

UNITED NATIONS GLOBAL COMPACT
COMMUNICATION ON PROGRESS



GLICO GROUP LIMITED
2012 REPORT

CONTACT: S. A. YEBOAH, HUMAN RESOURCE MANAGER

Email: cad@glicogroup.com/syeboah@glicogroup.com

Phone: 233-302-670335

Fax: 233-302-258210

Message from the Executive Chairman, GLICO GROUP

Once again, I am delighted to report on GLICO GROUP's progress and devotion to the Global Compact's ten (10) principles geared towards responsible corporate citizenship.

These principles guide the workings within every subsidiary and branch of the GLICO GROUP. Especially, the principles of Human Rights, Free Labor, Sustainable Environment and Anti Corruption continue to be key drivers in our operations and transactions.

As we communicate on our progress, GLICO GROUP put across its intention to implement the ten (10) principles within our environment. We continue to be committed to making the Global Compact and its principles part of our strategy, culture and day-to-day operations as a company.

For the year 2012, we have made strides to ensure compliance with the 10 principles. Notable among these are:

The demand for the highest standards of quality and service as well as ethical values and environmentally responsible business practices among all our business partners. GLICO GROUP makes it clear in all our business discussions and documents that the company expects and requires compliance with local legislations and the UN Global Compact's ten principles. This is clearly set out in our principles of corporate behavior in our Code of Business Principles, which we uphold wherever we operate.

We also continue to support public accountability and transparency and this is reflected in our financial reporting in our 2012 audited annual accounts. I am happy to say that, GLICO is the first insurance company in Ghana to be IFRS compliant.

GLICO recognizes that its activities have a wider impact on the society in which it operates. It therefore takes appropriate actions that are over and above industry standard to give back, whenever it can, to support the very people and institutions that have made GLICO what it is today.

In this regard, we contributed towards enhancing strong and reliable relationships and support for our clients, communities and the country as a whole. The strong areas of focus in 2012, as with all the years, were sports, education, health, social welfare, community development and protection.

Our continued commitment to the United Nations Global Compact's principles on human and labor rights, the environment and anti-corruption are expressed in detail in the report.

GLICO's commitment to the UN Global Compact principles is sacrosanct and I am personally championing this course to the success of the organization.

Thank you.

A handwritten signature in black ink, appearing to read 'K. Achampong-Kyei', enclosed within a rectangular box.

K. Achampong-Kyei
Executive Chairman

GLICO GROUP LIMITED

Table of Content

Subject	Page
Profile	5
Vision	5
Mission	5
Core Value	5-6
Principle 1: Business should support and respect the protection of internationally proclaimed human rights within their sphere of influence	7-10
Principle 2: Business should ensure that they are not complicit in Human Rights abuses	10-11
Principle 3: Business should uphold the freedom of association and the Effective recognition of the right to collective bargaining	11-12
Principle 4: Business should support the elimination of all forms of forced and compulsory lab our.	12
Principle 5: Business should support the effective abolition of child labour.	12-13
Principle 6: Business should support the elimination of discrimination in respect of employment and occupation.	13-14
Principle 7: Business should support a precautionary approach to Environmental challenges.	14-15
Principle 8: Business should undertake initiatives to promote greater Environmental responsibility.	14-15
Principle 9: Business should encourage the development and diffusion of environmentally friendly technologies.	15
Principle 10: Business should work against corruption in all its forms.	15-16

COMPANY PROFILE

GLICO GROUP LIMITED (GLICO) has its genesis in Gemini Life Insurance Company which commenced business in January 1987 as a specialist life Insurance Company. With its continued commitment to innovation, integration and excellent products and services delivery as well as sound and prudent business management practices the company structure has grown from a single business unit (Life Insurance) to GROUP status. GLICO presently consist of the following Companies:

- GLICO Life Insurance Co.
- GLICO General Insurance Co.
- GLICO Health Care
- GLICO Financial Services
- GLICO Pensions Trustee Co.
- GLICO Properties Co.

GLICO in addition, has built a strong financial base and continues to post remarkable financial results year after year. GLICO has thus become one of Ghana's leading organizations of great repute and plays a pioneering role in the insurance and financial services industry.

To ensure focus, control, cohesion and efficiency in these diverse operations and to address the challenges that such diversity presents, the GROUP is structured and positioned for more visibility to continue to compete more successfully going forward.

OUR VISION

To be a leader, a world class organization and a "brand of choice" in Ghana and the West African sub-region.

OUR MISSION

To continuously operate as a result-based and sustainable GROUP to continuously increase shareholders value to ensure money for value investments.

OUR CORE VALUES

Towards the attainment of our vision, we will be guided by these values:

Ethics – We abide by the rules and principles set by the regulators of the industries in which we operate, as well as our own principles of business conduct that keeps us ahead of the competition.

Transparency – We operate and communicate in sincerity and uphold the truth in all our business relationships.

Friendly and Competitive Services – We offer value to stakeholders through an efficient client relations system and prudent management practices.

Professionalism – We set high standards of performance to remain competitive by providing quality service through a highly skilled and motivated staff.

CORPORATE MEMBERSHIP

- A Member of the prestigious Ghana Club 100
- A Member of West African Insurance Companies Association
- A Member of Ghana Insurers Association
- A Member of United Global Compact

ACHIEVEMENTS & AWARDS

After 25 years of operation, GLICO is now an organization distinguished in excellence with a recognizable brand. It currently has over 1000 employees and over 20 branches spread nationwide. GLICO is recognized for its state of the art ICT infrastructure that focuses on delivering strong and reliable support for its clients in the communities it operates.

More evidence of the impact of growth is GLICO House - the Group Head Office opened in 2007. The contemporary Head Office building located on the Kwame Nkrumah Avenue in the heart of Accra since its opening has seen a tremendous volume and traffic of business, underpinning clients' confidence and trust in associating with the GLICO brand.

In recognition of GLICO's phenomenal performance and visionary stance in the market, GLICO has been recognized as:

- Best Entrepreneur Award - 2011
- Business & Financial Excellence Award – 2010-2011
- CIMG Marketing Man of the Year Award - 2008
- CIMG Insurance Company of the Year Award – 1997 & 1999
- Best Security Conscious Insurance Company -2012

PRINCIPLE 1

1.1 BUSINESS SHOULD SUPPORT AND RESPECT THE PROTECTION OF INTERNATIONALLY PROCLAIMED HUMAN RIGHTS

GLICO GROUP's core engagement process has been to ensure the ultimate respect for employees' human rights. This practice has been followed since the company's inception as a life insurance company in 1987.

GLICO in 2011 updated its Code of Conduct Manual to take into consideration the present needs of employees. The document provides full protection for employee rights and clearly states the responsibilities expected of employee and the sanctions for failure to comply with the requirements. Principles of employment equity, protection against all forms of harassment, equal opportunity and respect for each other continue to be upheld.

GLICO continues to support ethnicity, gender, religion and qualification rights of its employees. Currently, GLICO GROUP has twenty two (22) branches in all the regions of Ghana, with a wide employee base of different backgrounds, beliefs and behavior. Every employee has an equal access to the company's monetary and non monetary rewards management system.

GLICO GROUP continues to be committed to providing a professional working environment in which all individuals are treated with dignity and respect, free from harassment, bullying and discrimination. GLICO also encourages good and productive working operations, and high morale.

1.2 HEALTH INSURANCE SYSTEM

In 2011, GLICO registered all members of staff with the National Health Insurance Scheme (NHIS) as a basic medium for accessing healthcare nationwide. With the constraint in the NHIS and the fact that staff could not access satisfactory healthcare delivery, GLICO has registered and moved all employees unto a private health insurance scheme managed by one of the subsidiaries, GLICO HEALTHCARE LTD.

1.3 OCCUPATIONAL HEALTH AND SAFTY

Health and safety is fundamental to the effective planning and operations of GLICO. Effective occupational health and safety programs have proven to reduce accidents and illnesses in the workplace.

In 2012, GLICO GROUP introduced its Cellular Phone/PDA policy which outlines the use of official/personal cell phones at work, the official/personal use of cellular phones and PDAs for business and the policy regarding the safe use of cellular phones by employees both at work and on the road whilst driving.

GLICO GROUP continues to make health and safety an important aspect of its operations. Routine meetings are organized for staff to understand their responsibilities for preventing accidents and contributing to safe workplaces environment and there were no fatalities this year.

The safety objectives for the year were to: integrate health and safety into all work practices and conditions; and identify and control hazards before they cause accidents or illnesses. To achieve these objectives, a number of strategies were put in place:

- Senior management continues to actively show support and commitment to ensure the program is carried out with no exceptions.
- Everyone is held accountable for carrying out his or her responsibilities for making the health and safety program succeed.
- Health and safety is assessed on the same basis as any other important part of the job. Risk assessment of facilities, Planned inspection, Safety week, Emergency drills, and Health talks.
- GLICO GROUP has revised its code of ethics to ensure fair and equal treatment, diversity and inclusion and provision of opportunities for employees to fulfill their potential within an appropriate and fair working environment. This encourages good and productive working operations, and high morale.
- Education, advocacy programs, breast cancer screening, aerobics and organized games were held throughout the year.
- Fire alarms are tested regularly to ensure its effectiveness. Exit routes and fires extinguishers are attended to on a regular basis by fire officers.
- All company vehicles undergo regularly scheduled maintenance, servicing and are fitted with fire extinguishers.

1.4 CORPORATE SOCIAL RESPONSIBILITY

At GLICO GROUP, aside focusing on the core activities that enhance our business performance now and for the long-term, we also look for opportunities to ensure the economic development of the towns in which we operate as well as identify ways of having a positive impact on the environment and society, and contributing to good governance.

The GROUP's defined priority areas covers three key areas: our community; our environment; and our workplace. A budget is drawn every year and funds are allocated specifically for this course.

1.4.1 OUR COMMUNITY

Wherever location we operate, GLICO's priority is to contribute positively to the communities that we serve. Community health and education are at the centre of this activity.

Being a good neighbor means encouraging our employees to share their expertise to help people lead healthier lifestyles. This is why we provide employees with opportunities to devote their time, energy and talent to supporting causes that matter through volunteering in charitable programs such as the Joy FM Easter Soup Kitchen, Community Clean up exercises, financial literacy education, among others.

Every year, and in 2012 specifically, GLICO organized a blood donation exercise to help replenish the blood bank at the Korle Bu teaching hospital to save lives.

1.4.2 OUR ENVIRONMENT

At GLICO GROUP, we are determined to be a leader and an example to others in addressing the threat of climate change. We pursue many practical activities which contribute to protecting our environment. Our focus for 2012/2013 is to reduce the Group's total waste levels and increase the proportion of waste that is recycled. Our internal practice of minimizing paper wastage dubbed "*paperless office*" was enforced to ensure that papers used for internal operations are recycled for other uses such as printing drafts and documents to be reviewed.

Further, GLICO has contracted web developers to design an intranet platform which will go to reduce the circulation of printed communication materials to staff. The intranet is expected to be launched in 2014.

1.4.3 OUR WORKPLACE

For a GROUP that is about "*cushioning people for life*", GLICO makes the health and wellbeing of its employees a very high priority. GLICO continues to support its people through training and development so that they can successfully meet the challenges of our industry. In 2012, fifty (50) members of staff underwent developmental courses in finance, insurance, marketing, event management, customer services, risk assessment and controls, fire safety and first aid, among others.

PRINCIPLE 2

BUSINESS SHOULD ENSURE THAT THEY ARE NOT COMPLICIT IN HUMAN RIGHTS ABUSES

Respect for human rights underpins our day to day activities and our business operations. GLICO endeavors to employ ISO standards in dealing with our staff and their associates. The company continued with its measures and checks in regard with human rights abuses. The company does not in any way tolerate human rights abuses in its operations and extends same conditions to all out-sourced suppliers and contractors.

New employees are given orientation on the ethics, processes and principles of the business practices which includes a thorough presentation on the GLICO Code of Conduct which spells out the principles of human rights and sanctions for non compliance.

At GLICO GROUP, we do not tolerate any of the following human rights abuses in our operations:

- exploitive child labor - including forced child labor;
- violence against women and children;
- corporate discrimination against women, persons with disabilities, and persons with HIV/AIDS;
- politically motivated discrimination
- corporate discrimination against lesbian, gay, bisexual, and transgender (LGBT) individuals.

The company protects the rights and identity of its customers who provide information about its products /services and complaints about our products or staff. The issues are quickly dealt with without disclosure of the complainant.

GLICO continues to encourage its employees to participate in national programs such as General Elections, Registration for National Identification Cards and the National Health Insurance Scheme.

PRINCIPLE 3

BUSINESSES SHOULD UPHOLD THE FREEDOM OF ASSOCIATION AND THE EFFECTIVE RECOGNITION OF THE RIGHT TO COLLECTIVE BARGAINING.

GLICO GROUP ensures that employees have the right and freedom to join any association of their choice.

To this effect, all junior staff are free to join the Union of Industry, Commerce and Finance Workers (UNICOF) which governs all junior staff in any institution. GLICO GROUP promotes and maintains a healthy relationship with the Union and staff representatives for a peaceful industrial atmosphere.

Union Executives hold monthly meetings to deliberate on their conditions of service. A General meeting between the Union Executives and members of the Union is held quarterly. These meetings are approved and facilitated by the company.

The terms in the Collective Bargaining Agreement (CBA) and Conditions of Service are reviewed and negotiated every two years and five years respectively. It has a number of reforms that ensure a "win win" situation for employees and management, thereby promoting and maintaining industrial harmony.

To ensure an objective and transparent reward system, a Performance Management System is in place in GLICO to regularly track the performance of staff. Staff bonuses paid periodically are directly tied to the measurement of performance in relation to annually agreed upon targets/actions to ensure equity and fairness.

Staff durbars are held on quarterly bases, between Management and Staff to give employees the opportunity and platform to discuss and address general matters including business development, health, welfare, events and other occurrences in the company. Such durbars are normally chaired by the Executive Chairman or his deputy.

GLICO GROUP continues to modify its employment plans, training and career development in line with new business developments and these criteria are transparent for all employees.

PRINCIPLE 4

BUSINESS SHOULD SUPPORT THE ELIMINATION OF ALL FORMS OF FORCED AND COMPULSORY LABOUR

GLICO GROUP continues to ensure a working relationship that is freely chosen and free from threats. The overall objective is to achieve a significant improvement in living and working conditions for all staff. We operate with high standards of social, ethical and environmental considerations in every aspect of our business.

When operational duties require that staff continue to work after working hours and/or weekend, the company ensures that it agreed with the affected staff and requisite compensation package paid to staff as stipulated in the CBA.

In our business dealings with our stakeholders, we pay meticulous attention to the kind of workforce they employ. We also decline businesses and customers, irrespective of how huge their impact would be, whose sources of finances are directly tied to using labor not legitimized by law.

PRINCIPLE 5

THE EFFECTIVE ABOLITION OF CHILD LABOUR

GLICO GROUP bluntly forbids any form of child labor in its business of operations. The company does not employ minors and acts in strict compliance with the National Labor Law.

The age of entry into GLICO for all prospective employees is eighteen (18) years old. GLICO GROUP supports Ghana's Labor Act clause 116 which robustly prohibits the use of child labor. Age confirmation is normally carried out during the enrollment process. Our records show that the youngest employee at GLICO is 20 years old.

The table below shows the age distribution of staff in the company as at the end of 2012:

AGE RANGE	PERCENTAGE
20-29	27%
30-39	50%
40-49	18%
50-59	5%

PRINCIPLE 6

ELIMINATE DISCRIMINATION IN RESPECT OF EMPLOYMENT AND OCCUPATION

GLICO GROUP continues to firmly practice the policy of equal opportunity by advertising vacancies within the Company, on our websites and in the national dailies. Section Eight of the GLICO Policy Manual also ensures that there is no discrimination in our recruitment and selection process. In line with this, our recruitment process is done in a fair manner taking into considerations the applicant's qualifications, skills and experience. Physical challenges, ethnic background and gender are not barriers to employment.

GLICO GROUP also allows the service of qualified relatives or friends of staff as long as such employment does not generate actual or perceived conflict of interest.

GLICO GROUP also ensures that its employees are guaranteed a fair working environment and concerns of gender, race, marital status, creed, disability among others do not influence the kind of roles and responsibility we assign employees and the salaries they earn. There are equal opportunities on training programs to develop the skills of staff.

PRINCIPLE 7

BUSINESS SHOULD SUPPORT A PRECAUTIONARY APPROACH TO ENVIRONMENTAL CHALLENGES

GLICO GROUP is committed to the protection of the environment and treats this as an important factor in all business activities. It conducts business with individuals & organizations that are environmentally friendly in their operations.

Some of GLICO's inputs to environmental protection are as follows:

- Strict adherence to all laws and regulations relating to the environment.
- Reducing consumption and encouraging recycling of used materials.
- Proper disposal of waste
- Educating all employees concerning safe environmental practices.
- Periodically assist in clean-up activities within the communities in which we operate.

PRINCIPLE 8

UNDERTAKE INITIATIVES TO PROMOTE GREATER ENVIRONMENTAL RESPONSIBILITY

Energy and water conservation is a major objective for GLICO GROUP. We aim to inculcate energy and water efficient habits into daily routines of employees.

GLICO has made it a policy to replace all lighting systems and bulbs, by the end of 2015, with energy efficient systems. Employees have been advised to switch off all electrical gadgets and lights during the day when going out of the office as well as at the close of day.

In the area of water conservation, GLICO has embarked on changing all water closet flushing systems with the technology that uses minimal water for flushing. Also, all taps at the offices are being replaced with ones that regulate the amount of water dispensed at a given time. These changes are expected to be completed by 2014.

GLICO GROUP continues to operate in a "paperless office" to reduce demand for paper; this is to help protect the environment. The company upon launching its website, and also with the introduction of an intranet, will completely rely on electronic communication.

Employees are often encouraged at staff durbars and meeting to be responsible in dealing with the environment. These motivational talks are often geared around how to prevent fire outbreaks, unnecessary electrical blow ups, and choking of sewerage systems that ultimately lead to leakages and other spillage of water.

Staff are also taken through measures that encourage environmental responsibility and greater awareness of how to take good care of their surroundings.

GLICO GROUP has contributed to the protection of the environment through sponsoring and supporting both private and government organizations for events geared towards environmental protection as well as community sanitation improvement activities.

PRINCIPLE 9

ENCOURAGE THE DEVELOPMENT AND DIFFUSION OF ENVIRONMENTALLY FRIENDLY TECHNOLOGIES.

Our IT systems are continually updated to ensure that they are environmentally friendly. Other equipment such as generators and vehicles are serviced and/or replaced frequently to minimize pollution to our environment. GLICO GROUP encourages the use of printers that print front and back to avoid paper waste. As a company, GLICO is in the process of launching an intranet service to cut down on paper consumption. The huge investments in changing water closet flushing, lighting and tap systems are all geared towards protecting the environment.

PRINCIPLE 10:

BUSINESS SHOULD WORK AGAINST ALL FORMS OF CORRUPTION, INCLUDING EXTORTION AND BRIBERY.

GLICO GROUP has instituted ethical and value based systems for effectiveness and efficiency in its daily operations. We continue to be conscious of the upsurge of bribery and corruption in the business setting and have instituted measures to forestall such practices.

GLICO has a Policy that ensures that no sort of reward/incentive is received from policy holders for service provided.

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.

We encourage our staff to show absolute commitment to honesty, integrity and the highest standard of ethical behavior.

At the Corporate Level, external Auditors support the Company's internal Audit Department to ensure that the general business of the company is conducted with the highest levels of integrity.

GLICO continues to use its periodic staff durbars to affirm the need for employees to abstain from all forms of corruption and extortion during the discharge of their duties. Culpable staff that are sanctioned, are revealed to entire staff to serve as deterrent for such behavior.

Newly recruited employees, through orientation and induction programs, are taken through this policy and are advised to desist from and report such acts that will find them guilty.

How do you intend to make this COP available to your stakeholders?

A copy of the Communication of Progress report will be available on our corporate website.....www.glicogroup.com