SOCIAL AND RELATIONSHIP CAPITAL

GRI 413-1 a

PARTNERSHIPS AND NETWORKS: ENHANCING COLLECTIVE IMPACT

> We are committed to creating lasting value for our customers, business partners, and communities through strong, mutually beneficial relationships built on trust, transparency, and accountability. As a life insurer, these connections are at the heart of our value-creation process. They enable our operations, broaden market reach, and fuel business growth. Our extensive network and shared values strengthen these social ties, making them fundamental to our success.

3,000+
Sales Staff

340,000+
Lives Insured

Rs. 39 Mn
Investment in CSR

2,000+
Service Providers

Key Highlights

SDGs Impacted

Customers

- Launched **Union Assurance Flex Life** – an innovative, fully customisable solution.
- Enhanced Electronic Medical Examination Report (e-MER) and digital medical records.

Field Staff

- Became the first insurer to fully digitise the Advisor Life Cycle Management process, setting a new industry benchmark.
- Introduced the Advisor Welfare Scheme, a dedicated initiative to empower and support advisor network.

Business Partners

- Entered an exclusive partnership with Sampath Bank PLC, reshaping the competitive landscape of Bancassurance.
- Ensured all suppliers and vendors are screened against ESG standards. LA

Community

- Contributed to the government 'Rebuilding Sri Lanka' Fund, established to provide relief to communities affected by Cyclone Ditwah.
- 23,000+ individuals received free diabetes screenings through the 'Suwamaga' diabetes prevalence campaign.
- Launched the 'Diabeater' pledge, uniting communities to combat diabetes.

Value Creation Process

Inputs

- Rs. 39 Mn. investment in community development
- Rs. 6,949 Mn paid to suppliers
- Rs. 4,787 Mn total commission and incentives paid to sales staff

Value Creation

- CSR initiatives
- Customer relationship management
- Supplier retention
- Product development

Outputs

- 222 MDRT qualifiers
- Rs. 7,878 Mn revenue from new customers

Outcomes

- Empowered communities
- Strong supplier relationships
- Loyal customers
- Strong business partner relationships

Focus Area	KPI	GRI
Drive operational efficiency through faster claims settlement, higher automation, and optimised sales channels Refer page 132	• Maintain a 93% + one-day claims settlement ratio	-
Field staff development - Empower advisors through continuous training and advanced digital tools to strengthen network performance Refer page 134	• 3,000+ Active sales force	GRI 418
Bancassurance channel optimisation Refer page 134	• Expansion of Bancassurance Exclusive partnerships	-
Drive nationwide diabetes awareness and promote preventive health practices Refer page 139	Targets • Directly impact 15,000+ lives through health screenings • Indirectly impact 50,000+ lives through education and awareness	-

Risks

Customer

- Lower disposable income causing more surrenders.
- Medical inflation increasing claim costs.

Sales Agents

- Competitive market making sales agent retention challenging.

Business Partners

- Price adjustments driven by external factors.

Opportunities

Customer

- Enhance engagement through digital platforms.
- Low interest rates improving product attractiveness.

Sales Agents

- Strengthen a high-quality sales agency force.
- Drive acquisition and retention of quality business.

Business Partners

- Build sustainable, long-term supplier relationships.

SOCIAL AND RELATIONSHIP CAPITAL

Related Stakeholders

Relevant Material Topics

- Corporate Governance & Regulatory Compliance
- Anti-Corruption
- Retention, Training and Development
- Health & Safety of Customers
- Transparent and Fair Advice to Customers
- Customer Privacy
- Employee Diversity, Equal Opportunity & Non-Discrimination
- Channel Partnerships
- Reinsurance Partners
- Stakeholder Relationship Management

Capital Trade-offs

- Short-term investment in CSR initiatives requires financial resources but delivers sustainable growth.
- Continuous training and development of Agency and Bancassurance partners foster a skilled, motivated, and loyal workforce.
- Aligning with environmental and social responsibility standards strengthens brand reputation and secures the license to operate.
- Increased brand awareness and knowledge assets enhance market positioning and customer trust.

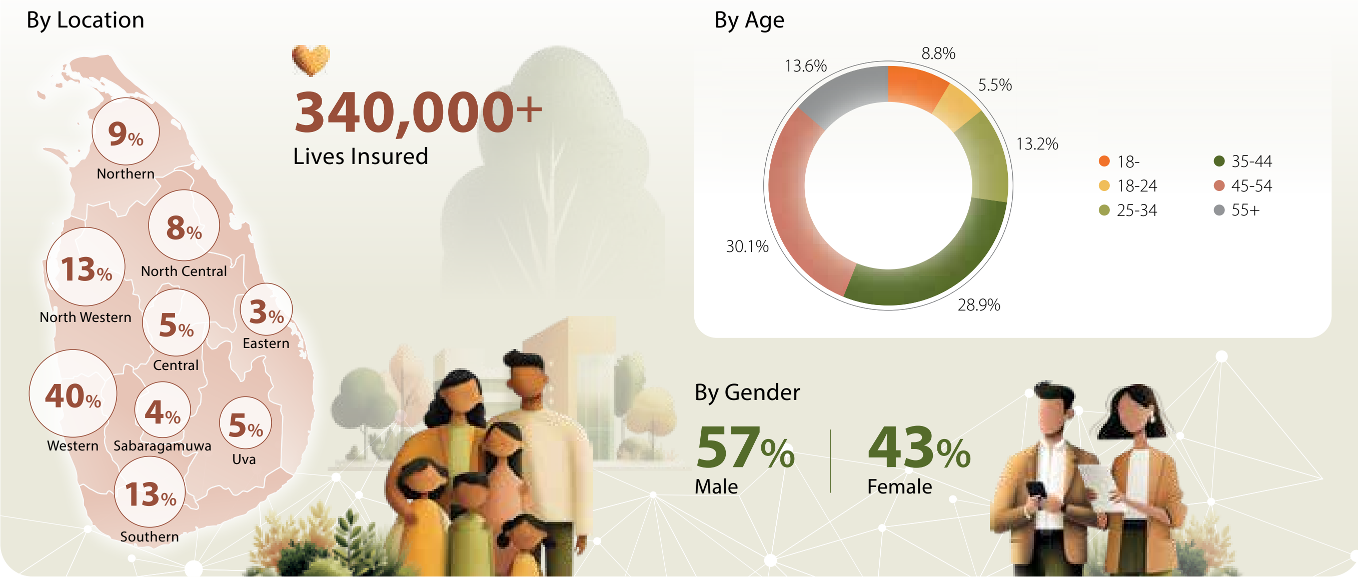
Management Approach

We are committed to enhancing our connections with customers, suppliers, and communities by continually refining our value proposition to drive mutual value and ensure stakeholder satisfaction. Our management approach prioritises strong engagement, fostering a culture of trust that places stakeholder interests at the forefront. This approach ensures their ongoing commitment to our long-term sustainability and growth, with a focus on allocating resources to address specific community needs, meeting evolving customer requirements, maintaining open communication with our business partners, and strengthening the resilience of our supply chain.

Customers

We consistently deliver exceptional value to our customers by pursuing excellence in product quality, timely delivery, and outstanding service.

Our Diverse Customer Bases



GRI 417-2 a, 417-2 b, 417-3 a, 418-1 a

Our Product Portfolio

Our product portfolio is designed to cater to diverse customer needs and can be segmented by:

Age	Behaviour	Channel
Coverage options spanning ages 18 to 75	Protection-focused or savings/investment-oriented solutions	Individual, Corporate, or Bancassurance offerings

For a detailed overview of our product portfolio, please refer to page 14

We leverage deep industry expertise and advanced data analytics to develop innovative, customer-focused insurance solutions. This approach enables us to meet the unique needs of individuals throughout their life journey. In 2025, we reinforced this commitment by introducing **FlexLife**, designed to address evolving customer expectations. **FlexLife** is an innovative and highly customisable life insurance solution designed to redefine financial planning. This strategic milestone reflects our commitment to personalisation, agility, and customer-centric service. **FlexLife** empowers customers to tailor coverage for every life stage, whether securing retirement, protecting loved ones, funding education, or ensuring healthcare. With flexible payment options, loyalty bonuses, top-ups, partial withdrawals, and comprehensive protection including optional covers for hospitalisation and critical illness, FlexLife offers unmatched flexibility and control. Customers can choose between lump-sum maturity benefits or steady annuity income, making financial security simpler and more rewarding.

Product Responsibility

We ensure that the benefits, features, and terms of each product are communicated clearly to customers and prospects. Our well-trained sales force provides comprehensive guidance throughout the policyholder journey. Every product is developed in full compliance with regulatory standards and applicable laws. Additionally, our omni-channel approach guarantees easy access for customers seeking clarification or support regarding our product portfolio.

Product Pricing

Our pricing strategy is fair, transparent, and aligned with regulatory requirements, ensuring full compliance with industry standards. Robust underwriting practices consider relevant mortality and interest rates, while pricing decisions are modelled on multiple factors, including customer lifestyle and behavioural patterns.

Ensuring Compliance

We adhere strictly to internal policies and external regulations in product design and advertising to maintain transparency and integrity. Comprehensive advisory training supports responsible selling practices, while compliance with IRCSL guidelines ensures fair treatment. Continuous reviews and oversight by our customer management unit reinforce these principles. Furthermore, automated processes have been implemented to minimise risks and prevent fraudulent activities.

Accountability	
Incidents of non-compliance concerning product and service information and labelling LA	Nil
Incidents of non-compliance concerning marketing communications LA FN-IN-270a.1	Nil
Substantiated complaints concerning breaches of customer privacy and loss of customer data LA HC-MC-230a.2	Nil

Data Privacy

Safeguarding customer information is our highest priority. We maintain stringent controls and advanced IT security measures to ensure confidentiality and integrity of data. Our IT processes are aligned with **ISO/IEC 27001:2022** Information Security Management System standards and CIS Critical Security Controls, minimising security risks and reinforcing strong IT governance.

To strengthen awareness, we conduct regular employee training sessions on data security best practices. Additionally, we implement robust cybersecurity measures across all interactions with the Company, ensuring comprehensive protection of sensitive information.

SOCIAL AND RELATIONSHIP CAPITAL

Sri Lanka's first comprehensive data protection law, the Personal Data Protection Act No. 9 of 2022 (as amended) is expected to be fully enforced in a phased approach. We are proactively aligning our policies and systems with these requirements to maintain compliance and build trust through transparency and accountability.

Please refer to 'Strengthening Cyber Security' on page 148 for more information on data privacy.

100%

Percentage of significant product or service categories covered by and assessed for compliance with such procedures.

Delivery Channels

Our commitment to delivering superior customer experiences is reflected in continuous efforts to expand delivery channels, introduce multiple payment options through diverse service providers, and strengthen our digital capabilities. As digital adoption accelerates, we are proactively enhancing our digital value proposition to offer seamless, convenient, and secure solutions. We focus on making interactions effortless by ensuring accessibility across all touchpoints. Through an omni-channel approach, customers can connect with us easily whether online or offline, whenever they need assistance, reinforcing convenience and trust at every stage of their journey.

Our multiple channels for customers to voice their concerns and manage their policies are given below:

24/7 Trilingual Call Centre
Our call centre provides round-the-clock support in multiple languages.

Dedicated Customer Service Unit
Located at our head office for in-person assistance.

Social Media Engagement
Stay connected via Facebook, Instagram, YouTube, and LinkedIn.

Clicklife App
Manage policies on the go with the industry's most comprehensive Life Insurance App.

Live Chat Support
Via our website's Chatbot with two dedicated agents.

Our Digital Reach and Engagement

By leveraging digital channels, we continue to drive convenience, transparency, and efficiency, redefining customer engagement in the insurance industry.

344,000+
Facebook followers
(2024: 229,000+)

114,200+
YouTube subscribers
(2024: 26,000+)

7,000+
Instagram followers
(2024: 5,900+)

45,500+
LinkedIn followers
(2024: 34,000+)

248,000+
Website sessions
(2024: 226,000+)

15,000+
TikTok followers
(2024: 2,500+)

Product Knowledge FN-IN-270a.4

We ensure customers have a clear understanding of our products. Our well-trained advisors provide comprehensive guidance, educating customers on product features and benefits. In addition, detailed brochures for each product are available on our website for easy reference.

Furthermore, every new customer receives a welcome call from our call centre to confirm their understanding of the contract and proactively address any potential misunderstandings.

Policyholder Experience

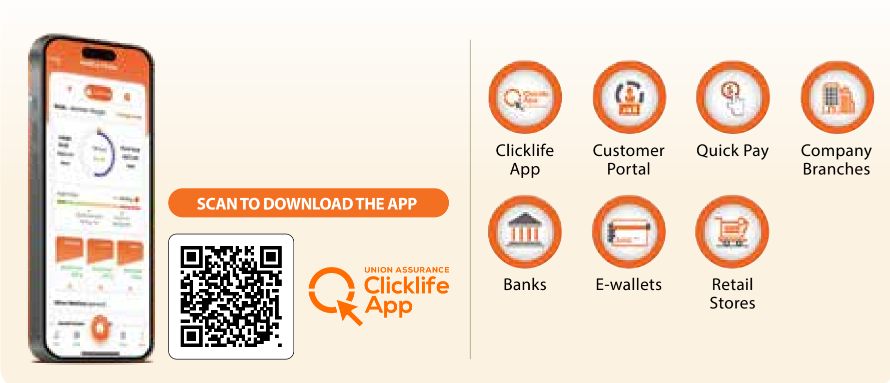
In 2025, we advanced initiatives that promote transparency, trust, and customer empowerment. A key milestone was the introduction of the Policyholder Charter, which outlines minimum service standards and is accessible to all stakeholders via our website. This reinforces our commitment to accountability and service excellence across every customer touchpoint.

To further enhance clarity, the Insurance Product Information Document (IPID) was launched, providing policyholders and prospective customers with a concise summary of key features and benefits in simple language. This initiative ensures better comprehension, informed decision-making, and aligns with regulatory best practices. Both the Policyholder Charter and IPID were implemented in accordance with IRCSL guidelines.

Accountability	2025	2024
New Policyholders during the year	32,000+	36,800+
Market share	11%	12%
One day claims settlement ratio	94%	93%
STP	69%	65%
Revenue from new customers (Rs. Mn)	7,878	6,226
Clicklife App registrations	13,500+	11,900+

Customer engagement

With a network of 95 branches, five Bancassurance partnerships, brokers, and our Clicklife App, we provide customers with enhanced accessibility and convenience to meet their needs. We have partnered with multiple service providers to offer a wide range of payment options for added flexibility. Recognising the importance of accessibility, we have established multiple channels for customers to share feedback and voice concerns.



Complaints Management

We operate a dedicated Complaints Management Unit, established in line with IRCSL directives, to ensure timely and complaint resolution of customer concerns. Guided by a robust governance framework and defined SLAs, all complaints are systematically logged, reviewed, and formally communicated, with structured escalation to senior management when necessary. If customers remain dissatisfied, they have the right to escalate the matter to the IRCSL or the Insurance Ombudsman. This process is embedded within our governance and compliance structure, reinforcing transparency, accountability, and fair treatment for all policyholders.

Empowering customers through education and transparency

We understand that the insurance industry can be complex, and we are committed to empowering our customers with the knowledge they need to make confident, well-informed decisions. By simplifying information and offering clear guidance, we help customers better understand their options. Ultimately, we strive to build strong, long-term relationships by ensuring customers feel supported at every stage.

SOCIAL AND RELATIONSHIP CAPITAL

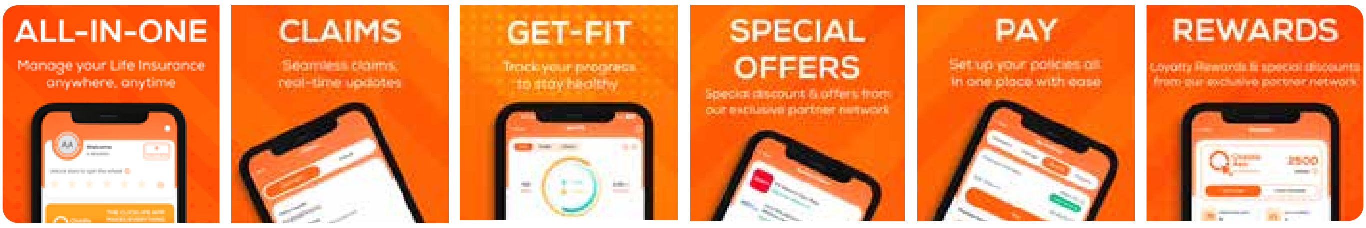
Enhancing customer experience through digitising

We harness digital innovation to enhance customer experience, drive transparency, and simplify processes, giving us a competitive edge, accelerating time-to-market, and delivering superior results.

Clicklife App

A key initiative is the Clicklife App, developed in-house to provide a seamless and convenient customer experience. This industry-leading platform enables customers to access complete policy information anytime, anywhere, eliminating the need to visit branches or contact an agent. Clicklife offers advanced self-service features, including policy alterations, claims submission, and loan applications. Customers can also instantly access essential documents such as bonus and dividend statements, visa and tax letters, address confirmations, and surrender value letters.

Key Features of the Clicklife App



First-ever Digital Loyalty Rewards Programme in the life insurance sector

Union Assurance continued to strengthen its digital leadership by advancing Sri Lanka's first-ever Digital Loyalty Rewards Programme in the life insurance sector through the Clicklife App. This milestone initiative reinforces the Company's ongoing commitment to enhancing the well-being of Sri Lankans by delivering modern digital solutions that elevate everyday living while ensuring consistent financial protection. Through this app-based rewards programme, customers can continue to earn digital rewards and redeem them across a network of more than 100 partner merchants, offering a seamless and engaging value-added experience.

Rs. 5 Mn for digital loyalty rewards programme

Clicklife Health Tracker & Fitness Challenge HC-MC-260a.4

The Clicklife App motivates users through a gamified rewards system. Customers can earn points by staying active such as completing the fitness goal and by joining monthly challenges. These points accumulate through fitness activity, premium payments, and regular app engagement, and can be redeemed as digital vouchers at a wide network of partner merchants. The app's health tracker and activity dashboard further encourage users to maintain healthy habits while being rewarded for their progress.

Straight Through Processing (STP)

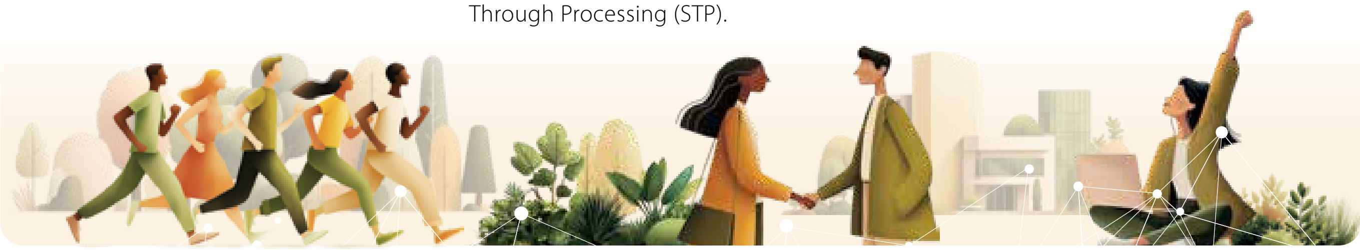
Our advanced Auto Underwriting Rule Engine streamlines risk assessment and speeds up policy issuance by automatically approving straightforward cases. This minimises the need for manual involvement, enhances the quality of underwriting, and effectively supports higher business volumes. Throughout the year, we continued to strengthen both the accuracy and overall rate of Straight Through Processing (STP).

100% Paperless Insurance Proposals Submission

To support our sustainability goals, we have fully transitioned to paperless insurance proposals by introducing digital policy certificates and e-policy documents. This shift has helped reduce our environmental impact and contributed to wider conservation initiatives. Customers can also conveniently access essential policy documents such as bonus letters, payment receipts, visa letters, and tax letters directly through our mobile app.

Integrated Customer Service (I PHONIC SYSTEM)

Our I-PHONIC system enhances communication with policyholders by unifying all inbound and outbound call centre functions into one integrated platform. Its dashboard feature enables effective call centre supervision from any location, boosting operational scalability and greatly improving policyholder satisfaction.



Business Partners

Our business partners are integral to creating value by delivering essential support services that enable us to provide exceptional customer experiences. We foster relationships built on trust, transparency, and mutual respect, ensuring fair and equitable treatment of all partners at every stage of engagement.

Our business partners

2,698* LA
Agency force

5
Bancassurance partners

4
Reinsurance partners

Rs. 48 Mn
Spend on sales staff training

26
Insurance brokers

Over 2,000
Local vendors and service providers

**Agency force is disclosed based on year end headcount.* LA

Fair and Equitable Treatment

Our interactions and relationships with business partners are built on a foundation of fair and equitable treatment. To achieve this, we utilise a robust internal code of conduct and follow strict policies and procedures related to selection criteria, dispute resolution, and fair dealings. Moreover, we ensure regulatory compliance is managed and monitored to enable transparent and unbiased interactions with our valued partners.

Continuity of Supply

We guarantee continuity of service by cultivating sustainable partner relationships grounded in mutual trust, respect, transparency, and fair treatment. Our approach involves continuous dialogues to identify mutual synergies, prompt payment practices, and regular performance assessments, which together ensure the strength and stability of long-term agreements.

Awards and Recognition

We demonstrated our industry leadership at the 15th National Forum for Life Insurance Advisors (NAFLIA) Conference, securing the highest number of National and Category Awards at the prestigious Life Insurance Industry Sales Awards. This historic achievement underscores the Company's commitment to excellence and the exceptional performance of our team. This success included sweeping key awards at both the national and large insurer category levels.

Strengthening industry leadership with multiple wins at SLIM NSA 2025

We delivered an outstanding performance at the SLIM National Sales Awards 2025, securing five prestigious awards across both Agency and Partnership Distribution channels. These achievements underscore the dedication, professionalism, and customer-centric approach that define Union Assurance's commitment to sales excellence and industry leadership.

Performance based career achievements in 2025

Accountability	Agency	Bancassurance	Total
TOT	6	5	11
COT	24	26	50
MDRT	152	70	222
	182	101	283

SOCIAL AND RELATIONSHIP CAPITAL

Agency Force

In a market characterised by low penetration and intense competition, building a strong agency network is essential to reach potential customers and maintain a competitive edge. Our success is powered by the dedication and passion of our Agency force, who effectively communicate our value proposition to the uninsured and convert them into valued policyholders.

We take pride in being the preferred life insurer for our agency team, and we remain committed to their continuous development through comprehensive training programmes. In addition, we offer competitive rewards and recognition to celebrate their hard work and the exceptional service they deliver to our customers.

Developing the Agency Workforce

Through our Learning Academy, we partnered with the Sri Lanka Institute of Marketing (SLIM) to deliver specialised training programmes for our top advisors. In 2025, 31 advisors successfully completed SLIM certification, marking a significant milestone in their professional development and reinforcing our commitment to building a highly skilled and customer-focused sales force.

Training programmes for Agency Force

- Product related training
- Reward & Recognition related programs
- AML/PDPA & CTF training
- FAME System Training sessions
- Financial need Analysis Training
- Lapse prevention awareness
- Motivational sessions
- Coaching & leadership development programs

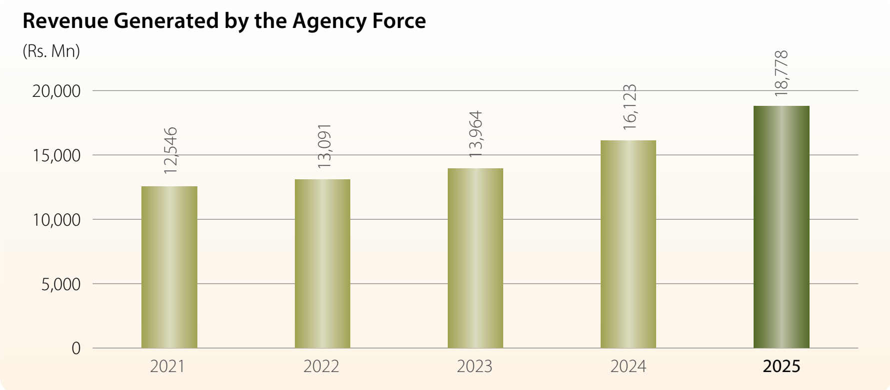
Fully Digitised Advisor Life Cycle Management

We set a new industry benchmark by becoming the first insurer in Sri Lanka to fully digitise the Advisor life cycle management process. This pioneering initiative transforms every stage of advisor operations from onboarding to self-service, into a seamless digital experience, reinforcing our leadership in innovation.

The transition from manual to digital processes has delivered significant benefits for both internal and external stakeholders. Automated onboarding has significantly improved turnaround times, while integration with the Sri Lanka Insurance Institute's digital examination platform, an industry-first, enables instant verification of prerequisite exam requirements. Advisors now enjoy intuitive self-service features, allowing them to complete service requests quickly and efficiently with just a few clicks.

Advisor Welfare Scheme

The Advisor Welfare Scheme, a groundbreaking initiative designed to empower and support the advisor network and their families, was launched during the year. This first-of-its-kind programme in Sri Lanka's life insurance industry reflects our commitment to developing an empowered agency force.



Bancassurance Partnerships

In 2025, we reinforced our position as Sri Lanka's leading Bancassurance provider by doubling down on efforts to expand and deepen the channel. This strategic focus included forging new alliances and strengthening existing partnerships to deliver superior insurance solutions across the island.

We now have five leading bank partnerships, including three exclusive arrangements, making Bancassurance a key contributor to our growth strategy. The channel accounted for 27% of total revenue, leveraging Sri Lanka's relatively low Bancassurance penetration to unlock new opportunities. Recognised as a strategically significant avenue for increasing insurance accessibility, we remain committed to expanding this channel and pursuing new partnerships to reach underserved segments in 2026 and beyond.

Increasing Our Footprint

Exclusive Partnership with Sampath Bank PLC

In January 2025, we entered into a long-term exclusive Bancassurance agreement with Sampath Bank PLC. This transformative alliance integrates comprehensive life insurance solutions into Sampath Bank's extensive branch network, combining nearly four decades of expertise to deliver a unified platform for customers' banking and insurance needs.

Strengthen Our Ties with Existing Partners

Union Bank PLC Partnership

The top achievers from Union Bank were honoured at a glamorous gala awards night.

Nations Trust Bank PLC Partnership

Our long-standing exclusive partnership with NTB remains a cornerstone of our Bancassurance strategy. In 2025, we introduced "Triathlon 2025 – Powered by Trust, driven by Assurance", the first-ever triathlon organised under a Bancassurance partnership in Sri Lanka.

Seylan Bank PLC & Pan Asia Bank PLC

We celebrated & recognised the top performers of Seylan Bank's bancassurance channel at a awards ceremony. We also recognised our collaboration with Pan Asia Bank, reinforcing our commitment to partner engagement and performance excellence.

Developing the Bancassurance workforce

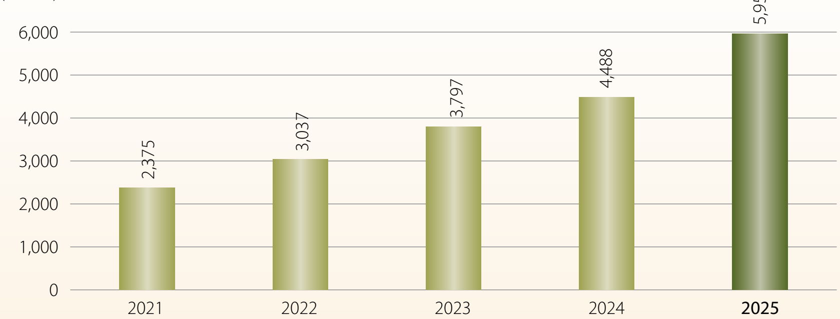
We are dedicated to empowering our Bancassurance workforce through comprehensive training and development programmes. We believe a well-trained team is crucial for driving sales, improving customer service, and enhancing the overall effectiveness of the Bancassurance model. Our key training initiatives include comprehensive onboarding programmes, ongoing product and sales training, and interactive digital learning platforms.

Training pillars

- Leadership & Management
- Onboarding
- Product & Technical
- Sales & Service Excellence
- Systems, Operations & Compliance

Revenue Generated by Bancassurance Partnerships

(Rs. Mn)



SOCIAL AND RELATIONSHIP CAPITAL

Empowering and recognising our sales force

In 2025, we focused on initiatives that empowered, motivated, and rewarded our sales force. To recognise the value of our sales teams, we celebrated their achievements through performance-based compensation, bi-annual and annual awards, exclusive overseas tours, internal recognition programmes, incentive schemes, and other appreciation initiatives.

National Business Launch

Successfully hosted the prestigious National Business Launch at Monarch Imperial under the inspiring theme "Rise to Brilliance", attended by senior management and over 500 members of our agency force. The event was recognised and rewarded top-performing advisors for their exceptional contributions.

Bancassurance Overseas Tour

Union Assurance celebrated the outstanding achievements of more than 60 top performers from its Bancassurance division with a four-day premium tour to Thailand. This experience, which included their families, was designed to reward dedication and create unforgettable moments, allowing them to share success with loved ones.

Partnership Distribution Annual Awards 2024

Also hosted at Cinnamon Life, this event honoured our Bancassurance and Corporate channels under the theme "A New Era of Expansion", highlighting our focus on strengthening leadership in partnership distribution.

Agency Distribution Annual Awards 2024

Held at Cinnamon Life – City of Dreams, this event celebrated achievements and inspired continued excellence, reinforcing our commitment to empowering the agency force to lead the transformation of Sri Lanka's life insurance landscape.

Agency Overseas Tour

The tour to Amsterdam served as a prestigious recognition platform, celebrating top performance while fostering stronger engagement and leadership alignment within the agency force.

MDRT Recognition Event

Hosted at Hilton Colombo, this event honoured over 65 Insurance Relationship Officers (IROs) from the Partnership Distribution channel who achieved the prestigious Million Dollar Round Table (MDRT) status for 2024.

GRI 2-28 a, 204-1 a, 204-1 b, 204-1 c, 308-1 a, 414-1 a

Reinsurance partners

We recognise the critical role of strong reinsurance partnerships in ensuring stability, resilience, and sustainable growth. Our dedicated Reinsurance Unit manages all treaty arrangements with precision and transparency, fostering trust and collaboration with leading global reinsurers.

In 2025, we enhanced engagement through structured negotiations, timely settlements, and data-driven insights, enabling robust risk management and capacity building. These partnerships not only safeguard our portfolio but also reinforce our commitment to delivering reliable protection for policyholders. By strengthening these alliances, we continue to uphold resilience, innovation, and leadership in an evolving insurance landscape.

Financial Rating		Rating Agency
AA-	Hannover Ruck SE	S&P
A+	Partner Reinsurance	S&P
AA	Munich Re	S&P
AA-	RGA International Reinsurance Company	S&P

Rs. 1,698 Mn
Payments to reinsurers

Rs. 152 Mn
Commission received

Rs. 1,096 Mn
Claim recoveries from reinsurers

Vendors and service providers

We demonstrate our dedication to responsible sourcing through procurement practices that prioritise sustainability and ethics. We partner exclusively with office equipment and peripheral suppliers who adhere to stringent Environmental, Social, and Governance (ESG) standards.

To build strong, long-term partnerships, we maintain open communication, implement continuous process improvements, and work jointly to enhance product quality, drive cost-efficiency, and ensure timely payments.

Key Measures to Uphold Ethical and Transparent Sourcing:

- Supplier selection and retention are governed by Manual of Financial Authority (MOFA) guidelines and overseen by the Supplies Committee.
- All procurement activities require three valid quotations, evaluated based on quality, ethical compliance, and competitive pricing.
- Every vendor undergoes rigorous screening against our ESG standards.

2,669
Local* suppliers

42
Foreign suppliers

84% LA
from total procurement expenditure spent on local* suppliers

100% LA
No. of suppliers assessed for social impacts

** Local - within Sri Lankan territory*

Competitors

At Union Assurance, we uphold the principle of ethical competition as a cornerstone of sustainable success. Our approach is grounded in fairness, transparency, and legality, ensuring that we compete openly and responsibly. We aim to win business through our core strengths, innovation, operational efficiency, and exceptional customer service.

New Business Market Share

(%)

	2025	2024
UAL	13.57	13.97
AIA	17.66	16.66
SLIC	12.99	11.96
Ceylinco Life	20.16	20.94
Softlogic Life	15.80	14.71
Others	19.82	21.76

Industry

As a leading player in Sri Lanka's insurance industry, we engage with key stakeholders to strengthen the sector and uphold regulatory standards. This includes close collaboration with the Insurance Regulatory Commission of Sri Lanka and other government institutions to ensure compliance and contribute to policy development.

We also participate in industry-wide discussions and initiatives aimed at driving progress and innovation. Furthermore, through our membership in the Insurance Association of Sri Lanka and other prominent associations, we work collectively to advance best practices and promote the overall growth and resilience of the insurance industry.

Membership in Associations LA

- The Ceylon Chamber of Commerce
- Insurance Association of Sri Lanka
- Employees' Federation of Ceylon
- Life Insurance and Market Research Association
- Colombo Stock Exchange (CSE)
- Insurance Regulatory Commission of Sri Lanka (IRCSL)
- Sri Lanka Insurance Institute (SLII)

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GRI 205-1 a, 205-2 b, 205-2 e, 205-3 a, 205-3 b, 205-3 c, 205-3 d

Communities

Anti-corruption Policy [LA]

Our comprehensive anti-corruption policy holds all employees accountable for ethical conduct. It provides clear guidelines aligned with our Code of Ethics, ensuring employees understand and uphold high standards of business integrity.

- Employees periodically acknowledge the policy to stay informed and compliant.
- Key principles include individual responsibility for ethical behaviour and full comprehension of the policy's scope.
- In 2025, there were no reported incidents of corruption or corrective actions taken.

Integrity

We earn and maintain stakeholder trust through:

- Strict compliance with laws and regulations
- A robust governance framework
- Effective internal policies and controls
- Adherence to a strong Code of Conduct
- Independent audit reviews

Transparency

Transparency is central to our operations. We ensure customers have easy access to comprehensive product information and maintain accountability through regular updates via our annual report, corporate website, and other platforms. In cases where claims are declined, we clearly communicate the reasons for the decision.

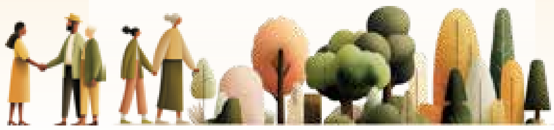
Responsibility

We take full responsibility for our actions.

- Product development follows stringent regulatory guidelines and is overseen by the Executive Committee (ExCo).
- Marketing practices are conducted ethically and responsibly, reflecting our commitment to integrity.

Environmental and social concern

We strive to ensure our operations pose no social or environmental risk while actively working to create a meaningful positive impact on society.



**All operations were assessed for anti-corruption risks and the risk register was updated accordingly.*
**All employees received communication and training on anti-corruption policies. Please refer Human Capital Page 104 to see employee category and region wise breakdown.*

Social license to operate

We recognise that our operations are deeply rooted in the communities we serve, and we strive to be a responsible corporate citizen. With decades of operational excellence, we have consistently demonstrated a strong commitment to ethical practices and social development.

Our success is measured not only by financial performance but by the positive impact we create in people's lives. Through community development programs focused on education, mental health, financial assistance, and overall well-being, we aim to empower individuals and foster sustainable growth.

Promoting Socially Responsible Behaviour

We are committed to promoting socially responsible behaviour through stringent governance structures, progressive policies, and robust procedures. Our ethical stance is embedded in our policies, and our operations reflect an unwavering commitment to responsible business practices.

Collaboration with the John Keells Foundation

In 2025, UA continued its contribution to the John Keells English Language Scholarship Programme of John Keells Foundation (JKF), a long-term initiative supporting English and ICT skills development of pre-O'Level students of deserving Government schools located in and around UA locations. JKF is the Corporate Social Responsibility entity of the John Keells Group, which implements a range of initiatives shaped by evolving socio-economic needs. Guided by its vision of "Empowering the Nation for Tomorrow," JKF drives long-term, sustainable programmes across key focus areas, including Education, Social Health & Cohesion, Community and Livelihood, and Biodiversity, all of which support the Group's broader sustainability agenda. In addition, our employees actively volunteered across several JKF initiatives, further strengthening UA's commitment to fostering meaningful and lasting community impact.

Supporting English and ICT skills development of pre-O'Level students

Union Assurance Suwamaga

Combating the national crisis of diabetes in the nation

> The Union Assurance Suwamaga flagship CSR programme continued during the year, with a focus on empowering community progress by proactively addressing the growing incidence of diabetes in Sri Lanka.

The programme is structured around four strategic pillars:

- Raising awareness about diabetes
- Promoting healthy lifestyles
- Supporting early detection and risk management
- Fostering community engagement

Under the programme, from June 2024 to August 2025, more than **23,000 people** were screened for diabetes, achieving island-wide coverage across all **25 districts** and conducting screenings at **263 locations**.

The launch of the Union Assurance Suwamaga Impact Report 2025

The Union Assurance Suwamaga Impact Report reviews the programme's achievements over a 15-month period from June 2024 to August 2025. The report provides valuable insights into diabetes related health concerns among affected segments of the population based on BMI, Random Blood Sugar/ Fasting Blood Sugar, HbA1c testing, current health status and family health history derived from the total beneficiary sample.

Representing Sri Lanka at the International Diabetes Federation World Diabetes Congress 2025

Union Assurance represented Sri Lanka at the IDF World Diabetes Congress 2025, held in Bangkok, Thailand. Organised by the International Diabetes Federation (IDF), the Congress brought together over 6,800 participants from more than 165 countries under the theme, "Shape the Future of Diabetes", serving as a premier global platform for sharing the latest scientific breakthroughs, innovative care models and impactful advocacy strategies in diabetes prevention and management, as a cure is still elusive.

At the Congress, Union Assurance showcased its flagship CSR initiative, Suwamaga, a pioneering programme dedicated to reducing the incidence of diabetes across Sri Lanka.

Key Highlights from the Union Assurance Suwamaga Impact Report

Close to 3%
of total sample of beneficiaries were unaware that they had diabetes and were diagnosed for the very first time.

78%
of beneficiaries either did not know whether their families had a history of diabetes or believed there was none, showing a significant lack of awareness about genetic risk.

18%
of beneficiaries had prior diagnosis or awareness of the condition.

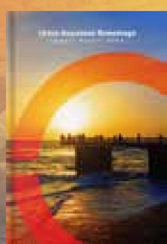
71%
beneficiaries changed health behaviours after participating in the Union Assurance Suwamaga programme.

45%
of beneficiaries have become more aware of NCDs

14%
of beneficiaries have visited a doctor for medical advice/medical check-ups

36%
of beneficiaries have started to adapt healthy living behaviours

16%
of beneficiaries started looking for more information on NCDs



Scan to download the Suwamaga Impact Report

SOCIAL AND RELATIONSHIP CAPITAL

Union Assurance Diabeater

Launched in 2024, Union Assurance Suwamaga has entered its third phase with a powerful new nationwide movement, 'Diabeater'.

The Diabeater movement invites the public to take the 'Diabeater pledge', uniting the nation in the fight against diabetes through education, action and community support. The movement was officially launched at Union Assurance's Head Office, in the presence of the Company's staff members.

Becoming a Diabeater involves embracing a holistic, three-pronged approach to health and well-being. First, Diabeaters will be equipped with the necessary tools and resources to take charge of their health. This empowers individuals to make informed lifestyle choices that can help prevent or manage diabetes effectively. Second, participants are encouraged to raise awareness within their communities, sparking conversations about healthier lifestyles and setting an example for others to follow. Finally, the movement seeks to unite the nation, fostering a sense of collective responsibility and collaboration in the fight against diabetes.

Piripun Parapurak, Surakina Mehewarak

Union Assurance reaffirmed its commitment to empowering progress by nurturing emotional well-being of Sri Lanka's youth through its initiative, 'Piripun Parapurak, Surakina Mehewarak'. Born out of growing concern over the mental health challenges faced by schoolchildren, the initiative reflects the Company's proactive approach to raising awareness and educating students on this delicate matter.

The series of programmes were designed to shed light onto this pressing yet often overlooked issue. The sessions focused on equipping participants with practical strategies to manage exam-related stress, digital screen dependency, and emotional pressure. Led by experienced mental health professionals, the interactive sessions encouraged students to adopt healthier study habits, build emotional resilience, and foster safe spaces for self-expression.

Union Assurance Flood Relief Efforts

UA, contributed Rs. 50 Mn to the government 'Rebuilding Sri Lanka' Fund, established to provide relief to communities affected by Cyclone Ditwah.

We also supported the Sirasa Shakthi Sahana Yathra flood relief initiative, providing essential aid to affected communities. Employees volunteered to distribute supplies and contributed one day's salary to recovery efforts. Further, UA donated 500 x 5L water bottles to the Central Provincial Council and an additional 500 x 5L bottles to agency staff. Additionally, UA supplied 2,700 sanitary napkins to the Ceylon Chamber of Commerce.

These actions reflect our strong commitment to social responsibility and standing by communities during times of need.

Supported the Sirasa Shakthi Sahana Yathra flood relief initiative

Accountability to Community

Ethical Community Engagement

Our interactions with communities and CSR initiatives are firmly guided by our Code of Conduct, ensuring ethical and transparent practices at every stage. We are committed to full compliance with all applicable social and economic laws and regulations.

In 2025, we recorded zero instances of non-compliance, reaffirming our dedication to integrity and responsible corporate citizenship.

Contribution To Sustainable Development Goals (SDG)

We recognise that sustainability goals are essential for building a better future and addressing global challenges such as poverty, inequality, climate change, and environmental degradation. In line with this vision, we are committed to supporting the United Nations Sustainable Development Goals (UN SDGs) and operate within a community that values our dedication to responsible practices.

As part of our strategy, we have identified key SDGs and embedded action-oriented targets into our operations, ensuring that our efforts contribute meaningfully to societal development and long-term sustainability.

Way Forward

Objectives	2026 Short-term target	Medium to Long-term target
One day claims settlement ratio	93%+	Leverage digital technology to offer a better customer experience
Channel optimisation	Expansion of Bancassurance exclusive partnerships	Strengthen distribution with productivity improvement to drive sustainable growth
CSR spent	1% of CSR investment from PAT	Creating sustainable community impact in longer term