



HUMAN CAPITAL

The **Biggest** Asset within our organization

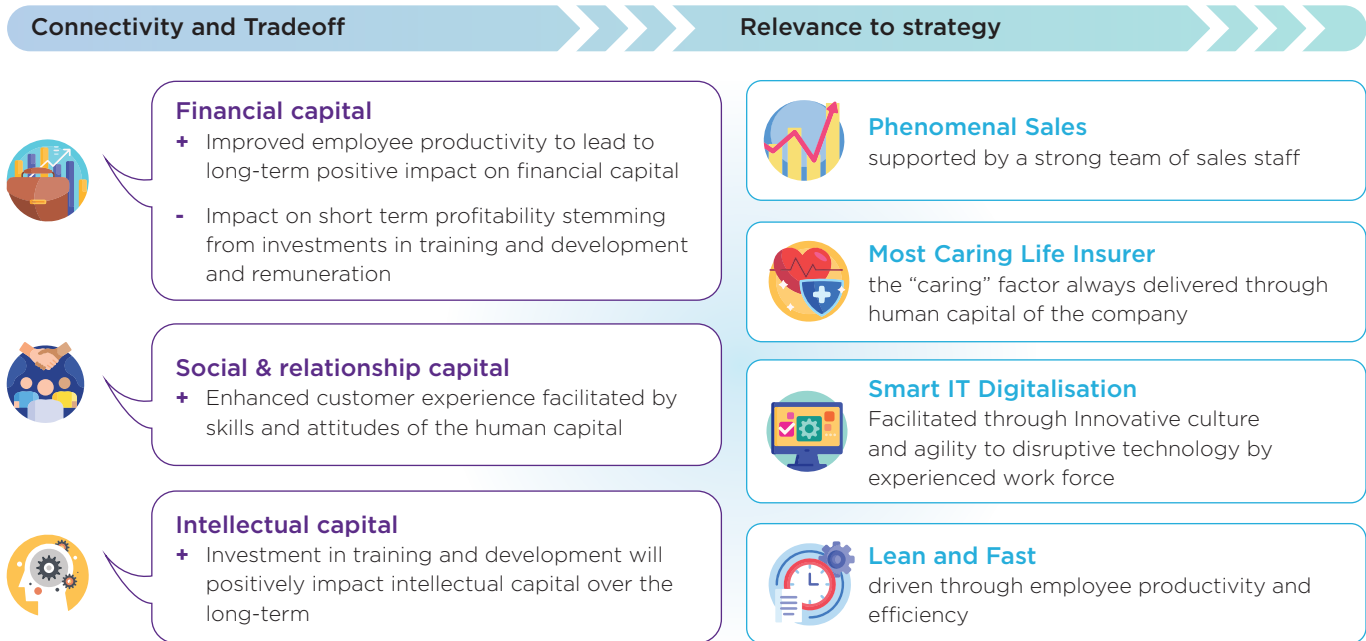
**BIGGER.
BETTER.
BOLDER.**



[https://softlogiclife.lk/
annual-reports/](https://softlogiclife.lk/annual-reports/)

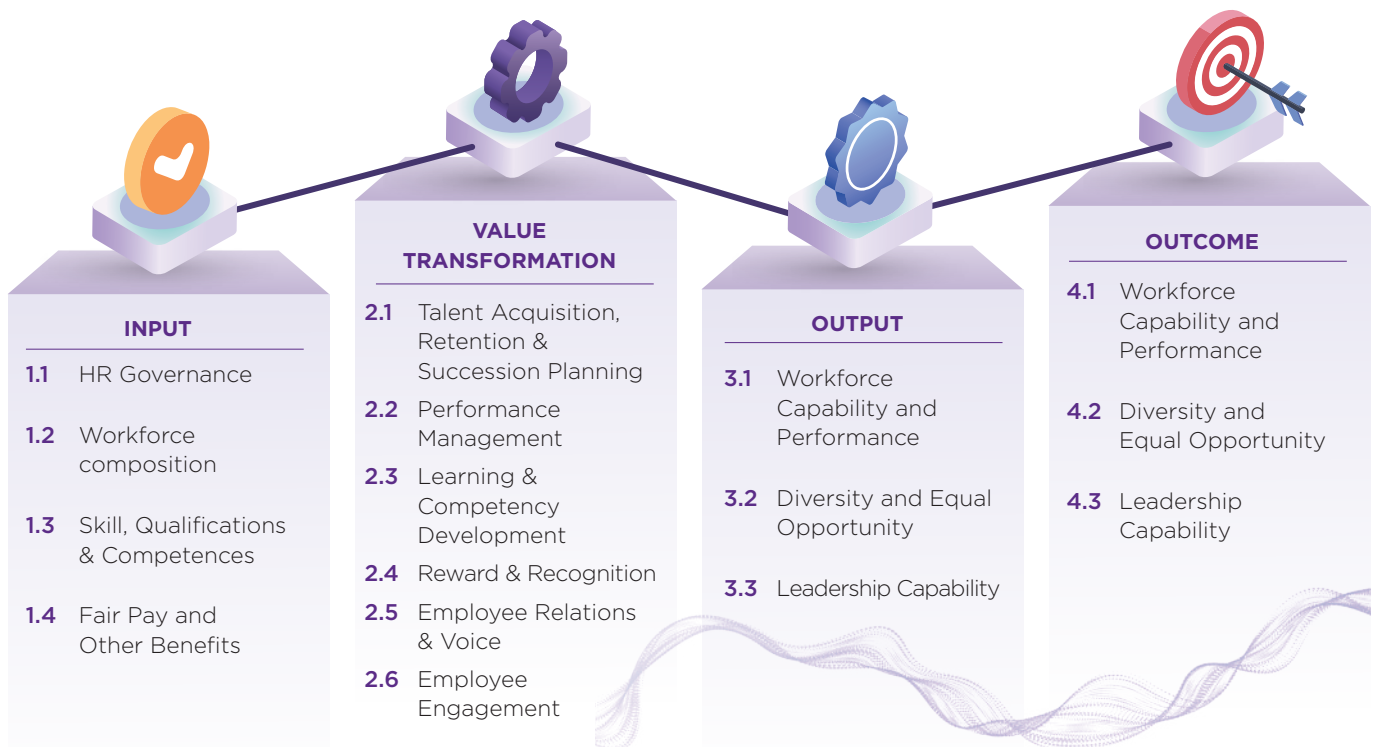


Through the integration of human capital reporting, we are elevating our accountability and providing stakeholders with a clearer, more transparent view of our business's vitality. This commitment to accuracy not only fosters transparency but also positions us for a competitive edge. By unleashing the full potential of our workforce, the case for adopting this approach resonates emphatically.



Our workforce serves as the driving force behind the organisation’s success. The remarkable achievements of the past decade are a direct result of the bold initiatives and extraordinary dedication of our employees. As an organisation we are committed to make their tomorrow better. Our workforce consist of employees, Sales Staff and supervised workers. In order to provide deeper understanding of our employees’ contributions to the company’s value creation journey and our approach to workforce management, we have used the following structured reporting practices. These practices comprehensively capture all facets pertinent to human capital, ensuring a holistic understanding.

Sustainable Human Capital Management Process



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HR GOVERNANCE

A comprehensive Human Resources policy framework, reinforced by strong processes and procedures, governs SLI's HR practices, ensuring a dynamic work environment for all employees. Our HR strategies are designed at the highest level to uphold international standards in Labour Management practices. The ultimate responsibility for our "People strategy" rests with the Board. The Human Resources Department (HRD) is tasked with executing the people strategy and provides regular reports on its activities to both the Managing Director and the Board.

Key HR policies and practices enacted within the organisation are listed below

Zero tolerance on corruption

As a responsible organisation We strongly believe that bribery and corruption is unethical, unacceptable and inconsistent with our Values and our Code of Ethics. We regularly educate our employees through corporate communications and further guidelines are provided on Staff Hand Book and Whistle Blowing policy.



Respecting Human Rights, Labour Rights and Non-discrimination

We are committed to implementing internationally agreed principles on human rights as described in our Human Rights Policy. The SLI promotes fair representation, equal opportunity and a safe workplace, amongst others.

Currently there is no labour union at SLI.

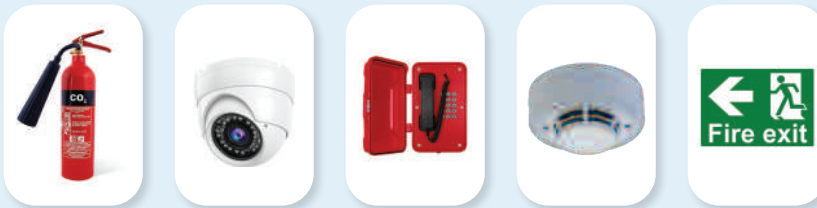
Child Labour & Forced and Compulsory Labour

We have clear policies and processes in place to ensure that we do not employ any under age, forced labour or are not associated with third parties identified as having significant risk for incident of child or forced labour

Ensuring a Safe and Healthy Life Style

Our health and safety plans follow to ensure that SLI provide a healthy and safe working environment for its most important resource which is People. We are responsible for the health, safety, and security of all our employees and customers.

We have installed following safety options in our work places



No incidents due to workplace related emergencies reported during the year 2023

Listening to Employee Grievances

The grievance policy ensures employees are heard and given a fair resolution to their grievances. We encourage all employees to directly reach out to the members of the Grievances Committee and the Company takes the responsibility to handle those concerns according to the Grievance Matrix. Further, employees are encouraged to use the established whistleblower mechanism.

No grievances were reported during the year.

Human Resource Polices available at Softlogic Life

- Recruitment & Selection Policy
- Remuneration Policy
- Performance Management Policy
- Learning & Development policy
- Education Policy
- Employee Grievance Handling Policy
- Disciplinary Policy
- Salary Advance Policy
- Remuneration Policy
- Absence management policy
- Occupational Training and Internships
- Study leave policy
- Staff re-hiring policy
- Social media policy
- Identity card policy
- Cessation of Employment Policy



Throughout the year, our organisation has maintained full compliance with employee-related laws and regulations stipulated in Sri Lanka. Notably, no instances of non-compliance have been reported, and consequently, no fines have been imposed for any such breaches.

As steps taken to eliminate any non-compliances in relation to labour practices we conduct external audit on annual basis and report findings to the audit committee. Any improvements proposed are implemented immediately to correct the process.

1 INPUT

We acknowledge our current workforce as the input for the value-generating process, and it is analysed in detail below.

1.1 Workforce Composition

The unique profile of our human capital is illustrated below

Table 20 - Workforce by Type of Employment

Employment Type	2023			2022		
	Total	Male %	Female %	Total	Male %	Female %
Employees	985	68%	32%	999	71%	29%
Field Staff	2,864	74%	26%	2,867	75%	25%
Supervised workers	163	9%	91%	125	3%	97%
Total Workforce	4,012	70%	30%	3,991	72%	28%

Table 21 - Employee By Employment Contract

Employment Contract	2023			2022		
	Total	Male %	Female %	Total	Male %	Female %
Permanent Employment	663	62%	38%	707	66%	34%
Probation Employment	163	69%	31%	115	70%	30%
Contract Employment	159	96%	4%	177	93%	7%
Total Workforce	985	68%	32%	999	71%	29%

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Table 22 – Employees by Region

Employment Contract	2023			2022		
	Total	Male %	Female %	Total	Male %	Female %
Central	88	74%	26%	60	75%	25%
Eastern	35	60%	40%	42	71%	29%
North Central	31	81%	19%	24	83%	17%
North Western	79	81%	19%	67	84%	16%
Northern	45	71%	29%	41	76%	24%
Sabaragamuwa	45	71%	29%	33	73%	27%
Southern	91	71%	29%	82	74%	26%
Uva	34	74%	26%	23	70%	30%
Western	537	64%	36%	627	69%	31%
Total Employees	985	68%	32%	999	71%	29%

Table 23 – Employees Based on Age

Age Category	2023			2022		
	Total	Male %	Female %	Total	Male %	Female %
Below 30	369	49%	51%	323	50%	50%
Between 31-50	552	78%	22%	606	80%	20%
Above 50	64	97%	3%	70	96%	4%
Total Employees	985	68%	32%	999	71%	29%

Table 24 – Permanent Employees by Employment Category

Employment Category	2023			2022		
	Total	Male %	Female %	Total	Male %	Female %
AGM and above	39	92%	8%	35	94%	6%
AM and above	338	83%	17%	333	83%	17%
Executive	294	51%	49%	406	58%	42%
Non-Executive	314	66%	34%	225	75%	25%
Total Employees	985	68%	32%	999	71%	29%

Table 25 – Composition of Governance Body

Age Category	2023			2022		
	Total	Male %	Female %	Total	Male %	Female %
Between 41-50	1	100%	0%	2	50%	50%
Between 51-60	5	80%	20%	4	100%	0%
Between 61-70	2	100%	0%	2	100%	0%
Total Employees	8	88%	13%	8	88%	13%



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1.3 Skill, Qualifications & Competences

The life insurance industry is highly specialised, demanding diverse expertise across all aspects of the business. Softlogic Life's distinctive business model raises the standards even higher in terms of the knowledge and expertise maintained within the organisation. Our HR practices, particularly in recruitment and knowledge management, are tailored to meet this demand and ensure that the organisation consistently possesses the necessary competencies for sustained growth. We consistently attract and retain the best talent in the industry, implementing internal measures to evaluate employees at each designation level. This strategic approach contributes to our organisational strength and industry leadership.

1.2 Fair Pay and Other Benefits

At SLI, we firmly believe in the importance of pay transparency as a foundation for fostering a sense of equity and fairness within our workforce. This commitment not only distinguishes our organisation but also plays a crucial role in attracting and retaining top talent. To ensure that our compensation remains competitive, the company conducts regular market surveys, utilising the findings to align our pay scales and other benefits. This strategic approach is a key element of our talent management strategy, reflecting our dedication to cultivating a performance-driven culture. The remuneration structures are designed on the principles of fairness, considering factors such as the cost of living, industry benchmarks, internal pay equity, business results, and individual/team performance. In addition to regulated benefits, we offer various other category-specific and role-based benefits. Upholding our equal opportunity policy, we do not

discriminate in employee benefits, including remuneration, based on diversity factors such as gender, age, or race.

MONETARY BENEFITS

- Attractive remuneration
- Fringe Benefits - Educations Reimbursement and Assistance
- Paid time off
- Retirement Benefits (EPF,ETF, Gratuity)
- Health Insurance

NON MONETARY BENEFITS

1. Health and safety
2. Job Security and Enrichment
3. Flexibility
4. Training opportunities
5. Work/Life Balance
6. Employee Empowerment

Key Performance Indicator (KPI)

1.1Mn

Gross Remuneration per employee

125Mn

EPF Contribution

67Mn

Defined Benefit Plan Contribution

31Mn

ETF Contribution

2 VALUE TRANSFORMATION

We have introduced a range of strategic initiatives that address all aspects of human capital development, aiming to optimise the value generated.

2.1 Talent Acquisition, Retention & Succession Planning

Talent Acquisition

Recruitment, retention, and succession planning are integral components of our talent management strategy. Our commitment to acquiring top-tier talent begins with a recruitment process that seeks individuals who not only possess the requisite skills but also align with our organisational values. Our recruitment process illustrated below.

Recruitment Process

Market Analysis

Profile Mapping

Sourcing Strategies

Talent Matching

Relationship Building

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Analysis of new recruitment during the year 2023

Table 26 - New Recruits by Age Category

Age Category	2023			
	Total	Male %	Female %	Age Mix
Below 30	166	54%	46%	53%
Between 31-40	83	82%	18%	26%
Between 41-50	59	88%	12%	19%
Above 50	8	100%	0%	3%
Total Employees	316	69%	31%	100%
Total Employees	985	68%	32%	999

At our organization, we prioritize the integration of young talent into our cultural fabric, aiming to cultivate future leaders. In 2023, an impressive 79% of our newly hired individuals were under the age of 40. This statistic underscores our commitment to fostering a dynamic environment that values youthful perspectives and encourages professional growth, ensuring a robust pipeline of capable leaders poised to drive our collective success into the future.

Table 27 - New Recruits by Province

Province	2023				2022			
	Total	Male %	Female %		Total	Male %	Female %	
Central	32	75%	25%	10%	9	56%	44%	3%
Eastern	29	79%	21%	9%	23	87%	13%	8%
North Central	12	100%	0%	4%	7	86%	14%	2%
North Western	14	79%	21%	4%	22	82%	18%	8%
Northern	25	76%	24%	8%	15	60%	40%	5%
Sabaragamuwa	15	73%	27%	5%	3	100%	0%	1%
Southern	31	68%	32%	10%	19	74%	26%	7%
Uva	17	82%	18%	5%	4	75%	25%	1%
Western	141	58%	42%	45%	188	63%	37%	65%
Total Employees	316	69%	31%	100%	290	68%	32%	100%

Throughout the fiscal year, our emphasis on the western province decreased notably, dropping from 65% to 45% compared to the previous year. This strategic shift primarily stems from our intensified business expansions concentrated on the growing markets of the northern and central provinces. By redirecting our focus and investments towards these regions, we aim to capitalize on emerging opportunities, broaden our market presence, and strategically position ourselves for sustained growth and market leadership.

We've established quality per hire as a foundational Key Performance Indicator (KPI) to assess the effectiveness of our recruitment procedures. This metric allows us to gauge the calibre of talent we bring into the organization, ensuring alignment with our standards of excellence and long-term strategic objectives



Talent Retention

Our employee value proposition is key to retain the best talent within the organisation. It showcases the value, the company offers to employees in return for the value they bring to the organisation. This is supported by friendly and flexible work environment, transparency and equal opportunity, wellness, engagement activities and competitive remuneration policies. Also there were no involuntary employee dismissal reported during the year 2023.

Table 28- Service Period Analysis

Service Period	2023	
	Total	%
More than 15 years	33	3%
10 to 15 years	100	10%
5 to 10 years	269	27%
Below 5 years	583	60%
Total Employees	985	100%

Within our organisation, 40% of our total workforce has dedicated over five years to our collective mission. We consider this a harmonious balance, recognising the significance of welcoming fresh perspectives and insights into our fold. Nevertheless, we are committed to nurturing and retaining our seasoned employees who have contributed significantly to our growth and success over the years.



Throughout the year, we encountered a notable increase in resignations, leading to a decline in our employee retention ratio from 73% last year to 69%. Primarily, this trend was influenced by the prevailing circumstances within the country, prompting individuals to seek alternative opportunities elsewhere. Consequently, as new prospects emerged in the market, individuals began departing from our organisation

Internships

Our internship program allows matriculants and graduates to build a career in the financial services industry. In 2023, we offered 73 internships, and we permanently hired 10 outstanding interns to join our workforce. This approach ensures that we retain exceptional candidates and nurture the expansion of our talent pool.



Succession Planning

Our succession planning efforts are geared towards identifying and developing internal talent, ensuring a seamless transition of leadership and critical roles. This proactive approach to talent management not only fortifies our organisational resilience but also positions us for sustained growth and innovation.

During the year one executive management position (critical business positions) was vacant and it was immediately replaced with second tier management position showcasing strong succession plan the company has implemented.

2.2 Performance Management

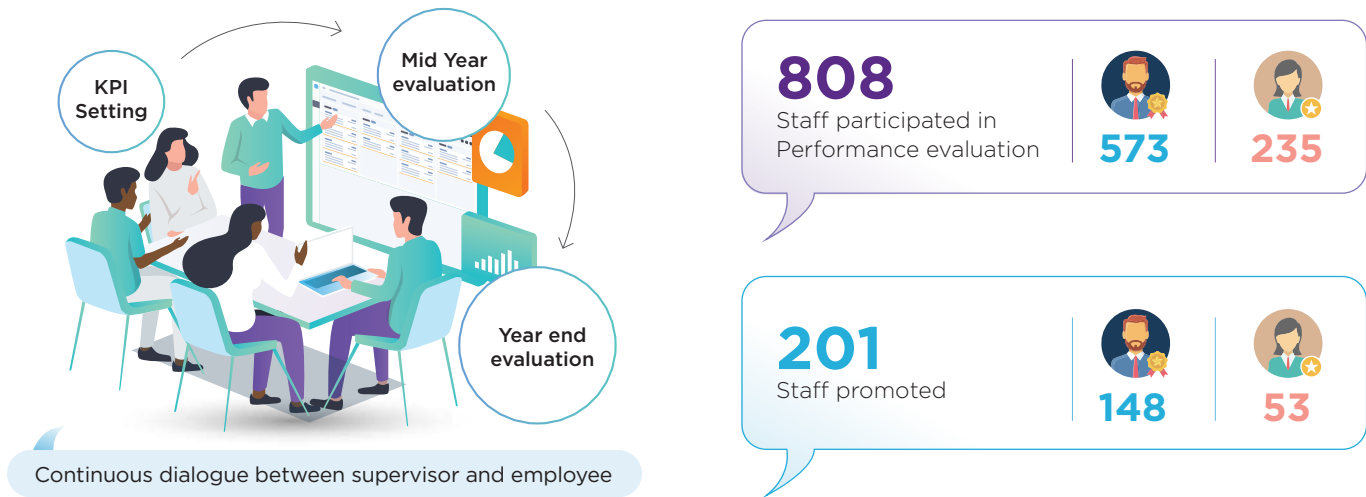
We believe in the strength of our performance management system to drive our organisation's success. Each year, we kick off a detailed process for setting Key Performance Indicators (KPIs) that involves all permanent employees. This empowers them to give their best throughout the year. We conduct regular one-on-one meetings, mid-year check-ins, and end-of-year evaluations to create a transparent environment for our employees. During the end-of-year evaluation, supervisors and employees have a

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collaborative discussion, leading to a jointly agreed-upon performance rating. This approach not only boosts morale but also offers the necessary support and guidance for employees to achieve their performance goals. Additionally, we assess the capabilities of our workforce annually through Assessment Centres, focusing on Assistant Managers and below. This thorough evaluation helps us identify and bridge any skill gaps, ensuring our workforce is well-prepared for the future.

Performance evaluation process

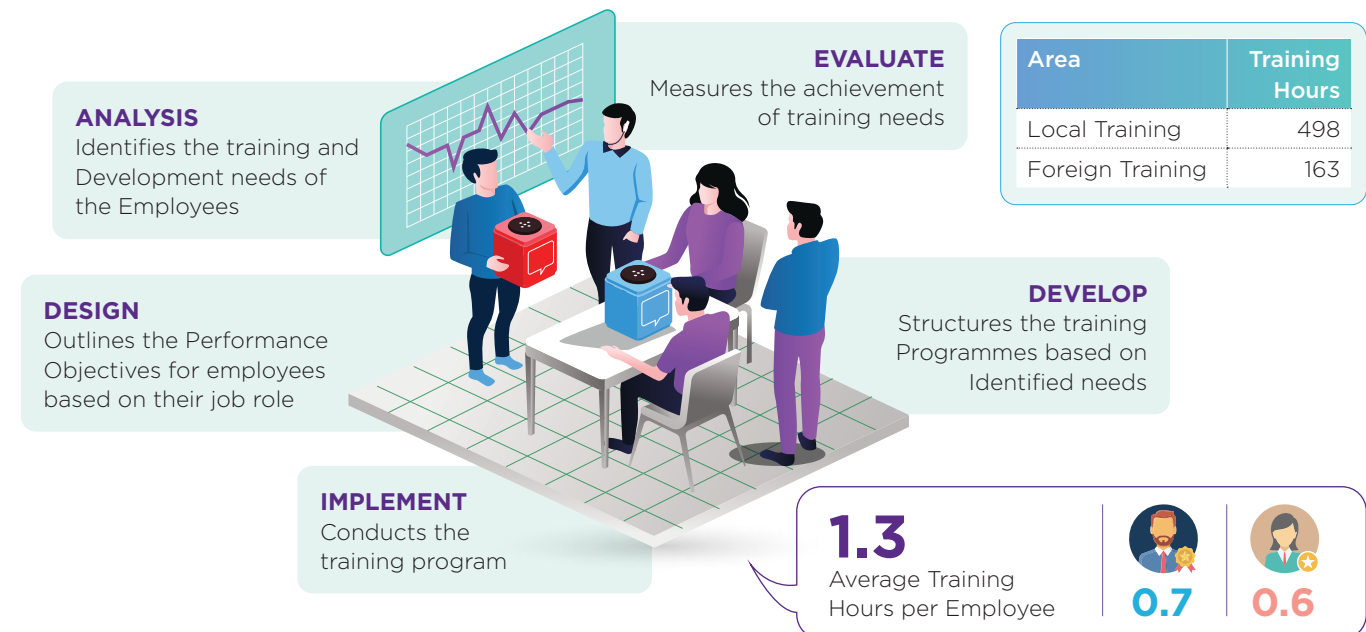


2.3 Learning & Competency Development

Softlogic Life is committed to a forward-thinking learning and development strategy that places a primary emphasis on cultivating a digitally enabled workforce to drive innovation within the company. Our approach involves the implementation of up-skilling and re-skilling programs, with a focus on leadership development. These initiatives will be strategically rolled out through a well-structured learning and development calendar, addressing the short, medium, and long-term needs of our workforce.

Training and Development Process

Throughout the year, our training programs encompassed the following areas



2.4 Rewards and Recognition

Our efforts to recognise and value our employees go beyond the usual ways of compensating them. We have a rewards system in place that reflects our core values and strategic goals. It's not just about acknowledging individual achievements but also appreciating teamwork that contributes to our company's success. Creating a culture of appreciation is important to us - we want to motivate and inspire our team, giving them a sense of pride and fulfilment in their work. Whether it's through performance bonuses, special events for employees, or recognition ceremonies, we aim to highlight the significance of each person's role in our collective success. Prioritising rewards and recognition not only boosts employee morale but also strengthens the overall unity and resilience of our workforce, setting our organisation on a path for continuous growth and excellence

Staff Recognition

We had annual sales convention during the year and recognised sales staff who perform exceptionally well during the year.



2.5 Employee Relation and Voice

At Softlogic Life, we are committed to creating a Work Place where every employee has the opportunity to provide feedback, offer suggestions, and voice any concerns or grievances. Our grievance policy is designed to

ensure that employees are not only heard but also receive fair resolutions to their concerns.

We utilise diverse approaches to engage with employees and listen to their perspectives. These include hosting annual town hall meetings, holding regular management meeting, and conducting department/branch meetings allowing them to raise their concerns and have faster solution.

It's important to highlight that in the past year, no grievances were reported. This underscores our continuous efforts to uphold a workplace culture that prioritises open communication, fairness, and the well-being of our employees.



Townhall meeting 2023

2.6 Employee Engagement

To make sure our employees have a good balance between work and personal life and to help them connect better, the company supports and organises various events and activities. In the past year, we arranged many programs to make work more enjoyable and encourage friendly relationships among our employees. These activities are planned to create a happy and inclusive workplace where everyone feels connected and part of the team. Some significant events of the calendar includes Year end celebration and Beach party, Karaoke competition etc.



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3. OUTPUT

The strategies we have implemented over the past few years in managing our human capital have resulted in numerous positive outcomes for our organisation. These outcomes have contributed to making Softlogic Life a better workplace in Sri Lanka.

3.1 Workforce Capability and Performance

Because of our training, development programs, and strategic workforce planning, we've built a workforce with a strong combination of skills, knowledge, and competencies. A noteworthy accomplishment is that 84.40% of our employees have successfully met their Key Performance Indicators (KPIs), showcasing the effectiveness of our efforts in aligning individual performance with organisational goals. This achievement underscores the positive impact of our commitment to employee development and the strategic management of our workforce.

The bell curve below illustrates how our employees performed their roles during the year 2023.



3.2 Diversity and Equal Opportunity

Our robust HR policies and procedures stand as a pillar, ensuring diversity and equal opportunities within the organisation. We successfully maintain a diverse

workforce, as outlined in the employee composition section, considering factors such as age, gender, type of employment, and region of employment. Our policies are designed to prevent discrimination based on race, religion, age, nationality, social origin, disability, sexual orientation, gender identity, political affiliation, or opinion. Throughout the year, there were no reported incidents related to the aforementioned areas, affirming our commitment to fostering a fair and inclusive work environment.

Female representation at designation category level

Designation Category	Female representation	
	2023	2022
AGM and above	6	2
AM and above	53	55
Executives	145	172
Non-Executive	107	57
Total	311	286

Our commitment towards Gender Parity

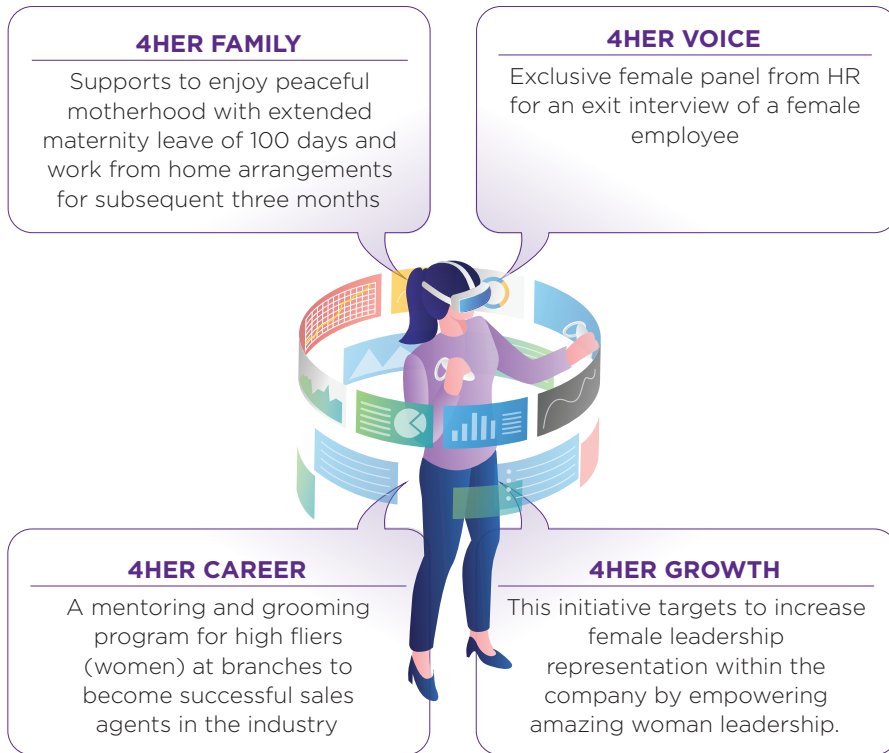
SLI remains focused on attracting, engaging, developing, and creating opportunities for women to excel in all aspects of our business through our policies. We are steadfast in our commitment to enhance the representation of women in leadership roles, striving to ensure diverse perspectives are reflected at senior levels within the organisation. Following are some of the initiatives we have taken.

Details of return to work and retention after parental leave (Woman)

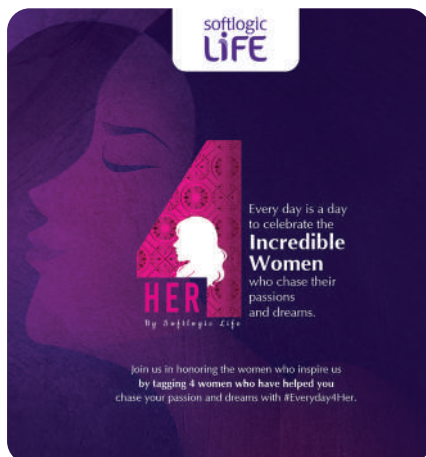
	2023	2022
Total No. of employee entitled to parental leave	312	286
Employees who took parental leave	13	20
Employees who returned to work after parental leave ended	7	18
Employees who returned to work after parental leave ended and who were still employed 12 months	7	12
Employee who took parental leave but leave period not ended as of 31st December	6	8
Return to work rate of employees who took parental leave	100%	100%
Retention rate of employees that took parental leave	80%	86%

4Her Programme

4Her programme has initiated with the intention of empowering women to gain for herself and better contribute to work place, family and to the society at large. It has led to create opportunities within the company for women and created safe and highly supportive work environment.



The company has initiated many initiatives over the past years. We promote equal opportunity at our work place. Our non-discrimination policy ensures every employee has equal opportunity to their growth, here their voice and get benefited. In 2023, several uplifting initiatives were implemented to inspire female staff members to advance in their careers.



3.3. Leadership Capability

Our HR practices are aligned to develop future-ready leaders at every level. This ensures that all employees are prepared to take on the challenges of their next level. This also supports our succession plan and helps us maintain a smooth workflow within the organisation.

Leadership Trust

Proper leadership is key pillar of successful management of workforce. If employees trust the leadership that will provide comfort to management in execution of strategies regardless of its impact being positive or negative. At SLI we also measured leadership trust through Great Place to Work survey in order to understand our stance. It was a great pleasure that our employees stated that, they believe in the leadership of the organisation in terms of competency and strategy execution during the past survey we conducted.

4. OUTCOME

Effective management of human capital yields numerous positive outcomes for the organisation, which are discussed in detail below.

4.1 Organisational Agility & Resilience

We have faced numerous challenges over the last few years, starting with the Easter attack in 2019, followed by the COVID-19 pandemic in 2020 and 2021, and a full-blown economic crisis from 2022 to 2023. Despite these obstacles, SLI managed all the crises well and achieved many significant milestones during these years. One of them is becoming the second-largest insurer, surpassing many industry giants. This accomplishment is a testament to the organisation's agility and resilience, which is further elaborated on pages 43 to 59.

4.2 Organisational Culture

Our Human Resources work has led to a significant accomplishment: the development of a unique

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organisational culture that empowers our dedicated workforce to handle challenges with resilience and efficiency. Our team contributes to a dynamic and thriving work environment through open communication, adaptability, and a strong sense of purpose. The commitment of our leadership to fostering a positive culture has resulted in an engaged, innovative team aligned with our mission and vision. As we continue investing in our people, we recognise the vital role a healthy organisational culture plays in attracting top talent, enhancing employee satisfaction, and ensuring the ongoing success of our company.



4.3. Productivity

We regularly measure the productivity of our employees. This practice enables us to understand whether the implemented strategies are generating the expected results. Any deviation signals the need for changes in company action. Below are some of the key parameters that are assessed.

26.7 Mn
GWP per employee

2.9 Mn
Profit Per Employee

4.4 Organisational Performance

SLI has achieved extraordinary performance over the last 10 years, which is the outcome of the effort, knowledge, and dedication of our workforce. Our performance is discussed in detail on pages 43 to 59.

RISK AND CHALLENGES

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



Risk	Impact	Action Taken
Talent Retention	The migration of professionals accelerated during 2023, resulting in many vacancies opening up in the market. SLI experienced significant employee attrition during the same period	<ul style="list-style-type: none"> Strengthen employee engagement Reviews of the income levels for each grade and salary adjustments have been conducted. Regular informal conversations within working groups are held to identify employees' concerns.
Optimizing employee cost inflation	Employee cost represent substantial portion of total expense base. Optimizing the cost was key concern during the year.	<ul style="list-style-type: none"> Focus on productivity improvement Automation of recurring activities

LOOKING FORWARD

Short Term Target	Medium to Long Term Target
Strengthening succession planning to cater emerging demand	Building a magnetic employment brand, and be the employer in choice in Sri Lanka
Ongoing focus on equal pay for work of equal value as well as gender pay equality	



The human capital strategy aligns with the company’s core business plan. In today’s fast-paced business world, adaptability is vital for employees. We aim to enhance agility by teaching new skills, improving leadership and technical know-how, fostering innovation, and advocating for gender equality. These efforts are geared towards making the workforce more flexible and resilient in facing future challenges. By investing in our employees’ development and creating an inclusive environment, we ensure that they are equipped to navigate and thrive in an ever-evolving business landscape.

Focus on gender parity

Ensuring gender balance is an ongoing priority, with the company

dedicated to improving it at every organisational level, including its highest governing body. When recruiting or filling roles, the company strategically evaluates gender balance across short, medium, and long-term horizons, aligning with job needs and market skill availability. However, achieving gender parity at the board level remains a long-term goal, possibly facilitated by voluntary or mandatory retirement of existing board members. By fostering an inclusive environment and promoting diverse representation, the company aims to cultivate a culture of equality and equity, empowering individuals of all genders to contribute meaningfully and drive collective success across the organisation

Learning and talent development

The primary focus of the learning and development strategy will be on cultivating a digitally proficient workforce to spearhead innovation within the company. Up-skilling and re-skilling initiatives, alongside leadership development programmes, will be implemented through a structured learning and development calendar, addressing short, medium, and long-term objectives.

Cultural transformation and Innovation

As the needs of the Y and Z generations change, we foresee an impending shift in organisational culture. However, our primary focus will persist in nurturing an innovation-

centric environment within the company. This entails continually championing innovation by adapting to the diverse requirements of our employees. We are committed to fostering a culture where creativity thrives, enabling our teams to explore new ideas, embrace change, and drive forward-thinking initiatives that propel our organisation toward sustained growth and relevance in an ever-evolving landscape.

Succession planning

In order to bolster succession planning, the company endeavours to expand talent pools to encompass a significant portion of the workforce. The objective is to gradually incorporate all essential functions into succession planning initiatives. This strategic move aims to guarantee smooth continuity in operations, particularly during periods of swift transitions in leadership roles or critical functions. By widening the talent pools, the company ensures a robust pipeline of capable individuals ready to step into key roles when needed. Through comprehensive succession planning efforts, the organisation not only mitigates risks associated with leadership vacancies but also fosters a culture of preparedness and adaptability, empowering employees at all levels to assume greater responsibilities and contribute effectively to the company’s long-term success and sustainability.