time reducing the environmental impact of Board/committee meetings. Minutes of all the Board Subcommittee meetings are submitted to the Board periodically.

FINANCIAL REPORTING

The Directors are responsible for preparing the Consolidated Financial Statements in accordance with applicable laws and regulations.

Audit and Compliance Committee Report

The Audit and Compliance Committee (ACC) is primarily responsible for overseeing the accuracy of the Company's Financial Statements, ensuring they accurately represent the Organisation's financial position. Additionally, the Committee ensures the Company operates in compliance with ethical standards and regulatory requirements. The ACC is chaired by a Non-Executive Director who also serves on the Board. The Company Secretary functions as the secretary for the meetings. While both the compliance and audit functions report to the ACC, their operational independence is preserved through a clear separation of duties.

The ACC is supported by senior professionals with expertise in finance, auditing, and insurance, enabling the Committee to effectively fulfil its responsibilities, including overseeing financial reporting, internal controls, compliance, and external audits.

TERMS OF REFERENCE

The Terms of Reference for the Audit and Compliance Committee of SLICLL are clearly outlined in the Charter of the Board's Audit and Compliance Committee. This Charter is aligned with guiding principles and best practices for audit committees, including the "Code of Best Practice on Corporate Governance" jointly issued by the Securities and Exchange Commission of Sri Lanka (SEC) and The Institute of Chartered Accountants of Sri Lanka (2023), as well as the "Guideline on Corporate Governance for SOE Companies" issued in 2021. The scope of the Charter includes enhanced oversight of the Company's systems of disclosure, and internal controls across areas such as finance, accounting, procurement, legal compliance, and ethics. It also involves monitoring the management of business risks established by the Management and the Board. The Committee is accountable to the Board of Directors and provides regular reports on its activities to the Board.

MEETINGS OF THE COMMITTEE

During the financial year ended 31 December 2024, two meetings of the Committee were held. The proceedings of the Committee meetings are recorded with adequate details and are reported regularly to the Board of Directors. Representatives from the Auditor General attend the meetings by invitation.

The attendance of the Committee members at the meeting in 2024 is stated below:

Name of the Director	No. of Meetings Attended
Mr Dushmantha Thotawatte (Served as the Chairman of the Committee – from 19 September 2024 to date)	2
Mr Ravindra Pathmapriya	2
*Mr Nishantha Dayananda	2

*resigned w.e.f. 31 December 2024

INTERNAL AUDIT

The Audit Committee approves the internal audit strategy and regularly assesses and oversees the internal audit and inspection processes to ensure their independence and adherence to high standards. The Committee ensures that the Department is provided with the necessary authority and resources to fulfil its duties effectively. During scheduled meetings, the Committee reviews reports from the Head of Internal Audit to monitor the progress of the internal audit plan and evaluate key findings.

EXTERNAL AUDIT

The Auditor General was appointed as the External Auditor in accordance with Article 154 (1) of the Constitution of the Democratic Socialist Republic of Sri Lanka. In line with Article 154 (4) of the Constitution, Messrs BDO

Partners were appointed by the Auditor General as a qualified auditor to assist in the annual audit of the Company's Financial Statements for the year ending 31 December 2024. Additionally, the Committee reviewed the management letter along with the Management's response to the findings and recommendations provided by the External Auditor.

INFORMATION FLOWS TO THE AUDIT AND COMPLIANCE COMMITTEE

The ACC confirms that it has received adequate, trustworthy, and timely information from both the Management and External Auditors. This enables the ACC to fulfil its responsibilities effectively.

VALUATION OF ASSETS & LIABILITIES AND IMPAIRMENT

Given the growing reliance on fair value accounting and its substantial impact, the Audit Committee ensures that significant assumptions used in determining fair values are transparently disclosed, thoroughly reviewed, and questioned as necessary. Additionally, the Committee confirms that the procedures for assessing impairment are satisfactory.

ADOPTION OF IFRS

The Audit Committee oversees the progress of adopting International Financial Reporting Standards (IFRSs) within the organisation. It provides regular updates to the Board of Directors on the status and developments in the implementation of these standards during periodic Board meetings.

INDEPENDENT EXTERNAL ADVICE

The Charter of the Audit Committee permits it to obtain independent external advice, where appropriate.

Audit and Compliance Committee Report

ACCESSIBILITY OF HEAD OF INTERNAL AUDIT, HEAD OF COMPLIANCE, AND SENIOR MANAGER RISK TO THE MEETING OF ACC

The Head of Internal Audit, Head of Compliance and Senior Manager Risk have direct access to the ACC, which in turn is directly accountable to the Board.

NON-AUDIT SERVICES

During the year Committee assessed all non-audit services provided by the external auditor to ensure that provision of such services does not impair the auditor's independency and the objectivity.

COMPLIANCE FUNCTION

The corporate compliance function is tasked with overseeing the operations of the compliance programme and supporting related policies and procedures. The Head of Compliance, Senior Manager Risk, and the Chief Financial Officer, with the support of compliance coordinators in each department, are responsible for implementing the compliance programme. The reporting structure between the Compliance Officer and the ACC addresses specific issues and risks that may arise throughout the year. Department heads, designated as responsible officers, are accountable for ensuring compliance with specific obligations.

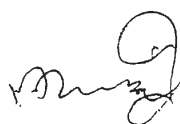
The Company has adopted a "stand alone" model for compliance to manage costs efficiently while maintaining a robust, independent compliance function. Compliance coordinators in each department play a crucial role in ensuring effective engagement. During the review period, the compliance function was strengthened to incorporate best practices across key operational areas. The Organisation has fostered a compliance culture to ensure the compliance function is viewed as an integral part of the Company rather than an additional burden.

RISK MANAGEMENT

The Board has assigned the responsibility of monitoring the risk management function to a separate Subcommittee, the Board Risk Management Committee (BRMC). The Head of Internal Audit is a member of the BRMC, and the Enterprise Risk Management Department reviews the Company's internal controls framework in line with the "Framework for Internal Control Systems in Banking Organisations". The objective is to ensure that the internal control systems are aligned with the risk management framework and comply with the principles of the BASEL framework. This framework includes management oversight, risk assessment, control activities, segregation of duties, information and communication, monitoring activities, and the evaluation of internal control systems by supervisory authorities. The BRMC conducts periodic reviews of these controls, and established policies and procedures are in place to ensure their effectiveness.

CONCLUSION

The Committee is satisfied with the effectiveness and independence of both the Internal Audit Department and the External Auditors over the past year. It also approves of the application of the accounting policies and considers the Company's Financial Statements to be reliable. Furthermore, the Committee is content with the Company's compliance framework, ensuring full adherence to all relevant laws and regulations, as disclosed in the External Auditors' Report. Corrective and preventive actions have been taken for any instances of non-compliance identified during the review period.



Duhsmantha Thotawatte
Chairman – Audit and Compliance
Committee

03 June 2025

Investment Committee Report

OBJECTIVES OF THE INVESTMENT COMMITTEE

Objectives of the Investment Committee (IC) entails optimising investment returns within stringent risk and regulatory parameters, making the investment decision making process and the investment activity efficient, effective and timely whilst conforming to best practices in the industry.

The IC screens all investments thoroughly prior to execution. Risks such as liquidity risk, credit risk, price risk and concentration risk are given due attention by the IC.

INVESTMENT STRATEGIES

Sri Lanka's economic landscape in 2024 was marked by a notable resurgence across several key indicators, signalling a significant stride towards recovery following a period of acute economic distress. The nation witnessed a commendable 5% GDP growth, a stark contrast to previous contractions. Fiscal discipline began to bear fruit, with Government revenues increasing substantially and the primary balance achieving a surplus, beyond IMF targets. Supportive monetary policies, characterised by a gradual reduction in interest rates, fostered early signs of credit expansion. Furthermore, the external sector exhibited strength with growing reserves, increased remittances and a strengthening of the Sri Lankan Rupee. This period of economic progress coincided with the conclusion of a Presidential election, which brought a new administration into power. Adding to these pivotal developments, Sri Lanka also achieved a crucial milestone in its economic recovery journey with the substantial conclusion of external debt restructuring efforts, paving the way for greater financial stability and renewed investor confidence. The conclusion of the external debt restructure in December 2024 gave strong confidence to investors,

marking an upgrade in the country's sovereign rating to CCC+ (Fitch Ratings) from its default status. This will result in the resumption of interest and principal payments to sovereign bondholders from 2025 onwards.

The knowledge, expertise and experience of members of the Investment Committee (IC) was put in to good effect to earn higher than expected investment income for SLIC Life. Nimble decision making by the IC facilitated ensuring attractive returns on fixed income instruments. Asset durations were extended to reap benefits of likely monetary policy easing. A strong rebound in the equity market also facilitated a solid growth in investment income.

MONITORING AND CONTROL

Investment performances are monitored regularly. The Committee remains vigilant of developments in the external factors and focuses on making use of them to achieve investment targets within risk guidelines. Investment Front Office, Middle Office and Back Office liaise efficiently to facilitate an efficient investment process.

YEAR UNDER REVIEW – SUMMARY OF INVESTMENT ACTIVITIES

The Long term Insurance Fund stood at Rs. 213.2 Bn., at the end of 2024.

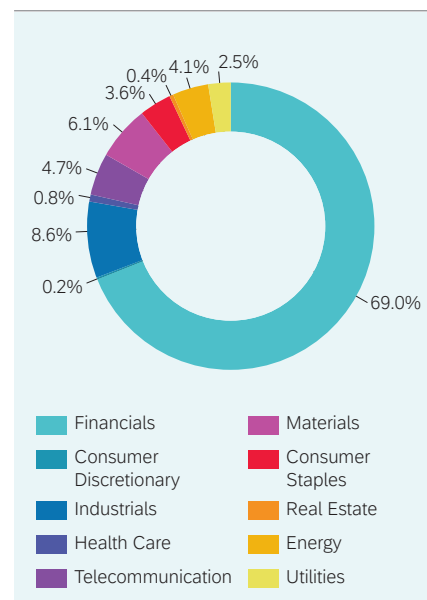
SAFETY AND STABILITY OF INVESTMENTS

Portfolio diversification is a key theme of the IC in order to minimise non-systematic risks.

The pie chart below illustrate the allocation of investment assets of the Long term Insurance Fund as at 31 December 2024 (values are based on market values).

LONG TERM INSURANCE FUND

→ SECTOR ALLOCATION – LISTED EQUITY LIFE FUND



INVESTMENT INCOME

Total investment income for the year stood at Rs. 25.7 Bn. During the reporting period, investment income amounted more than 51% of the total revenue for Life Insurance.

ALM CONSIDERATIONS

The IC focuses on Asset and Liability Management. Running mismatches in favour of the fund remains a key focus. The IC consciously decided to invest in longer duration assets as interest rates were trending down during 2024. We expect the Sri Lankan economy to consolidate and show strong recovery providing sound returns for equity and fixed income investments.

The Investment Committee will strive to achieve even greater heights during the ensuing years.

Ravindra Pathmapriya

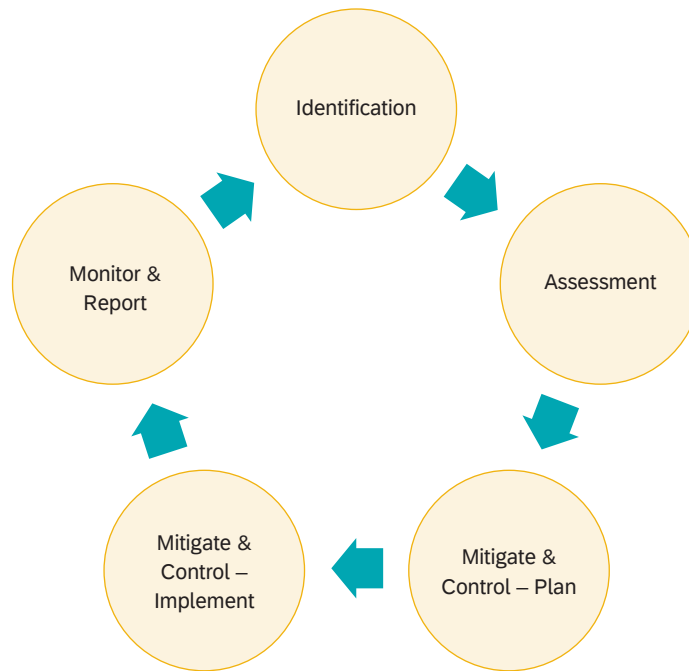
Chairman – Investment Committee

03 June 2025

Risk Management Report

INTRODUCTION

When commencing SLICLL's operation in February 2024, the management emphasised the importance of having an Integrated Risk Management Framework that goes beyond simple financial oversight. Accordingly, SLICLL has implemented a risk management framework that addresses a broad spectrum of risk areas, including data security, IT, third party relationships, governance risk, compliance risk and climate changes. The organisation views proactive risk management as fundamental to achieving its strategic, operational, and business goals while enhancing long term value creation. To achieve this, SLICLL has developed a robust Risk Management Framework in line with the ISO 31000 risk framework, which helps to identify, assess, and mitigate its primary business and strategic risks.



During the assessment stage, the probability/likelihood of occurrence and impact of the risk will be evaluated to determine the overall risk category. This can be depicted using a risk matrix that shows how the likelihood of occurrence and potential impact relate to the overall level of risk.

RISK GOVERNANCE

SLICLL's Board of Directors receives assistance from the Board Risk Management Subcommittee in overseeing the overall risk management of the Company. The Subcommittee plays a pivotal role in ensuring that risk management is an integral part of SLICLL's organisational strategy. The responsibilities of this Subcommittee include ensuring that risk management policies and procedures are aligned with SLICLL's

strategy and risk appetite and tolerance. In addition to the Risk Management Subcommittee, the Board has appointed other Subcommittees to assist in executing risk oversight in specific areas, including the Audit & Compliance Committee and the Investment Committee.

Oversight Structure

Risk Management is at the strongest stage when there are four separate and clearly identified lines of businesses, as given below:

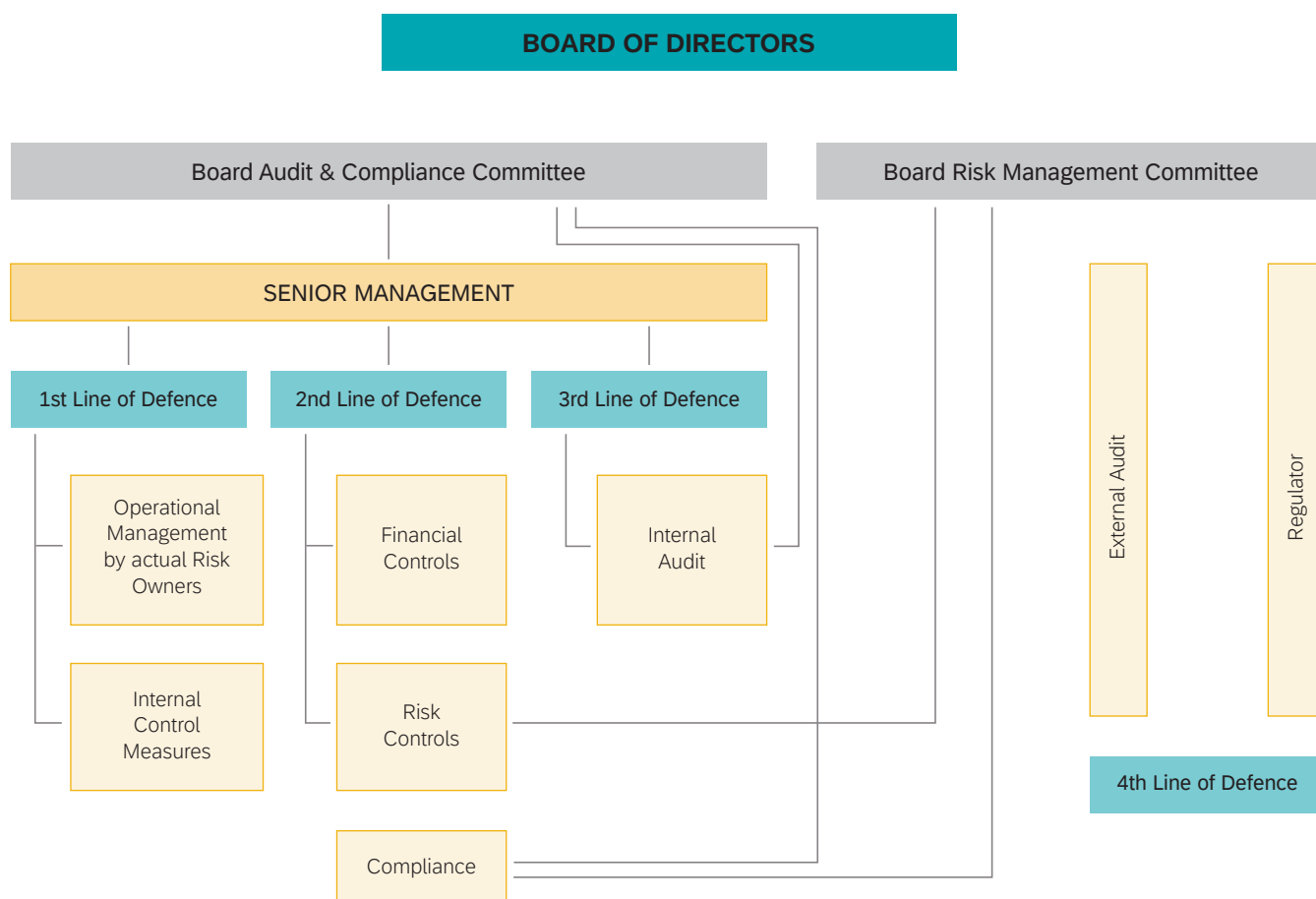
- A** "Operational management by actual risk owners" as the first line of defence (owns and manage risk)
- B** "Financial controls, risk controls and compliance" as the second line of defence. (oversee the risk)

- C** "Internal Audit" the third line of defence (independent assurance)
- D** "External Auditors and the Regulators" as the fourth line of defence (proper communication)

The fourth line of defense articulation would be accompanied by a closer interaction between Internal Auditors, External Auditors and supervisors. The main regulator of the insurance industry is the Insurance Regulatory Commission of Sri Lanka.

Reporting to the Audit Committee will ensure the independency while reporting to the Risk Management Committee will ensure that the risk agenda is not subordinate to the audit agenda.

Risk Management Report



Risk Assessment of the Internal Control Framework

The Company has been consistently promoting and supporting the implementation of effective risk management practices. To achieve this goal, the Company has adopted an internal control framework that follows the thirteen principles of the Basel Committee on Banking Supervision.

Solvency Position

SLICLL's solid risk management foundations provided a strong platform for managing risks in 2024. SLICLL continued to maintain its Risk Based Capital

Adequacy Ratio well above the required levels in 2024. The Risk Based Capital Adequacy Ratio for the Life Insurance business is 565% in FY2024 compared to 425% in FY2023.

Impact of the Current Economic Elements

The current economic elements have caused a profound impact on the insurance business. Therefore, at every BRMC, the impact of the current economic elements have been deliberated with special focus on headline inflation, food inflation, changes in employment, Monetary policy, market interest rates and yield on government securities, fiscal

deficit, government borrowings and debt service payments, rupee appreciation and depreciation against major currencies, tourism earnings and workers' remittances and various other such elements. Further, from the risk management perspective, we work collaboratively with the main divisions; namely, Finance, Investment, Life, Compliance and other divisions to formulate strategies to address such risk elements. The BRMC considers the restoration of the economy supported by the gradual easing of monetary policy and monetary conditions and the revival in the external sector to support Sri Lanka's economic growth.

Risk Management Report

LIFE INSURANCE RISK

There are many risks associated with Life Insurance, these include:

Risk Type	Description	Risk Appetite
Mortality risk	The risk that actual policyholder death experience on life insurance policies is higher than expected.	Low Risk
Longevity risk	The risk that annuitants live longer than expected.	Low Risk
Morbidity risk	The risk that actual policyholder health/accidental related claims are higher than expected.	Low Risk
Policyholder behavior risk	The risk that policyholders' behavior in discontinuing and reducing contributions or withdrawing benefits prior to the maturity of the contract is worse than expected. Poor persistency rates may lead to fewer policies remaining on the books to defray future fixed expenses and reduce the future positive cash flows from the business written, potentially impacting its ability to recover deferred acquisition expenses.	Low Risk
Expense risk	The risk that expenses incurred in acquiring and administering policies are higher than expected.	Low Risk

The Company has established procedures and processes to evaluate the above risks which if not properly controlled and managed, can impact its operations. The procedures are in place to cover all critical stages from product development to benefit administration.

In addition to that, all life financial streams are modeled and profit testing is produced by the Actuary thus mitigating product design and pricing risk. Also, SLICLL uses matching instruments to back certain liabilities (ALM), if available.

Under the Risk Based Capital (RBC) framework, SLICLL has adopted "Gross Premium Valuation" mechanism (GPV). This is required for liability valuation

purpose where liability is calculated in market consistent manner. This means that GPV is based on the explicit estimates for mortality, morbidity, expenses, lapses and risk free interest rate structure is used for discounting purpose. The liability is also carried an explicit margin for future expected level of bonus, which is called a Total Benefit Liability(TBL), hence the future bonus is protected under best estimate assumptions. SLICLL is geared up to set best estimate assumptions for liability valuation based on the internal experience studies conducted periodically. This has enabled SLICLL to manage policyholder liabilities in a consistent manner over the years.

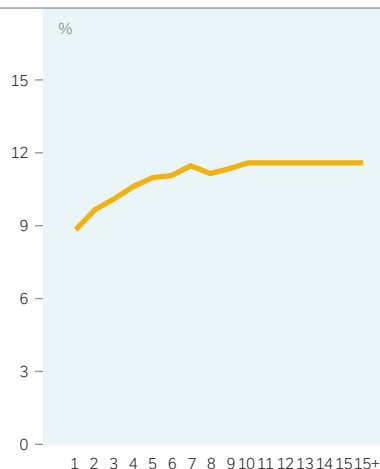
In addition, best estimated parameters considered for TBL calculation are further stressed called application of Risk Margin (RM) as per the guidelines given by IRCSL and TBL is computed with a margin for adverse deviation from its best estimates. The use of RM increases the statistical confidence of policy liabilities and hence enhance the protection provided to policyholder benefits and should increase the policy liabilities. The RM used by SLICLL is consistent with the factors defined in the RBC framework and represent a 75% confidence interval statistically with respect to the underlying probability distribution of the possible outcomes under liability computation.

As such, the main assumptions used in determining Life Insurance contract liability are below tabulated:

Assumption	Description
Mortality	– Factored A67/70 for non-annuity business to allow best estimate experience rate – Weighted average of a (90)m and a (90)f with one year age setback to allow approximated 1% mortality improvement of annuitants
Expenses	Based on the Company 2024 internal expenses studies and expenses split into participating and non-participating business
Lapses/Surrenders	Based on the experience study conducted for the 31 December 2024 valuation, covering the experience over the last three investigation years.
Morbidity	Based on the Company internal experience and actual vs expected analysis. Expected rates are based on the reinsurance rate tables
Reinsurance	Based on the Company internal experience studies with respect to reinsurance
Investment return	Risk free rate structure instructed by IRCSL as at 31 December 2024

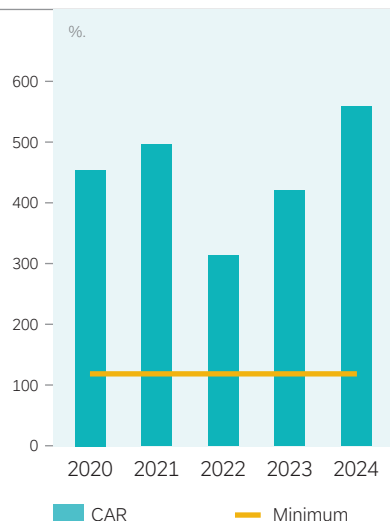
Risk Management Report

→ RISK FREE RATE



SLICLL maintained steady and strong solvency ratio over the year 2024 for its Life Insurance business and as at 31 December 2024 the Risk-Based Capital Adequacy Ratio, CAR, stands at 565% and it was 425% as at 31 December 2023. This is well above the regulatory minimum requirement which is 120%.

→ CAPITAL ADEQUACY RATIO



Sensitivities Analysis for Life Insurance Risk

Assumption	Change in assumption	Impact on Best Estimated liability Rs. Mn.
Mortality	+10%	886
	-10%	(890)
Expense	+10%	2,638
Persistency	+20%	(2,265)
	-20%	2,002
Discount Rate	Up shock scenario under RBC	(21,023)
	Down shock scenario under RBC	27,595

Segregation of Policy liability based on product category

31 December 2024	Insurance Liabilities (with profits) Rs. '000	Insurance Liabilities (without profits) Rs. '000	Total Benefit Liabilities Rs. '000
Whole life	15,753	4,010	19,763
Endowment assurance	95,304,980	7,884,963	103,189,943
Term assurance	—	2,919,583	2,919,583
Annuity	16,752,827	4,046,401	20,799,227
Rider benefits	90,329	3,713,075	3,803,404
Total	112,163,889	18,568,031	130,731,920

The following table shows the participating and non-participating fund position of the Company.

	Participating Rs. '000	Non-Participating Rs. '000	Total Rs. '000
2024	194,546,922	18,681,308	213,228,229
Percentage	91.24%	8.76%	

INVESTMENT RISK MANAGEMENT

Managing reinvestment risk as the yield curve continued with its downward descent was the focus of the Investment Committee, as the country continued to recover from an economic crisis. Restructuring external debt and two major national level elections during 2024 were identified as potential market moving events. As markets were expected to be volatile, the Investment Committee (IC) focused on maximising return on investments within tolerable risk parameters. As the economy stabilised and showed sound growth during the second half of the year, once there was clarity on the direction of the economy.

Risk Management Report

The Investment Committee consciously focused on extending the duration of assets by investing in longer maturity debt instruments in order to lock in higher returns over longer periods. Hence, the Fixed Income portfolio was ideally placed when interest rates in the market dropped. The Committee also decided to either hold on or further invest in equity counters, which had the potential to go up as the market recovered. Investment risk management continued to be done whilst exercising utmost care and prudence.

Investment portfolio continued to remain diversified in order to mitigate unsystematic risks. Liquidity, credit, concentration and reinvestment risks also received due respect from the IC.

Investment Income recorded high numbers as investment decision making continued to remain nimble and efficient. Strict adherence to risk management principles and applicable IRCSL guidelines helped mitigate regulatory risks.

MARKET RISK

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates or the shape of the yield curve negatively affect the value of an investment or a financial position. It's especially relevant for bonds and other fixed income securities, but it can also impact loans, savings, and even stocks to a certain degree. Whenever possible, the IC consciously invested in longer duration assets, taking cognisance of declining interest rates and the long term nature of liabilities.

Reinvestment risk

Reinvestment risk is the risk that future cash flows, like coupon payments from a bond or principal repayments, will have to be reinvested at a lower interest rate than the original investment. Reinvestment risk remained high, as interest rates declined during the year and are expected to remain at low levels into the foreseeable future.

Exchange Rate Risk

Exchange rate risk, also known as currency risk or foreign exchange (FX) risk, is the risk that changes in foreign currency exchange

rates will negatively impact the value of an investment, asset or liability.

During 2024, the US Dollar continued to depreciate against the Sri Lankan Rupee. The US Dollar, however, may remain stable during 2025 as the Sri Lankan economy recovers and foreign investments and income from tourism increase, although vehicle imports are expected to increase.

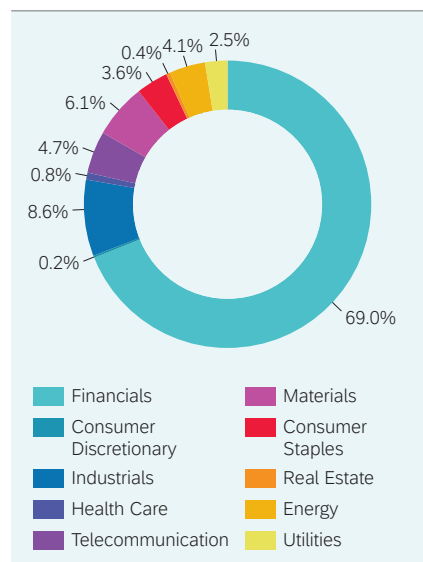
Equity Risk

Equity risk is the risk of losing money because the value of equities goes down.

Both the Sri Lankan indices recorded significant gains during 2024, as pre-election uncertainties cleared and the economy entered recovery mode.

Although SLICLL reduced unsystematic risks through diversification as depicted below, equities inherently are exposed to systematic risk, which is the uncertainty inherent to the entire market.

SECTOR ALLOCATION – LISTED EQUITY LIFE FUND



Liquidity Risk

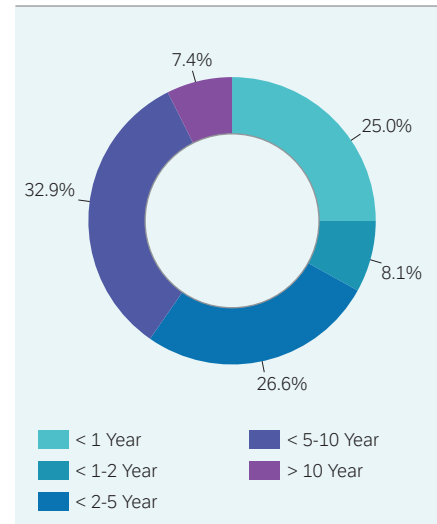
Liquidity risk is the risk of not being able to buy or sell an asset quickly without significantly affecting its price.

The bulk of SLICLL's assets are invested in highly liquid assets such as Treasury Bonds.



MATURITY PROFILE

LIFE FUND AS AT 31 DECEMBER 2024



Credit Risk

Credit risk is the risk that a borrower defaults on a loan repayment when the obligation falls due on a coupon or principal repayment. A stringent internally developed credit rating criteria governs SLICLL's investments.

Concentration Risk

Concentration risk is the risk of loss due to too much exposure to a single investment, sector, borrower, or geographic area. The IC ensures there is sufficient fragmentation of investments in order to minimise concentration risks.

Operational Risk

Operational risk refers to the possibility of incurring financial losses due to shortcomings in the organisation's operating procedures, which may include human errors and fraudulent activities. To reduce operational risk, the organisation implements measures such as segregation of duties, dual controls, strict policies and manuals, and regular audits.

ICT Risk Management

ICT Risk Management involves identifying, assessing, and mitigating risks associated with IT systems and processes. Given the critical nature of financial and personal data and transactions, effective risk management in IT is crucial to ensure data integrity, confidentiality, availability, and

Risk Management Report

compliance with regulatory requirements. We regularly review and update risk management strategies, policies, and controls based on evolving threats, technologies, and business requirements.

As part of our ongoing commitment to safeguarding customer trust and maintaining the integrity of our operations, we have continued to invest in and strengthen our information security framework and technologies. The rise of digital transformation across the insurance sector has brought increased responsibility to protect sensitive customer data, financial records, and proprietary business information from evolving cyber threats. During the reporting year, we undertook several key initiatives to enhance our cybersecurity posture and minimise risks:

Information Security Framework and Data Privacy

SLICLL successfully transitioned to the ISO/IEC 27001:2022 Information Security Management System (ISMS), reinforcing its commitment to a risk-based, adaptive, and resilient security posture. This transition marks a significant milestone in strengthening our existing information security framework, with particular focus on data privacy, cloud operations, and emerging threat management. Further to meet local regulatory requirements and ensure the confidentiality, integrity, and availability of customer information, SLICLL has embarked on a strategic initiative to align with data privacy obligations and integrate industry best practices into its operations.

Information Security Technology

We enhanced our existing technology stack by deploying advanced endpoint protection, AI/ML-driven threat monitoring, data classification tools, Web Application Firewalls (WAF), and comprehensive vulnerability assessment and penetration testing (VAPT) solutions. Simultaneously, we continue to strengthen our cloud security posture with a strong emphasis on identity and data protection, infrastructure security, and risk reduction—further advancing our journey toward achieving a Zero Trust architecture.

Human resources (HR) Risk

SLICLL has managed HR risks by implementing various strategies and practices, some of which are as given

here: hiring the right people through a screening process that includes background checks, reference checks, and skills assessments; developing clear policies and procedures that govern all HR-related activities, addressing issues such as employee conduct, disciplinary procedures, discrimination, harassment, and confidentiality; regular training and development; adopting effective performance management practices including regular feedback and coaching; compliance with the applicable laws and regular communication with employees.

Managing Fraud and Misconducts

A variety of laws and regulations applicable to us, as given below, provide an array of criteria to incorporate into our antifraud and misconduct efforts:

- A** Anti-Money Laundering and Counter-Terrorism Financing legislation: Prevention of Money Laundering Act No. 5 of 2006 (PMLA), Financial Transactions Reporting Act No.6 of 2006 (FTRA) as amended, Insurers (Customer Due Diligence) Rules No. 01 Of 2019, UN Sanctioned lists, Rules & Regulations made by the Financial Intelligence Unit and Guidelines given by the Insurance Regulatory Commission of Sri Lanka. At SLICLL, AML framework is driven by the Board approved AML procedure and we have implemented a robust AML framework.
- B** Assets and Liabilities Declarations Act No. 01 of 1975: The relevant officers declare their assets and liabilities annually as required by this Act.
- C** The Bribery Act No. 11 of 1954: We provide our fullest support for the inquiries conducted under the purview of the Act.
- D** Corporate Governance Codes: We have embraced the fundamentals as required by such Code in preventing fraud and the Fraud Management policy is also in place.

Data Protection Risk Management framework

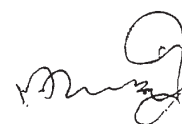
The Company has implemented a strong framework for managing data protection risks, in accordance with the Data Protection Act No. 09 of 2022,

to identify, assess, and manage risks associated with the collection, processing, storage, and disposal of personal data. To ensure compliance with the legislation, the Company has appointed a Data Protection Officer, and published a Privacy Policy on its website. The Company has been working on obtaining policyholder consent for the retention and processing of personal data. Staff members have received relevant training to comply with the legislation. Additionally, the Company uses the "Triple-A" approach, which includes Authentication, Authorisation, and Audit, as part of its overall data protection risk management framework.

SOCIAL MEDIA RISK MANAGEMENT

In 2024, Sri Lanka Insurance Life implemented a comprehensive approach to managing social media risk, focusing on proactive monitoring, clear escalation protocols, and robust compliance measures. These initiatives were designed to protect the Company's reputation, ensure regulatory adherence, and foster stakeholder trust.

- **Social Listening & Escalation Protocols**
Leverage on social listening tools to track brand mentions, sentiment, and trending conversations across multiple platforms, enabling early identification of potential reputational issues or customer concerns.
Follow a clear crisis response procedure to ensure swift escalation of social media incidents that could impact brand reputation.
- **Compliance Measures**
Being up to date on social media policies to meet new regulations and best practices, while continuing regular audits to ensure full compliance with both internal and external standards.



Dushmantha Thotawatte

Chairman-Board Risk Management Subcommittee

03 June 2025

Compliance Report

COMPLIANCE MANAGEMENT FRAMEWORK

Our Approach to Compliance

In the insurance industry, proactive compliance risk management has become increasingly vital in light of evolving regulatory mandates and transformations within the business environment. This encompasses an enhanced emphasis on customer and data protection, privacy, and other legal obligations. Insurance providers are required to uphold transparency through strict adherence to established compliance standards. At SLICLL, compliance requirements are embedded within day to day business operations. The speed and complexity of regulatory developments continue to present ongoing challenges for insurers, while the introduction of the new financial reporting standard, IFRS 17, signifies a major shift in insurance accounting practices. As a government owned institution, SLICLL is obligated to comply with a wide array of laws, rules, and regulations applicable to limited liability companies, insurance entities, and state owned enterprises.

SLICLL is committed to complying with all applicable laws and regulations and has implemented a formal compliance framework that encompasses the identification, monitoring, reporting, and assurance of compliance. The compliance mandate provides guidance for the establishment and functioning of the corporate compliance function, which is under the purview of the Head of Compliance who provides regular reports to the Audit & Compliance Committee, the Board Risk Management Committee, and the Board. The Executive Committee also supports compliance efforts by ensuring that the “tone at the top” is effectively translated into a strong compliance culture across the organisation.

Compliance Risk’ is defined as the risk or harm to SLICLL’s integrity arising from non-compliance with applicable laws, regulations, internal policies, procedures, and principles. Failure to manage compliance risk effectively may expose SLICLL to fines, as well as civil and criminal penalties. SLICLL’s business

principles require all employees, at all levels, to act not only in compliance with laws and regulations but also with integrity and accountability. The Company recognises that effective compliance risk management involves meeting the expectations of customers and other stakeholders.

Compliance Framework

The Board of Directors holds the responsibility for defining SLICLL’s compliance risk appetite, striking a balance between mandatory risks such as regulatory requirements and industry codes and discretionary risks, including business strategy, objectives, and internal corporate policies. Effective management of compliance risk necessitates a coordinated approach, integrating all control functions across the organisation, including risk management, internal control, legal, and human resources.

To manage compliance risk, SLICLL follows a four-lines-of-defense model:

- Departments as the first line of risk ownership;
- The Risk Management Committee and Audit & Compliance Committee as the second line;
- Internal Audit as the third line, specifically for the AML function;
- The regulator, IRCSL, and External Auditors as the fourth line.

To emphasise the importance of compliance risk, the Compliance Department reports to both the Risk Management Committee and the Audit & Compliance Committee.

The Compliance Department has identified the divisions responsible for relevant laws, rules, and regulations and implements a collaborative process to ensure compliance requirements are met. As part of a proactive approach, the Compliance Department provides guidance to management on anticipated future regulations. This proactive business process management strategy equips the Company with the necessary tools to address new regulatory requirements in a cost effective manner.

Anti-Money Laundering (AML) Governance

The Company’s policy strictly prohibits and actively seeks to prevent money laundering and any activities that facilitate money laundering or the financing of terrorism. SLICLL is committed to adhering to Anti-Money Laundering (AML) compliance in accordance with applicable laws and mandates that its management, staff, and appointed agents follow these standards to prevent the misuse of its products and services for money laundering purposes.

AML Training

Additionally, SLICLL has developed an internal e-learning module to provide employees with a comprehensive understanding of money laundering, its methods, and the preventive measures. Employees are required to pass an examination, which is linked to their performance appraisals.

Advanced Due Diligence

To strengthen its AML compliance framework, SLICLL has invested in the World-Check Refinitiv database system, a risk-intelligence tool that underpins Know Your Customer (KYC) and due diligence for thorough onboarding screening. Key features of the system includes :

- Monitoring Politically Exposed Persons (PEP)
- Filtering Sanctions and Watchlist entities and/or individuals
- Adverse Media Screening
- Third Party Due Diligence

Throughout the year, the Compliance Department worked closely with the Enterprise Risk Department to conduct training sessions and awareness campaigns focusing on anti-money laundering and countering the financing of terrorism (AML/ CFT) topics, specifically targeting branch managers and staff members.

Whistleblower Policy

SLICLL has established a Whistleblowing Policy, with the Compliance Officer serving as the Whistleblowing Officer responsible for overseeing its implementation.

Compliance Report

The Code of Business Conduct and Ethics

The “Code of Business Conduct & Ethics” for Directors, Key Management Personnel, and all Employees is designed to ensure that organisational members adhere to principles, rules, values, standards, and legal compliance when conducting business activities.

The likelihood of compliance risk is minimised through the integration of compliance and risk monitoring, the promotion of open and transparent reporting, and the development of strong stakeholder relationships. Compliance issues and incidents are escalated to the

Board and its Subcommittees for corrective and preventive actions, thereby further reinforcing the compliance framework, ethics, and best practices.

Customer Data Protection

The Company has taken significant steps towards strengthening its data protection framework in line with applicable regulations, including raising awareness through staff training programmes to reinforce data protection practices across the organisation. Key policy documents have been developed and are progressing through the internal approval process. Data Protection Officers have been nominated, and operational matters in this regard are

being addressed. Measures to enhance transparency and obtain consent from policyholders have been initiated, with further actions underway to ensure full compliance, including the publication of a privacy policy on the corporate website.

During the year under review, the Company adhered to all statutory requirements, rules, and regulations, except as disclosed in the External Auditor's Report, Notes to the Financial Statements, and the Corporate Governance Report. Furthermore, the Company received an extension from the Insurance Regulatory Commission of Sri Lanka (IRCSL) for the submission of certain regulatory reports.

Regulatory/Statutory Requirement	Frequency of Submission of Return/Payment	Due Date of Submission/ Payment	Executed date	Compliance and Remarks
Regulatory/Statutory returns/payments fall due in the period				
INSURANCE REGULATORY COMMISSION OF SRI LANKA (IRCSL)				
Quarterly Returns to IRCSL as stipulated under Sec 49 (b) of RII Act				
Revised Quarterly Returns to IRCSL as stipulated under Sec 49 (b) of RII Act with effect from 01 April 2012 (49 Formats)				
Determination Formats – Life	Quarterly within 30 days of end of quarter	1st QR (24) – 30 April 2nd QR (24) – 30 July 3rd QR (24) – 30 October	10 June 2024 30 July 2024 30 October 2024	Due to the Segregation process
Risk Based Capital (Formats) – Life	Quarterly within 30 days of end of quarter	1st QR (24) – 30 April 2nd QR (24) – 30 July 3rd QR (24) – 30 October	10 June 2024 30 July 2024 30 October 2024	Due to the Segregation process
Balance Sheet and Profit Loss Account (Formats)	Quarterly within 30 days of end of quarter	1st QR (24) – 30 April 2nd QR (24) – 30 July 3rd QR (24) – 30 October	10 June 2024 30 July 2024 30 October 2024	Due to the Segregation process
Quarterly Certification by CEO & CFO & Principal Officer under the IRCSL circular 12 (Certification A)	Quarterly within 30 days of end of quarter	1st QR (24) – 30 April 2nd QR (24) – 30 July 3rd QR (24) – 30 October	10 June 2024 30 July 2024 30 October 2024	Due to the Segregation process
Quarterly Certification by CEO & CFO & Principal Officer under the IBSL circular 12 (Certification B)	Quarterly within 30 days of end of quarter	1st QR (24) – 30 April 2nd QR (24) – 30 July 3rd QR (24) – 30 October	10 June 2024 30 July 2024 30 October 2024	Due to the Segregation process
Payments				
Cess Life 0.2%, of Net Premium	Quarterly	1st QR (24) – 30 April 2nd QR (24) – 31 July 3rd QR (24) – 31 October	30 April 2024 31 July 2024 30 October 2024	
Annual Fees	Annually	30 April 2024	30 April 2024	

Compliance Report

Regulatory/Statutory Requirement	Frequency of Submission of Return/Payment	Due Date of Submission/ Payment	Executed date	Compliance and Remarks
INLAND REVENUE DEPARTMENT				
Returns				
Stamp Duty	Quarterly	1st QR (24) – 15 April 2nd QR (24) – 15 July 3rd QR (24) – 15 October	11 April 2024 15 July 2024 15 October 2024	
AIT	Annually	2023 – 30 April 2024	29 April 2024	
APPIT Return	Annually	2023 – 30 April 2024	30 April 2024	
Crop Insurance Levy	Quarterly	1st QR (24) – 30 July 2nd QR (24) – 30 October	30 July 2024 30 October 2024	
Payments				
APIT	Monthly	15th of the following month	Executed on due date	
Income Tax	Quarterly	on or before 15 August on or before 15 November	15 August 2024 14 November 2024	
Stamp Duty	Quarterly	1st QR (24) – 15 April 2nd QR (24) – 15 July 3rd QR (24) – 15 October	10 April 2024 15 July 2024 15 October 2024	
Crop Insurance Levy	Quarterly	1st QR (24) – 30 July 3rd QR (24) – 30 October	30 July 2024 30 October 2024	
AIT	Monthly	15th of following month	Executed on due date	
CENTRAL BANK OF SRI LANKA				
EPF Returns	Bi Annually	31 January & 31 July	Executed on due date	
AML (Anty Money Laundering) Returns				
1. Cash Transaction Report	Monthly	15th day of the following month	Executed on due date	
EPF Contribution	Monthly	one day before the last working day of the following month	Executed on due date	
EMPLOYEES TRUST FUND BOARD				
ETF Returns	Bi Annually	31 January & 31 July	Executed on due date	
ETF Contribution	Monthly	one day before the last working day of the following month	Executed on due date	
REGISTRAR OF COMPANIES				
Registration of Financial Statements	Annually	Within 20 working days after the Financial Statements of the Company	Executed on due date	

Statement of Internal Control

The Board exercises ultimate oversight and provides strategic direction for internal controls and risk management, ensuring the establishment and maintenance of a robust system of internal controls. It remains informed of developments in risk management and governance to uphold the effectiveness of these systems in protecting the interests of stakeholders.

The Board of Directors of the Company acknowledges that robust internal controls and risk management practices are essential components of the Company's overall risk management framework. The internal control system is designed to manage risks to an acceptable level, rather than to eliminate all risks of failure in achieving anticipated results and strategic objectives.

To support this objective, the Board has established six principal Board Subcommittees and a clearly defined organisational structure that sets out lines of accountability and delegated authority. The six Board Subcommittees are the Audit & Compliance Committee (ACC), the Risk Management Committee, the Human Resource & Remuneration Committee (HR & Rem.Com), the Investment Committee, the Strategic Review Committee and the Digital Transformation Committee. These key committees operate under Board approved charters and adhere to the fundamental principles of good governance.

The Audit & Compliance Committee plays a critical role in supporting the Board in fulfilling its oversight responsibilities in areas such as financial reporting, internal control systems, risk management systems, and the internal and external audit functions.

The Internal Audit Department is responsible for verifying the compliance of operations with established policies and procedures, as well as assessing the adequacy and effectiveness of the internal control systems. Significant findings relating to any non-compliance are duly

highlighted. Audits are conducted across all units and branches, with their frequency determined based on the assessed level of risk, ensuring the provision of independent and objective evaluations of operational and management activities.

The annual audit plan is reviewed and approved by the Audit & Compliance Committee, and audit findings are presented to the Committee for review during its periodic meetings. Additionally, a dedicated Subcommittee has been established to discuss the findings arising from branch audits.

Internal control over financial reporting is a critical component of the Company's governance framework. The Audit & Compliance Committee bears primary responsibility for overseeing internal controls related to financial reporting. While management is tasked with establishing and maintaining an effective system of internal controls, the ACC is responsible for overseeing these controls and reviewing the overall effectiveness of the system.

The performance of the internal control system is evaluated through ongoing monitoring activities, separate evaluations such as internal audits, and procedures embedded within the organisation's operations to monitor the appropriateness and effectiveness of identified controls.

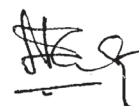
A robust compliance management system, integrated into the institution's overall risk management strategy, is in place, as further detailed in the Compliance Risk Management chapter. The compliance programme covers adherence to legal and regulatory requirements applicable to the Company, including those under the Companies Act as a limited liability company, the Regulation of Insurance Industry Act as a registered insurer, and other legal frameworks governing state-owned limited liability companies.

To safeguard the integrity and stability of the operational framework, a comprehensive Anti-Money Laundering (AML) framework has been implemented.

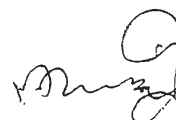
This framework includes customer screening against designated databases, customer due diligence processes, an e-learning module incorporated into employee performance appraisals, annual internal audits, and periodic AML risk assessments.

The Board has delegated the risk management function to a dedicated Risk Management Committee, which focuses on overseeing the Company's most critical risks and risk management capabilities. The Directors are satisfied that the risk management policies and procedures established by the Company align with its overall strategy and risk appetite, while promoting an enterprise wide culture of risk awareness.

The Risk Department provides representations to the Board appointed Subcommittees – namely, the Risk Management Committee and the Investment Committee as well as to several management level committees, including the Executive Committee, Audit Follow-up Committee, and Product Development Committee, among others. Through this process, Enterprise Risk Management (ERM) offers independent insights from a risk perspective, enabling both management and the Board to make informed decisions with due consideration of potential risk impacts.



Nusith Kumaratunga
Chairman



Dushmantha Thotawatte
Chairman – Audit and Compliance
Committee
03 June 2025

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Annual Report of the Board of Directors of the Company

The Board of Directors of the Company has pleasure in presenting their 02nd Annual Report to the members together with the audited Financial Statements for the year ended 31 December 2024 of the Company.

The content of this report has also considered the requirements of the Companies Act No. 07 of 2007, Regulation of Insurance Industry Act No. 43 of 2000 as amended, and Sri Lanka Accounting & Auditing Standards Act No. 15 of 1995, along with amendments made thereon and best practices of corporate governance.

The Board of Directors of the Company has pleasure in presenting their Annual Report to the members together with the audited financial statements for the year ended 31 December 2024 of the Company and the Auditor's Report on those financial statements confirming the requirements of the Companies Act No. 07 of 2007, Regulation of Insurance Industry Act No. 43 of 2000 as amended and Sri Lanka Accounting & Auditing Standards Act No. 15 of 1995 and amendments made thereon and best practices of corporate governance.

CORPORATE BACKGROUND OF THE COMPANY

In 2011, SLIC Limited was required to separate the Long-Term Life and General Insurance businesses of Sri Lanka Insurance Corporation Limited (SLIC) under the mandatory requirement set forth by the Regulation of Insurance Industry (Amendment) Act No. 3 of 2011. Accordingly, Sri Lanka Insurance Corporation Life Limited was incorporated on 11 October 2023, with its sole shareholder being Sri Lanka Insurance Corporation Limited.

Its first Annual General Meeting was held within eighteen months of its incorporation, as stipulated in Section 144 (3) of the Companies Act No. 7 of 2007, as determined by its sole shareholder.

In accordance with the Regulation of Insurance Industry (Amendment) Act No. 3 of 2011 and the Cabinet decision 23/0431/604/046 dated 17 March 2023, Sri Lanka Insurance Corporation Limited (SLIC) has been legally segregated into two separate legal entities. Consequently, the company segregated its operations under a holding company model, with two wholly owned subsidiary companies:

Sri Lanka Insurance Corporation Life Limited and Sri Lanka Insurance Corporation General Limited. Effective 01 February 2024 and Sri Lanka Insurance Corporation Limited now functions as a holding company.

INFORMATION ON SHAREHOLDING

The sole shareholder of the company is Sri Lanka Insurance Corporation Limited, of which 99.98% of the shares are vested with the Secretary to the Treasury on behalf of the Government of Sri Lanka.

REGISTERED OFFICE

The registered office and the head office of the Company is at "Rakshana Mandiraya", No. 21, Vauxhall Street, Colombo 02.

PRINCIPAL ACTIVITIES OF THE COMPANY

The primary activity of Sri Lanka Insurance Corporation Life Limited is to conduct long-term (Life) insurance business, with effect from 01 February 2024. There were no major changes to the principal activities of the Company during the year under review.

DIRECTORS' RESPONSIBILITY FOR FINANCIAL REPORTING

The Directors are responsible for preparation and presentation of financial statements of the Company to reflect a true and fair view of its affairs. The Directors' responsibilities include designing, implementing, maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatements whether due to fraud or error, selecting and adopting accounting policies and making accounting estimates that are reasonable in the circumstances.

The Directors are of the view that the Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity, Cash Flow Statement, Significant Accounting Policies and notes thereto in the Annual Report have been prepared in conformity with the Sri Lanka Financial Reporting Standards & Lanka Accounting Standards, Regulation of Insurance Industry Act No. 43 of 2000 and Companies Act No. 07 of 2007.

FINANCIAL STATEMENTS AND AUDITOR'S REPORT

The financial statements for the year ended 31 December 2024 are prepared based on the Sri Lanka Financial Reporting Standards and Lanka Accounting Standards issued by the Institute of Chartered Accountants of Sri Lanka. The financial statements of the Company signed by the Chief Financial Officer and the Directors are given in this Annual Report under the Financial Statements segment. These financial statements and notes give a true and fair view of the Company's financial position as at 31 December 2024 and of its performance for the year ended on that date.

AUDITOR'S REPORT

The Auditor General was appointed as the External Auditor in terms of article 154 (1) of the Constitution of the Democratic Socialist Republic of Sri Lanka. Messrs BDO Partners, a firm of Chartered Accountants, has been appointed by the Auditor General as the qualified auditor to assist the Auditor General in the annual audit of the financial statements of the company for the year ended 31 December 2024, in terms of article 154 (4) of the Constitution of the Democratic Socialist Republic of Sri Lanka.

The Auditor's report on financial statements which form an integral part of the report of the Board of Directors is given in the Annual Report.

FEES ON AUDIT AND OTHER RELATED SERVICES

The amount paid as audit fees during the year under review and the amount paid as other related services are given below. The Directors are aware that the auditors do not have any relationship interest in the Company other than those disclosed in this paragraph.

	2024 Rs. '000	2023 Rs. '000
Statutory Audit Fees	4,949	—
Non-audit Related Services	—	—

Annual Report of the Board of Directors of the Company

ACCOUNTING POLICIES

The significant accounting policies adopted in preparation of these financial statements are given in the annual report.

RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS

The Board of Directors of the Company has implemented and oversees the risk management function of the Company.

The company has implemented sound internal control policies and procedures and such policies and procedures are monitored by the Internal Audit Department of the Company. Audit and Compliance Committee oversees the internal control function of the Company.

The Board is satisfied with the effectiveness of the internal control and risk management function of the Company for the year under review.

GOING CONCERN

The Board of Directors is satisfied that the Company has adequate resources to continue its operations in the foreseeable future by considering the financial position, performance, cash flows and regulatory and statutory factors. Accordingly, going concern basis was adopted in preparing the financial statements.

TURN OVER/GROSS WITTEN PREMIUM (GWP)

The total turnover of the Company recorded Rs. 49,730 Mn. & the total GWP, Rs. 24,531 Mn. for the year 2024 of Sri Lanka Insurance Corporation Life Limited. A detailed analysis of the total GWP achieved by the company is given in the financial statements.

FINANCIAL RESULTS AND APPROPRIATIONS

	2024 Rs. '000
Profit Before Taxation (PBT)	4,376,604
Income Tax Expenses	1,734,756
Profit After Taxation	2,641,849
Other Comprehensive Income	(156,265)
Unappropriated Profit Brought Forward	—
Profits Available for Appropriation	2,485,584
Dividends Paid	—
Unappropriated Profit Carried Forward	2,485,584

DIVIDENDS

The Board of Directors has proposed to declare a Final Dividend of Rs. 0.20 per share (totaling a sum of Rs. 250,000,000), for the financial year 2024.

The Directors have confirmed that the Company satisfies the solvency test requirement under Section 56 of the Companies Act No. 07 of 2007 for the said final dividend declared. The solvency certificates were obtained from the Auditors.

DONATIONS

During the year 2024, there were Rs. 2,127,076 donation made by the company.

PROVISION FOR TAXATION

The tax position of the company is disclosed in the financial statements.

RESERVES

The movement in reserves during the year is set out in the Statement of the Changes in Equity Statement.

INSURANCE LIABILITIES & PROVISIONS

The Directors have taken all reasonable steps to ensure that adequate provisions were made for all known liabilities and commitments.

Gratuity liability was also valued by an independent Actuary as required by the LKAS 19 Employee Benefits.

As at the date of this report, the Directors are not aware of any circumstances, which would render inadequate provisions made in the financial statements.

INVESTMENTS

The number of investments held by the company as at 31 December 2024 amounted to Rs. 230,577 Mn. A detailed breakup of the investments held was disclosed in the financial statements.

PROPERTY, PLANT AND EQUIPMENT

The details of Property, Plant and Equipment are given in the Annual Report.

MARKET VALUE OF FREEHOLD PROPERTIES

The Company uses the cost method as the accounting policy for recording Property, Plant and Equipment. The Company's policy for revaluing the assets is once in every three years. Accordingly, Motor vehicles were revalued in the financial Year 2024 by Mr A A M Fathihu (MRICS) Independent Chartered Valuer with appropriate experience in the valuation of properties. The results of such revaluation were incorporated in the financial statements from its effective date which is 31 December 2024.

EVENTS OCCURRING AFTER THE REPORTING DATE

Events Occurring After the Reporting Date has disclosed in the note No. 40 to the Financial Statements.

RELATED PARTY TRANSACTIONS

The Related Party transactions as per the Sri Lanka Accounting standards (LKAS) 24, Related Party Disclosures, which is adopted in the preparation of the financial statements are given in this annual report.

Annual Report of the Board of Directors of the Company

BOARD OF DIRECTORS

All Directors have been appointed as Non-Executive Directors based on the nomination made by the Secretary to the Treasury, who is the principal shareholder of the Company, in accordance with the Companies Act No. 07 of 2007, subject to approval from the Insurance Regulatory Commission of Sri Lanka (IRCSL).

The Directors of the Company holding office as of 31 December 2024, are as follows:

Mr Ronald C Perera –

(Appointed 01 August 2022 – Resigned on 08 October 2024)

Mr Naomal M Pelpola –

(Appointed 30 September 2022 – Resigned on 08 October 2024)

Dr S M P Kithsiri Manchanayakke –

(Appointed 22 August 2022 Resigned on 09 October 2024)

Mr S Nishantha Dayananda –

(Appointed on 26 December 2019 – Resigned on 31 December 2024)

Mr Anil Koswatte –

(Appointed on 26 December 2019)

Mr K Ravindra Pathmapriya –

(Appointed on 30 September 2022)

Mr Dushmantha Thotawatte –

(Appointed on 22 August 2022)

Mr P Nusith Kumaratunga –

(Appointed on 18 October 2024)

The composition of the Company's Board of Directors as of the date of this Report

1. Mr P Nusith Kumaratunga
2. Mr Dushmantha Thotawatte
3. Mr K Ravindra Pathmapriya
4. Mr Rohan P Buultjens
(Appointed w.e.f. 01 January 2025)
5. Mr K Rajiv Dharmendra
(Appointed w.e.f. 01 January 2025)
6. Mr N D B Unamboowe, PC
(Appointed w.e.f. 01 January 2025)

Retirement of Directors by rotation or otherwise and their Re-election

1. Ordinary Resolutions

Mr Niel Dhanunayaka Bandara Unamboowe retires under Article 6 read with Article 7 of the Company's Articles of Association, and is eligible for re-election.

2. Special Resolution – 01

To appoint Mr Somadasa Palihawardena (who is over seventy (70) years of age) to the Board of Sri Lanka Insurance Corporation Life Limited.

The Company received a formal notice under Section 212 of the Companies Act No. 7 of 2007 from Mr Somadasa Palihawardena informing that he is 71 years old and will turn 72 on 07 June 2025.

Accordingly, the Board of Sri Lanka Insurance Corporation Life Limited resolved to appoint him to the Board of Sri Lanka Insurance Corporation Life Limited, subject to the approval of its shareholders as specified in the Notice.

DIRECTORS' INTEREST IN CONTRACTS WITH THE COMPANY

The Directors' interests in contracts are disclosed in the financial Statements. These interests have been duly disclosed at the meeting of Directors. Directors do not hold any shareholding of the Company.

DIRECTORS' REMUNERATIONS

The Directors' fees and emoluments paid during the year was Rs. 3,094,250.

STATED CAPITAL

The Stated Capital of the Company as at 31 December 2024 was Rs. 12,500 Mn., in Compliance with the Companies Act No. 07 of 2007. As at 31 December 2024, 100% shares were vested with the Sri Lanka Insurance Corporation Ltd.

STATUTORY PAYMENTS

The Directors to the best of knowledge and belief are satisfied that all statutory payments in relation to the Government, the Insurance Regulatory Commission of Sri Lanka (IRCSL) and in relation to the employees have been made on time.

INTANGIBLE ASSETS

Intangible Assets as at 31 December 2024 have been recorded in the financial statements of the Company.

ENVIRONMENT

The Company operates with the relevant environmental laws and regulations and has not engaged in any harmful activities.

COMPLIANCE WITH LAWS AND REGULATIONS

The Company has complied with all applicable laws and regulations during the financial year as otherwise disclosed in the Independent Auditors' Report. The compliance department monitors the compliance functions of the company and reports to the Audit and Compliance Committee and the Risk Management Committee. Further, periodic compliance reports are submitted to the Board.

THE APPROVAL OF THE FINANCIAL STATEMENTS

The audited financial statements were approved by the Board of Directors on 28 April 2025.

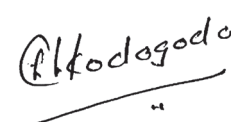
ANNUAL GENERAL MEETING

The Annual General Meeting will take place on 30 June 2025, at 11.00am, in the Board Room of the Company at its registered office at "Rakshana Mandiraya", No. 21, Vauxhall Street, Colombo 02.

ACKNOWLEDGEMENT OF THE CONTENTS OF THE REPORT

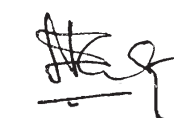
As required by section 168 (1) (k) of the Companies Act No. 07 of 2007, the Board of Directors does hereby acknowledge the contents of this report.

By Order of the Board

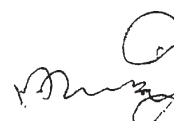


Shiromi Kodagoda
Company Secretary

For Board of Directors



Nusith Kumaratunga
Chairman/Director



Dushmantha Thotawatte
Director

03 June 2025

Statement of Directors' Responsibility

The responsibility of the Directors in relation to the Financial Statements is set out in the following statement.

As per the provisions of the Companies Act No. 07 of 2007, the Directors are required to prepare, for each financial year, and place before a General Meeting. The Auditors' responsibility for the Financial Statements is explained in the Auditors' Report, which is included in the Annual Report.

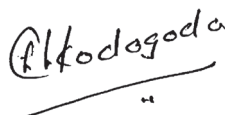
As per the Companies Act No. 07 of 2007, the Directors are responsible for ensuring that the Financial Statements of the Company provide a true and fair view of the Company's financial position as at the Balance Sheet Date, including its profit or loss or income and expenditure for the accounting period ending on that date. The Financial Statements must also present a fair representation of the Company's overall state of affairs.

The Directors are required to ensure that the Financial Statements of the Company have been prepared and presented in accordance with the Sri Lanka Accounting Standards (SLFRSs and LKASS), the Companies Act No. 07 of 2007, the Sri Lanka Accounting and

Auditing Standard Act No. 15 of 1995, and the Regulation of Insurance Industry Act No. 43 of 2000.

The Directors affirm that they have consistently applied appropriate accounting policies and exercised sound judgment and estimates in preparing the Financial Statements. Additionally, they have a reasonable expectation that the Company possesses adequate resources to continue in operation for the foreseeable future and have, therefore, adopted the going concern basis in preparing the Financial Statements.

By order of the Board



Shiromi Kodagoda
Company Secretary

**Sri Lanka Insurance Corporation
Life Limited**

03 June 2025

Chief Financial Officer's Statement of Responsibility

The Financial Statements of Sri Lanka Insurance Corporation Life Ltd. (the Company) as at 31 December 2024 were prepared and presented in compliance with the requirements of the following:

- i. Sri Lanka Financial Reporting Standards (SLFRS/LKASs) issued by the ICASL
- ii. The Companies Act No. 07 of 2007
- iii. Insurance Industry Act No. 43 of 2000 as amended.

The formats used in the preparation of the Financial Statements and disclosures made therein comply with the formats prescribed by the relevant regulators, which are also in compliance with the disclosure requirements of the Sri Lanka Accounting Standards. We confirm that to the best of our knowledge, the Financial Statements, Significant Accounting Policies and other financial information included in this

Annual Report, fairly represents, in all material respects, the financial condition, and results of the operations and the cash flow of the Company during the year under review. In addition, we confirm that the Company has adequate resources to continue its operations and has applied the going concern basis in preparing these Financial Statements. The Board of Directors is responsible for ensuring that management fulfils its financial reporting responsibilities. As the Chief Financial Officer, I am responsible for having established and maintaining adequate accounting policies, procedures and internal controls over financial reporting. Management has a system of internal controls designed to provide reasonable assurance that the financial statements are accurate and complete in all material respects. Management believes that the internal controls provide reasonable assurance that the financial records are reliable and form a proper basis for preparing the Financial Statements, and that the assets are properly accounted for and safeguarded. The SLIC internal Auditors also conduct periodic Reviews to ensure that the internal controls and procedures are consistently followed.

The Board of Directors has appointed an Audit and Compliance Committee, which is headed by an Independent Director. The Audit and Compliance Committee has reviewed internal audit function, audit follow up committee reports and Financial Statements. The Financial Statements have been audited, on behalf of the shareholders, by the Auditor General, in pursuance of provisions in Article 154 (1) of the constitution of the Democratic Socialist Republic of Sri Lanka. The Independent Auditor has full and free access to the Audit and Compliance Committee and may meet with or without the presence of the Management. We confirm to the best of our knowledge that;

- i. The Company has complied with all applicable laws, rules and regulations and guidelines as otherwise expressed in the Notes to the Financial Statements.
- ii. There are no material non compliances as otherwise expressed in the Notes to the Financial Statements and replace of the Auditor General.
- iii. All taxes, duties and all statutory payments by the Company and all contributions and taxes payable on behalf of and in respect of the employees of the Company as at the reporting date have been paid, or where relevant provided for.
- iv. Reserving and solvency guidelines have been complied with and total reserves are backed by matching admissible assets.
- v. The equity capital meets the set minimum capital requirements in accordance with the applicable regulations.



Sriyani Kulasinghe
Chief Financial Officer

03 June 2025

Certificate of Actuary of the Long-Term Insurer



Private and Confidential

23 April 2025

The Board of Directors

Sri Lanka Insurance Corporation Life Limited

No. 21, Vauxhall Street, Colombo 02,

Sri Lanka

Actuarial Valuation of the Long Term Insurance Business as at 31 December 2024

In accordance with the engagement letter dated 26 April 2019 and addendum dated 12 August 2021, Willis Towers Watson India Private Limited ("WTW", "Willis Towers Watson", "we", "our" or "us") has carried out an actuarial review of the valuation of long term insurance liabilities of Sri Lanka Insurance Corporation Limited's Long Term Insurance Business as at 31 December 2024.

We hereby certify that:

1. Reasonable steps have been taken by the Company to ensure that data used for the actuarial valuation of the liabilities of the Long Term Insurance Fund is complete and accurate.
2. Adequate and proper reserves have been provided as at 31 December 2024, for all liabilities in respect of the Long Term Insurance Fund, taking into account all current and contingent liabilities as at that date.
3. The total long term insurance provision maintained within the life fund on distribution basis is LKR 130,732 million. The value of assets held within the life fund is LKR 219,318 million on IRCSL basis and LKR 214,632 million on SLFRS basis. The gross surplus transferred to the shareholder fund from life fund is LKR 1,387 million for the year 2024. The surplus allocated for bonus declaration to policyholders during 2024 from participating fund is LKR 3,008 million. Subsequent to the shareholder transfers and post-tax, the life fund is LKR 217,914 million on IRCSL basis and LKR 213,228 million on SLFRS basis as at 31 December 2024.

Kunj Behari Maheshwari, FIA, FIAI

Insurance Consulting and Technology, India

WTW

E-mail: kunj.maheshwari@wtwco.com

Signature:

Place: India

Date: 23 April 2025

Willis Towers Watson India Private Limited

Registered Office:

Emaar Capital Tower 2

Mehrauli-Gurgaon Road, Sector 26

Gurugram 122002

India

T +91 124 432 2800

F +91 124 432 2801

E TW.Fin.India@wtwco.com

W wtwco.com

Liability Adequacy Test



Private and Confidential

23 April 2025

The Board of Directors

Sri Lanka Insurance Corporation Life Limited

No. 21, Vauxhall Street, Colombo 02,

Sri Lanka

Liability Adequacy Test

1. The Sri Lanka Accounting Standard 'SLFRS 4, Insurance Contracts' prescribes that an insurer shall assess at the end of each reporting period whether its recognised insurance liabilities are adequate, using current estimates of future cash-flows under its insurance contracts. WTW has undertaken a liability adequacy test for long term insurance provisions maintained within the life fund of Sri Lanka Insurance Corporation Life Limited as contemplated by SLFRS 4.
2. In carrying out the liability adequacy test, we have compared the provisions held as per the audited accounts with the actuarial liability. For this purpose, the value of the actuarial liability is computed following the principles laid out within the risk based capital framework as prescribed by the IRCSL (erstwhile IBSL) [the Solvency Margin (Risk Based Capital) Rules 2015], whereby liabilities are valued using a discounted cash-flow approach covering the full lifetime of all the cash in-and out-flows required to settle the obligations related to existing in-force insurance contracts.
3. The projections are based on in-force policies and riders as at 31 December 2024.
4. Based on the checks undertaken, I certify:
 - that the valuation of actuarial liability is based on internationally accepted actuarial methods and adheres to the requirements under SLFRS 4;
 - that the assumptions used for such valuation are reasonable estimates based on available experience studies and after allowing for suitable margins for adverse deviation, subject to noted limitations and recommendations in our report; and
 - that the long term insurance provisions maintained within the life fund of Sri Lanka Insurance Corporation Life Limited as per the audited accounts of the Company for the year ended 31 December 2024 is in excess of the liabilities computed in the above mentioned manner.

Kunj Behari Maheshwari, FIA, FIAI

Insurance Consulting & Technology, India

WTW

Signature:

Place: India

Date: 23 April 2025

Willis Towers Watson India Private Limited

Registered Office:

Emaar Capital Tower 2,

Mehrauli-Gurgaon Road, Sector 26,

Gurugram 122002

India

T +91 124 432 2800

E TW.Fin.India@wtwco.com

W wtwco.com

Independent Auditors' Report



ජාතික විගණන කාර්යාලය தேசிய கணக்காய்வு அலுவலகம் NATIONAL AUDIT OFFICE



මගේ අංකය
எனது இல.
My No.

INF/A/OI/SLIC-Life/AR/2024

உமது இல.
Your No.

දිනය
திகதி
Date

30 April 2025

The Chairman

Sri Lanka Insurance Corporation Life Limited

Report of the Auditor General on the Financial Statements and Other Legal and Regulatory Requirements of the Sri Lanka Insurance Corporation Life Limited for the year ended 31 December 2024 in terms of Section 12 of the National Audit Act, No. 19 of 2018.

1. FINANCIAL STATEMENTS

1.1 Opinion

The audit of the financial statements of the Sri Lanka Insurance Corporation Life Limited (the "Company") for the year ended 31 December 2024 comprising the statement of financial position as at 31 December 2024 and the statement of profit or loss and other comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including material accounting policies as set out on pages 07 to 63, was carried out under my direction in pursuance of provisions in Article 154 (1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with provisions of the National Audit Act No. 19 of 2018. My report to Parliament in pursuance of provisions in Article 154 (6) of the Constitution will be tabled in due course. To carry out this audit I was assisted by a firm of Chartered Accountants in public practice.

In my opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

1.2 Basis for Opinion

I conducted my audit in accordance with Sri Lanka Auditing Standards (SLAuSS). My responsibilities, under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

1.3 Emphasis of Matter

I draw attention to Note 39 of the financial statements, which describe the status of segregation process implemented as per the section 53 of the insurance regulatory Act No. 3 of 2011 and the status of the administrative process in respect of section 30 of Insurance Industry (amendment) Act No. 3 of 2011. My opinion is not modified in respect of this matter.

1.4 Other information included in the Company's 2024 Annual Report

The other information comprises the information included in the Company's 2024 Annual Report but does not include

the financial statements and my auditor's report thereon, which is expected to be made available to me after the date of this auditor's report. Management is responsible for the other information.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the Company's 2024 Annual Report, if I conclude that there are material misstatements therein, I am required to communicate that matter to those charged with governance for correction. If further material uncorrected misstatements are existed those will be included in my report to Parliament in pursuance of provisions in Article 154 (6) of the Constitution that will be tabled in due course.



Liability Adequacy Test



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NATIONAL AUDIT OFFICE

1.5 Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Sri Lanka Accounting Standards, and for such internal control as management determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

As per Section 16 (1) of the National Audit Act No. 19 of 2018, the Company is required to maintain proper books and records of all its income, expenditure, assets and liabilities, to enable annual and periodic financial statements to be prepared of the Company.

1.6 Auditor's Responsibilities for the Audit of the Financial Statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from

material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Sri Lanka Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Sri Lanka Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Liability Adequacy Test



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தேசிய கணக்காய்வு அலுவலகம்
NATIONAL AUDIT OFFICE

2. REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

2.1 National Audit Act No. 19 of 2018 and Companies Act No. 7 of 2007 include specific provisions for following requirements.

2.1.1 I have obtained all the information and explanation that required for the audit and as far as appears from my examination, proper accounting records have been kept by the Company as per the requirement of section 163 (2) of the Companies Act No. 7 of 2007 and section 12 (a) of the National Audit Act, No. 19 of 2018.

2.1.2 The financial statement of the Company complies with requirement of section 151 of the Companies Act No. 07 of 2007.

2.1.3 The financial statements presented is consistent with the preceding year as per the requirement of section 6 (1) (d) (iii) of the National Audit Act No. 19 of 2018.

2.1.4 The financial statements presented includes all the recommendations made by me in the previous year as per the requirement of section 6 (1) (d) (iv) of the National Audit Act No. 19 of 2018.

2.2 Based on the procedures performed and evidence obtained were limited to matters that are material, nothing has come to my attention;

2.2.1 to state that any member of the governing body of the Company has any direct or indirect interest in any contract entered into by the Company which are out of the normal course of business as per the requirement of section 12 (d) of the National Audit Act No. 19 of 2018.

2.2.2 to state that the Company has not complied with any applicable written law, general and special directions issued by the governing body of the Company as per the requirement of section 12 (f) of the National Audit Act No. 19 of 2018 except for following;

In compliance with Section 53 of the insurance Regulatory Act No. 3 of 2011, SLIC has segregated its business operations effective from 01 February 2024 to General Insurance Business and Life Insurance Business ("the Company"). The assets of Sri Lanka Insurance Corporation have been transferred to the company as per segregation guidelines and the scheme of arrangement endorsed by high court and the transfer was effected as per section 256 of the companies Act No. 7 of 2007. However, the formalities including the administrative name changes with the third parties are still in progress .

Further, the company has requested for an extension from the Insurance Regulatory Commission of Sri Lanka (IRCSL), as certain administrative matters including administrative name change related to the segregation are still ongoing and being addressed as part of the broader post-segregation implementation and in the process of receiving a written response from IRCSL.

Accordingly, due to these ongoing operational and administrative challenges, a potential non-compliance related to administrative procedures under section 30 of the Insurance Industry (Amendment) Act No. 3 of 2011 has been noted.

2.2.3 to state that the Company has not performed according to its powers, functions and duties as per the requirement of section 12 (g) of the National Audit Act No. 19 of 2018

2.2.4 to state that the resources of the Company had not been procured and utilised economically, efficiently and effectively within the time frames and in compliance with the applicable laws as per the requirement of section 12 (h) of the National Audit Act No. 19 of 2018.

G H D Darmapala
Auditor General (Acting)

Statement of Financial Position

As at 31 December	Note	2024 Rs. '000	2023 Rs. '000
Assets			
Property, plant and equipment	5	439,973	–
Intangible assets	6	76,859	–
Financial investments	7	219,921,456	–
Reinsurance receivables	8	1,288,471	–
Loans to life policyholders	9	2,288,852	–
Premium receivables	10	789,230	–
Other assets	11	1,875,074	50
Cash and cash equivalents	12	11,945,357	500,000
Total assets		238,625,272	500,050
Equity and liabilities			
Equity			
Stated capital	13	12,500,000	500,000
Revaluation reserve	14	223,243	–
Restricted regulatory reserves from one off surplus	15	98,237	–
Available for sale reserve	16	(34,415)	–
Revenue reserves	17	2,484,993	(590)
Total equity		15,272,058	499,410
Liabilities			
Insurance contract liabilities	18	216,783,321	–
Employee benefit obligation	19	898,426	–
Reinsurance payables		1,488,094	–
Current tax liabilities	20	559,691	–
Other liabilities	21	3,368,757	640
Financial liabilities	22	254,925	–
Total liabilities		223,353,214	640
Total equity and liabilities		238,625,272	500,050

Figures in brackets indicate deductions.

The accounting policies and notes on pages 114 to 163 form an integral part of these Financial Statements.

These Financial Statements have been prepared in compliance with the requirements of the Companies Act No. 07 of 2007.



Sriyani Kulasinghe
Chief Financial Officer

The Board of Directors is responsible for the preparation and presentation of these Financial Statements.

Approved and signed for and on behalf of the Board of Directors.



Nusith Kumaratunga
Chairman

Colombo
28 April 2025



R P Buultjens
Director

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December	Note	2024 Rs. '000	2023 Rs. '000
Gross written premium	23	24,530,862	–
Premiums ceded to reinsurers	24	(962,342)	–
Net written premium		23,568,520	–
Other income			
Investment income	25	25,770,499	–
Fees and commission income	26	75,727	–
Net realised losses	27	(122,425)	–
Other income	28	437,213	–
		26,161,014	–
Total net revenue		49,729,534	–
Net benefits, claims and expenses			
Gross benefits and claims paid	29	(12,675,584)	–
Claims ceded to reinsurers		658,988	–
Change in contract liabilities – life fund		(24,574,741)	–
Underwriting and net acquisition costs	30	(3,260,446)	–
Other operating and administrative expenses		(5,501,145)	(590)
Net benefits, claims and expenses		(45,352,930)	(590)
Profit/(loss) before taxation	31	4,376,604	(590)
Income tax expense	32	(1,734,756)	–
Profit/(loss) for the year attributable to:			
Equity holders of the company		2,641,849	(590)

Figures in brackets indicate deductions.

The accounting policies and notes on pages 114 to 163 form an integral part of these Financial Statements.

Colombo
28 April 2025

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December	Note	2024 Rs. '000	2023 Rs. '000
Profit/(loss) for the year		2,641,849	(590)
Other comprehensive income			
Items that are or may be reclassified to profit or loss			
Net change in fair value of available for sale financial assets	16,18	11,037,679	–
Deferred tax effect on fair value of available for sale reserve		–	–
Items that will never be reclassified to profit or loss			
Net gain on revaluation of property, plant and equipment	14.1	223,243	–
Actuarial gains on defined benefit plan	19.1	(156,265)	–
Other comprehensive income for the year		11,104,657	–
Total comprehensive income for the year		13,746,505	(590)
Basic/diluted earnings per share (Rs.)	33	2.30	–
Dividend per share (Rs.)	34	0.20	–

Figures in brackets indicate deductions.

The accounting policies and notes on pages 114 to 163 form an integral part of these Financial Statements.

Colombo
28 April 2025

Statement of Changes in Equity

For the year ended 31 December	Stated Capital	Revaluation Reserve	AFS Reserve	Surplus from Life Insurance	Restricted Regulatory Reserve	General Reserve and Revenue Reserve	Total
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Balance as at 01 January 2023	–	–	–	–	–	–	–
Surplus attributable to shareholders	–	–	–	–	–	–	–
Other comprehensive income for the year	–	–	–	–	–	–	–
Total comprehensive income for the year	–	–	–	–	–	–	–
Issue of shares	500,000	–	–	–	–	–	500,000
Loss attributable to shareholders	–	–	–	–	–	(590)	(590)
Balance as at 31 December 2023	500,000	–	–	–	–	(590)	499,410
Restricted regulatory reserve	–	–	–	–	98,237	–	98,237
Issue of shares	12,000,000	–	–	–	–	–	12,000,000
Surplus attributable to shareholders	–	–	–	–	–	2,641,849	2,641,849
Other comprehensive income for the year	–	223,243	11,037,679	–	–	(156,265)	11,104,657
Total comprehensive income for the year	–	223,243	11,037,679	–	–	2,485,584	13,746,505
Surplus attributable to shareholders	–	–	–	2,641,849	–	(2,641,849)	–
Transferred AFS reserves – Life Fund	–	–	(11,072,094)	–	–	–	(11,072,094)
Balance as at 31 December 2024	12,500,000	223,243	(34,415)	2,641,849	98,237	(156,855)	15,173,821

Figures in brackets indicate deductions.

The accounting policies and notes on pages 114 to 163 form an integral part of these Financial Statements.

Colombo
28 April 2025

Statement of Cash Flows

For the year ended 31 December	Note	Company	
		2024 Rs. '000	2023 Rs. '000
Cash flows from/(used in) operating activities			
Premium received from customers		24,426,367	—
Reinsurance premium paid		(49,660)	—
Insurance benefits and claims paid		(12,535,983)	—
Reinsurance receipt in respect of claims		46,614	—
Advance paid for suppliers		(672,903)	—
Cash paid on behalf of employees		(2,959,181)	—
Interest received		14,777,762	—
Dividends received		684,372	—
Other operating cash payments		(4,733,193)	—
Cash flows from operating activities	A	18,984,195	—
Gratuity paid	19.1	(68,379)	—
Income tax paid	20	(1,175,065)	—
Net cash generated from operating activities		17,740,751	—
Cash flows from investing activities			
Acquisition of financial investments	7.6	(36,094,796)	—
Proceeds from financial investments		27,021,330	—
Proceeds on property, plant and equipment		39,806	—
Acquisition of property, plant and equipment	5.1	(85,509)	—
Acquisition of intangible assets	6.1	(10,997)	—
Staff and agent loans granted	7.6	(293,352)	—
Staff and agent loans recovery		627,353	—
Policy loan granted	9.1	(1,978,047)	—
Policy loan settlement	9.1	2,245,807	—
Net cash used in investing activities		(8,528,405)	—
Cash flows from financing activities			
Cash received from Sri Lanka Insurance Corporation Limited on segregation		2,100,512	—
Dividends paid		—	—
Net flows from/(used in) financing activities		2,100,512	500,000
Effect of exchange rate changes on cash and cash equivalents		(122,426)	—
Net increase in cash and cash equivalents		11,190,432	500,000
Cash and cash equivalents at the beginning of the year		500,000	—
	12	11,690,432	500,000
Cash at bank and in hand		500,000	—
Cash and cash equivalents at the beginning of the year		500,000	—

Figures in brackets indicate deductions

The accounting policies and notes on pages 114 to 163 form an integral part of these Financial Statements.

Statement of Cash Flows

For the year ended 31 December	Note	Company	
		2024 Rs. '000	2023 Rs. '000
Cash at bank and in hand		1,289,870	500,000
Short-term investment		10,655,487	–
Bank overdraft		(254,925)	–
Cash and cash equivalents at the end of the year		11,690,432	500,000
A. Reconciliation of operating profit with cash flow from operating activities			
Increase in long-term insurance fund		28,951,345	–
Profit before tax		–	(590)
Depreciation charge		99,086	–
Interest income from policy loan		(443,858)	–
Gratuity provision		113,335	–
Profit on sale of Property plant and equipment		(29,797)	–
Amortised staff and field officer cost		116,763	–
Investment income – unrealised (gain)/loss		(4,404,088)	–
Gain/(loss) on foreign exchange transaction		122,425	–
Increase/(decrease) in debtors		(7,450,018)	(50)
Increase/(decrease) in claims provisions		139,601	–
Increase/(decrease) in creditors		1,651,447	640
Increase/(decrease) in policyholder advance payments		117,953	–
Cash flow from operating activities		18,984,195	–

Figures in brackets indicate deductions.

The accounting policies and notes on pages 114 to 163 form an integral part of these Financial Statements.

Colombo

28 April 2025

Notes to the Financial Statements

1. CORPORATE INFORMATION

1.1 Reporting Entity

Sri Lanka Insurance Corporation Life Limited ("the Company") is a Public Limited Liability Company incorporated and domiciled in Sri Lanka. The Company was duly incorporated under the Companies Act No. 07 of 2007 on 11 October 2023. The registered office of the Company and the principal place of business are located at "Rakshana Mandiraya", No. 21, Vauxhall Street, Colombo 02.

With the segregation of Sri Lanka Insurance Corporation Limited (SLIC), the Insurance Regulatory Commission of Sri Lanka (IRCSL) granted insurance license effective from 01 February 2024 to Sri Lanka Insurance Corporation Life Limited to carry out the Life Insurance business, while SLIC's license was terminated accordingly. (Refer Note 39 for more details about segregation)

1.2 Principal Activities and Nature of Operations

The principal activity of the Company is to undertake and carry on Life Insurance businesses with individual and corporate customers with effect from 01 February 2024.

1.3 Parent Entity

The Company's parent undertaking is Sri Lanka Insurance Corporation Limited located at "Rakshana Mandiraya", No. 21, Vauxhall Street, Colombo 02, which holds 100% of shares of the Company.

1.4 Responsibility for Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of Financial Statements.

1.5 Approval of Financial Statements

The Financial Statements for the year ended 31 December 2024 were approved and authorised for issue by the Board of Directors on 28 April 2025.

2. BASIS OF PREPARATION

2.1 Statement of Compliance

The Financial Statements have been prepared in accordance with Sri Lanka Accounting Standards (LKASs/SLFRSs) issued by the Institute of Chartered Accountants of Sri Lanka, the requirements of the Companies Act No. 07 of 2007, Regulation of Insurance Industry Act No. 43 of 2000 and amendments thereto and Insurance Regulatory Commission rules and regulations.

The Financial Statements were authorised for issue by the Board of Directors on 28 April 2025.

2.2 Basis of Measurement

The Financial Statements of the Company have been prepared on accrual basis and under the historical cost except for the following material items, which are measured on an alternative basis.

- Policyholders' liabilities have been measured at actuarially-determined values
- The liabilities for defined benefit obligation are actuarially valued and recognised as the present value of defined benefit obligation
- Financial assets held for trading are measured at fair value
- Financial assets designated at fair value through profit or loss are measured at fair value
- Available for sale financial assets are measured at fair value

The Company presents its statement of financial position broadly in the order of liquidity.

2.3 Financial Period

The Financial Statements are prepared in respect of the financial year ending on 31 December.

2.4 Functional and Presentation Currency

The Financial Statements including supplementary information have been presented in Sri Lankan Rupees which is the Company's functional currency. All amounts have been rounded to the nearest thousand unless otherwise indicated.

2.5 Use of Estimates and Judgements

In preparing these Financial Statements, management has made judgements, estimates, and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Information about assumption and estimation uncertainty that have significant effect on the amounts recognised in the Financial Statements is included under the following notes:

Note 19 – Measurement of defined benefit obligations: Key actuarial assumptions

Notes 5,6,7,8,9, and 10 – Provision for impairment of non-financial assets and financial assets: Key assumptions

Note 18 – Actuarial valuation of long-term insurance, key actuarial assumptions

Note 07 – Fair value measurement of unquoted instruments and fair value through profit or loss financial investments

Notes to the Financial Statements

2. Basis of Preparation (Contd.)

2.5 Use of Estimates and Judgements (Contd.)

Measurement of Fair Values

A number of the Company's accounting policies and disclosures require measurement of fair values, for both the financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. This includes overseeing all significant fair value measurements, including Level 3 fair values.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a hierarchy based on the inputs used in the valuation techniques as follows:

- **Level 1** – quoted prices (unadjusted) in active markets for identical assets and liabilities
- **Level 2** – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly
- **Level 3** – inputs for the asset or liability that are not based on observable market data (unobservable inputs)

Further information about assumptions made in measuring fair values is included in the respective Notes to the Financial Statements.

2.6 Materiality and Aggregation

Each material class of similar items is presented separately in the Financial Statements. Items of dissimilar nature or function are presented separately unless they are immaterial as permitted LKAS 1 – "Presentation of Financial Statements".

2.7 Comparative Information

Comparative figures have been reclassified, where relevant for better presentation and to be comparable with those of the current year.

The Company commenced Insurance Business activities with effect from 01 February 2024 after the license is granted by Insurance Regulatory Commission of Sri Lanka. The Company did not conduct any insurance related activities in the prior years. Refer Note 39 for further information.

2.8 Going Concern

The Board of Directors has made an assessment of the Company's ability to continue as a going concern being satisfied that it has the resources to continue in business for a foreseeable future. Furthermore, the Directors are not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern.

In preparing these Financial Statements, the Management has assessed the existing effects of the economic conditions, segregation of Sri Lanka Insurance Corporation Limited into two separate entities for Life and General businesses and the use of the going concern basis of preparation. The Company has been evaluating the resilience of its businesses, considering a wide range of factors such as profitability, revenue streams, working capital management, capital expenditure, cash reserves and cost management initiatives implemented by the Company in order to be able to continue business under current global and local economic conditions. Based on the analysis and future outlook based on available information, the Directors are not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue to operate as a going concern.

Therefore, the Financial Statements continue to be prepared on the going concern basis.

2.9 Foreign Currency Transactions

Transactions in foreign currencies are translated to the functional currencies of

the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date.

Non-monetary assets and liabilities that are measured at fair value in foreign currencies are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

3. MATERIAL ACCOUNTING POLICY INFORMATION

3.1 Policies Disclosed within Individual Notes

The Company's material accounting policies have been disclosed alongside the relevant individual Notes to the Financial Statements. Each accounting policy stated within the notes has been consistently applied.

3.2 Policies not Covered within Individual Notes

The following accounting policies, which have been consistently applied by the Company, are considered material but are not included in the individual notes.

(i) Cash Flow Statement

The Statement of Cash Flows has been prepared using the "Direct Method", while cash flows from operating activities are presented using the "Indirect Method" to facilitate better comparison.

Notes to the Financial Statements

4. CHANGES IN ACCOUNTING STANDARDS

4.1 New Standards, interpretations, and amendments adopted from 01 January 2024

The Company applied certain standards and amendments for the first time, which are effective for annual periods beginning on or after 01 January 2024.

Accounting standard	Description	Effective date
Amendments to LKAS 1 presentation of Financial Statements	Classification of liabilities as current or non-current, non-current liabilities with covenants	01 January 2024
Amendments to IFRS 16 lease	Lease liability in a sale and leaseback	01 January 2024
Amendments to LKAS 7 Statement of Cash Flows and SLFRS 7 Financial Instruments: Disclosures	Supplier finance arrangements	01 January 2024
Amendments to LKAS 12	International Tx Reform – Pillar 2 model rule	01 January 2024

4.2 Standards Issued but not yet Effective which may have an Impact

The Institute of Chartered Accountants of Sri Lanka has issued the following new Sri Lanka Accounting Standards which will become applicable for financial periods beginning on or after 01 January 2025 or at a later date.

The new and amended standards that are issued, but not yet effective at the date of issuance of these Financial Statements, are disclosed below:

Accounting standard	Description	Effective date
Amendments to LKAS 21 the effects of changes in Foreign Exchange Rates	Lack of exchangeability	01 January 2025
SLFRS S1 – general requirements for disclosure of sustainability related financial information	To disclose information about its sustainability-related risks and opportunities that are useful to users of general-purpose financial reports in making decisions	01 January 2025
SLFRS S2 – Climate-related Disclosures	To disclose information about its climate-related risks and opportunities that are useful to users of general-purpose financial reports in making decisions	01 January 2025
SLFRS 17 – Insurance Contracts	Measure Insurance Contract Liability at a current fulfilment value and provide a more uniform measurement and presentation approach for all insurance contracts	01 January 2026
Amendments to SLFRS 9 and SLFRS 7	Classification and Measurement of financial instruments	01 January 2026
Amendments to SLFRS 18	Presentation and Disclosure in Financial Statements	01 January 2027
Amendments to SLFRS 19	Subsidiaries without Public Accountability: Disclosures	01 January 2027

Notes to the Financial Statements

4. Changes in Accounting Standards (Contd.)

4.2 Standards Issued but not yet Effective which may have an Impact (Contd.)

Temporary Exception from SLFRS 09

SLFRS 09 – “Financial Instruments”

This standard replaces the existing guidance in LKAS 39 – “Financial Instruments: Recognition and Measurement”. SLFRS 9 includes revised guidance on the classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets and new general hedge accounting requirements. SLFRS 9 is effective for annual reporting periods beginning on or after 01 January 2018, with early adoption permitted.

The Company is predominantly based on the proposed amendments to SLFRS 4 “Insurance Contracts”, by which the entities whose predominant activity is issuing insurance contracts are permitted to defer the full application of SLFRS 9 until adopting the revised SLFRS 4, which commenced in 2022. Consequent to the Global deferment of IFRS 17 – “Insurance Contract” effective date from 01 January 2026, the Company expects the temporary exemption to be deferred until January 2026.

An insurer may apply the temporary exemption from SLFRS 9 if, and only if:

- a. It has not previously applied any version of SLFRS 9, other than only the requirements for the presentation of gains and losses on financial liabilities designated as at fair value through profit or loss.
- b. Its activities are predominantly connected with insurance, at its annual reporting date that immediately precedes 01 April 2016, or at a subsequent annual reporting date.

In accordance with the amendments to SLFRS 4 – Insurance Contract, an insurer's activities are predominantly connected with insurance if, and only if:

- a. The carrying amount of its liabilities arising from contracts within the scope of this SLFRS, which includes any deposit components or embedded derivatives unbundled from Insurance Contracts, is significant compared to the total carrying amount of all its liabilities; and

- b. The percentage of the total carrying amount of its liabilities connected with insurance relative to the total carrying amount of all its liabilities is:

- I. greater than 90 percent; or
- II. less than or equal to 90 percent but greater than 80 percent, and the insurer does not engage in a significant activity unconnected with insurance.

The temporary exemption from SLFRS 9 will be reassessed whether its activities are predominantly connected with insurance at a subsequent annual reporting date if, and only if, there was a change in the entity's activities, during the annual period that ended on that date.

The Company will decide on appropriate classification of its investments under SLFRS 9 closer to the time of adopting the revised SLFRS 4 and so is not able to fully quantify the impact of adopting SLFRS 9 on its Financial Statements as at reporting date. It is anticipated however, that it may not significantly change the Company's total equity.

SLFRS 17 – Insurance Contracts

SLFRS 17 is effective for annual periods beginning on or after 01 January 2026. Early adoption is permitted along with the adoption of SLFRS 9 and SLFRS 15. SLFRS 17 supersedes SLFRS 4 Insurance Contracts. The Company intends to adopt the new standard on its mandatory effective date.

SLFRS 4 permitted insurers to continue to use the statutory basis of accounting for insurance assets and liabilities that existed in their jurisdiction prior to January 2005. SLFRS 17 replaces this with a new measurement model for all insurance contracts.

SLFRS 17 requires liabilities for Insurance Contracts to be recognised as the present value of future cash flows, incorporating an explicit risk adjustment, which is updated at each reporting date to reflect current conditions, and a contractual service margin (CSM) that is equal and opposite to any day – one gain arising on initial recognition. Losses are recognised directly to the income statement. For the measurement purposes contracts are grouped together into contracts of similar

risk profitability profile and issue year, with further divisions for contracts that are managed separately.

Profit for insurance contracts under SLFRS 17 is represented by the recognition of the service provided to policyholders in the period (release of CSM), release from non-economic risk (release of risk adjustment) and investment profit.

The CSM is released as profit over the coverage period of the Insurance Contract, reflecting the delivery of services to the policyholder. For certain contracts with participating features (where a substantial share of the fair value of the related investments and other underlying items is paid to policyholders) the CSM reflects the variable fee to shareholders. For these contracts, the CSM is adjusted to reflect the changes in economic experience and assumptions. For all other contracts the CSM is only adjusted for non-economic assumptions.

SLFRS 17 introduces a new measure of insurance revenue, based on the delivery of service to policyholders and excluding any premiums related to the investment elements of policies, which will be significantly different from existing premium revenue measures, currently reported in the income statement. In order to transit to SLFRS 17, the amount of deferred profit, being the CSM at transition date, needs to be determined.

SLFRS 17 requires, the CSM to be calculated as if the standards had applied retrospectively. If this is not practical, an entity is required to choose either a simplified retrospective approach or determine the CSM by reference to the fair value of the liabilities at transition date. The approach for determining the CSM will have a significant impact on both shareholders' equity and on the amount of profit on in-force business in future reporting periods.

SLFRS 17 is expected to have a substantial change in the presentation of the Financial Statements and disclosures, as the requirements of the new standard are complex and require a fundamental change to accounting for insurance contracts as well as the application of significant judgement and new estimation techniques. The effect

Notes to the Financial Statements

4. Changes in Accounting Standards (Contd.)

4.2 Standards Issued but not yet Effective which may have an Impact (Contd.)

of changes required to the Company's accounting policies as a result of implementing these standards are currently uncertain, but these changes can be expected to, among other things, alter the timing of profit recognition.

With the implementation of SLFRS 17, the shadow accounting to insurance related assets and liabilities will not be applicable.

The Company has an implementation programme underway to implement SLFRS 17. The programme is responsible for setting accounting policies and developing application methodologies, establishing appropriate processes and controls, sourcing appropriate data and implementing actuarial and finance system changes.

5. PROPERTY, PLANT AND EQUIPMENT (PPE)

ACCOUNTING POLICY

Property, Plant and Equipment are tangible items that are held for use in the production or supply of goods or services, for rental to others or for administrative purposes and are expected to be used during more than one period.

Basis of Recognition

Property, Plant and Equipment are recognised if it is probable that future economic benefits associated with the asset will flow to the Company and the

cost of the asset can be measured reliably in accordance with LKAS 16 – "Property, Plant and Equipment".

Initial Recognition and Measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. The cost of property, plant and equipment is the cost of acquisition or construction together with any expenses incurred in bringing the asset to its working condition for its intended use.

Any gain or loss on disposal is recognised in other operating income in profit or loss.

Subsequent Expenditure and Replacement

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Revaluation of PPE

After recognition as an asset whose fair value can be measured reliably, has been carried at the revalued amount at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Valuations are being performed to ensure that the fair value of a revalued asset does not materially differ from its carrying amount as at the reporting date.

Valuation of assets is undertaken by professionally qualified valuers at a minimum of three years and any gain or losses arising from change in fair value are included in the other comprehensive income in the year in which they arise. An increase in the carrying amount as a result of revaluation, is recognised in other comprehensive income and accumulated in equity under the heading of revaluation reserve. However, the increase is recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit and loss.

A decrease in the carrying amount as a result of revaluation, is recognised in profit and loss. However, the decrease is recognised in other comprehensive income to the extent of any credit balance existing in the revaluation surplus in respect of that asset.

Additionally, accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation reserve relating to the particular asset being sold is transferred directly to retained earnings.

Depreciation

Depreciation is calculated to write-off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss. This most closely reflects the expected pattern of consumption of future economic benefits embodied in the asset.

The estimated useful lives for the current and comparative periods are as follows:

Class of assets	Depreciation Percentage Per Annum	Estimated Useful Life Years	Residual Value
Furniture and fittings	15%	6 2/3	Nil
Office and other equipment	15%	6 2/3	Nil
Motor vehicles	20%	5	Nil
Computer and computer equipment	20%	5	Nil
Other fixed assets	25%	4	Nil

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Notes to the Financial Statements

5. Property, Plant and Equipment (PPE) (Contd.)

Derecognition

The carrying amount of an item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is included in profit or loss when the item is derecognised.

Impairment

The Board of Directors assessed the potential impairment loss of property, plant and equipment as at 31 December 2024. Based on the assessment, no impairment provision is required to be made in the Financial Statements as at the reporting date in respect of property, plant and equipment.

5.1 Movement of Gross Carrying Amount of Property, Plant and Equipment

Cost/Revaluation	Equipment Rs. '000	Furniture and Fittings Rs. '000	Motor Vehicles Rs. '000	Others Rs. '000	Total Rs. '000
Balance as at 01 January 2024	–	–	–	–	–
Transferred from Sri Lanka Insurance Corporation Ltd.	287,164	79,891	236,170	–	603,226
Additions during the year	73,941	11,183	–	385	85,509
Revaluation surplus	–	–	223,242	–	223,242
Transferred due to revaluation	–	–	(159,353)	–	(159,353)
Disposals during the year	(117)	–	(48,000)	–	(48,117)
Balance as at 31 December 2024	360,988	91,074	252,060	385	704,508
Depreciation					
Balance as at 01 January 2024	–	–	–	–	–
Transferred from Sri Lanka Insurance Corporation Ltd.	166,686	52,581	162,993	–	382,260
Depreciation charge for the year	40,660	4,679	34,350	46	79,735
Transferred due to revaluation	–	–	(159,353)	–	(159,353)
Disposals during the year	(117)	–	(37,991)	–	(38,108)
Balance as at 31 December 2024	207,229	57,260	–	46	264,535
Carrying amount as at 31 December 2024	153,759	33,814	252,060	339	439,973
Carrying amount as at 31 December 2023	–	–	–	–	–

5.2 Acquisition of property, plant and equipment during the year

During the financial year, the Company has acquired property, plant and equipment amounting to Rs. 85.5 Mn. (2023 – Nil)

5.3 Impairment of Property Plant and Equipment during the year

The Board of Directors had assessed the potential impairment loss of property, plant and equipment as at 31 December 2024. Based on the assessment, no impairment provision is required to be made in the Financial Statements as at the reporting date in respect of PPE.

Notes to the Financial Statements

5. Property, Plant And Equipment (PPE) (Contd.)

5.4 Fully Depreciated Property, Plant and Equipment in use

The initial cost of fully depreciated property, plant and equipment which are still in use as at reporting date is as follows:

As at 31 December	2024 Rs. '000	2023 Rs. '000
Furniture and fittings	42,256	–
Office and other equipment	856	–
Computer and computer equipment	98,970	–
Total	142,082	–

5.5 Revaluation of Property, Plant and Equipment

During the financial year 2024, Motor Vehicle have been revalued by Mr A A M Fathihu (MRICS) Independent Chartered Valuer with appropriate experience in the valuation of properties.

Next revaluation date will be due on 31 December 2027.

6 INTANGIBLE ASSETS

▶ ACCOUNTING POLICY

The Company's intangible assets include the value of computer software.

Initial Recognition and Measurement

An intangible asset is recognised if it is probable that the future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably. An intangible asset is initially measured at cost. Computer software acquired by the Company that have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

Subsequent Expenditure

Subsequent expenditure on software is capitalised only when it increases the future economic benefits embedded in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

Amortisation

Amortisation is calculated to write-off the cost of the intangible assets less estimated residual values using the straight-line method over their estimated useful lives and is recognised in profit or loss. The estimated useful life of software is five years. Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Intangible Assets with Finite Useful Lives

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Income Statement in the expense category consistent with the function of the intangible asset.

Useful Economic Lifestyle and Amortisation

Intangible Assets	Useful Economic Life	Residual value	Amortisation Method
Computer software	5 years	Nil	Straight-line basis

Intangible Assets with indefinite Useful Lives

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at cash-generating unit level, irrespective of whether there is an indication of impairment. Such intangibles are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis.

Impairment of Intangible Assets

The Company has assessed potential impairment indicators of intangible assets as at 31 December 2024. Based on the assessment, no impairment indicators were identified.

Derecognition

An intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss from the derecognition of such intangible assets is included in profit or loss when the item is derecognised.

Notes to the Financial Statements

6. Intangible Assets (Contd.)

6.1 Movement of Carrying Amounts of Intangible Asset

As at 31 December	2024 Rs. '000	2023 Rs. '000
Computer software		
Cost		
Balance as at 01 January	–	–
Transferred from Sri Lanka Insurance Corporation Ltd.	204,451	–
Additions during the year	10,997	–
Balance as at 31 December	215,448	–
Accumulated amortisation and impairment		
Balance as at 01 January	–	–
Transferred from Sri Lanka Insurance Corporation Ltd.	119,239	–
Amortisation charge during the year	19,351	–
Balance as at 31 December	138,590	–
Carrying amount as at 31 December	76,859	–

6.2 Acquisition of Intangible Assets during the year

During the financial year, the Company acquired intangible assets amounting to Rs. 10.9 Mn.

6.3 Fully Amortised Intangible Assets in use

Fully amortised intangible assets in use as at reporting date were Rs. 43 Mn.

6.4 Title Restriction on Intangible Assets

There were no restrictions that existed on the title of the intangible assets of the Company as at the reporting date.

6.5 Assessment of Impairment of Intangible Assets

The Board of Directors has assessed potential impairment indicators of intangible assets as at 31 December 2024. Based on the assessment, no impairment indicators were identified.

6.6 Intangible Assets Pledged as Securities

There were no intangible assets pledged as securities for liabilities as at the reporting date.

6.7 Capitalisation of Borrowing Costs

There were no capitalised borrowing costs related to the acquisition of intangible assets during the year.

6.8 Other Changes to Intangible Assets

Other than disclosed in Note 6.1 there were no other changes to the intangible assets during the period under review.

6.9 Individually Material / Significant Intangible Assets

There are no individual intangible assets that are material to the Financial Statements as at 31 December 2024.

6.10 Amount of Contractual Commitment for Acquisition of Intangible Assets

There are no contractual commitment for acquisition of intangible assets as at the reporting date.

6.11 Revaluation of Intangible Assets

Since cost model has been followed, there is no revaluation adjustment for intangible assets.

7. FINANCIAL INVESTMENTS AND FAIR VALUES OF FINANCIAL INVESTMENTS

ACCOUNTING POLICY

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Classification of Financial Assets

The Company classifies non-derivative financial assets into the following categories:

Financial assets at fair value through profit or loss (FVTPL)

Held to maturity (HTM)

Loans & receivables (L&R) and

Available for sale (AFS) financial assets as appropriate.

LKAS 39 was replaced by SLFRS 9 – Financial Instruments with effect from 01 January 2018. However, the Company meets the eligibility criteria of the temporary exemption from SLFRS 9 and intends to defer its application until 01 January 2026.

Notes to the Financial Statements

7. Financial Investments and Fair Values of Financial Investments (Contd.)

Initial Measurement

The Company initially recognises loan receivables and debt securities issued on the date at which they are originated. All other financial assets (including assets designated at fair value through profit or loss) are initially recognised on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

A financial asset is measured initially at fair value plus, for an asset not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue.

Subsequent measurement of each classes of financial assets are disclosed in respective sub-notes.

Fair Value through profit or loss investments and available for sale investments are valued at fair value. Held to maturity investments and loans and

receivable investments are valued at amortised cost.

Impairment of Financial Assets

Financial assets not classified as at fair value through profit or loss are assessed at each reporting date to determine whether there is an objective evidence of impairment.

Objective evidence of financial assets that are impaired includes the following:

- default or delinquency by a debtor
- indications that a debtor or issuer will enter bankruptcy
- adverse changes in the payment status of borrowers or issuers
- the disappearance of an active market for a security because of financial difficulties; or observable data indicating that there is a measurable decrease in the expected cash flows from a group of financial assets

Offsetting

Financial assets and liabilities are offset and the net amount is presented in the statement of financial position when, and only when, the Company currently has legally an enforceable right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Derecognition of Financial Assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability.

The following table compares the fair values of the financial instruments to their total carrying value:

As at 31 December	Note	2024		2023	
		Carrying Value Rs. '000	Fair Value Rs. '000	Carrying Value Rs. '000	Fair Value Rs. '000
Held to maturity (HTM)	7.1	79,756,987	80,035,528	—	—
Loans & receivables (L&R)	7.2	35,573,902	35,573,902	—	—
Available for sale (AFS)	7.3	89,306,808	89,306,808	—	—
Fair value through profit or loss (FVTPL)	7.4	15,283,759	15,283,759	—	—
Total financial instruments		219,921,456	220,199,997	—	—

7.1 Held to Maturity Financial Assets

ACCOUNTING POLICY

Initial Measurement

These are non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held to maturity when the Company has both the intention and ability to hold until maturity. These assets are initially recognised at fair value plus any directly attributable transaction costs.

Held to maturity financial assets comprise Treasury Bills, Listed Debentures and Treasury Bond investments made by the Company.

Subsequent Measurement

Subsequent to initial recognition, they are measured at amortised cost using the effective interest method.

Notes to the Financial Statements

7. Financial Investments and Fair Values of Financial Investments (Contd.)

7.1 Held to Maturity Financial Assets (Contd.)

Amortised Cost

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount, minus any reduction for impairment. The losses arising from impairment are recognised as finance cost in the income statement.

Impairment

Impairment of assets is assessed at both the individual and collective levels. Individually significant assets are assessed separately, while non-significant assets are grouped by risk characteristics for collective assessment. The impairment loss is calculated as the difference between the asset's carrying amount and the present value of its future cash flows, discounted at the original effective interest rate. If impairment is recognised, it is recorded in profit or loss. If the impairment loss later decreases due to an event after recognition, the loss can be reversed through profit or loss.

Derecognition

Any gain or loss arising from derecognition of an Held to maturity investment is recognised in income statement

As at 31 December	2024		2023	
	Amortised Cost Rs. '000	Fair Value Rs. '000	Amortised Cost Rs. '000	Fair Value Rs. '000
Treasury bonds	61,048,349	61,326,890	–	–
Listed debentures	18,708,638	18,708,638	–	–
Total	79,756,987	80,035,528	–	–

7.1.1 Impairment of Financial Investments at HTM

The Company has not experienced any indication for impairment in respect of Held to maturity financial assets.

7.1.2 Re-Classification

During the year Company did not reclassify any financial assets under this category.

7.1.3 Fair Value Measurement

The Company measures the fair value using fair value hierarchy which reflects the significance of level of inputs used in making the fair value measurement which is described in the Note 7.5.1

7.2 Loans & Receivables (L&R)

ACCOUNTING POLICY

Initial Measurement

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. These assets are recognised initially at fair value plus any directly attributable transaction costs.

Loans and receivables comprise investments in unquoted corporate debt, term deposits, asset backed securities, development bonds, commercial papers, other loans and receivables, cash and cash equivalents.

Subsequent Measurement

Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method.

Impairment

The losses arising from impairment are recognised in the income statement in finance costs for loans and in other operating expenses for receivables.

Derecognition

Any gain or loss arising from derecognition of loans and receivables is recognised in statement of profit or loss.

Notes to the Financial Statements

7. Financial Investments and Fair Values of Financial Investments (Contd.)

7.2 Loans & Receivables (L&R) (Contd.)

As at 31 December	2024		2023	
	Amortised Cost Rs. '000	Fair Value Rs. '000	Amortised cost Rs. '000	Fair Value Rs. '000
Unlisted debentures	26,974,644	26,974,644	–	–
Term deposits	7,394,005	7,394,005	–	–
Staff loans	726,586	726,586	–	–
Agent loan	478,667	478,667	–	–
Total	35,573,902	35,573,902	–	–

7.2.1 Impairment of Financial Investments at L&R

The Company has not experienced any indication for impairment in respect of L&R financial assets.

7.2.2 Reclassification

During the year, the Company did not reclassify any financial assets under this category.

7.2.3 Fair Value Measurement

The Company measures the fair value using fair value hierarchy which reflects the significance of level of inputs used in making the fair value measurement which is described in the Note 7.5.1.

7.3 Available For Sale (AFS)

ACCOUNTING POLICY

Initial Measurement

Available for sale financial investments includes debt securities. Securities in this category are those that are intended to be held till maturity and which maybe sold in response to the need for liquidity or in response to changes in the market conditions.

Available for sale financial investments of the Company comprise equity and debt securities, which are neither classified as held for trading nor designated at fair value through profit or loss.

Subsequent Measurement

Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses on available-for sale equity instruments are recognised in other comprehensive income and presented within equity in

the Available for sale reserve. Fair value changes in the assets of the Policyholders' Fund are recognised under Insurance Contract Liabilities – Life.

Interest earned whilst holding available for sale investments is reported as "Interest Income" using the effective interest rate. Dividends earned whilst holding available for sale investments are recognised in income statement as "Dividend Income" when the right of the payment has been established.

Impairment

The Company assesses at each reporting date whether there is objective evidence that an investment or a group of investments is impaired.

Derecognition

When an investment is derecognised, the cumulative gain or loss in Other Comprehensive Income is transferred to income statement.

As at 31 December	2024		2023	
	Carrying Value Rs. '000	Fair Value Rs. '000	Carrying Value Rs. '000	Fair Value Rs. '000
Listed shares	12,777,644	12,777,644	–	–
Unit trusts	1,250,376	1,250,376	–	–
Listed debentures	19,431,017	19,431,017	–	–
Treasury bonds	34,260,232	34,260,232	–	–
Commercial papers	21,587,539	21,587,539	–	–
Total	89,306,808	89,306,808	–	–

Notes to the Financial Statements

7. Financial Investments and Fair Values of Financial Investments (Contd.)

7.3 Available For Sale (AFS)(Contd.)

7.3.1 Impairment of Financial Investments at AFS

The Company has not experienced any indication for impairment in respect of available for sale financial assets.

7.3.2 Re-Classification

During the year the Company did not re-classify any financial assets under this category

7.3.3 Fair Value Measurement

The Company measures the fair value using fair value hierarchy which reflects the significance of level of inputs used in making the fair value measurement which is described in the Note 7.5.1

7.4 Fair-Value-Through-Profit-or-Loss (FVTPL)

ACCOUNTING POLICY

Initial Measurement

A financial asset is classified as fair value through profit or loss if it is held for trading or is designated as such upon initial recognition. Financial assets are designated at fair value through profit or loss if the Company manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Company's investment strategy. Attributable transaction costs are recognised in income statement as incurred.

Subsequent Measurement

Subsequent to initial recognition, these investments are re-measured at fair value. Changes in fair value are recorded in "Fair value gains and losses" in Income Statement.

As at 31 December	2024		2023	
	Carrying Value Rs. '000	Fair Value Rs. '000	Carrying Value Rs. '000	Fair Value Rs. '000
Unit trusts	2,455,658	2,455,658	–	–
Listed shares	12,828,101	12,828,101	–	–
Total	15,283,759	15,283,759	–	–

7.4.1 Reclassification

During the Year the Company did not reclassify any financial assets under this category.

7.4.2 Fair Value Measurement

The Company measures the fair value using fair value hierarchy which reflects the significance of level of inputs used in making the fair value measurement which is described in the Note 7.5.1.

7.5 Determination of Fair Value and Fair Value Hierarchy

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or;
- In the absence of a principal market, in the most advantageous market for the asset or liability

The Company uses the fair value hierarchy in determining and disclosing the fair value of financial instruments. The following Note shows an analysis of financial investments recorded at fair value by level of the fair value hierarchy.

Notes to the Financial Statements

7. Financial Investments and Fair Values of Financial Investments (Contd.)

7.5 Determination of Fair Value and Fair Value Hierarchy (Contd.)

Level	Fair Value Measurement Method
Level 1	Quoted (unadjusted) prices in active markets for identical assets or liabilities
Level 2	Techniques for which, all inputs that have a significant effect on the recorded fair value, are observable, either directly or indirectly
Level 3	Techniques, which use inputs that have a significant effect on the recorded fair value, are not based on observable market data

7.5.1 The following table shows an analysis of assets recorded at fair value by level of the fair value hierarchy:

As at 31 December	2024				2023			
	Level 1	Level 2	Level 3	Total Fair Value	Level 1	Level 2	Level 3	Total Fair Value
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Available for sale (AFS) financial assets								
Listed shares	12,777,644	—	—	12,777,644	—	—	—	—
Unit trusts	1,250,376	—	—	1,250,376	—	—	—	—
Listed debentures	7,092,358	12,338,659	—	19,431,017	—	—	—	—
Treasury bonds	34,260,232	—	—	34,260,232	—	—	—	—
Commercial papers	—	—	21,587,539	21,587,539	—	—	—	—
Total	55,380,611	12,338,659	21,587,539	89,306,808	—	—	—	—
Fair value through profit or loss (FVTPL) financial assets								
Listed shares	12,828,101	—	—	12,828,101	—	—	—	—
Unit trusts	2,455,658	—	—	2,455,658	—	—	—	—
Total	15,283,759	—	—	15,283,759	—	—	—	—
Held to maturity (HTM) financial assets								
Treasury bonds	61,048,349	—	—	61,048,349	—	—	—	—
Listed debentures	18,708,638	—	—	18,708,638	—	—	—	—
Total	79,756,987	—	—	79,756,987	—	—	—	—
Loans & receivables (L&R) financial assets								
Unlisted debentures	—	26,974,644	—	26,974,644	—	—	—	—
Term deposits	—	7,394,005	—	7,394,005	—	—	—	—
Staff loans	—	—	726,586	726,586	—	—	—	—
Agent loan	—	—	478,667	478,667	—	—	—	—
Total	—	34,368,649	1,205,253	35,573,902	—	—	—	—
Total financial assets	150,421,357	46,707,308	22,792,792	219,921,456	—	—	—	—

Notes to the Financial Statements

7. Financial Investments and Fair Values of Financial Investments (Contd.)

7.5 Determination of Fair Value and Fair Value Hierarchy (Contd.)

7.5.2 Valuation Techniques used in Determining the Fair Values

1. The fair values of Listed Shares, Treasury Bills and Treasury Bonds are based on their market prices as they are traded in active markets.
2. The fair values of Unlisted Floating Rate Debentures are estimated to be equal to their amortised cost.
3. The fair values of Term Deposits are estimated to be equal to their amortised cost as maturities do not exceed one year.
4. The fair values of Unlisted Fixed Rate Debentures are arrived at discounting the future cash flows at market yields of comparable newly issued Corporate Debt instruments carrying similar maturities and credit ratings.
5. The fair values of Listed Debentures, which are traded in active markets, are based on their market prices.
6. The fair values of Listed Debentures, which are not traded in active markets, are arrived at discounting the future cash flows at market yields of comparable newly issued Corporate Debt instruments carrying similar maturities and credit ratings.
7. The fair values of Unit Trusts are based on their bid prices as quoted by the Unit Trust management companies.
8. The fair values of Unlisted Shares, where the Company pays regular dividends, are derived using the Discounted Cash Flow method. Otherwise, the fair value will be based on the Net Asset Value.

7.6 Movement in Carrying Values of Financial Investments

	Available- for-Sale Rs. '000	Fair Value through Profit or Loss Rs. '000	Held-to- Maturity Rs. '000	Loans and Receivables Rs. '000	Total Rs. '000
As at 01 January 2024	—	—	—	—	—
Transferred from Sri Lanka Insurance Corporation Ltd.	74,411,927	11,342,065	65,974,145	42,557,180	194,285,316
Purchases	13,623,679	961,181	15,023,597	6,779,691	36,388,148
Maturities	(999,974)	—	(1,900,018)	(12,283,406)	(15,183,398)
Disposals	(7,009,127)	1,618,713	—	—	(5,390,414)
Fair value gain recognised in other comprehensive income	6,232,547	—	—	—	6,232,547
Realised capital gains/(losses)	14,761	92,433	—	—	107,194
Realised gains/(losses)	25,770	1,269,365	—	—	1,295,135
Impairment of assets during the year	—	—	—	—	—
Interest income recognised to income statement	8,370,288	—	7,428,081	4,821,613	20,619,982
Foreign currency translation adjustments	(37,901)	—	—	(86,147)	(124,048)
Interest/coupon receipts	(5,325,160)	—	(6,768,818)	(6,215,028)	(18,309,006)
As at 31 December 2024	89,306,808	15,283,759	79,756,987	35,573,902	219,921,456

Notes to the Financial Statements

7. Financial Investments and Fair Values of Financial Investments (Contd.)

7.7 Carrying Values as at the Balance Sheet Date based on Asset Classes (Rs. '000):

All outstanding balances with government related entities which are significant for the users of this Annual Report are listed below:

Nature of the Transaction/Name of the Company/Entity	2024						
	Bank of Ceylon	Ceylon Electricity Board	People's Bank	National Savings Bank	People's Leasing & Finance PLC	Sri Lanka Telecom PLC	HDFC Bank
Reverse repos	–	–	–	–	–	–	–
Listed debentures	8,738,611	4,034,411	–	–	–	2,051,699	156,901
Unlisted debentures	6,052,065	–	16,206,888	2,858,630	–	–	–
Fixed deposits	2,389,315	–	690,277	–	2,423,361	–	–
Total	17,179,991	4,034,411	16,897,165	2,858,630	2,423,361	2,051,699	156,901

7.8 Accounting Classification and Fair Values

As at 31 December 2024	Fair Value through Profit or Loss Rs. '000	Available for Sale Rs. '000	Held to Maturity Rs. '000	Loans and Receivables Rs. '000	Total Carrying Value Rs. '000	Fair Value Rs. '000
Financial assets measured at fair value						
Listed shares	12,828,101	12,777,644	–	–	25,605,746	25,605,746
Unit trusts	2,455,658	1,250,376	–	–	3,706,034	3,706,034
Listed debentures	–	19,431,017	–	–	19,431,017	19,431,017
Commercial papers	–	21,587,539	–	–	21,587,539	21,587,539
Treasury bonds	–	34,260,232	–	–	34,260,232	34,260,232
Financial assets not measured at fair value						
Treasury bills and bonds	–	–	61,048,349	–	61,048,349	61,326,890
Listed debentures	–	–	18,708,638	–	18,708,638	18,708,638
Unlisted debentures	–	–	–	26,974,644	26,974,644	26,974,644
Term deposits	–	–	–	7,394,005	7,394,005	7,394,005
Staff loans	–	–	–	726,586	726,586	726,586
Agent loan	–	–	–	478,667	478,667	478,667
Loans to life policyholders	–	–	–	2,288,853	2,288,853	2,288,853
Reinsurance receivable	–	–	–	1,288,471	1,288,471	1,288,471
Premium receivable	–	–	–	789,230	789,230	789,230
Other receivable	–	–	–	1,610,497	1,610,497	1,610,497
Cash and cash equivalent	–	–	–	1,289,870	1,289,870	1,289,870
Total financial assets	15,283,759	89,306,808	79,756,987	42,840,822	227,188,377	227,466,917
Financial Liabilities not measured at fair value						
Reinsurance payable	–	–	–	1,488,094	1,488,094	1,488,094
Bank overdraft	–	–	–	254,925	254,925	254,925
Total financial liabilities	–	–	–	1,743,019	1,743,019	1,743,019

Notes to the Financial Statements

7. Financial Investments and Fair Values of Financial Investments (Contd.)

7.8 Accounting Classification and Fair Values (Contd.)

As at 31 December 2023	Fair Value through Profit or Loss Rs. '000	Available for Sale Rs. '000	Held to Maturity Rs. '000	Loans and Receivables Rs. '000	Total Carrying Value Rs. '000	Fair Value Rs. '000
Financial assets measured at fair value						
Listed shares	—	—	—	—	—	—
Unit trusts	—	—	—	—	—	—
Listed debentures	—	—	—	—	—	—
Commercial papers	—	—	—	—	—	—
Treasury bonds	—	—	—	—	—	—
Financial assets not measured at fair value						
Treasury bills and bonds	—	—	—	—	—	—
Listed debentures	—	—	—	—	—	—
Unlisted debentures	—	—	—	—	—	—
Term deposits	—	—	—	—	—	—
Staff loans	—	—	—	—	—	—
Agent loan	—	—	—	—	—	—
Loans to life policyholders	—	—	—	—	—	—
Reinsurance receivable	—	—	—	—	—	—
Premium receivable	—	—	—	—	—	—
Other receivable	—	—	—	50	—	—
Cash and cash equivalents	—	—	—	500,000	—	—
Total financial assets	—	—	—	500,050	—	—
Financial liabilities not measured at fair value						
Reinsurance payable	—	—	—	—	—	—
Bank overdraft	—	—	—	—	—	—
Total financial liabilities	—	—	—	—	—	—

Notes to the Financial Statements

8. REINSURANCE RECEIVABLES

▶ ACCOUNTING POLICY

Company cedes insurance risk in the normal course of business to recognised reinsurers through formal reinsurance arrangements.

Reinsurance assets include the balances due from reinsurance companies for paid and unpaid losses and loss adjustment expenses. Amounts recoverable from reinsurers are estimated in a manner consistent with the outstanding claims provision or settled claims associated with the reinsurer's policies and are in accordance with the related reinsurance contract. Reinsurance is recorded gross in the statement of financial position unless a right to offset exists.

Impairment

Reinsurance assets are reviewed for impairment at each reporting date or more frequently when an indication of impairment arises during the reporting year. Impairment occurs when there is objective evidence as a result of an event that occurred after initial recognition of the reinsurance asset that the Company may not receive all outstanding amounts due under the terms of the contract and the event has a reliably measurable impact on the amounts that the Company will receive from the reinsurer. The impairment loss is recorded in the profit or loss.

Derecognition

Reinsurance assets or liabilities are derecognised when the contractual rights are extinguished or expire or when the contract is transferred to another party.

As at 31 December	2024 Rs. '000	2023 Rs. '000
Reinsurance receivable on settled claims	1,008,652	–
Reinsurance receivables on outstanding claims	279,819	–
Total	1,288,471	–

8.1 Fair Value Measurement

The carrying value of reinsurance receivables approximates the fair value at the reporting date.

8.2 Impairment Losses on Reinsurance Receivables

The Company has assessed potential impairment loss of reinsurance receivables as at 31 December 2024 and the Company does not identify any objective evidences which require an impairment to its reinsurance receivable. Based on the assessment, no impairment provision is required to be made in the Financial Statements as at the reporting date.

8.3 Reinsurance Receivables on Outstanding Claims

The reinsurance portion of the outstanding claims has not been materialised, since the insurance claim has not been paid as at the reporting date.

8.4 Financial Risk Associated with Reinsurance Receivable

Further information on the Company's approach to managing reinsurance risk is disclosed in the risk management Note 37.

Notes to the Financial Statements

9. LOANS TO LIFE POLICYHOLDER

▶ ACCOUNTING POLICY

Policyholder loans are granted up to 90% of the surrender value of a life insurance policy at a rate equivalent to market rate. If the policyholder dies before the full repayment of the loan, the loan balance is deducted from the death benefit. Policyholder loans are reviewed for impairment at each reporting date. Loans receivable as at reporting date are as follows.

9.1 Movement of loans to policyholder

As at 31 December	2024 Rs. '000	2023 Rs. '000
Balance as at 01 January	–	–
Transferred from Sri Lanka Insurance Corporation Ltd.	2,112,755	–
Loans granted during the year	1,978,047	–
Interest receivable on loans	443,858	–
Loans settled during year (against claims)	(2,245,808)	–
Total	2,288,852	–

9.2 Fair value of loans to life policyholders

The Company granted policy loans at market price. The fair value of the policyholder loans are equal to its carrying value as those are given at competitive market rates.

9.3 Concentration risk of loans to life policyholders

If the total receivable of the loan including interest due and accrued exceeds the surrender value the policy terminates and becomes void. The Company has the first lien on all policies which are subject to policy loans and this mitigates the Company's credit exposure on policy loans.

The Company has issued loans to policyholders considering the surrender value of the policy as collateral. As at the reporting date, the carrying value of the policy loans granted amounted to Rs. 1,978 Mn. and the related surrender value is Rs. 3,731 Mn.

9.4 Impairment of loans to life policyholders

The Board of Directors has assessed the potential impairment loss of loans where total receivable exceeds the surrender value and charged (reversed) in the Financial Statements as at the reporting date in respect of loans to life policyholders.

10. PREMIUM RECEIVABLES

▶ ACCOUNTING POLICY

Insurance receivables are recognised when due and measured on initial recognition at the fair value of the consideration receivable. Collectability of premiums is reviewed on an ongoing basis.

The Company accounts for life insurance premiums on accrual basis. Accordingly, life insurance premiums due (only the premiums due in the 30-day grace period) are recognised at each reporting date and will be reversed if the premiums are not settled during the subsequent month, and thus the policies will lapse as per the Company policy.

As at 31 December	2024 Rs. '000	2023 Rs. '000
Premium receivable from policyholders	789,230	–
Total	789,230	–

Notes to the Financial Statements

10. Premium Receivables (Contd.)

10.1 Premium receivables from related parties

There is no premium receivables from related parties as at the reporting date.

10.2 Fair value of premium receivable

The carrying value of premium receivable approximates fair value at the reporting date.

10.3 Concentration risk of premium receivable

This consists of premium receivables from policyholders and intermediaries that create the risk of financial losses due to non-settlement of dues or taking substantial time to settle dues.

In life insurance, credit risk is minimal since premium is collected before the policy is issued.

10.4 Impairment of premium receivable

The Board of Directors has assessed the potential impairment loss of premium receivables as at 31 December 2024. Based on the assessment, no impairment provision is required to be made in the Financial Statements as at the reporting date in respect of premium receivables.

11. OTHER ASSETS

▶ ACCOUNTING POLICY

Inventories

Inventories include all consumable items which are stated at lower of cost and net realisable value.

Having evaluated the nature of the inventories held by the Company, the Company has assessed whether there is any impact to net realisable value of the inventories due to implications of the economic conditions and assessed whether it was required to adjust the carrying value of the inventory. The Company has not identified any circumstances where adjustments are required to reduce the carrying value of the inventories.

Other receivables and dues from related parties

Other receivables and dues from related parties are recognised at cost less impairment losses.

As at 31 December	Note	2024 Rs. '000	2023 Rs. '000
Inventories		39,400	–
Other debtors and receivables		165,800	50,000
Staff advance		1,769	–
Agents advance		6,269	–
Amounts due from related parties	11.1	1,294,214	–
Prepayment		103,044	–
Prepaid benefits on loans		264,578	–
Total		1,875,074	50,000

Notes to the Financial Statements

11. Other Assets (Contd.)

11.1 Amounts due from related parties

	2024 Rs. '000	2023 Rs. '000
SLICGL – current account	1,062,205	–
SLIC – current account	232,009	–
	1,294,214	–

12. CASH AND CASH EQUIVALENTS

▶ ACCOUNTING POLICY

Cash and cash equivalents comprise reverse repurchase agreements, cash balances and call deposits with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value and are used by the Company in the management of its short-term commitments.

As at 31 December	Note	2024 Rs. '000	2023 Rs. '000
Cash in hand and at bank		1,289,870	500,000
Short-term investments		10,655,487	–
Total cash and cash equivalents		11,945,357	500,000
Bank overdraft used for cash management purposes	22	254,925	–
Cash and cash equivalents in the statement of cash flow		11,690,432	500,000

The reported bank overdraft balance as at the reporting date is used for the cash management purpose and there is no physical overdraft in the bank statement.

13. STATED CAPITAL

▶ ACCOUNTING POLICY

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

As at 31 December	2024 Rs. '000	2023 Rs. '000
As at 01 January	500,000	–
Issued and fully paid	12,000,000	500,000
Total	12,500,000	500,000

Right of ordinary shareholders

As at the reporting date, the total stated capital of the Company is Rs. 12.5 Bn. During the year, the Company issued 1,200,000,000 shares at Rs. 10 each, as per to the requirement of segregation. All issued shares are fully paid. There is only one class of ordinary shares, and all issued shares carry equal voting rights. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are granted one vote per share at company meetings.

Notes to the Financial Statements

14. REVALUATION RESERVE

▶ ACCOUNTING POLICY

The revaluation reserve relates to revaluation of motor vehicle and represents the fair value changes of the motor vehicle as at the date of revaluation.

As at 31 December	Note	2024 Rs. '000	2023 Rs. '000
Revaluation reserve	14.1	223,243	–
Total		223,243	–

14.1 Reserve for revaluation

	2024 Rs. '000	2023 Rs. '000
Balance as at 01 January	–	–
Revaluation surplus during the year	223,243	–
Balance as at 31 December	223,243	–

The revaluation reserve relates to the gain of revaluation of motor vehicle recognised in equity through other comprehensive income.

15. RESTRICTED REGULATORY RESERVE

▶ ACCOUNTING POLICY

Restricted regulatory reserve was created as a result of One-Off Surplus generated due to change in valuation method from “Net Premium Valuation” to “Gross Premium Valuation” as specified in Direction No. 16, issued by IRCSL on 20 March 2018, for identification and treatment of One-Off Surplus. Complying with the same, the transfer made from policyholders’ to Shareholders’ Fund is limited to surplus generated from other than participating business, whereas the surplus generated from the participating business will be maintained within the participating fund.

As at 31 December	2024 Rs. '000	2023 Rs. '000
As at 01 January	–	–
Transferred from Sri Lanka Insurance Corporation Ltd.	98,237	–
Total	98,237	–

16. AVAILABLE FOR SALE RESERVE

▶ ACCOUNTING POLICY

Available for sale reserve comprise the impact arising from the changes in market values of financial assets classified under available for sale (AFS). AFS reserve belonging to Life Policyholders are shown under the Insurance Provision Life.

As at 31 December	2024 Rs. '000	2023 Rs. '000
Balance as at 01 January	–	–
Other comprehensive income for the year (Net)	(34,415)	–
Total	(34,415)	–

Notes to the Financial Statements

17. REVENUE RESERVES

As at 31 December	Note	2024 Rs. '000	2023 Rs. '000
General Reserve		(590)	(590)
Surplus from life insurance	17.1	2,641,849	–
Retained earnings	17.2	(156,265)	–
Total		2,484,993	(590)

17.1 Surplus from life insurance

As at 31 December	2024 Rs. '000	2023 Rs. '000
Balance as at 01 January	–	–
Surplus attributable to shareholders from life insurance	2,641,849	–
Balance as at 31 December	2,641,849	–

17.2 Retained earnings

As at 31 December	2024 Rs. '000	2023 Rs. '000
Balance as at 01 January	–	–
Profit for the year	2,641,849	–
Other comprehensive income	(156,265)	–
Surplus attributable to shareholders from life insurance	(2,641,849)	–
Balance as at 31 December	(156,265)	–

18. INSURANCE CONTRACT LIABILITIES

▶ ACCOUNTING POLICY

Insurance Provision – Life Insurance

Life insurance liabilities are recognised when contracts are entered into and premiums are charged. These liabilities are measured by using the gross premium method. The liability is determined as the sum of the discounted value of the expected future benefits and expenses less the discounted value of the expected future premiums that would be required to meet the future cash outflows based on the valuation assumptions used.

Cash flows are discounted based on the rates provided by the IRCSL on monthly basis. Valuation assumptions are derived based on the best estimate experience with a prescribed risk appetite to allow for adverse deviations. Non-participating liabilities are discounted using the risk-free yields.

The value of participating policy liabilities is the higher of the value of the guaranteed benefits liability and the total benefits liability, derived at the participating insurance fund level. In calculating the guaranteed benefits liability, only the guaranteed benefits are considered, and the cash flows are discounted using the risk-free interest rate yield curve. Total benefits liability includes all the guaranteed and non-guaranteed benefits and discounts the cash flows using the fund-based yield of the participating insurance fund.

Furthermore, adjustments are performed to capture the likely liabilities that may arise due to currently lapsed contracts reviewing in the future.

Notes to the Financial Statements

18. Insurance Contract Liabilities (Contd.)

As required by the SLFRS 4 – “Insurance Contracts”, the Company performed a Liability Adequacy Test (LAT) in respect of life Insurance contract liabilities with the assistance of an external actuary. In performing the liability adequacy test the current best estimates of future contractual cash flows, including related cash flows such as claims handling and policy administration expenses, policyholder options and guarantees, as well as investment income from assets backing such liabilities, are used.

In compliance with the Direction 18 – Unclaimed benefits of long-term insurance business issued by the Insurance Regulatory Commission of Sri Lanka the Company has recorded unclaimed benefits under the long-term insurance fund.

As at 31 December	Note	2024 Rs. '000	2023 Rs. '000
Balance as at 01 January		–	–
Transferred from Sri Lanka Insurance Corporation Ltd.		178,060,823	–
Movement of the fund		27,216,589	–
Surplus distributed to shareholders	18.1	(2,641,848)	–
Life Insurance Fund as at 31 December excluding one-off-surplus		202,635,564	–
AFS reserve - life fund			
Balance as at 01 January		–	–
Transferred from Sri Lanka Insurance Corporation Ltd.		4,156,238	–
Movement of the fund		6,436,418	–
AFS reserve – life fund as at 31 December		10,592,656	–
Life Insurance Fund as at 31 December including AFS reserve		213,228,220	–
AFS reserves other liabilities – fund			
Balance as at 01 January		–	–
Transferred from Sri Lanka Insurance Corporation Ltd.		174,213	–
Movement of the fund		305,225	–
AFS reserves other liabilities – fund as at 31 December		479,438	–
Policyholder outstanding claims			
Balance as at 01 January		–	–
Transferred from Sri Lanka Insurance Corporation Ltd.		2,936,062	–
Movement of the fund		139,601	–
Policyholder outstanding claims as at 31 December		3,075,663	–
Total		216,783,321	–

18.1 Surplus distributed to Shareholders

The Company assesses the shareholders' value by using reserves attributable to shareholders at each reporting period. The difference between the opening and closing balance of the reserves is considered as the surplus profit attributable to shareholders and deduct from the insurance contract liability as at reporting date. The surplus profit attributable to shareholder comprises two forms as follows;

- Surplus profit attributable to shareholder from the Policyholder Fund
- Profit earned from the shareholder assets

18.1.1 Surplus profit attributable to shareholder from the Policyholder Fund

The surplus is derived from the actuarial valuation on the recommendation of the Independent Consultant Actuary.

Notes to the Financial Statements

18. Insurance Contract Liabilities (Contd.)

18.1 Surplus distributed to Shareholders (Contd.)

18.1.2 Profit earned from the shareholder assets

Profits earned from the shareholders' assets based on the recommendation of in-house Actuarial Department and approval of the Board of Directors.

Long duration contract liabilities included in the Life Insurance Fund, result primarily from traditional participating and non-participating life insurance products. The insurance provision has been established based upon the following actuarial assumptions.

Assumption	Description
Mortality	Factored A67/70 for non-annuity business to allow best estimate experience rate Weighted average of a(90)m and a(90)f with one year age setback to allow approximated 1% mortality improvement of annuitants approximated 1% mortality improvement of annuitants
Expenses	Based on the Company 2024 internal expenses studies and expenses split into Participating and Non-participating business. Expense inflation is based on the long-term expectation of the Company and is 10% per annum
Lapses/Surrenders	Based on the experience study conducted for the 31 December 2024 valuation, covering the experience over the last three investigation years
Morbidity	Based on the Company internal experience and actual vs expected analysis. Expected rates are based on the reinsurance rate tables
Reinsurance	Based on the Company internal experience studies with respect to reinsurance
Investment return	Risk free rate structure proposed by IRCSL as at 31 December 2024

The amount of policyholder's reversionary bonus to be paid is determined annually by the Company. The bonus includes Life policyholders, shares of net income that are required to be allocated by the insurance contract or, by insurance regulations.

From 01 January 2016 onwards SLICLL fully implemented the Risk Based Capital (RBC) solvency framework as such adopted the "Gross Premium Valuation" basis (GPV) which is required under RBC regime for liability valuation purpose. SLICLL has adopted a more prudent valuation basis for its surplus computation with compared to minimum regulatory basis (RBC). SLICLL followed the "Net Premium Valuation" basis (NPV) for the valuation of liabilities as at 31 December 2015. This change in valuation basis has resulted an One-Off Surplus in life insurance policy liabilities as at 01 January 2016.

IRCSL submitted the guidelines to compute One-Off Surplus and transferring mechanism to Shareholder Fund from Life-Non-participating Fund under the direction called "Identification and Treatment of One-Off Surplus: Direction No. 16 – Section 964 of the Regulation of Insurance Industry Act No, 43 of 2000" dated 20 March 2018 where minimum One-Off Surplus computation is recommended. Accordingly, SLICLL had quantified the One-Off Surplus as at 01 January 2016, and it stands out that the amounts are Rs. 6,281 Mn. and Rs. 98 Mn. within Participating Fund and Non-Participating Fund respectively. The One-Off Surplus pertaining to Participating Fund will remain in the Life Fund under "Surplus created due to change in valuation method from NPV to GPV (Participating)". As per the directions given by IRCSL, SLICLL transferred the One-Off Surplus

arising from Non-Participating Fund to Shareholder Fund and accounted in the statement of financial position as at 31 December 2017, under new line item called "Restricted Regulatory Reserve". The "Restricted Regulatory Reserve" is a part of shareholders equity, but distribution of the same to shareholders as dividend is subject to meeting governance requirements stipulated by the IRCSL and can only be released upon receiving approval from the IRCSL. SLICLL maintained the same amounts in One-Off Surplus in Participating fund and Restricted Regulatory Reserve in Shareholders Fund as at 31 December 2024. The One-Off Surplus in the Shareholders Fund will remain invested in Repo at Commercial Bank of Ceylon PLC [Fitch Ratings A(lka)] as per the direction of the IRCSL.

As at 31 December	2024 Rs. Mn.
Long-term insurance fund excluding One-Off Surplus	206,947
Surplus created due to change in valuation method from NPV to GPV (Participating)	6,281
Long-term insurance fund as at 31 December 2024	213,228
Restricted regulatory reserve (One-Off Surplus Non-participating fund)	98

Notes to the Financial Statements

18. Insurance Contract Liabilities (Contd.)

18.1 Surplus distributed to Shareholders (Contd.)

18.1.2 Profit earned from the shareholder assets (Contd.)

The valuation of the Insurance Provision – Life Insurance Business, as at 31 December 2024 was made by Kunj Behari Maheshwari, Fellow of the Institute and Faculty of Actuaries UK, of Willis Towers Watson, for and on behalf of Sri Lanka Insurance Corporation Life Limited. In accordance with the consultant Actuary's report, the sum of provision, Rs. 3,008 Mn. (In 2023 Rs. 2,359 Mn.), is included as the liability in respect of policyholders' bonus. In the opinion of the appointed actuary, the admissible assets of the Life Insurance Fund as at 31 December 2024 is adequate to cover the liabilities of the fund and the solvency margin requirement prescribed under Section 26 of the Regulation of Insurance Industry Act No. 43 of 2000. The Life Fund also carried forward surplus for future growth and safeguard against the adverse deviation of the assumptions set out in the valuation.

The Life Insurance Fund assets inclusive of Shareholders' Transfer as at 31 December 2024 is Rs. 215,870 Mn. (2023 – Rs. 184,314 Mn.). The Board of Directors decided to transfer Rs. 2,642 Mn. (2023: Rs. 3,444 Mn.) to the Shareholders' Fund in the statement of financial position in Life Insurance. Subsequent to this transfer, the Life Insurance Fund stands Rs. 213,228 Mn. (2023 – Rs. 180,870 Mn.).

Liability Adequacy Test (LAT)

A Liability Adequacy Test ("LAT") for Life Insurance contract liability was carried out

by Kunj Behari Maheshwari, Fellow of the Institute and Faculty of Actuaries UK, of Willis Towers Watson, as at 31 December 2024 as required by SLFRS 4 – "Insurance Contracts". When performing the LAT, the Company has compared the provisions held as per audited accounts with the actuarial liability. For this purpose, the value of the actuarial liability is computed following the principles laid out within Risk Based Capital Framework as prescribed by the IRCSL, whereby liabilities are valued using a discounted cash-flow approach covering the full lifetime of all cash in- and out-flows required to settle the obligations related to existing in-force Life Insurance contracts. The projections are based on in-force policies and riders as at 31 December 2024.

According to the actuary's report, assets are adequate as compared to the discounted cash flow reserves and in contrast to the reserves as at 31 December 2024, no additional provision is required against the LAT as at 31 December 2024.

19. EMPLOYEE BENEFIT OBLIGATION

▶ ACCOUNTING POLICY

Defined Benefit Plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The liability recognised in the statement of financial

position in respect of defined benefit plans is the present value of the defined benefit obligation as at the reporting date. The calculation of defined benefit obligation is performed annually by a qualified actuary as at the reporting date using the Projected Unit Credit (PUC) method as recommended by LKAS 19 – "Employee Benefits". The actuarial valuation involves making assumptions about discount rate, salary increment rate, and balance service period of employees. Due to the long-term nature of the plans such estimates are subject to significant uncertainty.

Under the Payment of Gratuity Act No. 12 of 1983, the liability to an employee arises only on the completion of five years of continuous service. The liability is not externally funded.

Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss. The Company recognises any gains and losses on the settlement of a defined benefit plan when settlement occurs.

The remeasurement of the net defined benefit obligation, which comprise actuarial gains and losses are recognised immediately in other comprehensive income.

19.1 Employee Benefit Obligation

As at 31 December	2024 Rs. '000	2023 Rs. '000
Balance as at 01 January	–	–
Transferred from Sri Lanka Insurance Corporation Ltd.	697,206	–
Recognised in the statement of profit or loss		
Current service costs	36,642	–
Interest cost	76,693	–
Recognised in the statement of other comprehensive income		
Actuarial Gains/(Loss)	156,265	–
Benefit paid by the Plan	(68,379)	–
Balance as at 31 December	898,426	–

Notes to the Financial Statements

19. Employee Benefit Obligation (Contd.)

19.2 Description of the Valuation Method used and the Information about the Valuer

LKAS 19 – “Employee Benefits” require the use of actuarial techniques to make a reliable estimate of the amount of retirement benefits that the employees have earned in return for their service in the current and prior periods and discount that benefit using the Projected Unit Credit Method in order to determine the present value of the retirement benefit obligations and the current service cost. This requires an entity to determine how much benefit is attributable to the current and prior periods and to make estimates about demographic and financial variables that will influence the cost of the benefit. The following key assumptions were made in arriving at the above figure.

As at 31 December 2024 the Gratuity Liability was actuarially valued under the Projected Unit Credit (PUC) method by Messrs Actuarial & Management Consultants (Pvt) Ltd., 1st Floor, 434, R A De Mel Mawatha, Colombo 3 for Rs. 898.42 Mn. The actuarial valuation is performed annually. Principal actuarial assumptions used:

As at 31 December	2024 %	2023 %
Discount rate	11.50%	–
Salary increment rate	10%	–
Staff turnover factor	0%-11%	–
Retirement age: – Female	60 years	–
Retirement age: – Male	60 years	–

The Company's gratuity liability is not externally funded.

19.3 Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined obligation by the amounts shown below.

Discount Rate	Salary Escalation Rate	Present Value of Defined Benefit Obligation Rs. '000
1 % Increase	As given above	857,647
1 % Decrease	As given above	931,145
As given above	1 % Increase	936,398
As given above	1 % Decrease	852,228

20. CURRENT TAX LIABILITIES

As at 31 December	2024 Rs. '000	2023 Rs. '000
Balance as at 01 January	–	–
Income tax charge for the year	1,734,756	–
Income tax settlements made during the year	(1,175,065)	–
Balance as at 31 December	559,691	–

Notes to the Financial Statements

21. OTHER LIABILITIES

▶ ACCOUNTING POLICY

Insurance Payables

Insurance payables are recognised when due and measured on initial recognition at fair value of the consideration payable less directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest rate method. Insurance payables are derecognised when the obligation under the liability is discharged, cancelled or expired.

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying the economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

As at 31 December	2024 Rs. '000	2023 Rs. '000
Policyholder advance payments	425,126	–
Payables		
Agency commission payable	358,698	–
Others including accrued expenses	2,584,934	640
Other liabilities	3,368,757	640

22. FINANCIAL LIABILITIES

▶ ACCOUNTING POLICY

When there is an unfavourable balance in the bank accounts resulting in a temporary book over draft due to timing difference between company's cash book and bank statement are being classified as a financial liability under other liabilities in the balance sheet.

As at 31 December	2024 Rs. '000	2023 Rs. '000
Bank overdraft	254,925	–

The reported bank overdraft balance as at the reporting date is used for the cash management purpose and there is no physical overdraft in the bank statement.

Notes to the Financial Statements

23. GROSS WRITTEN PREMIUM

▶ ACCOUNTING POLICY

Gross Written Premiums on Life Insurance contracts are recognised as revenue when payable by the policyholder (policies within the 30-day grace period considered as due). Any premiums received in advance is not recorded as revenue and recorded as a liability until the premium is due unless otherwise the relevant policy conditions require such premiums to be recognised as income. Benefits and expenses are provided against such revenue to recognise profits over the estimated life of the policies. For Single Premium business revenue is recognised on the date on which the policy is effective.

For the year ended 31 December	2024 Rs. '000	2023 Rs. '000
New Businesses Premium	4,960,050	–
Renewal Premium	13,665,505	–
Group Life Premium	3,880,235	–
Single Premium	2,025,072	–
Total Gross Written Premium	24,530,862	–

24. PREMIUMS CEDED TO REINSURERS

▶ ACCOUNTING POLICY

Gross reinsurance premiums on insurance contracts are recognised as an expense on the earlier of the date when premiums are payable or when the policy becomes effective. Reinsurance premium is decided based on rates agreed with reinsurers.

For the year ended 31 December	2024 Rs. '000	2023 Rs. '000
Premium ceded to reinsurers	962,342	–

25. INVESTMENT INCOME

▶ ACCOUNTING POLICY

Investment income comprises interest income on funds invested, dividend income, and financial investment gains or losses and foreign currency gains or losses.

Interest Income

Interest income is recognised in profit or loss using the effective interest method. The effective interest rate is the rate that exactly discounts the estimated future cash receipts or payments through the expected life of the financial asset (or, where appropriate, a shorter period) to the carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates future cash flows considering all contractual terms of the financial instrument, but not future credit losses.

The calculation of the effective interest rate includes all transaction costs and fees and points paid or received that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset.

Dividend Income

Dividend income is recognised when the right to receive income is established.

Gains/(Losses)

Gains and losses recorded in the income statement include gains and losses on sale of financial assets which are calculated as the difference between the net sales proceeds and the original or amortised cost, and are recorded at the time of the sale transaction. Further capital gains and losses include fair value gains and losses on financial assets measured at fair value through profit or loss for the year ended 31 December.

Notes to the Financial Statements

25. Investment Income (Contd.)

For the year ended 31 December	Note	2024 Rs. '000	2023 Rs. '000
Interest income	25.1	20,682,038	–
Dividend income	25.2	684,372	–
Gains/(Losses)	25.3	4,404,089	–
Total investment income		25,770,499	–

25.1 Interest Income

As at 31 December	2024 Rs. '000	2023 Rs. '000
Financial investments at held to maturity (HTM) for the year ended 31 December		
Treasury bonds	6,066,671	–
Listed debentures	1,373,070	–
Financial investments in loans & receivables (L&R) for the year ended 31 December		
Unlisted debentures	2,961,686	–
Term deposits	1,623,461	–
Commercial papers	2,230,433	–
Interest income from staff loans	112,252	–
Interest income from agent's loans	102,196	–
Financial investments at available for sale (AFS) for the year ended 31 December		
Treasury bonds	3,532,869	–
Treasury bills	5,380	–
Corporate debentures – listed	2,151,952	–
Cash and cash equivalents for the year ended 31 December		
Reverse Repurchase Agreements	514,112	–
Call and Savings Accounts	7,956	–
Total Interest Income	20,682,038	–

25.2 Dividend Income

For the year ended 31 December	2024 Rs. '000	2023 Rs. '000
Financial investments at available for sale (AFS)		
Listed shares	255,952	–
Financial investments at fair value through profit or loss (FVTPL)		
Listed stocks	428,420	–
Total dividend income	684,372	–

Notes to the Financial Statements

25. Investment Income (Contd.)

25.3 Gains/(Losses)

For the year ended 31 December	Note	2024 Rs. '000	2023 Rs. '000
Financial investments at available for sale (AFS)			
Treasury bonds		22,213	–
Listed debentures		(58,134)	–
Listed shares		4,233,060	–
Subscription right		1,434	–
Financial investments at fair value through profit or loss (FVTPL)			
Unit trust		205,516	–
Gains/(Losses) on financial investments	25.3.1	4,404,089	–

25.3.1 Realised/Unrealised Gains/(Losses) on Financial Investments

For the year ended 31 December	2024 Rs. '000	2023 Rs. '000
Realised gain/losses		
Listed shares	157,300	–
Listed debentures	(58,134)	–
Treasury bonds	22,213	–
Unit trust	(312)	–
	121,067	–
Unrealised gain/losses		
Listed shares	4,077,194	–
Unit trust	205,828	–
	4,283,022	–
Total	4,404,089	–

26. FEES AND COMMISSION INCOME

ACCOUNTING POLICY

Reinsurance commission income on outwards reinsurance contracts is recognised as the revenue when receivable. Subsequent to initial recognition, reinsurance commission income on outwards reinsurance contracts is deferred and amortised on a straight-line basis over the term of the expected premium payable.

For the year ended 31 December	2024 Rs. '000	2023 Rs. '000
Reinsurance commission	75,727	–
Total fees and commission income	75,727	–

Notes to the Financial Statements

27. NET REALISED GAINS/LOSSES

▶ ACCOUNTING POLICY

Realised gains and losses recorded in the income statement include gains and losses on foreign currency transactions.

For the year ended 31 December	2024 Rs. '000	2023 Rs. '000
Foreign currency gains/(losses)	(122,425)	–
Total net realised gains/(losses)	(122,425)	–

28. OTHER INCOME

▶ ACCOUNTING POLICY

Other income primarily comprises interest on policyholder loans, along with sundry income including profit on disposal of assets and rental income.

For the year ended 31 December	2024 Rs. '000	2023 Rs. '000
Interest on policyholder loans	245,927	–
Sundry income	191,286	–
Total other income	437,213	–

29. NET BENEFITS AND CLAIMS

▶ ACCOUNTING POLICY

Gross Benefits and Claims Expense

Gross benefits and claims for life insurance contracts include the cost of all claims arising during the year, including internal and external claims handling costs that are directly related to the processing and settlement of claims and policyholder bonuses. Death claims and surrenders are recorded on the basis of notifications received. Maturities, annuity payments and interim payments are recorded when due.

Reinsurance Claims

Reinsurance claims are recognised when the related gross insurance claim is recognised according to the terms of the relevant contract.

For the year ended 31 December	2024 Rs. '000	2023 Rs. '000
(a) Gross benefits and claims paid		
Death claims	1,727,299	–
Policy maturities	7,554,503	–
Surrenders	1,570,684	–
Disability, ex-gratia annuity and mortgage protection	1,823,098	–
Total gross benefits and claims paid	12,675,584	–
(b) Claims ceded to reinsurers	(658,987)	–
Total claims ceded to reinsurers	(658,987)	–
Total net benefits and claims	12,016,597	–

Notes to the Financial Statements

30. UNDERWRITING AND NET ACQUISITION COST

ACCOUNTING POLICY

Commission expense is charged to the period in which it is incurred. Commission payable on accrued premium is recognised to the extent that these costs are recoverable out of future premiums. All expenses vary with, and are primarily related to the acquisition of new insurance contracts.

For the year ended 31 December	2024 Rs. '000	2023 Rs. '000
Acquisition cost	3,260,446	–
Total underwriting and net acquisition cost	3,260,446	–

31. PROFIT BEFORE TAXATION

ACCOUNTING POLICY

Profit before taxation is stated after charging all expenses including the following. Expenses are recognised in the statement of profit or loss on the basis of a direct association between the cost incurred and the earning of specific items of income. All expenditure incurred in the running of the business and in maintaining the property, plant and equipment in a state of efficiency has been charged to the statement of profit or loss.

For the year ended 31 December	Note	2024 Rs. '000	2023 Rs. '000
Other operating and administration expenses includes the following:			
Amortisation of intangible assets		19,351	–
Depreciation on property, plant and equipment		79,735	–
Non-audit related expenses		1,497	–
Auditor remuneration		4,391	–
Fees for auditor general		558	–
Employee benefits expenses	31.1	2,899,948	–
Selling expenses		437,640	–
Other insurance related cost		3,654,897	–

31.1 Employee Benefits Expense

Short-term Benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by an employee and the obligation can be estimated reliably.

Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employment benefit expense in the statement of profit or loss in the periods during which services are rendered by employees.

Employees' Provident Fund

The Company and employees of Sri Lanka Insurance Corporation Life Limited contribute 15% and 10% respectively on the salary of each employee to the approved provident fund.

Employees' Trust Fund

The Company contributes 3% of the salary of each employee to the Employees' Trust Fund.

Notes to the Financial Statements

32. INCOME TAX EXPENSES

▶ ACCOUNTING POLICY

The provision for income tax is based on the elements of income and expenditure as reported in the Financial Statements and computed in accordance with the Section 67 of the Inland Revenue Act No. 24 of 2017 and subsequent amendments thereto. As per this section, the gains and profits of Life Insurance Business on which tax is payable are aggregate of;

- Surplus distributed to shareholders from Life Insurance policyholders fund as certified by the actuary at the rate of 30%
- Investment income of shareholder fund less any expenses incurred in the production of such income at a rate of 30%
- Surpluses distributed to Life Insurance policyholders who share the profits of a person engaged in the business of Life Insurance at a rate of 30%

Current income tax is the expected tax payable or receivable on the taxable income or loss for the year and any adjustments to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted at the reporting date.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions, where appropriate.

For the year ended 31 December	2024 Rs. '000	2023 Rs. '000
Current tax expense		
Income tax on current year's profits	1,734,756	—
Income tax expense reported in the statement of income	1,734,756	—

33. BASIC EARNINGS PER SHARE (EPS)

▶ ACCOUNTING POLICY

Basic earnings per share is calculated by dividing the net profit for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

During the year, the Company issued 1.2 billion ordinary shares; however, the associated administrative processes were completed on 18 December 2024. As such, these shares were included in the weighted average number of shares from that date onward.

There were no potential dilutive ordinary shares outstanding at any time during the year. Accordingly, the diluted earnings per share are equal to the basic earnings per share.

For the year ended 31 December	2024	2023
Amounts used as the numerators		
Net profit attributable to ordinary shareholders (Rs. '000)	2,641,849	(590)
Numbers of ordinary shares used as denominators		
Weighted average number of ordinary shares in issue ("000")	1,148,082	—
Basic earnings per share (Rs.)	2.30	—

Notes to the Financial Statements

34. DIVIDEND PER SHARE

For the year ended 31 December	2024	2023
Dividend paid/proposed (Rs. '000)	250,000	–
Number of ordinary shares in issue ("000")	1,250,000	–
Dividend per share (Rs.)	0.20	–

The Board of Directors has proposed dividends for the financial year ended 31 December 2024.

35. RELATED PARTY DISCLOSURES

ACCOUNTING POLICY

The Company carried out transactions in the ordinary course of its business with parties who are defined as related parties as per Sri Lanka Accounting Standard LKAS 24 – “Related Party Disclosure”

Parent and Ultimate Controlling Party

The Company's immediate and ultimate controlling party is Sri Lanka Insurance Corporation Limited, which holds a 100% stake of the Company.

35.1 Transactions with Key Management Personnel

According to Sri Lanka Accounting Standard LKAS 24 – “Related Party Disclosures”, Key Management Personnel are those having the authority and responsibility for planning, directing, and controlling the activities of the entity. Accordingly, the Chairman and the Board of Directors have been classified as Key Management Personnel of the Company.

Following Directors are also Directors of the related entities.

Name of Director	Directorship in other Related Entities	Joined Date	Resigned Date
Mr Palawinnege Nusith Samarasee Kumaratunga	Sri Lanka Insurance Corporation Limited/Sri Lanka Insurance Corporation General Limited/Ceylon Electricity Board	23.10.2024	–
Mr Ronald C Perera	Sri Lanka Insurance Corporation Limited/Sri Lanka Insurance Corporation General Limited/Bank of Ceylon/Lanka Hospitals Corporation PLC/ Management Services Rakshana (Private) Limited	06.10.2023	08.10.2024
Mr Dushmantha Thotawatte	Sri Lanka Insurance Corporation Limited/Sri Lanka Insurance Corporation General Limited/Canwill Holdings (Private) Limited/LCB Finance PLC/People's Bank	06.10.2023	–
Mr Kandegamage Ravindra Pathmapriya	Sri Lanka Insurance Corporation Limited/Sri Lanka Insurance Corporation General Limited/Department of Information Technology Management/Management Services Rakshana (Private) Limited	06.10.2023	–
Dr Kithsiri Manchanayake	Sri Lanka Insurance Corporation Limited/Sri Lanka Insurance Corporation General Limited	06.10.2023	09.10.2024
Mr Nishantha Dayananda	Sri Lanka Insurance Corporation Limited/Sri Lanka Insurance Corporation General Limited/Canowin Hotels & Spas (Private) Limited/ Management Services Rakshana (Private) Limited	06.10.2023	31.12.2024
Mr Anil Koswatte	Sri Lanka Insurance Corporation Limited/Sri Lanka Insurance Corporation General Limited/Lakarcade Attidiya Wetpark Resort Private Limited	06.10.2023	02.01.2025
Mr Naomal Michael Pelpola	Sri Lanka Insurance Corporation Limited/Sri Lanka Insurance Corporation General Limited/Management Services Rakshana (Private) Limited	06.10.2023	08.10.2024

Notes to the Financial Statements

35. Related Party Disclosures (Contd.)

35.1 Transactions with Key Management Personnel (Contd.)

Key Management Personal Compensation

For the year ended 31 December	2024 Rs. '000	2023 Rs. '000
Director fees and allowances	3,094	–

35.2 Transactions with Related Parties

(i) Listed Companies

Name of the Company	Nature of Transaction	Amount 2024 Rs. '000	Amount 2023 Rs. '000
The Lanka Hospitals Corporation PLC	Insurance premium	3,833	–
	Amount paid for premium	3,833	–
	Claim	3,250	–
	Amount paid for claims	2,250	–
	Other medical services	47,113	–
	Other medical services paid	42,482	–

(ii) Unlisted Companies

Name of the Company	Nature of Transaction	Amount 2024 Rs. '000	Amount 2023 Rs. '000
Sri Lanka Insurance Corporation Ltd.	Management expenses	1,961,156	–
	Investment related transactions	21,497,294	–
	Rent charged	192,342	–
	Utility charges	203,644	–
	Honorarium fee	9,169	–
	Cash settlement	22,830,450	–
Management Services Rakshana (Pvt) Ltd.	Payment of emoluments	80,603	–
	Cash settlement	80,603	–
Canowin Hotels & Spas (Pvt) Ltd.	Marketing campaign	1,210	–
	Cash settlement	1,210	–
Lanka Hospital Diagnostics (Pvt) Ltd.	Insurance premium	709	–
	Amount paid for premium	709	–
	Claim paid	1,000	–
	Amount paid for claims	500	–
	Laboratory services provided	9,319	–
	Amount paid	4,032	–
Sri Lanka Insurance Corporation General Ltd.	Insurance premium	5,945	–
	Amount paid for premium	5,945	–
	Expenses	6,868,079	–
	Investment related	2,025,829	–
	Asset utilisation fees	2,798	–
	Cash settlement	8,364,129	–

Notes to the Financial Statements

35. Related Party Disclosures (Contd.)

35.3 Amount due from Related Parties

As at 31 December	2024 Rs. '000	2023 Rs. '000
Sri Lanka Insurance Corporation General Ltd.	1,059,406	–
Sri Lanka Insurance Corporation Ltd.	240,544	–

35.4 Amount due to Related Parties

As at 31 December	2024 Rs. '000	2023 Rs. '000
The Lanka Hospitals Corporation PLC	5,631	–
Lanka Hospital Diagnostics (Pvt) Ltd.	5,787	–

36. RISK MANAGEMENT FRAMEWORK

36. (a) Governance Framework

The primary objective of the Company's financial risk management is to manage financial risks within its risk appetite and to provide reasonable assurance on the achievement of financial objectives.

Financial risk management is embedded into the Company's broader risk management framework and spans across the Company with clear objectives, duties and responsibilities specified at each level. The Company's Board of Directors has the overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company activities.

36. (b) Regulatory Framework

Regulators focus on safeguarding the rights of policyholders by closely monitoring the Company's business practices to ensure that they align with policyholders' best interests. Additionally, regulators aim to ensure that the Company maintains sufficient capital adequacy to address

the unforeseen liabilities caused by economic disruptions or natural disasters. The Insurance Regulatory Commission of Sri Lanka (IRC SL) oversees the Company with the goal of protecting both shareholders and policyholders.

The Company is required to comply with various regulations and directives to meet the expected standards, ensuring that it maintains adequate solvency and sufficient capital reserves.

The Risk Based Capital (RBC) framework prioritises risk management over adhering to solvency margin rules. This flexible framework establishes the minimum capital requirements based on the risk profile of each insurance company. It incorporates risk factors such as Credit Risk, Concentration Risk, Market Risk, Operational Risk and Liability Risk, along with corresponding capital charges and valuation methodologies for assets and liabilities.

The RBC framework aims to enhance transparency and foster robust risk management systems, contributing to a more stable insurance industry and increased public confidence. Additionally, it promotes a culture of risk awareness and encourages efficient capital utilisation to boost returns relative to risk exposure, providing an advantage to companies with strong risk management practices.

The Company's operations are governed by regulatory requirements in the jurisdictions where it operates. These regulations include the approval and oversight of activities, as well as restrictive provisions such as capital adequacy requirements. Such measures are designed to reduce the risk of insolvency and ensure that insurance companies can address unforeseen liabilities as they arise.

The Company maintains capital, investments and solvency as per the regulations prescribed by Insurance Regulatory Commission of Sri Lanka (IRC SL). New changes in regulations are timely adopted and necessary changes made to internal processes.

36. (c) Asset Liability Management (ALM) Framework

The Asset Liability Management (ALM) framework is employed to address risks caused by mismatches between the asset and liability cash flows. It is a continuous process involving the development, implementation, monitoring, and adjustment of strategies to manage assets and liabilities effectively. The objective is to achieve the Organisation's financial goals while considering its risk appetite, tolerance, and other constraints.

Notes to the Financial Statements

37. INSURANCE AND FINANCIAL RISK

37. (a) Insurance Risk

The principal insurance risk the Company faces is that the actual claims and benefit payments or the timing thereof, differ from expectations. This is influenced by the frequency of claims, severity of claims, actual benefits paid and subsequent development of long-term claims. Therefore, the objective of the Company

is to ensure that sufficient financial and reinsurance protection are available to cover these liabilities.

This risk is mitigated by careful selection and implementation of underwriting strategy guidelines, as well as the use of reinsurance arrangements.

The Company has entered into long-term reinsurance treaties with the world's leading reinsurers as a part of its risks mitigation programme. The reinsurance programme is designed to mitigate the Company's exposure to a single claim as well as to catastrophic losses.

37. (a 1) Reinsurers' Credit Ratings

The following table shows the credit ratings of reinsurance companies with whom the Company has entered into the reinsurance arrangements as of 31 December 2024.

Name of the Reinsurer	Long Term Issuer Default Rating	Long Term Insurer Financial Strength	Name of the Rating Agency
Munich Reinsurance Company (Munich RE)	AA-	AA	Fitch Ratings

37. (a 2) Life Insurance Contracts

The following paragraph describes the concentration of Life Insurance based on the nature of the contract.

Concentration of Risk

Concentration risk is defined as the risk of exposure to increased losses associated with inadequately diversified portfolios of assets or obligations. Concentration risk for a life insurer may arise with respect to investments in a geographical area, economic sector or individual issuers, or due to a concentration of business written within a geographical area, of a policy type, or of underlying risks covered.

1. From a market risk perspective, although we have invested significantly in the financial sector, our portfolio is diversified and contains huge margins.
2. From an insurance risk perspective, the main factors that would affect concentration risk include mortality risk, morbidity risk, longevity risk, policyholder behaviour risk (lapse, anti-selection) and expense risk. There is diversification across geographical regions, lines of business and even across the different insurance risk factors as such that SLICLL is not exposed to significant concentrations of insurance risk.

The risks associated with Life Insurance include:

- Mortality risk is the risk that actual policyholder's death experience on Life Insurance policies is higher than expected.
- Longevity risk is the risk that annuitants live longer than expected.
- Morbidity risk is the risk that policyholder's health-related claims are higher than expected.
- Policyholder behaviour risk is the risk that policyholders' behaviour in discontinuing and reducing contributions or withdrawing benefits prior to the maturity of the contract is worse than expected. Poor persistency rates may lead to fewer policies remaining on the books to defray future fixed expenses and reduce the future positive cash flows from the business written, potentially impacting its ability to recover deferred acquisition expenses.
- Expense risk is the risk that expenses incurred in acquiring and administering policies are higher than expected.
- Market risk is the risk associated with the Company's balance sheet positions where the value or cash flow depends on financial markets, which is analysed in the "Market Risk" section in the Risk Review.

- Credit risk is the risk associated with a loss or potential loss from counterparties failing to fulfil their financial obligations, which is analysed in the "Credit Risk" section in the Risk Review.

The Company has established procedures and processes to evaluate the above risks which, if not properly controlled and managed, can impact its operations. The procedures are in place to cover all critical stages from product development to benefit administration.

In addition to that, all life financial streams are modelled and profit testing is produced by the Actuary thus mitigating product design and pricing risk. Also SLICLL uses matching instruments to back liabilities (ALM), if available.

Under the Risk Based Capital (RBC) framework, SLICLL has adopted "Gross Premium Valuation" mechanism (GPV). This is required for liability valuation purpose where liability is calculated in market consistent manner for the solvency requirements. SLICLL has adopted a more prudent valuation basis for its surplus computation compared to minimum regulatory basis.

Notes to the Financial Statements

37. Insurance and Financial Risk (Contd.)

37. (a) Insurance Risk (Contd.)

37. (a 3) Sensitivities Analysis for Life Insurance Risk

The main assumptions used in determining Life Insurance contract liability are below tabulated:

Assumption	Description
Mortality	Factored A67/70 for non-annuity business to allow best estimate experience rate Weighted average of a (90)m and a (90)f with one year age setback to allow approximately 1% mortality improvement of annuitants approximated 1% mortality improvement of annuitants
Expenses	Based on the Company 2024 internal expenses studies and expenses split into participating and non-participating business
Lapses/Surrenders	Based on the experience study conducted for the 31 December 2024 valuation, covering the experience over the last three investigation years.
Morbidity	Based on the Company's internal experience and actual vs expected analysis. Expected rates are based on the reinsurance rate tables
Reinsurance	Based on the Company's internal experience studies with respect to reinsurance
Discount rate	Risk Free Rate structure proposed by IRC SL as at 31 December 2024

SLICLL maintained steady and strong solvency ratio over the year 2024 for its Life Insurance Business and as at 31 December 2024 the Risk based Capital Adequacy Ratio, CAR, stands at 565% and it was 425% as at 31 December 2023. This is well above the regulatory minimum requirement which is 120%.

Assumption	Change in Assumption	Impact on Best Estimated Liability (Rs.)
Mortality	+10%	886 Mn.
	-10%	(890) Mn.
Expense	+10%	2,638 Mn.
Persistency	+20%	(2,265) Mn.
	-20%	2,002 Mn.
Discount Rate	Up shock scenario under RBC	(21,023) Mn.
	Down shock scenario under RBC	27,595 Mn.

In accordance with the RBC Rules, negative policy liability for long-term insurance contracts are deemed acceptable and value of the liabilities with respect to individual contracts with negative policy liability has not been floored at zero. However, for the purpose of distribution basis (i.e. for SLFRS purpose) liabilities, SLICLL has adopted a more prudent approach and the negative liabilities have been floored to zero at policy level.

Segregation of Policy Liability based on Product Category

As at 31 December 2024	Insurance Liabilities (with profits) Rs. '000	Insurance Liabilities (without profits) Rs. '000	Total Benefit Liabilities Rs. '000
Whole life	15,753	4,010	19,763
Endowment assurance	95,304,980	7,884,963	103,189,943
Term assurance	-	2,919,583	2,919,583
Annuity	16,752,827	4,046,401	20,799,227
Rider benefits	90,329	3,713,075	3,803,404
Total	112,163,889	18,568,031	130,731,920

The following table shows the participating and non-participating fund position of the Company.

Notes to the Financial Statements

37. Insurance and Financial Risk (Contd.)

37. (a) Insurance Risk (Contd.)

37. (a 3) Sensitivities Analysis for Life Insurance Risk (Contd.)

Participating Fund vs Non-Participating Fund

	Participating Rs. '000	Non-Participating Rs. '000	Total Rs. '000
2024	194,546,922	18,681,308	213,228,229
Percentage	91.24%	8.76%	

37. (b) Credit Risk

The credit risk is the risk of investee companies, reinsurers and other debtors defaulting payments due. Accordingly, it refers to the risk that a borrower will default on any type of debt by failing to make payments which it is obligated to do. The risk is primarily that of the lender and include lost principal and interest, disruption to cash flows, and increased collection costs.

The Company has established its own limits on concentration in investments by single issuers and certain asset classes and also limits investments in illiquid instruments.

No investment has been made in term deposits other than in Licensed Commercial Banks and Licensed Specialised Banks.

Investment grade credit rating for both the entity and the instrument by a recognised credit rating agency is expected for all investments in corporate debentures and commercial papers.

No debt investment has been made in any of the related companies.

A comprehensive credit analysis is carried out internally prior to making any investment in a debt security.

37. (b 1) Credit Risk Exposure

The Maximum Exposure to Credit Risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

As at 31 December	Note	2024 Rs. '000	2023 Rs. '000
Held to maturity (HTM)	7	79,756,987	–
Loans and receivable (L&R)	7	35,573,902	–
Available for sale (AFS)	7	75,278,788	–
Loans to policyholders	9	2,288,852	–
Reinsurance receivable	8	1,288,471	–
Premium receivable	10	789,230	–
Other assets	11	1,835,674	50,000
Cash and cash equivalents	12	11,945,357	500,000
Total		208,757,261	550,000

Notes to the Financial Statements

37. Insurance and Financial Risk (Contd.)

37. (b) Credit Risk (Contd.)

37. (b 1) Credit Risk Exposure (Contd)

Held to Maturity (HTM)

Held to maturity financial assets comprise treasury bills, listed debentures and treasury bond investments made by the Company. These are non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held to maturity when the Company has both the intention and ability to hold until maturity. These assets are initially recognised at fair value plus any directly attributable transaction costs.

Government Securities

Government Securities consist of investments in treasury bills, treasury bonds and reverse repurchase agreements which are referred to as risk free instruments by nature.

Loans & Receivable (L&R)

Loans and receivables comprise investments in unquoted corporate debt, term deposits, asset backed securities, development bonds, commercial papers, other loans and receivables, cash and cash equivalents. Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. These assets are recognised initially at fair value plus any directly attributable transaction costs.

Available for Sale (AFS)

Available for sale financial investments includes debt securities. Securities in this category are those that are intended to be held till maturity and which maybe sold in response to the need for liquidity

or in response to changes in the market conditions. Available for sale financial investments of the Company comprise equity and debt securities, which are neither classified as held for trading nor designated at fair value through profit or loss.

Corporate Debt Securities

The corporate debt securities consist of corporate debentures which are listed in the Colombo Stock Exchange and are guaranteed by local and foreign credit rating agencies. An analysis of credit ratings of the issuers of debt securities are given in this note.

Loans to Policyholders

Credit risk related to the policyholder loans is the financial losses which could arise due to non-settlement of loans by policyholders.

The Company has issued loans to policyholders considering the surrender value of the policy as collateral. As at the reporting date, the carrying value of the policy loans granted amounts to Rs. 1,978 Mn. and the related surrender value is Rs. 3,731 Mn.

Reinsurance Receivable

This is the risk of reinsurers failing to fulfil their financial obligations towards the Company.

Management assesses the credit worthiness of reinsurers on a regular basis and ascertains the suitable allowance for impairment of reinsurance assets.

The Board of Directors has assessed the potential impairment loss of reinsurance receivables of the Financial Statements as at the reporting date in respect to the reinsurance receivable.

Premium Receivable

This consists of premium receivable from policyholders that create the risk of financial losses due to non-settlement of dues or taking substantial time to settle dues. In Life Insurance, credit risk is minimal since premium is collected before the policy is issued.

The Board of Directors has assessed the potential impairment loss on premium receivables as at the reporting date and adequate provisions have been made in the Financial Statements.

Other Receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables.

Cash and Cash Equivalents

This consists of short-term investments, cash at bank and cash in hand as at reporting date. Short-term deposits include fixed deposits and call deposits placed in both banks and financial institutions. Further, the cash at bank mainly consists of favourable balances in saving and current accounts of private and government commercial banks.

Credit Risk Exposure

As at 31 December	2024 Rs. '000	Percentage of Allocation	2023 Rs. '000	Percentage of Allocation
Financial investments				
Debt securities – Loans & receivables	34,368,649	36%	–	–
Debt securities – Available for sale	41,018,556	43%	–	–
Debt securities – Held to maturity	18,708,638	20%	–	–
Staff and agent loan	1,205,253	1%	–	–
Total	95,301,096	100%	–	–

Notes to the Financial Statements

37. Insurance and Financial Risk (Contd.)

37. (b) Credit Risk (Contd.)

37. (b 2) Debt Securities Allocation According to Credit Ratings

As at 31 December	2024		2023	
Rating	Rs. Mn.	Percentage of Total	Rs. Mn.	Percentage of Total
AAA	21,894	23%	–	–
AA+	–	0%	–	–
AA	–	0%	–	–
AA-	17,950	19%	–	–
A+	9,411	10%	–	–
A	26,579	28%	–	–
A-	1,724	2%	–	–
BBB+	16,381	17%	–	–
BBB	157	0%	–	–
BBB-	–	0%	–	–
BB+	–	0%	–	–
BB-	–	0%	–	–
Unrated	1,205	1%	–	–
Total	95,301	100%	–	–

37. (c) Market Risk

Market risk is the risk of changes in market prices such as foreign exchange rates and interest rates, which will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Company maintains the maximum exposure limit for the equity in managing the investment portfolio. Further, the Company has diversified the investment portfolio into different sectors to mitigate unsystematic risks.

37. (c 1) Equity Market Sensitivity

As at 31 December 2024	Rise of Market		Fall of Market	
	Impact on Profit Rs. '000	Impact on OCI Rs. '000	Impact on Profit Rs. '000	Impact on OCI Rs. '000
Shock level:				
5%	641,405	638,882	(641,405)	(638,882)
10%	1,282,810	1,277,764	(1,282,810)	(1,277,764)
Total	1,924,215	1,916,646	(1,924,215)	(1,916,646)

As at 31 December 2023	Rise of Market		Fall of Market	
	Impact on Profit Rs. '000	Impact on OCI Rs. '000	Impact on Profit Rs. '000	Impact on OCI Rs. '000
Shock level:				
5%	–	–	–	–
10%	–	–	–	–
Total	–	–	–	–

Notes to the Financial Statements

37. Insurance and Financial Risk (Contd.)

37. (d) Foreign Currency Risk

The Company is exposed to currency risk on investments in financial assets that are denominated in a currency other than Sri Lanka Rupees (LKR). The foreign currencies in which these transactions are primarily denominated are United States Dollars (USD).

37. (d 1) Exposure to Currency Risk

The Company's exposure to foreign currency risk was as follows based on notional amounts;

As at 31 December	2024 Carrying Value Rs. '000	2023 Carrying Value Rs. '000
Term deposits		
USD	1,038,633	–
Total	1,038,633	–

The following significant exchange rates were applicable during the year;

As at 31 December	Average Rate 2024 Rs.	Reporting Date Spot Rate 2024 Rs.	Average Rate 2023 Rs.	Reporting Date Spot Rate 2023 Rs.
USD	304.88	288.75	–	–

37. (d 2) Sensitivity Analysis

A strengthening of the Sri Lanka Rupee, as indicated below, against the United States Dollar at 31 December 2024 would have increased/(decreased) the forex gain/(loss) and interest income by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

As at 31 December 2024	Exchange Rate Shock Level		
	1.0% Rs. '000	1.5% Rs. '000	2.0% Rs. '000
Impact on forex gain/(loss):			
Floating rate			
USD	–	–	–
Fixed rate			
USD	10,386	15,580	20,773
Total impact	10,386	15,580	20,773
Impact on interest income:			
Floating rate			
USD	–	–	–
Fixed rate			
USD	151	–	–
Total impact	151	–	–

Notes to the Financial Statements

37. Insurance and Financial Risk (Contd.)

37. (d) Foreign Currency Risk (Contd.)

37. (d 2) Sensitivity Analysis (Contd)

As at 31 December 2023	Exchange Rate Shock Level		
	1.0% Rs. '000	1.5% Rs. '000	2.0% Rs. '000
Impact on forex gain/(loss):			
Floating rate			
USD	—	—	—
Fixed rate			
USD	—	—	—
Total impact	—	—	—
Impact on interest income:			
Floating rate			
USD	—	—	—
Fixed rate			
USD	—	—	—
Total impact	—	—	—

37. (e) Interest Rate Risk

Interest rate risk is the risk of loss resulting from changes in interest rates, including the changes in the shape of the yield curve while credit spread risk describes the sensitivity of the values of assets and liabilities due to changes in the level or the volatility of credit spreads over the risk-free interest rate yield curve.

Interest rate risk is managed over each major maturity bucket with adherence to the aggregated positions with risk limits. The Investment Committee proactively manages the fixed income portfolio by strategically shifting from low-yielding investments to relatively high-yielding ones, mitigating the pressure on interest income while closely monitoring the duration of mismatches.

Further the Company has adopted the following policies to mitigate the interest rate risk;

1. A considerable portion of the investments is made in risk free investments of government securities with adherence to the rules and regulations issued by the IRCSL in maintaining risk free investments.
2. The major part of the investment portfolio is made in rated financial institutions or in rated instruments.
3. The Investment Committee makes the investment decisions and approval from the Board of Directors is sought wherever necessary.

Notes to the Financial Statements

37. Insurance and Financial Risk (Contd.)

37. (e) Interest Rate Risk (Contd.)

37. (e 1) Exposure to Interest Rate Risk

The interest rate profile of the Company's interest bearing financial instruments as reported to the management of the Company is as follows.

As at 31 December	2024 Carrying Value Rs. '000	2023 Carrying Value Rs. '000
Fixed rate instruments:		
Held to maturity (HTM)		
Treasury bonds	61,048,349	–
Listed debentures	18,708,638	–
Loans & receivables (L&R)		
Unlisted debentures	19,468,838	–
Term deposits	7,394,005	–
Staff loan	726,586	–
Agent loan	478,667	–
Available for sale (AFS)		
Listed debentures	19,431,017	–
Treasury bonds	24,541,646	–
Commercial papers	21,587,539	–
Floating rate instruments:		
Loans & receivables (L&R)		
Unlisted debentures	7,505,806	–
Available for sale (AFS)		
Treasury bonds	9,718,586	–
Total	190,609,668	–

37. (e 2) Sensitivity Analysis

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased/(decreased) equity and interest income by the amounts shown below.

As at 31 December 2024	100bps Upward Parallel Shift of Yield Curve		100bps Downward Parallel Shift of Yield Curve	
	Interest Income Rs. '000	Impact on Equity Rs. '000	Interest Income Rs. '000	Impact on Equity Rs. '000
Financial investments				
Held to maturity (HTM)	–	–	–	–
Loans & receivables (L&R)	730,000	–	(730,000)	–
Available for sale (AFS)	162,978	(1,045,622)	(162,978)	667,664
Fair value through profit or loss (FVTPL)	–	–	–	–
Total	892,978	(1,045,622)	(892,978)	667,664

Notes to the Financial Statements

37. Insurance and Financial Risk (Contd.)

37. (e) Interest Rate Risk (Contd.)

37. (e 2) Sensitivity Analysis (Contd)

As at 31 December 2023	100bps Upward Parallel Shift of Yield Curve		100bps Downward Parallel Shift of Yield Curve	
	Interest Income Rs. '000	Impact on Equity Rs. '000	Interest Income Rs. '000	Impact on Equity Rs. '000
Financial investments				
Held to maturity (HTM)	—	—	—	—
Loans & receivables (L&R)	—	—	—	—
Available for sale (AFS)	—	—	—	—
Fair value through profit or loss (FVTPL)	—	—	—	—
Total	—	—	—	—

* In case of a shift in yield curve, there is:

No impact to the interest income or to the equity for the fixed rate debt instruments classified under HTM and L&R

An impact to the interest income but no impact to the equity for the floating rate debt instruments classified under HTM and L&R

No impact to the interest income but there is an impact to the equity for the fixed rate debt instruments classified under AFS

An impact to the interest income but no impact to the equity for the floating rate debt instruments classified under AFS

37. (f) Market Rate Risk

The Company maintains the maximum exposure limit for the equity in managing the investment portfolio. Further, the Company has diversified the investment portfolio into different sectors to mitigate the unsystematic risks.

37. (f 1) Portfolio Diversification of Equity Risks

Life Insurance Business

Sector	Industry Group	2024		2023	
		Carrying Value Rs. '000	%	Carrying Value Rs. '000	%
Financials	Banks	15,270,496	59.64%	—	—
	Diversified financials	2,394,442	9.35%	—	—
Financials		17,664,938	68.99%	—	—
Consumer discretionary	Retailing	47,049	0.18%	—	—
Consumer discretionary		47,049	0.18%	—	—
Industrials	Capital goods	2,196,998	8.58%	—	—
Health care	Health care equipment and services	201,006	0.79%	—	—
Telecommunication services	Telecommunication services	1,213,716	4.74%	—	—
Materials	Materials	1,564,478	6.11%	—	—
Consumer staples	Food, beverage and tobacco	921,850	3.60%	—	—
Real estate	Real estate	113,441	0.44%	—	—
Energy	Energy	1,037,736	4.05%	—	—
Utilities	Utilities	644,534	2.52%	—	—
Total		25,605,746	100.00%	—	—

Notes to the Financial Statements

37. Insurance and Financial Risk (Contd.)

37. (g) Operational Risks

This is the risk that the Company may not meet its objectives due to failed, inadequate, or incomplete internal processes, people, systems, controls or due to external events. In the context of financial risk management, this involves management of operational risks which could lead to financial losses.

The Company manages operational risks by initiating a rigorous control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access controls, authorisation and reconciliation procedures, ethical business practices and standards, staff education, training and assessment processes, including the use of internal audit.

37. (h) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

37. (h 1) Maturity Analysis

The table below summarises the maturity profiles of non-derivative financial assets and financial liabilities based on the remaining undiscounted contractual obligations, including interest payable and receivable.

As at 31 December 2024	Carrying Value Rs. '000	No Fixed Tenure Rs. '000	Up to 1 Year Rs. '000	1-2 Years Rs. '000	2-5 Years Rs. '000	5-10 Years Rs. '000	Over 10 Years Rs. '000	Total Rs. '000
Financial investments								
Held to maturity (HTM)	79,756,987	—	5,420,990	4,050,000	19,577,717	35,800,000	10,250,000	75,098,707
Loans & receivables (L&R)	35,573,902	—	32,503,094	500,000	5,000,000	10,305,253	3,000,000	51,308,347
Available for sale (AFS)	89,306,808	14,028,021	6,917,956	9,880,110	23,098,878	14,145,182	—	68,070,147
Fair value through profit or loss (FVTPL)	15,283,758	15,283,759	—	—	—	—	—	15,283,759
Total	219,921,456	29,311,780	44,842,040	14,430,110	47,676,595	60,250,435	13,250,000	209,760,960

As at 31 December 2023	Carrying Value Rs. '000	No Fixed Tenure Rs. '000	Upto 1 Year Rs. '000	1-2 Years Rs. '000	2-5 Years Rs. '000	5-10 Years Rs. '000	Over 10 Years Rs. '000	Total Rs. '000
Financial investments								
Held to maturity (HTM)	—	—	—	—	—	—	—	—
Loans & receivables (L&R)	—	—	—	—	—	—	—	—
Available for sale (AFS)	—	—	—	—	—	—	—	—
Fair value through profit or loss (FVTPL)	—	—	—	—	—	—	—	—
Total	—	—	—	—	—	—	—	—

Notes to the Financial Statements

38. COMMITMENT, CONTINGENT AND GUARANTEES

ACCOUNTING POLICY

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are possible obligations whose existence will be confirmed only by uncertain future events or present obligations where the transfer of economic benefit is not probable or cannot be readily measured. Contingent liabilities are not recognised in the statement of financial position but disclosed as a note to the financial statements.

38. (a) Legal Proceedings and Regulations

There are no any contingencies due to legal proceeding and regulations as at 31 December 2024.

38. (b) Capital & Financial Commitments

38 (b 1) Capital Commitments

There are no capital commitments as at 31 December 2024.

38 (b 2) Financial Commitments

There are no financial commitments as at 31 December 2024.

38. (c) Assessments from Department of Inland Revenue

There are no assessments from Department of Inland Revenue as at 31 December 2024.

38. (d) Assets Pledge

There are no assets offered as security for obligations as at 31 December 2024.

39. SEGREGATION

Legal Background for the Segregation (IRCSL Requirement)

In accordance with Section 53 of the Regulation of Insurance Industry (Amendment) Act No. 3 of 2011, segregation guidelines issued by Insurance

Regulatory Commission of Sri Lanka (ref: IBSL/DG/LEG/14/02/089 and IBSL/DG/LEG/13/09/468), and following the Cabinet Decision No. 23/0431/604/046 dated 17 March 2023, as well as the approved segregation model under Cabinet Decision No. 23/2397/604/239 dated 18 December 2023, Sri Lanka Insurance Corporation Limited was restructured into two separate legal entities.

On 22 December 2023, a case was filed in the District Court and obtained a court order for segregation with effect from 02 January 2024. Subsequently on 19 January 2024 SLIC petitioned the Commercial High Court of Colombo as per Section 256 of the Companies Act No. 7 of 2007 and obtained approval for the Scheme of Arrangements. Wide powers are conferred upon the Commercial High Court in terms of a Section 256 application, including as regards the transfer of assets and liabilities. Section 257 (1) (a) of the Companies Act specifically provides for the Court to make the orders; "the transfer or vesting of movable or immovable property, assets, rights, powers, interests, liabilities, contracts and engagements;"

An Extraordinary General Meeting was held on 16 January 2024 in order to approve the major transaction arising from segregation. With the requisite Cabinet, Court and shareholder's approvals obtained, SLIC has complied with the regulatory requirement mandating the separation of its insurance businesses of Life and General. Consequently, the Insurance Regulatory Commission of Sri Lanka (IRCSL) granted insurance licenses effective from 01 February 2024 to Sri Lanka Insurance Corporation Life Limited and Sri Lanka Insurance Corporation General Limited, respectively.

Transfer of business assets and liabilities into the new two legal entities

Selected assets and liabilities of Sri Lanka Insurance Corporation Limited has been transferred to two separate legal entities SLICLL and SLICGL with effect from 01 February 2024. The business operation of SLICLL is started with effect from 01 February 2024 and Financial Statements are prepared for the 11 month period starting from 01 February 2024 to 31 December 2024 considering the legal entity aspect. The allocation of assets and liabilities between the Life and General Insurance Businesses was conducted in accordance with the approved segregation plan (The Scheme of Arrangement), ensuring that each entity received

the appropriate assets and liabilities corresponding to their respective lines of business. It should be noted that all unrealised reserves corresponding to the assets, as well as all liabilities related to retained earnings, were not transferred and were retained with the holding company as per the Scheme of Arrangement approved by the High Court.

As immediately after the segregation, the Company's total assets amounted to Rs. 201.33 Bn., while total equity and total liabilities stood at Rs. 12.59 Bn. and Rs. 188.73 Bn., respectively. The stated capital of the Company is Rs. 12.5 Bn.

Accordingly, by virtue of the said Order of Court dated 19 January 2024 and by operation of law, with effect from 01 February 2024 all assets relating to the Long-Term Insurance Business of SLIC were transferred to SLICLL, and all assets relating to the General Insurance Business of SLIC were transferred to SLICGL.

The legal ownership of the assets transferred have been passed from SLIC to SLICLL and SLICGL as sanctioned by High Court Order on the Scheme of Arrangement approved by relevant authorities. However, that recording such transfers in the records maintained by certain relevant authorities requires certain further practical steps to be effected. These would include certain other formalities including administrative name changes where required, for which the Court Order would have to be submitted to the relevant authorities, along with other formalities required by such authorities.

This administrative transition is ongoing to ensure all records reflect the new legal ownership as per the Scheme of Arrangement approved by High Court as per Section 30 of Regulation of Insurance Industry Act No. 43 of 2000 in respect of assets being kept in the name of insurer.

Formalities including administrative name changes

- Administrative name change of motor vehicles from holding company (SLIC) to SLICLL

As per the Scheme of Arrangement, motor vehicles with a cost of Rs. 236 Mn. were transferred to the Company (SLICLL) as at 01 February 2024. Furthermore, management is in the process of transferring the legal title of motor vehicles from the holding company. The Company has held several discussions with officers from the Department of Motor Traffic and expects to complete the entire transfer process by the end of 2025.

Notes to the Financial Statements

39. Segregation (Contd.)

- Administrative name change of financial investments from holding company (SLIC) to SLICLL

As per the Scheme of Arrangement, financial assets with a cost of Rs. 194.7 Bn. were transferred to the Company (SLICLL) as at 01 February 2024. In parallel, all possible measures have been taken to transfer the ownership of these financial instruments from the holding company. However, some financial instruments still remain under the name of the holding company administratively. The status of the transfer process as at 31 December 2024 and 31 March 2025 is as follows:

Financial Instrument Category	Bank/Entity	Note	As at 31 December 2024 Rs. '000	Completed as at 31 March 2025 Rs. '000	In progress as at 31 March 2025 Rs. '000	% of Completion
Listed shares	CDS Account	01	25,605,746	–	25,605,746	–
Listed debentures	CDS Account	02	38,139,646	–	38,139,646	–
Unlisted debentures	Bank of Ceylon		6,052,065	6,052,065	–	100
	DFCC Bank PLC		1,857,062	1,857,062	–	100
	People's Bank		16,206,888	16,206,888	–	100
	NSB		2,858,630	2,858,630	–	100
Commercial papers	LOLC Holdings PLC		21,587,539	21,587,539	–	100
Fixed deposit	Bank of Ceylon		2,389,315	2,389,315	–	100
	People's Bank		690,277	690,277	–	100
	DFCC Bank PLC		1,188,744	1,188,744	–	100
	Lanka Orix Leasing Company PLC		697,685	697,685	–	100
	Peoples' Leasing & Finance PLC		2,423,361	2,423,361	–	100
	Commercial Bank of Ceylon PLC		4,624	4,624	–	100
Unit trusts	Ceylon Asset Management Co. Ltd.	03	2,047,025	–	2,047,025	–
	JB Financial (Pvt) Ltd.		1,659,009	–	1,659,009	–
Treasury bonds	Bank of Ceylon		10,003,697	–	10,003,697	–
	NSB		460,676	–	460,676	–
	People's Bank		9,679,732	–	9,679,732	–
	DFCC Bank PLC		4,061,209	–	4,061,209	–
	Hatton National Bank PLC		631,154	–	631,154	–
	Commercial Bank of Ceylon PLC	02	33,416,195	33,416,195	–	100
	Seylan Bank		296,451	–	296,451	–
	Acuity Securities		4,156,936	–	4,156,936	–
	Capital Alliance		10,225,424	–	10,225,424	–
	First Capital Securities		6,425,034	–	6,425,034	–
	Pan Asia		8,376,155	–	8,376,155	–
	Wealth Trust		7,575,934	–	7,575,934	–
Reverse repurchase agreement	Commercial Bank of Ceylon PLC		10,655,487	10,655,487	–	100

Note 01

The Company is currently in the process of securing the necessary approvals from the Securities and Exchange Commission of Sri Lanka for the administrative name change of listed shares and listed debentures. All requested documentation has been duly submitted, and the Commission's formal approval is pending as of the date of Auditor's Report.

Notes to the Financial Statements

39. Segregation (Contd.)

Note 02

The Company is in the process of submitting the necessary documentation to open CDS accounts on a fund-wise basis, in compliance with Direction 15 of the IRCSL guidelines, with all primary dealers. The process has already been successfully completed with one of financial institutions (Commercial Bank).

Note 03

The Company is currently in the process submitting the relevant documents to facilitate the administrative name change of Unit Trusts.

As per the Scheme of Arrangement, legal title of bank accounts were transferred to the Company (SLICLL) as at 01 February 2024. Furthermore, administrative names of major number of banks have been changed as of 31 March 2025 and the management is in the process of changing the administrative names of remaining bank accounts from SLIC.

Bank	No. of Bank Accounts	Completed As at 31 March 2025	% of Completion
National Savings Bank	3	2	67%
People's Bank	5	5	100%
Bank of Ceylon	10	10	100%
Commercial Bank of Ceylon	7	7	100%
Nations Trust Bank	1	1	100%
DFCC Bank	1	–	0%
Hatton National Bank	4	–	0%
Pan Asia Bank PLC	1	–	0%
Regional Development Bank	1	–	0%
Sampath Bank	2	–	0%
Standard Chartered Bank	2	–	0%
Seylan Bank	1	–	0%
Cargills Bank	2	–	0%
Total	40	25	

The Company has requested for an extension from the Insurance Regulatory Commission of Sri Lanka (IRCSL), as certain administrative matters including administrative name change related to the segregation are still ongoing and being addressed as part of the broader post-segregation implementation and in the process of receiving a written response from IRCSL as of the date of Auditor's Report.

Exclusion of SLFRS 3 requirements for the segregation

In accordance with SLFRS 3 – “Business Combinations”, transactions between entities under common control are specifically scoped out of the standard. As such, the transfer of assets and liabilities as a result of segregation between entities that are ultimately controlled by the same party or parties before and after the transaction can be excluded from SLFRS 3 under the scope exclusion.

Accordingly, such transactions are accounted using alternative accounting policies that reflect the underlying substance of the transaction. In this context, the SLICLL has recognised the transferred assets and liabilities in line with the terms set out in the Scheme of Arrangement approved by High Court and the guidelines on presentation and disclosures issued by the Institute of Chartered Accountants of Sri Lanka in terms of Section 53 of Regulation of Insurance Industry (Amendment) Act No. 3 of 2011. No goodwill or gain on acquisition is recognised, ensuring continuity of book values and comparability of financial information across reporting periods.

Notes to the Financial Statements

40. EVENTS AFTER THE REPORTING DATE

▶ ACCOUNTING POLICY

Events after the reporting period are those events, favourable and unfavourable, that occur between the reporting date and the date when the Financial Statements are authorised for issue.

Subsequent to 31 December 2024, the following changes took place in the Board composition of Sri Lanka Insurance Corporation Life Limited:

1. Mr Nishantha Dayananda resigned with effect from 01 January 2025.
2. Mr Anil Koswatte resigned with effect from 02 January 2025.

Further, with effect from 01 January 2025, the following individuals were appointed to the respective Boards in terms of the Article of Association and the Companies Act No. 07 of 2007, in addition to the existing Directors:

1. Mr R P Buultjens
2. Mr R Dharmendra
3. Mr N D B Unamboowe, PC

The following Board of Directors shall hold office until the next Annual General Meeting and shall then be eligible for re-election in terms of the Articles of Association.

Name of Director	Date of Appointment
Mr Nusith Kumaratunga	23 October 2024
Mr Dushmantha Thotawatte	06 October 2023
Mr K Ravindra Pathmapriya	06 October 2023
Mr R P Buultjens	01 January 2025
Mr R Dharmendra	01 January 2025
Mr N D B Unamboowe, PC	01 January 2025

These changes are not expected to have a material impact on the financial position of the Company as of the balance sheet date. However, they will be considered in the Company's future strategic decisions.

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Sri Lanka Insurance Corporation Life Limited – Statement of Income

	Statutory Reporting Purpose		Performance Reporting Purpose
	From 01 January 2024 to 31 January 2024 (SLIC) Rs. '000	From 01 January 2024 to 31 December 2024 (SLICLL) Rs. '000	From 01 January 2024 to 31 December 2024 Rs. '000
Gross written premium	1,827,719	24,530,862	26,358,581
Net written premium	1,762,314	23,568,520	25,330,834
Other revenue			
Income from investments	1,739,698	25,770,499	27,510,197
Fees and commission income	238	75,727	75,965
Other income	6,513	314,787	321,300
	1,746,449	26,161,013	27,907,462
Total revenue	3,508,763	49,729,533	53,238,296
Benefits and losses			
Insurance claims and benefits (Net)	(977,874)	(12,016,597)	(12,994,471)
Underwriting and acquisition costs	(268,126)	(3,260,446)	(3,528,572)
Other insurance related costs	(446,880)	(5,501,145)	(5,948,025)
Change in contract liabilities – Life Fund	(1,834,641)	(24,574,741)	(26,409,383)
	(3,527,520)	(45,352,930)	(48,880,450)
Profit before taxation	(18,757)	4,376,604	4,357,846
Income tax	(28,287)	(1,734,756)	(1,763,043)
Profit after taxation before transferred to life fund	(47,044)	2,641,848	2,594,804

Financial Performance of the Policyholders' Fund

The below table presents the results of the financial performance of the Policyholders' funds, which is a part of the overall financial performance of the Company.

For the year ended 31 December	2024 Rs. '000
Gross written premium	24,530,862
Premium ceded to reinsurers	(962,342)
Net written premium (Net of premium ceded to reinsurers)	23,568,520
Investment and other income attributable to policyholders	24,441,166
Net benefits paid	(12,016,597)
Increase in long-term insurance fund	(24,574,741)
Acquisition cost	(3,260,446)
Operating and administrative expenses attributable to policyholders	(5,399,418)
Tax expenses	(1,318,566)
Surplus from life insurance business	1,439,917
Investment and other income not attributable to policyholders	1,719,848
Operating and administrative expenses not attributable to policyholders	(101,727)
Tax expenses	(416,190)
Profit from operations after tax expenses	2,641,848

Statement of Supplementary Financial Position – Policyholders'

As at 31 December 2024	Long-term Insurance Business		
	Participating Rs.'000	Non Participating Rs.'000	Policy holder Total Rs.'000
Assets			
Intangible assets	–	–	–
Property plant and equipment	–	–	–
Financial investments	188,500,180	18,095,098	206,595,278
Outstanding policy loans	2,286,611	–	2,286,611
Reinsurance receivables	1,164,568	123,903	1,288,471
Premium receivables	713,335	75,895	789,230
Other assets	279,213	30,250	309,464
Cash and cash equivalents	10,648,149	1,279,738	11,927,887
Total assets	203,592,056	19,604,885	223,196,941
Equity and liabilities			
Liabilities			
Insurance contract liabilities	194,546,922	18,681,298	213,228,220
Employee benefits	812,031	86,396	898,426
Reinsurance payable	1,380,023	108,071	1,488,094
Other liabilities	6,994,318	744,155	7,738,474
Total liabilities	203,733,294	19,619,920	223,353,214
Shareholders' equity			
Stated capital	–	–	–
Other reserves	–	–	–
Revaluation reserves	–	–	–
Restricted regulatory reserve	–	–	–
Retained earnings	(141,238)	(15,035)	(156,273)
Total shareholders' equity	(141,238)	(15,035)	(156,273)
Total liabilities and shareholders' equity	203,592,056	19,604,885	223,196,241

Fund Wise Investment Income

Period ended 31 December	2024			
	Participative Fund	Non Participative Fund	Shareholder Fund	Total
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Dividends on listed stocks	672,563	4,324	7,485	684,372
Realised/unrealised gains/(losses) on listed stocks	3,893,875	63,721	276,897	4,234,493
Profit on sale of unit trusts	190,239	15,277	–	205,516
Loss on sale of listed debentures	(41,610)	(11,159)	(5,365)	(58,134)
Profit/Loss on sale on treasury bonds	22,213	–	–	22,213
Interest on treasury bills	4,847	516	17	5,380
Interest on treasury bonds	8,359,046	614,922	625,572	9,599,540
Interest on fixed deposits	355,480	1,267,735	246	1,623,461
Interest on call deposits	7,301	655	–	7,956
Interest on debentures	3,186,279	336,559	2,185	3,525,023
Interest on commercial papers	1,668,849	2,457	559,127	2,230,433
Interest on unquoted debentures	2,961,686	–	–	2,961,686
Interest on reverse repo	408,134	96,476	9,502	514,112
Interest on loans to field staff	59	4	102,134	102,197
Interest on loans to office staff	–	–	112,252	112,252
	21,688,961	2,391,487	1,690,052	25,770,500

Ten Year Summary Statement of Income

Sri Lanka Insurance Corporation Life Limited operated its life insurance business for 11 months during the year ended 31 December 2024. However, for comparison purposes, information is presented for the full year of 2024, including the month of January, to reflect the complete performance of life insurance operations. This has been compared against the 12-month Life Insurance Business performance for the year 2023 and previous 10 years under Sri Lanka Insurance Corporation Limited

	2024 RS. '000	2023 RS. '000	2022 RS. '000	2021 RS. '000
LONG-TERM				
Gross written premium	26,358,581	21,079,689	20,930,125	21,975,988
Net written premium	25,330,834	20,405,822	20,367,296	21,496,234
Investment and other income	27,907,462	22,921,080	15,394,802	21,082,101
Net benefits and claims	(12,994,471)	(11,760,383)	(11,606,118)	(9,978,828)
Underwriting and net acquisition cost	(3,528,572)	(2,746,218)	(2,561,761)	(2,566,486)
Operating and administration expenses	(5,948,025)	(5,224,388)	(6,182,795)	(4,697,086)
Change in contract liabilities – Life Fund	(26,409,382)	(18,289,725)	(11,017,756)	(18,849,187)
Profit before taxation	4,357,846	5,306,187	4,393,668	6,486,748
Income tax expense	(1,763,043)	(1,861,703)	(1,377,013)	(1,502,959)
Net profit for the year	2,594,804	3,444,484	3,016,655	4,983,789

2020 RS. '000	2019 RS. '000	2018 RS. '000	2017 RS. '000	2016 RS. '000	2015 RS. '000
19,257,997	14,820,025	13,205,802	12,517,120	11,893,640	10,470,079
18,844,423	14,463,057	12,913,268	12,285,325	11,679,336	10,307,235
15,321,245	14,425,899	12,278,850	11,272,939	8,772,049	8,290,528
(7,986,076)	(7,333,265)	(7,726,263)	(6,899,557)	(5,871,667)	(6,304,646)
(2,131,963)	(2,018,406)	(1,836,556)	(1,688,772)	(1,560,526)	(1,240,955)
(4,779,473)	(4,660,164)	(4,721,492)	(3,981,540)	(3,265,087)	(2,443,684)
(16,118,705)	(11,659,844)	(8,154,201)	(7,673,707)	(5,198,390)	(6,840,240)
3,149,451	3,217,277	2,753,606	3,314,688	4,555,715	1,768,238
(1,004,178)	(845,900)	(1,065,480)	(929,414)	(740,739)	(842,932)
2,145,273	2,371,377	1,688,126	2,385,274	3,814,976	925,306

Branch Network

No. Region	#	Branch	Province	Branch Code	Branch Address	Phone	Fax
1. Central	1	Kandy Main	CP	16	No. 25, Hill Street, Kandy	081-2234296 081-2234954 081-2228172	081-2201685
	2	Digana	CP	172	No. 64, Gonawala Road, Digana, Rajawella	081-5630744 081-2376814	081-2376814
	3	Gampola	CP	86	No. 176/B, Kandy Road, Gampola	081-2351709 081-5675128	081-2351709
	4	Kandy City	CP	173	No. 6, Wadugodapitiya Road, Kandy	081-2224246	037-2299861
	5	Katugasthota	CP	414	No. 431, Katugastota Road, Kandy	081-2229938	081-2229938
	6	Kegalle	SG	17	No. 389, Kandy Road, Kegalle	035-2222531 035-2222531	035-2222531
	7	Matale	CP	35	No. 134, Dharmapala Mawatha, Matale	066-2233989 066-2224735 066-5671653	066-2222417
	8	Mawanella	SG	76	No. 288 1/1, Kandy Road, Mawanella	035-2249335 035-5672981	035-2249335
	9	Mawathagama	NW	415	No. 54/A, Walawwawatta, Mawathagama	037-2299861	037-2299861
	10	Nawalapitiya	CP	69	No. 79, Kothmale Road, Nawalapitiya	054-2222019	054-2222019
	11	Pilimathalawa	CP	171	No. 211/C, Colombo Road, Pilimathalawa	081-5630070 081-2575444	081-2575444
	12	Rikillagaskada	CP	88	No. 68, Ragala Road, Rikillagaskada	081-2365279 081-5674793	081-2365279
	13	Aranayaka – ABDC	CP	543	No. 839-D, Dippitiya, Aranayake	035-2249335	N/A
	14	Bulathkohupitiya – ABDC	CP	504	No. 63/4, Avissawella Road, Bulathkohupitiya	035-2222531	N/A
	15	Galagedara – ABDC	CP	502	No. 125/A/1/2, Sanasa [Sanasa (Pvt) Ltd] Rambukkana Road, Galagedara	081-2234954	N/A
	16	Peradeniya – ABDC	CP	503	No. 159, Colombo Road, Peradeniya.	081-2229938	N/A
	17	Wattegama – ABDC	CP	215	No. 73/C, Kandy Road, Wattegama	081-5630744	N/A
2. Eastern	18	Batticaloa	EP	22	No. 64, Bar Road, Batticaloa	065-2224470	065-2222331
	19	Akkaraipattu	EP	343	No. 143/1, Main street Akkaraipattu – 2, Akkaraipattu	067-2279627	065-2222331
	20	Kalmunai	EP	49	No. 152/90-1/1, Batticaloa Road, Kalmunai	067-2229912 067-5670168	067-2229912
	21	Kanthale	EP	161	No. 62/P, Main Street, Kantale	026-2234043	026-2234043
	22	Trincomalee	EP	36	No. 46, Main Street, Trincomalee.	026-2222434 026-5675025	026-2223123
	23	Kaluwanchikudy -ABDC	EP	514	Main Road, Kaluwanchikudy.	067-2229912	N/A
	24	Muthur -ABDC	EP	220	Trincomalee Road, Periyapalam, Mutur	026-2222434	N/A
	25	Pothuwil -ABDC	EP	513	Main Street, Pothuwil.	067-2279627	N/A
3. Northern	26	Jaffna	NP	23	No. 600, Hospital Road, Jaffna	021-2222023	
	27	Chankanai	NP	191	No. 45, Ponnalai Road (Main Street), Chankanai.	021-2250462 021-2250463	
	28	Chavakachcheri	NP	355	No. 267, Kandy Road, Chavakachcheri	021-2270711	
	29	Kilinochchi	NP	362	No. 31, A-09 Road, Karadippokku, Kilinochchi	021-2280031	
	30	Mannar	NP	187	No. 60/2, Railway Station Road, Panankakaddikoddu, Mannar	023-2223236	
	31	Mullaitivu	NP	188	No. 41, Main Street, Mullaitivu	021-2290089	
	32	Nelliady	NP	101	No. 146/2, Jaffna Road, Nelliady	021-2264686	
	33	Vavunia	NP	24	No. 119/1, Kandy Road, Vavniya	024-2222380	
	34	Chunnakam – ABDC	NP	531	No. 122, KKS Road, Chunnakam	021-2250462	
	35	Manipay – ABDC	NP	226	Maruthady Pillaiyar Kovil Junction, Manipay	021-2250462	
	36	Pallai – ABDC	NP	225	A9 Road, Pallai	021-2280031	
	37	Mulankavi – ABDC	NP	224	Nachchikudu Junction, Mannar Road, Mulankavi	021-2280031	
	38	Kaithady – ABDC	NP	221	No. 1/1, Kaithady	021-2270711	
	39	Point Pedro – ABDC	NP	223	Main Street, Point Pedro	021-2264686	
	40	Mallavi – ABDC	NP	532	Thunukkai Road, Anichiyam Kulam, Mallavi	021-2290089	
	41	Kodikamam – ABDC	NP	210	1st Floor, A9 Road, Kodikamam	021-2270711	
	42	Visuwamadu – ABDC	NP	222	Mullathivu Road, Visuwamadu, Mullativu	021-2290089	

Branch Network

No. Region	#	Branch	Province	Branch Code	Branch Address	Phone	Fax
4. North Central	44	Anuradhapura	NC	18	No. 61, Main Street, 2nd Lane, Anuradhapura	025-2222167 025-5673819	025-2235258
	45	Aralaganwila	NC	407	No. 208/14, New Town, Aralaganwila	027-2050830	027-2050830
	46	Bakamuna	NC	406	No. 10, Samupakara Mawatha, Bakamuna	066-2256550	066-2256550
	47	Dehiattakandiya	EP	186	No. 256, Garment Place, Dehiattakandiya	027-2250318	027-2250318
	48	Hingurakgoda	NC	37	No. 31, Main Street, Hingurakgoda	027-2246345 027-2246295	027-2246345
	49	Horowpothana	NC	203	Rest House Junction, Horowpothana	025-2278600	025-2278600
	50	Kaduruwela	NC	96	No. 25, Batticaloa Road, Polonnaruwa	027-2222954 027-5672041	027-2222954
	51	Kekirawa	NC	91	No. 43, Dissanayake Building, Thalawa Road, Kekirawa	025-2264573 027-5672041	025-2264573
	52	Medawachchiya	NC	427	Kandy Road, Medawachchiya	074-1967978 077-7325443	N/A
	53	Padavi Parakramapura	NC	408	Padavi Parakramapura, Padaviya	025-2254115	025-2254115
	54	Habarana – ABDC	NC	529	Dambulla Road, Habarana	027-2246345	N/A
	55	Mahaoya – ABDC	EP	530	Block B, Wijethunga Building, Mahaoya	027-2050830	N/A
	56	Galenbindunuwewa – ABDC	NC	218	Near the Police Station, Galenbidunuwewa	025-2278600	N/A
	57	Medirigiriya – ABDC	NC	164	Fair Road, Medirigiriya	027-3125370	N/A
5. Upper Western	58	Nittambuwa	WP	34	New Super Market Complex, Nittambuwa	033-2289709 033-5671351	033-2289709
	59	Veyangoda	WP	64	No. 166/1/1, Negombo Road, Veyangoda	033-2288027 033-5676037	033-2288027
	60	Gampaha	WP	66	No. 116, Bauddhaloka Mawatha, Gampaha	033-2222676 033-2224710 033-5675786	033-2222676
	61	Yakkala	WP	128	No. 80, Colombo Road, Yakkala	033-2225522	033-2225522
	62	Minuwangoda	WP	122	No. 21, M P Z Siriwardena Road, Minuwangoda	011-2280870 011-5667822	011-2280870
	63	Negombo	WP	19	No. 20, Rajapaksha Broadway, Negombo	031-2231374 031-2235235	031-2233498
	64	Ja-Ela	WP	29	No. 205/1/1, Negombo Road, Ja Ela	011-2233169 011-5639270	011-2233169
	65	Marawila	NW	43	Erik Sooriyasena Mawatha, Marawila	032-2254297 032-5672090	032-2254297
	66	Wennappuwa	NW	62	No. 236 /3/ A, Main Street, Wennappuwa	031-2253319 031-5672447	031-2253319
	67	Kandana	WP	158	No. 54, Negombo Road, Kandana	011-2228848 011-5649536	011-2228848
	68	Kochchikade	WP	184	No. 18/1/4, Negombo Road, Kochchikade	031-2274626 031-5677135	031-2274626
	69	Dankotuwa – ABDC	WP	519	No. 96/1, Pannala Road, Dankotuwa	031-2274626	N/A
	70	Divulapitiya – ABDC	WP	120	No. 60-5, Circular Road, In Front Bodiya, Divulapitiya	031-5674774	N/A
	71	Ganemulla – ABDC	WP	182	No. 187/A/8, Main Street, Ganemulla	033-5621208	N/A
	72	Kirillawala – ABDC	WP	520	No. 122/6/5, Pahala Imbulgoda, Imbulgoda, Kirillawala	033-2225522	N/A
	73	Kirindiwela – ABDC	WP	130	No. 157/1, Colombo Road, Kirindiwela	033-5621192	N/A
	74	Mahabage – ABDC	WP	518	No. 562, 1st Floor, Negombo Road, Mahabage	011-2228848	N/A
	75	Mirigama – ABDC	WP	131	No. 100, Sri Lanka Insurance, Pasyala Road, Mirigama	033-2273441	N/A
	76	Naiwala – ABDC	WP	566	Naiwala, Veyangoda	033-2288027	N/A
	77	Pugoda – ABDC	WP	129	No. 40/1, Kospitiyana, Pugoda	033-5621223	N/A
	78	Urapola – ABDC	WP	516	No. 29/G, Urapola	033-2289709	N/A
	79	Weliweriya – ABDC	WP	515	No. 480/46/1 A, Palliyawatta, Weliweriya	033-2224710	N/A

Branch Network

No. Region	#	Branch	Province	Branch Code	Branch Address	Phone	Fax
6. Ratnapura	80	Ratnapura	SG	13	No. 284/1, Main Street, Ratnapura	045-2222433 045-5674250	045-2231517
	81	Avissawella	WP	51	No. 77, Ratnapura Road, Avissawella	036-2222311 036-5672324	036-2222311
	82	Balangoda	SG	93	No. 115, Old Road, Balangoda	045-2287670 045-5678445	045-2287670
	83	Eheliyagoda	SG	110	No. 334/1, Main Street, Eheliyagoda	036-2259014	036-2259014
	84	Embilipitiya	SG	75	No. 67, Pallegama, Nonagama, Embilipitiya	047-2230389	047-2230389
	85	Kahawatta	SG	94	No. 46/1, 46/1A, Walawwatte Road, Kahawatta	045-2270160	045-2270160
	86	Kalawana	SG	109	No. 56, Matugama Road, Manana, Kalawana	045-2255930	045-2255930
	87	Pallebedda	SG	411	Near the Temple, Main Street, Pallebedda	045-2241717	045-2241717
	88	Ruwanwella	SG	416	No. 197, Awissawella Road, Ruwanwella	036-2267737	036-2267737
	89	Deraniyagala – ABDC	SG	533	No. 38, Noori Road, Deraniyagala South	036-2222311	N/A
	90	Hanwella – ABDC	WP	534	No. 133D, Main Street, Hanwella	036-2239201	N/A
7 Sothorn-01	91	Galle	SP	14	No. 54, 50 1/2, Havelock Road, Galle	091-2234531 091-2224029 091-5676528	091-2241981
	92	Aluthgama	WP	95	No. 433-1/1, 1st Floor, Depot Junction Galle Road, Aluthgama	034-2276409 034-5674655	034-2276409
	93	Ambalangoda	SP	30	No. 97, New Road, Ambalangoda	091-2258339 091-5678298	091-2255855
	94	Baddegama	SP	151	No. 60 1/1, Galle Road, Baddegama	091-2292303 091-5624502	091-2292303
	95	Bandaragama	WP	121	No. 72, Jayakody Building, Horana Road, Bandaragama	038-2293940	038-2293940
	96	Elpitiya	SP	77	No. 18/12, 2nd Lane, Ihalagoda, Elpitiya	091-2291365 091-5673672	091-2291365
	97	Horana	WP	67	No. 50/09, Graceland Circular Road, Horana	034-2261351 034-5674512	034-2261351
	98	Kalutara	WP	12	No. 326/2/2/1, Galle Road, Kalutara South	034-2222474 034-5674535 034-2236616	034-2228696
	99	Mathugama	WP	84	No. 79/1, Kalutara Road, Matugama	034-2247510 034-5674535	034-2247510
	100	Panadura	WP	83	No. 534, Galle Road, Panadura	038-2234736 038-5671547	038-2234736
	101	Thalgaswala	SP	74	New Town, Thalgaswala	091-2296268	091-2296344
	102	Udugama	SP	78	Mavidola, Bar Junction, Udugama	091-5674987	091-2285097
	103	Habaraduwa – ABDC	SP	159	Near the Petrol Shed, Habaraduwa	091-2282605	091-2282604
	104	Karapitiya – ABDC	SP	163	No. 86 B, Hirimbura Cross Road, Karapitiya	091-5620286	N/A
	105	Pitigala – ABDC	SP	521	No. 66B, 1st Floor, (Upper Floor of DSI Show Room), Main Street, Pitigala	091-2296268	N/A
	106	Thanipolgaha – ABDC	SP	179	No. 45, H K Edman Mawatha, Galle	091-2227041	N/A
	107	Uragaha – ABDC	SP	523	Main Street, Uragasmanhandiya	091-2291365	N/A
8 Southern-02	108	Matara	SP	15	No. 5A, Hakmana Road, Matara	041-2227962 041-2222352	041-2221472
	109	Akuressa	SP	85	No. 49 2/1, Matara Road, Akuressa	041-2283590 041-5674482	041-2283590
	110	Ambalantota	SP	31	No. 195, Main Steet, Ambalantota	047-2223235 047-5670906	047-2223235
	111	Beliatta	SP	32	No. 74, Tangalla Road, Beliatta	047-2243211 047-5670908	047-2243211
	112	Deniyaya	SP	33	No. 06, Pallegama Road, Deniyaya	041-2273565 041-5674483	041-2273565
	113	Dickwella	SP	90	No. 95, Matara Road, Dickwella	041-2255630 041-5674476	041-2255630
	114	Hakmana	SP	189	No. 5A, Hakmana Road, Matara	041-5670600	041-2287616
	115	Hambantota	SP	357	No. 145/1/1, Hambantota Road, Wellawaya	047-2222572	047-2222571

Branch Network

No. Region	#	Branch	Province	Branch Code	Branch Address	Phone	Fax
	116	Neluwa	SP	413	2nd Floor, Manuka Building, Delwala Road, Neluwa	091-2285140	091-2285140
	117	Tangalle	SP	127	No. 85, Beliatta Road, Thangalla	047-2242514 047-5676144	047-2242514
	118	Tissamaharama	SP	97	No. 211, Hambantota Road, Kachcheriyagama, Tissamaharama	047-2237152 047-5670905	047-2237152
	119	Weligama	SP	89	No. 352/2, Galle/Matara Middle Road, Weligama	041-2250647	N/A
	120	Deyyandara – ABDC	SP	525	No. 01 A, The Court, Deyyandara	041-5670600	N/A
	121	Imaduwa – ABDC	SP	116	New Shopping Complex, Imaduwa	091-5678781	N/A
	122	Kekanadura – ABDC	SP	526	No. 1, Yatiyana Road, Kekanadura	041-2227962	N/A
	123	Kamburupitiya	SP	117	No. 154A/1, Matara Road, Kamburupitiya	041-5670291	N/A
	124	Middeniya – ABDC	SP	118	Walasmulla Road, Middeniya	047-5670437	N/A
	125	Morawaka – ABDC	SP	527	Commercial Bank Building, Morawaka	041-2273565	N/A
	126	Urubokka – ABDC	SP	125	2nd Floor, Shopping Complex, Main Street, Urubokka	041-5670420	N/A
	127	Walasmulla – ABDC	SP	524	No. 14/B, 1st Floor, Weeraketiya Road, Walasmulla	047-2243211	N/A
9 Wayamba 01	128	Kurunegala Main	NW	20	No. 16/1, Dambulla Road, Kurunegala	037-2222376 037-2227433	037-2224053
	129	Giriulla	NW	68	No. 101, Negombo Road, Giriulla	037-2288304 037-5673405	037-2288304
	130	Kuliyapitiya	NW	41	No. 74/A 1/1, Hettipola Road, Kuliyapitiya	037-2281304 037-5673401	037-2281304
	131	Kurunegala City	NW	138	No. 11 1/2, Rajapihilla Road, Kurunegala	037-2234176	037-2234176
	132	Melsiripura	NW	102	Dambulla Road, Welipathwala, Melsiripura	037-2250459	037-2250459
	133	Narammala	NW	108	No. 159/A, Super City building, U.B. Wijekoon Mawatha, Kurunegala Road, Narammala	037-2248920	037-2248920
	134	Polgahawela	NW	430	No. 130, Godawela, Polgahawela	037-2244040	037-2244040
	135	Rambukkana	SG	426	Thomas Silva Mawatha, Rambukkana	035-2262708	035-2262708
	136	Rideegama	NW	428	No. 107-A, Kappetigala Road, Rideegama	037-2251399	037-2251399
	137	Warakapola	SG	60	No. 23, Kandy Road, Warakapola	035-2267747 037-5673401	035-2267747
	138	Alawwa – ABDC	NW	107	No. 29, Narammala Road, Alawwa	037-2222376	N/A
	139	Hettipola – ABDC	NW	541	No. 112, Kurunegala Road, Hettipola	037-2281304 037-5673401	N/A
	140	Katupotha – ABDC	NW	540	Munamaldeniya, Katupotha	037-2248920	N/A
	141	Pannala – ABDC	NW	421	No. 38C, Rajapaksha Building, Pannala	037-2245100	N/A
	142	Polpithigama – ABDC	NW	539	Kudawewa Junction, Polpithigama	037-2250459	N/A
10 Wayamba 02	143	Wariyapola	NW	82	No. 10, Puttalam Road, Wariyapola	037-2267451 037-5673407	037-2267451
	144	Anamaduwa	NW	44	No. 63, Puttalam Road, Anamaduwa	032-2263033 032-5675227	032-2263033
	145	Chilaw	NW	40	No. 43/1, Kurunegala Road, Chilaw	032-2222371 032-5671749	032-2222371
	146	Dambulla	CP	63	No. 738 A, Anuradhapura Road, Dambulla	066-2284616 066-5671624	066-2284616
	147	Galewela	CP	39	No. 59-A, Kurunegala Road, Galewela	066-2289285 066-5671651	066-2289285
	148	Galgamuwa	NW	65	No. 121, Main Street, Galgamuwa	037-2254141 037-5673406	037-2254141
	149	Maho	NW	429	No. 97, Nikaweratiya Road, Mahawa	037-2050226	037-2050226
	150	Nikaweratiya	NW	50	No. 196, Pttalam Road, Nikaweratiya	037-2260279 037-5673441	037-2260279
	151	Puttalam	NW	42	No. 80, Kurunegala Road, Puttalam	032-2265324 032-5672749	032-2265324
	152	Tambuttegama	NC	123	Mahaweli H Zone, Thambuttegama	025-2275088	025-2275088
	153	Norochcholai – ABDC	NW	216	Kalpitiya Road, Pulachchena, Norochcholai	032-2265324	N/A
	154	Ambanpola – ABDC	NW	214	No. 06, Anuradhapura Road, Ambanpola	037-2254141	N/A

Branch Network

No. Region	#	Branch	Province	Branch Code	Branch Address	Phone	Fax
11 Western-01	155	Nugegoda	WP	79	No. 310A, High Level Road, Colombo 06	011-2817739 011-2826364	011-2826365
	156	Battaramulla	WP	28	No. 119, Pannipitiya Road, Battaramulla	011-2866357 011-5634629	011-2866357
	157	City Office	WP	11	No. 50, Hide Park Corner, Colombo 2	011-2357562 011-2303914 011-5677136	011-2303914
	158	Dehiwala	WP	165	No. 121,1/1, Galle Road, Dehiwala	011-2713702 011-5744962	011-2713702
	159	Kirulapone	WP	156	No. 88, 1st Floor, High Level Road, Kirulapone	011-2514348 011-5649541	011-2514348
	160	Moratuwa	WP	111	No. 710, Galle Road, Idama, Moratuwa	011-2648581 011-5644634	011-5554451
	161	Pitakotte	WP	162	No. 467, Kotte Road, Pita-Kotte	011-2866755	011-2866755
	162	Ratmalana	WP	72	No. 143-2/4, Galle Road, Rathmalana	011-5635475 011-2715992	011-2715982
	163	Lanaka Hospital Counter	WP	436	No. 578, Elvitigala Mawatha, Colombo 5	011-2357562 011-2303914 011-5677136	011-2303914
12 Western-02	164	Kiribathgoda	WP	81	No. 318 1/1, Kandy Road, Kiribathgoda	011-2912776 011-5635483	011-2912742
	165	Colombo Metro 1	WP	353	No. 125, Kynsey Road, Colombo 7	011-2692118 077-2663971	N/A
	166	Colombo Metro 2	WP	140	No. 125, Kynsey Road, Colombo 7	011-2692118 077-2663975	N/A
	167	Colombo Metro 3	WP	141	No. 125, Kynsey Road, Colombo 7	011-2692118 077-2663975	N/A
	168	Colombo Metro 4	WP	147	No. 125, Kynsey Road, Colombo 7	011-2692118	N/A
	169	Colombo Metro 6	WP	350	No. 125, Kynsey Road, Colombo 7	011-2692118 077-2663973	N/A
	170	Colombo Metro 10	WP	354	No. 125, Kynsey Road, Colombo 7	011-2692118 077-2015890	N/A
	171	Colombo Metro 11	WP	170	No. 125, Kynsey Road, Colombo 7	011-2692118	N/A
	172	Kadawatha	WP	114	No. 151/5, Kandy Road, Kadawatha	011-2921567	011-2921567
13 Western-03	173	Maharagama	WP	26	No. 128, Opposite Elhena Road, High Level Road, Maharagama	011-2843563 011-5635465	011-2843010
	174	Athurugiriya	WP	412	No. 39/8, Malabe Road, Athurugiriya	011-2077868	011-2077868
	175	Homagama	WP	98	No. 96, High Level Road, Homagama	011-2893426 011-5634670	011-2893200
	176	Ingiriya	WP	423	Padukka Road, Ingiriya	034-2268270	034-2268270
	177	Kaduwela	WP	27	No. 482/8, Colombo Road, Kaduwela	011-2579976 011-5628269	011-2579976
	178	Kottawa	WP	424	No. 101, 1st Floor, High Level Road, Kottawa	011-2172273	011-2172273
	179	Malambe	WP	154	No. 821/3C, New Kandy Road, Malabe	011-2762312 011-5651612	011-2762312
	180	Piliyandala	WP	80	No. 36/1, Vidyalyaya Mawatha, Piliyandala	011-2613976	011-2613976
	181	Padukka ABDC	WP	417	No. 56F, Colombo Road, Padukka	011-2579976	N/A
14 Western-04	182	Bambalapitiya	WP	58	No. 22, Duplication Road, Colombo 4	011-5632790 011-5673296	011-5332427
	183	Borella	WP	144	No. 27, D.S. Senanayake Mawatha, Colombo 8	011-2678480	011-2678480
	184	Kotahena	WP	59	No. 178, Gold Tower, George R De Silva Mawatha, Colombo 13	011-5673345 011-2335254	011-2335254
	185	Kotikawatta	WP	422	No. 257/7/5/1, IDH Road, Kotikawatta	011-2568502	011-2568502

Branch Network

No. Region	#	Branch	Province	Branch Code	Branch Address	Phone	Fax
	186	Pettah	WP	181	No. 101, 2nd Floor, Olcott Mawatha, Colombo 11	011-5741820	011-2423752
	187	Ragama	WP	405	No. 36 1/1, Mahabage Road, Ragama	011-2956371	011-2956371
	188	Wattala	WP	106	No. 398/2/1, Negombo Road, Wattala	011-5355531 011-5355532 011-5635480	011-5355532
	189	Wellawatta – ABDC	WP	545	No. 9 1/1, Fussells Lane, 1st Floor, New Market Building, Colombo 6	011-5632790	N/A
15 Uva	190	Badulla	UP	21	No. 175, Keppettipola Road, Badulla	055-2230972 055-5670251	055-2222372
	191	Ampara	EP	48	No. 01, Inginiyagala Road, Ampara	063-2222073 063-5670307	063-2222073
	192	Bandarawela	UP	70	No. 193, Badulla Road, Bandarawela	057-2223526 057-5670703	057-2223526
	193	Bibila	UP	136	No. 68, Badulla Road, Bibile	055-5675673	055-5675673
	194	Hatton	CP	87	No. 01, 1/1, Sunday Fair Road, Hatton	051-2222196 051-5670202	051-2222196
	195	Mahiyangana	UP	38	Rideethotaliyagama, Mahiyanganaya	055-2257179 055-5670344	055-2257179
	196	Monaragala	UP	47	No. 114/1, Wellawaya Road, Monaragala	055-2276145 055-5670525	055-2276145
	197	Nuwaraeliya	CP	45	No. 60/1, Park Road, Nuwara Eliya	052-2222759 052-5670529	052-2222759
	198	Welimada	UP	46	No. 13 2/8, Badulla Road, Welimada	057-2245174 057-5670702	057-2245174
	199	Wellawaya	UP	73	No. 145, Hambantota Road, Wellawaya	055-2274133 055-5673345	055-2274874
	200	Passara – ABDC	UP	135	Jayanthipura Junction, 11th mile post, Badulla Road, Passara	055-2230972	N/A
	201	Hettipola – ABDC (Uva)	UP	500	No. 500, Hettipola, Mahiyangana	055-2257179	N/A
	202	Siyambalanduwa – ABDC	UP	501	Main Street, Siyambalanduwa	055-2276145	N/A

Corporate Information

Name of the Company

Sri Lanka Insurance Corporation Life Limited

Registered Office

No. 21, Vauxhall Street, Colombo 2.

Contact Details

Tel : +94 11 2357457

Fax : +94 11 2447742

Web : www.sliclife.com

Company Registration Number

Company was incorporated on 11 October 2023 under the Companies Act No. 07 of 2007 bearing Company Registration No. PB00286362.

Board of Directors

1. Mr P N S Kumaratunga
(appointed w.e.f. 23 October 2024)
2. Mr. Dushmantha Thotawatte
(appointed w.e.f. 06 October 2023)
3. Mr K Ravindra Pathmapriya
(appointed w.e.f. 06 October 2023)
4. Mr Rohan Philip Buultjens
(appointed w.e.f. 01 January 2025)
5. Mr Kulavaratharajah Rajiv Dharmendra
(appointed w.e.f. 01 January 2025)
6. Mr Niel Dhanunayake Bandara Unamboowe, PC
(appointed w.e.f. 01 January 2025)
7. Mr Ronald Chithranjan Perera, PC
(resigned w.e.f. 08 October 2024)
8. Mr Anil Koswatte
(resigned w.e.f. 02 January 2025)
9. Mr S A Nishantha Dayananda
(resigned w.e.f. 31 December 2024)
10. Dr S M A Kithsiri Manchanayakke
(resigned w.e.f. 09 October 2024)
11. Mr Naomal Pelpola
(resigned w.e.f. 08 October 2024)

Legal Form

Sri Lanka Insurance Corporation Life Limited is a limited liability company incorporated under the Companies Act No. 7 of 2007 of which the sole shareholder is Sri Lanka Insurance Corporation Limited.

Tax Payer Identification Number (TIN)

107700234

Company Secretary

(Appointed w.e.f. 02 April, 2024)
Ms Shiromi C M Kodagoda
BA (University of Peradeniya), Attorney at Law
Commissioner of Oaths, Notary Public,
Justice of the Peace (All Island)

Holding Company

Sri Lanka Insurance Corporation Limited

Auditors

Auditor General

Auditor General's Department

Bankers

Bank of Ceylon

People's Bank

Commercial Bank of Ceylon PLC

Hatton National Bank PLC

Nations Trust Bank

Standard Chartered Bank

Sampath Bank PLC

Seylan Bank PLC

National Savings Bank

Regional Development Bank

Pan Asia Bank

Development Finance Corporation of Ceylon

Cargills Bank Limited

Actuary

Name of Appointed Actuary:

Kunj Behari Maheshwari, FIA, FIAI

Appointed Actuary since (date):

February-2019

The company:

Wills Towers Watson India Private Ltd.

Address: Emaar Capital Tower 2,
Mehrauli-Gurgaon Road, Sector 26,
Gurugram – 122002, India

Tel/Fax: (91) 124 432 2800

Email: Kunj.Maheshwari@wtwco.com

Notice of Annual General Meeting

SRI LANKA INSURANCE CORPORATION LIFE LIMITED (COMPANY)
(Reg. No. PB No. PB00286362)
No. 21, Vauxhall Street, Colombo 02.

Notice is hereby given that the Second (02nd) Annual General Meeting (AGM) of Sri Lanka Insurance Corporation Life Limited (the Company) will be held on Monday 30 June 2025, at 11.00 am at its registered office (Board Room – 7th Floor), No. 21, Vauxhall Street, Colombo 02 for the following purposes:

1. To receive and consider the Report of the Board of Directors and the Financial Statements

Ordinary Resolution – 01

To receive and consider the Report of the Board of Directors and the Financial Statements for the year ended 31 December 2024, together with the Auditors' Report thereon

2. To elect Directors:

Ordinary Resolution – 02

The first Annual General Meeting of Sri Lanka Insurance Corporation Life Limited (the Company) was held in terms of Section 144 (3) of the Companies Act No. 07 of 2007. As per Article 25(5) of the Company's Articles of Association, all Directors retired from office at the first Annual General Meeting of the Company, and, being eligible, they were re-elected as Directors of the Company on the same day.

According to Article 6 read with Article 7 of the Company's Articles of Association, at each subsequent Annual General Meeting, one of the Directors who has served the longest in office since the last election or appointment is subject to retirement by rotation and shall retire from office. Mr Niel Dhanunayaka Bandara Unamboowe, PC, has been selected by lot in accordance with Article 7 of the Company's Articles of Association.

The Board has therefore approved the following resolution and recommended it to the Shareholders for their consideration and approval as an Ordinary Resolution:

"RESOLVED, that pursuant to Article 6 read with Article 7 of the Articles of Association of the Company, Mr Niel Dhanunayaka Bandara Unamboowe, PC, is liable to retire by rotation, be, and is hereby, re-elected as a Director of the Company at the second (02nd) Annual General Meeting of the Company".

3. To re-appoint the Auditor General as the External Auditor for the year 2025

Ordinary Resolution – 03

To re-appoint the Auditor General as the External Auditor in terms of article 154 (1) of the Constitution of the Democratic Socialist Republic of Sri Lanka.

The Board of Directors at its meeting had recommended the re-appointment of the Auditor General of Sri Lanka for the year ended 31 December 2025, if re-appointed.

The Board approved the following resolution and recommended the same to the Shareholders for their consideration and approval as an Ordinary Resolution.

"RESOLVED THAT the Auditor General of the Democratic Socialist Republic of Sri Lanka, be and hereby re-appointed as the External Auditor, to hold the office from the conclusion this Second 02nd Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and the Board of Directors of the Company be and is hereby authorised to fix their remuneration as per the applicable process & procedures".

4. To determine donations for the year 2025

Ordinary Resolution – 04

To authorise the Directors to determine donations for the year 2025 and up to the date of the next Annual General Meeting.

5. Special Business

Special Resolution - 01

To appoint Mr Somadasa Palihawardena, (who is over seventy (70) years of age), to the Board of Sri Lanka Insurance Corporation Life Limited.

The Board of Directors has received a request from the Secretary to the Treasury, Ministry of Finance, Economic Stabilisation, and National Policies to appoint Mr Somadasa Palihawardena, who is over seventy (70) years old, to the Boards of Sri Lanka Insurance Corporation Life Limited, Sri Lanka Insurance Corporation General Limited, and Sri Lanka Insurance Corporation Limited.

The Company received a formal notice under Section 212 of the Companies Act No. 7 of 2007 from Mr Somadasa Palihawadana informing it that he is 71 years old and will turn 72 on 07 June 2025. A true copy of the aforementioned letters and his CV are attached to this notice.

Accordingly, the Board of Sri Lanka Insurance Corporation Life Limited resolved to appoint Mr Somadasa Palihawadana to the Board of Sri Lanka Insurance Corporation Life Limited, as recommended by the Board of Sri Lanka Insurance Corporation Limited.

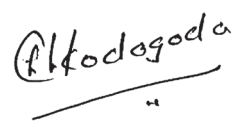
Therefore, the Board of Directors recommends the following resolution to be passed, if thought fit, by the shareholders as a "Special Resolution", with or without any modification:

"RESOLVED THAT, the age limit stipulated in section 210 of the Companies Act No. 7 of 2007 shall not apply to Mr Somadasa Palihawadana (NIC No. 195315901011) who attain the age of 72 years on 07 June 2025, and Mr Somadasa Palihawadana is hereby appointed as a non- executive Director of Sri Lanka Insurance Corporation Life Limited to hold office until the conclusion of the next Annual General Meeting and, being eligible, has offered himself for re-election subject to the approval of the shareholders".

6. Any other business of which is due notice has been given.

By order of the Board of Directors,

SRI LANKA INSURANCE CORPORATION LIFE LIMITED



Shiromi Kodagoda
Company Secretary

03 June 2025

Notes

Form of Proxy

SRI LANKA INSURANCE CORPORATION LIFE LIMITED (COMPANY)
(Reg. No. PB No. PB00286362)
No. 21, Vauxhall Street, Colombo 02.

I/We* of
.....being a member
/members* of Sri Lanka Insurance Corporation Life Limited hereby appoint: of
..... or failing him/her*

- Mr Palawinnage Nusith Samarasee Kumaratunga – of Colombo or failing him
- Mr Dushmantha Thotawatte – of Colombo or failing him
- Mr Kandegamage Ravindra Pathmapriya – of Colombo or failing him
- Mr Rohan Philip Buultjens – of Colombo or failing him
- Mr Kulavaratharasah Rajiv Dharmendra – of Colombo or failing him
- Mr Niel Dhanunayaka Bandara Unamboowe, PC – of Colombo.

As my/our* proxy to represent me/us* and to vote as indicated hereunder for me/us* and on my/our behalf at the Second (02nd) Annual General Meeting (AGM) of Sri Lanka Insurance Corporation Life Limited will be held on Monday, 30 June 2025, at 11.00 am at its registered office (The Board Room – 07th Floor) and at every poll which may be taken in consequence of the aforesaid Meeting and at any adjournment thereof.

I /We, hereby direct my/our proxy holder to vote on behalf of me/us for the resolutions as specified in the notice by placing the letter “X” in the appropriate cage below.

Resolutions	For	Against
Ordinary Resolution – 01 as specified in the notice	☐	☐
Ordinary Resolution – 02 as specified in the notice	☐	☐
Ordinary Resolution – 03 as specified in the notice	☐	☐
Ordinary Resolution – 04 as specified in the notice	☐	☐
Special Resolution – 01 as specified in the notice	☐	☐

Signed thisday of 2025.

.....
Signature of Shareholder/s

Note:
*Please delete the inappropriate words.

Instructions for completing the Form of Proxy are on the below or reverse side hereof

Form of Proxy

INSTRUCTIONS FOR COMPLETING THE FORM OF PROXY

- (1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF A MEMBER.
- (2) A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- (3) IF THE APPOINTER IS A COMPANY OR CORPORATION, THE FORM OF PROXY SHOULD BE EXECUTED UNDER ITS COMMON SEAL OR BY A DULY AUTHORISED OFFICER OF THE COMPANY OR CORPORATION IN ACCORDANCE WITH ITS ARTICLES OF ASSOCIATION.
- (4) IF THE FORM OF PROXY IS SIGNED BY AN ATTORNEY, THE RELEVANT POWER OF ATTORNEY SHOULD ACCOMPANY THE COMPLETED FORM OF PROXY FOR REGISTRATION, IF SUCH POWER OF ATTORNEY HAS NOT ALREADY BEEN REGISTERED WITH THE COMPANY.
- (5) THE COMPLETED FORM OF PROXY MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY AT THE COMPANY SECRETARIAT, SRI LANKA INSURANCE CORPORATION LIMITED, 08TH FLOOR, NO. 21, VAUXHALL STREET, COLOMBO 02, NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING.



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Sri Lanka Insurance Corporation Life Limited
No. 21, Vauxhall Street
Colombo 02

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