



**STANBIC BANK GHANA
COMMUNICATION ON PROGRESS**

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Mawuko Afadzinu,
Head, Marketing and Communications**

Contact: Mawuko Afadzinu

Email: afadzinum@stanbic.com.gh **Phone:** +233 244 337313 **Fax:** +233 302 687669

COMMUNICATION ON PROGRESS REPORT ON THE UN GLOBAL COMPACT SUBMITTED BY STANBIC BANK GHANA

NATURE OF BUSINESS

Stanbic Bank Ghana, a member of the Standard Bank Group of South Africa, has for the past five years been a major player in the financial service sector of Ghana. With a number of initiatives taken since its incorporation in 1999, the bank has grown from just a two-branch bank operation to that of a fully fledged financial institution handling universal banking services.

Rated a tier-three bank six years ago, Stanbic Bank Ghana has shown leadership in a number of deal making arrangements in the corporate sector, driven innovation in the retail sector and exhibited strong qualities which have brought the bank to the tier-one level. The bank moved to tier-one four years ago after successfully upgrading its operations.

Stanbic Bank operates in nine regions and has a retail network of twenty-two branches. In the corporate banking space, Stanbic Bank is rated among the leading investment banks in Ghana closing very high level deals that have impacted strongly on infrastructure development of the country.

Business Units

Stanbic Bank Ghana operates two business units. They are Personal and Business Banking (PBB) and Corporate and Investment Banking (CIB).

Personal and Business Banking

PBB which has three main units handles the retail banking activities of the bank.

- Personal Banking handles individual banking needs of salaried workers in the formal and informal sectors, traders' individual accounts and those of artisans among others. Personal Banking has a bouquet of products and services that support individuals.
- Business Banking handles small and medium scale enterprises (SME), commercial entities and other businesses that are not yet corporate institutions.
- Private Banking caters for High Networth Individuals (HNI) and offer offshore banking services

Corporate and Investment Banking

The CIB Department takes care of corporate institutions, government agencies and foreign missions and foreign nongovernmental organisations operating in Ghana. The department has a wide range of corporate

products and services that include project financing, property financing, investment banking, corporate banking, assets management, brokerage services, investor services covering custody services and treasury centres among others.

CIB focuses on telecommunications, agriculture, mining and commodity financing among others. For its strong leadership, the Bank was voted in 2011 as the Best Investment Bank by the prestigious EMEA Finance magazine. The accolade follows others won in 2008 as Ghana's Number One Company in the prestigious Club 100 rankings organised by the Ghana Investment Promotion Council, and leadership in Financial Services award won for 2008 and 2010.

The investment banking capabilities of the Bank have resulted in a number of landmark deals that have raised its profile and also given credence to its membership of Africa's largest bank, the Standard Bank Group of South Africa. In 2012, the Bank led 16 local and 4 international banks to seal a loan syndication deal with Ghana's telecommunications giant, MTN Ghana. The amount involved GHS 440 million and USD 60 million, and was the first time an international company raised funds locally to finance its operations. It also represented the largest Ghana Cedi deal ever.

Stanbic Bank also demonstrated its soft commodity financing capabilities by partially financing Ghana's latest flour mill which was commissioned by Olam Ghana. The financing amounted to USD 18 million. Similar deals were concluded with Eaton Towers, a major telecommunications infrastructure provider, Ghana Airports Company Limited, Volta River Authority and Boston Investment Holdings among others.

Stanbic Bank's Global Market unit has been a leader over the years in the sale of the South African Rand in Ghana. This is the only depot for the currency in this country. Also, with the introduction of the Chinese Yuan, which is also the first time it is going on sale in Ghana, business people now have access to the Yuan either in cash or for transfer into a designated account in China.

STATEMENT OF SUPPORT TO THE COMPACT

Since 2007, Stanbic Bank Ghana has consistently demonstrated its resolve to uphold the highest levels of corporate governance through the UN Global Compact series. We have over the years worked hard to ensure that we are on course in sticking to the highest levels of corporate governance. The Global Compact tenets

have been most helpful in this regard. Every part of our business activities is conducted respecting the highest standards of doing business. We are therefore in full support of the tenets of the Global Compact.

As a member of a highly respect banking group in Africa, the Standard Bank Group, we are committed to flying high the bank's flag in Ghana. The Global Compact principles definitely provide us the unique opportunity to be a good corporate citizen. This process offers the opportunity to speak to the world on our commitment to issues that offer protection for mankind. We therefore continue to pledge our full support for the principles of the Compact.

As a business leader in Ghana, we need to set standards that are emulative. We therefore declare our unflinching support for the Compact.

We continue to commit our organization and its activities to the principles governing the Compact; we once again commit to ensure that our processes and structures are further tailored to guarantee that the fine details of the principles are imbibed.

SIGNED

Alhassan Andani
Chief Executive

PRINCIPLE 1	BUSINESS SHOULD SUPPORT AND RESPECT THE PROTECTION OF INTERNATIONALLY PROCLAIMED HUMAN RIGHTS
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Principles and actions	Basic principles and actions taken
	<p>Stanbic Bank Ghana Limited remains an equal opportunity employer. Since we entered the banking industry in Ghana in 1999, the core engagement process has been to ensure that respect for employees' human rights is held supreme. We have recently updated our Human Resources Policies and Procedures Manual (effective date June 1, 2011) to respond to the current needs of our employees and business. The document provides full protection for employee rights and clearly states the responsibilities required. Principles of employment equity, protection against all forms of harassment, equal opportunity to all forms of positions and respect for each other continue to be upheld.</p>
Outcomes	Measurement of (expected) outcomes and value added for our company
	<p>The Bank continues to support minority interests. Minority interests include ethnicity, sex and qualification. Currently, Stanbic Bank has a wide employee base covering all ethnic groups. Minority ethnic groupings have equal access to the Bank's employment programme just as their counterparts in the majority. Management and staff are periodically reminded of their responsibilities to each other.</p>

PRINCIPLE 2	BUSINESS SHOULD ENSURE THAT THEY ARE NOT COMPLICIT IN HUMAN RIGHTS ABUSES
Principles and actions	Basic principles and actions taken
	<p>Respect for the dignity of each other is upheld and staff members are not taken for granted. At departmental levels, clear structures are instituted to ensure that staff members follow laid down procedures that do not infringe on the rights of others.</p> <p>Respect for human rights underpins our day to day activities and the business. In our society, women and minority groups could easily be taken for granted and abused. In this regard, we endeavour to employ international standards in dealing with our staff and their associates. We employ skills that trickle down and ensure that at every point, clear signals are sent to people who are likely to compromise the rights of others.</p>
Outcomes	Measurement of (expected) outcomes and value added for our company
	<p>Induction of new staff into our fold has become the starting point to imbue in them our values and vision. New staff are taken through the processes and principles of the business that make us distinct. They are shown the Standard Bank way of doing things, which employs fairness in dealing with all staff.</p> <p>Again, our procedure to sign on new customers, referred to as the Know Your Customer (KYC) process, has been updated to 'Enhanced Know Your Customer' process. We have introduced more meticulous means to accept new customers all in a bid to fish out companies and individuals who are potential threats to the rights of the citizenry.</p> <p>Secondly, our Blue Genes Induction, where new staff are formally inducted into the organisation, incorporates in the curricula our values clearly ensuring that respect for each other is protected and lived. To this end, staff irrespective of their positions are called by their first name as a way of ensuring a horizontal process in the organization.</p>

PRINCIPLE 3	BUSINESS SHOULD UPHOLD THE FREEDOM OF ASSOCIATION AND THE EFFECTIVE RECOGNITION OF THE RIGHT TO COLLECTIVE BARGAINING
Principles and actions	Basic principles and actions taken
	<p>Stanbic Bank Ghana has a very well structured organisational procedure that to a very large extent adequately caters for the rights of staff. The Labour Act 2003, (Act 651) protects the rights and responsibilities of workers in Ghana. The Act has several clauses that ensure that labour is treated with utmost respect.</p> <p>Stanbic Bank Ghana respects this act to the letter. The right to association and promotion of workers' associations are respected and supported. We have a vibrant Labour Union in place. The union recently renewed its Collective Bargaining Agreement (CBA) document and a number of incentives have been approved to enhance the employee value proposition of staff especially at non-managerial level.</p>
Outcomes	Measurement of (expected) outcomes and value added for our company
	<p>The CBA has been updated this year. It has a number of policies that comprehensively ensure a win win situation for employees and management.</p> <p>Under the CBA, a Pay for Performance Principle is practiced. Bonuses to staff are directly tied to performance. This is considered a more objective reward system.</p> <p>Career Management processes are implemented to ensure that optimal utilisation and development of talents are promoted. Regular meetings, open discussions and consultations contribute to and ease the flow of information. This ultimately brings about openness and transparency in the organization's everyday conduct.</p>

PRINCIPLE 4	BUSINESS SHOULD SUPPORT THE ELIMINATION OF ALL FORMS OF FORCED AND COMPULSORY LABOUR
Principles and actions	Basic principles and actions taken
	<p>The Labour Law frowns on all forms of forced labour and compulsory labour. The Act upholds fair treatment of all staff in an organization. Stanbic Bank Ghana upholds this principle and has instituted internal processes to ensure that the principle is respected.</p> <p>Work roles are assigned based on knowledge, skills, abilities and/or experience. Job grades are designated based on levels of responsibilities, accountability and complexity.</p> <p>In our dealings with suppliers, we pay particular attention to what sort of workforce they engage. In addition, in our branches and corporate banking space, we decline deals and customers whose sources of funds are directly tied to using labour not sanctioned by law.</p>
Outcomes	Measurement of (expected) outcomes and value added for our company
	<p>Staff contracts indicate the voluntary nature of employment and the Human Resources policies and manual provides for the voluntary termination of the employment contract.</p> <p>We have a Grievance Procedure and Disciplinary process that is fair, compliant with the Labour Act and respects the rights of the individuals. To this end, issues are referred to the Human Resources Unit and they are promptly dealt with.</p> <p>Intense inquiries are held before Disciplinary Committees. Through this, rights are upheld with no single individual deciding on complaints and or accusations.</p>

PRINCIPLE 5	BUSINESS SHOULD SUPPORT THE EFFECTIVE ABOLITION OF CHILD LABOUR
Principles and actions	Basic principles and actions taken
	<p>Stanbic Bank Ghana supports Section 58 of Ghana’s Labour Act which strongly prohibits the employment of young persons. Stanbic Bank Ghana will not hesitate to cut links with clients that utilise young persons or are in contravention of the law.</p>
Outcomes	Measurement of (expected) outcomes and value added for our company
	<p>Our Human Resource Policies and Procedure Manual (updated June 1, 2011) supports the laws of Ghana and we have in effect adopted all the laws in the country that protect the rights of children. Our clients are thoroughly screened to establish that they are not employing young persons in their dealings and manufacturing processes.</p> <p>Besides, we embark on periodic visits to clients’ farms and factories to assess the labour force employed in addition to other steps taken to ensure that child labour is discouraged</p>

PRINCIPLE 6	BUSINESS SHOULD SUPPORT THE ELIMINATION OF DISCRIMINATION IN RESPECT OF EMPLOYMENT AND OCCUPATION
Principles and actions	Basic principles and actions taken
	<p>Stanbic Bank Ghana ensures that its employees are guaranteed a fair working environment and protection from the loss of their jobs. They have the right to equal pay for equal work without any hideous clauses or impediments. Issues of gender, race, marital status, creed, disability among others do not influence what roles we assign employees or what salaries they earn.</p>
Outcomes	Measurement of (expected) outcomes and value added for our company
	<p>Stanbic Bank has a comprehensive Collective Bargaining Agreement (CBA) that frowns on any form of discrimination in respect to employment and occupation.</p> <p>Stanbic Bank Ghana is an equal opportunity company. Reward and recognition, training, performance management and all employee life-cycle activities are in consonance with fair labour practices.</p>

PRINCIPLE 7	BUSINESS SHOULD SUPPORT A PRECAUTIONARY APPROACH TO ENVIRONMENTAL CHALLENGES
Principles and actions	Basic principles and actions taken
	<p>Stanbic Bank has a clear policy on matters of clean environment in the office space and beyond. As a member of a highly resourced group which adopts strict measures on cleanliness, it is a call of duty to adopt these world standard measures.</p> <p>A clean desk policy is in place and it is supported by documents to which staff sign to support and implement. This policy is renewed annually.</p> <p>Stanbic Bank Ghana has a number of projects lined up including the roll out of several branches. To this end, we anticipate paper usage will go up thus we encourage a lot online internal communication.</p>
Outcomes	Measurement of (expected) outcomes and value added for our company
	<p>We recently signed a safe desk policy which commits staff to respect the clean desk policy, be responsible in handling the Internet and related IT appliances as well as take general precautions against fire.</p>

PRINCIPLE 8	BUSINESS SHOULD UNDERTAKE INITIATIVES TO PROMOTE GREATER ENVIRONMENTAL RESPONSIBILITY
Principles and actions	Basic principles and actions taken
	<p>Stanbic Bank Ghana has a number of initiatives to promote higher environmental responsibility. A Business Recovery Plan is in place to conscientize staff to be responsible in dealing with the environment. The recovery plan speaks to general practices to prevent fire outbreaks, unnecessary electrical blow ups, and choking of sewerage systems that ultimately lead to leakages and other spillage of water. The recovery plan also advises on responsible use of air conditioners and other ventilation appliances among others.</p>
Outcomes	Measurement of (expected) outcomes and value added for our company
	<p>Our Blue Genes Induction programme has adopted fire fighting training as a key component in its curricula. New staff are taken through measures that encourage environmental responsibility and greater awareness of how to take good care of their surroundings.</p> <p>As a Bank we have contributed significantly to the protection of the environment through sponsorships and support for environmental protection agencies. For instance, ZoomLion Ghana Limited, the biggest refuse collector in Ghana, has enjoyed considerable support from the Bank. Stanbic supports the company with loan facilities to expand its services and also implement initiatives aimed at protecting the environment.</p>

PRINCIPLE 9	BUSINESS SHOULD ENCOURAGE THE DEVELOPMENT AND DIFFUSION OF ENVIRONMENTALLY FRIENDLY TECHNOLOGIES
Principles and actions	Basic principles and actions taken
	E-learning is a key component of Stanbic Bank Ghana’s training programme. This substantially cuts down on travels to our training centres. Stanbic Bank Ghana is committed to these technologies and our IT systems are constantly reviewed to ensure that employees cut down on paper usage and rather use technology that is environmentally friendly.
Outcomes	Measurement of (expected) outcomes and value added for our company
	Suppliers continually update our IT systems to ensure that our activities are environmentally friendly. Information Technology Systems such as Microsoft Exchange and Active Page, servers and other productivity enhancing services that ensure a paper free environment have been adopted.

PRINCIPLE 10	BUSINESS SHOULD WORK AGAINST CORRUPTION IN ALL ITS FORMS, INCLUDING EXTORTION AND BRIBERY
Principles and actions	<p>Basic principles and actions taken</p>
	<p>Annually, all our Risk documents are updated and enhanced. Again, the recently released Human Resources Policies and Procedure Manual proposes steps to ensure high standards among staff. These documents stipulate policies against extortion, bribery and corruption in all its forms and nature. Stanbic Bank Ghana is committed to these documents and staff members have copies and are well abreast with the implications for signing on to them.</p> <p>Violations are dealt with swiftly and offending staff members are clearly given a level playing field to defend themselves after which if the Disciplinary Committee is not satisfied the appropriate sanctions are applied.</p> <p>At the Board of Directors Level, an Audit Committee supports the Audit Department to ensure that the books of the Bank, employees' financial dealings, and the general business of the Bank are handled with the highest levels of integrity</p>
Outcomes	<p>Measurement of (expected) outcomes and value added for our company</p>
	<p>We are committed to the Anti Money Laundering Act of Ghana. We have fully adopted Standard Bank Group's money laundering regulations. There are clear policies guiding how much money staff members can deposit in the accounts if the source of funds is not their salaries or bank approved loans or bonuses.</p> <p>A clear policy on gifts and acceptance of gifts beyond a certain amount is in place. The Code of Ethics and Policies and Procedures Manual clearly state what level or amount of gift giving is acceptable.</p> <p>Our Enhanced Know Your Customer procedures are able to tell which customer is politically exposed and thus likely to receive illegal funds. We are unable to do business with such a person.</p>

	A Procurement Committee has been formed to handle all procurement matters in the Bank.
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How do you intend to make this COP available to your stakeholders?

A copy of the Communication of Progress 2011 report will be available on our corporate website.
