
SANASA LIFE INSURANCE COMPANY PLC

POLICY ON ENVIRONMENTAL, SOCIAL AND GOVERNANCE SUSTAINABILITY

1. OVERVIEW

The Board of Directors of the Company has adopted this Policy to serve as a framework to be followed by the Company in ensuring that the corporate culture within the Company is built around environmental, social and governance (ESG) consideration in its business operations, decision-making processes and all its activities.

2. DEFINITIONS

The following words and expressions shall have the respective meanings given against each such word unless such meanings are inconsistent with or repugnant to the subject or context:

“**Articles**” the articles of association of the Company;

“**Board**” means the board of Directors of the Company whose number not less than the required quorum acting together as a board of Directors including where the context so requires or admits, Directors assembled at a Board meeting;

“**CEO**” means an employee of the Company performing the functions of the chief executive officer of the Company and called by whichever name;

“**Committee**” means the nominations and governance committee of the Company;

“**Company**” means Sanasa General Insurance Company Limited;

“**Companies Act**” means the Companies Act No. 07 of 2007 as amended from time to time;

“**Director**” means a director or the directors (as the case may be) for the time being of the Company, including where the context so requires or admits alternate directors;

“**Listing Rules**” mean the Listing Rules of the Colombo Stock Exchange;

“**Policy**” means this policy on relations with shareholders and investors;

“**Related Party**” shall have the same meaning as defined in the Listing Rules.

“**shareholder**” shall have the same meaning as defined in section 86 of the Companies Act.

3. PURPOSE

The purpose of this Policy is to provide information of the Company's ESG processes and procedures which focus on the non-financial performance indicators that address its approach towards responsible investment, sustainability, its impact on the larger society and the environment and other governance and ethical considerations.

4. SCOPE

This Policy applies to the Company and covers all Directors, senior management, other employees, shareholders and investors of the Company, to the extent applicable.

5. ENVIRONMENTAL FACTORS

- 5.1 The Company is committed to reducing its energy and carbon footprint in an attempt to positively contribute to the global approach towards climate change and adopt a sustainability program committed to environmentally sustainable initiatives that deliver effective results, efficiency and value for the Company, its employees and the wider public.
- 5.2 The Company recommends the use of sustainable material within the Company and actively promotes a paper-light office in a conscious effort to reduce paper usage in its operations, transactions and communications with all stakeholders.
- 5.3 The Company aims to reduce the use of single-use plastic within the Company as well as at its promotional, marketing and outreach events.
- 5.4 The Company is working towards monitoring and reducing energy consumption by incorporating energy efficient resources wherever possible, in its strategy to promote environment friendly initiatives.
- 5.5 Additionally, the Company conducts regular programs to educate its employees on the importance adopting an environment friendly approach in conducting its operations and the policies and internal procedures introduced by the Company to comply with the same.
- 5.6 The Company procures the necessary supplies/services for its operations from ESG compliant suppliers/service providers in order to further enhance and establish its proactive commitment to this Policy.

6. SOCIAL AND GOVERNANCE FACTORS

- 6.1 Intellectual capital forms a core part of the Company's business, its business model and its long-term sustainability. The Company aims to foster an environment that values and nurtures its employees and assists them in their unique talents and contributions to the Company, thereby cultivating and building an inclusive workplace. The Company:

- (i) ensures all employees are fairly compensated for their contribution and remunerations of employees at industry standards;

- (ii) provides employees with the necessary resources and training to promote efficiency;
 - (iii) implements and promotes a positive and conducive work environment; and
 - (iv) ensure the health and safety of all employees and provide appropriate healthcare benefits and medical care to all its employees.
- 6.2 The Company aims to establish gender, age and ethnic diversity across the Company’s workforce as a combination of individuals representing different groups can provide a range of perspectives and experiences resulting in improved decision-making and effective results.
- 6.3 The Company discourages harassment/ discrimination on the basis of gender, age, ethnicity, race, age, physical ability, socio-economic status or any other grounds. Complaints against such behaviour among employees must be forwarded to the Company’s Head of Human Resource , whose contact details are provided below:

Head of Human Resource
Sanasa General Insurance Company Limited,
No 172, Elvitigala Mawatha, Colombo 08;
Telephone : 0775210652
Email address : hr@sgic.lk / chalitha@sgic.lk

- The human resources manager must take necessary action after consulting with the relevant heads of division or the CEO, as necessary.
- 6.4 The Company must work towards greater integration of social considerations in its procurement process by working closely with its suppliers/service providers.
- 6.5 The Board of Directors and its employees strictly adhere to its internal policies and procedures in order to ensure efficient implementation of its internal governance framework. Non-compliance with the Company’s policies and procedures will result in an inquiry and/or disciplinary action if required.
- 6.6 The Company makes charitable donations on an annual basis as determined by the Board and its shareholders at the annual general meeting of the Company. Additionally, the Company aims to assist marginalized communities in the country through well-structured programs in an attempt to assist the wider society.
- 6.7 Inclusive growth and equitable development is encouraged by the Company in carrying out its activities and the Company engages with and provides value to its customers and all external stakeholders in a responsible manner.

7. DISCLOSURES

- 7.1 The Company discloses the policies and procedures adopted by the Company and any other information relevant including measures taken to reduce its carbon footprint, diversity in its Board and workforce, in its annual report.
- 7.2 The Company’s employees, shareholders, investors are encouraged raise their concerns/make suggestions in relation to ESG policies and procedures to the company secretary whose contact details are provided below:

Duleeka Vidanapathirana
Company Secretary,
Sanasa General Insurance Company Limited
No 172, Elvitigala Mawatha,
Colombo 08.

Telephone : 0773661905
Email address : duleeka@sgic.lk

The company secretary must direct such concerns/suggestions to the Board and the Board must release such information so requested or address queries raised in accordance with the Company's internal policies, including the Policy on Relations with Shareholders and Investors.

8. REVIEW AND MONITORING

- 9.1 The Nominations and Governance Committee of the Company will from time to time review this Policy, monitor its implementation to ensure continued effectiveness and compliance with regulatory requirements and good corporate governance practice and shall make recommendations on any proposed revisions as may be required to the Board of the Company, for its review and final approval.
- 9.2 Upon obtaining the approval of the Board of the Company, the said revision or amendment shall be deemed to be effective and form part of this Policy.
- 9.3 This Policy is to be read in conjunction with the Articles and other relevant Company policies, including:
- (i) Policy on Corporate Governance, Nominations and Re-election;
 - (ii) Policy on Internal Code of Business Conduct and Ethics for all Directors and Employees (including policies on trading in the Company's listed securities);
 - (iii) Policy on Investment with Shareholders and Investors;
 - (iv) Policy on Control and Management of Company Assets and Shareholder Investments;
 - and
 - (v) Policy on Corporate Disclosures.

Date of Approval: 24th September 2024