

GLICO GROUP OF COMPANIES



COMMUNICATION ON PROGRESS REPORT

2009

Glico has been in the Insurance Industry of Ghana since January, 1987 and has grown from strength to strength. It is currently ranked among the Best Life Insurance Companies in Ghana and a member of Ghana Club 100. Our operations cover a wide spectrum of services and we aim at providing enhanced, dedicated and sustainable services to our clients.

Over the years, we have taken particularly active stance and measures to assure the fulfillment of our corporate social responsibilities (CSR). As you will read in our communication on progress (COP) report, we have over the years engaged in activities which give meaning to our corporate philosophy of reaching the zenith of our industry through consistent commitment to excellence and stakeholder satisfaction.

We acknowledge this philosophy cannot be attained without a well motivated and focused workforce. Well structured and formalized procedures that assure employee development, growth and rights are vigorously communicated and enforced. We have also over the years supported our employees in engaging in beneficial national projects and schemes like the National Health Insurance Scheme and the sector trade unions.

Externally, we have and will continue to provide support to national and local causes such as the national football teams, periodic contributions to the Cardiothoracic Centre and also providing sponsorships for international medical training.

All these initiatives are being constantly monitored and reviewed with the Global Compact Principles as a guide to ensure we continuously improve on our performance and deliver on our promise.



• Kwame Achampong-Kyei
Executive Chairman

COMMUNICATION ON PROGRESS – 2009

HUMAN RIGHTS

PRINCIPLE ONE: - Businesses should support and respect the protection of internationally proclaimed human rights within their sphere of influence,

Glico as an organization has a formal structure or organogram which shows reporting and relationship lines within it. Glico Group of Companies is governed by employment rules which are outlined in the staff Conditions of Service and New Employees Induction Programme, and given to every staff on entry into the Company. The staff are educated on their rights and responsibilities and procedures in settling grievances have been clearly stated.

Glico emphasizes respect for individuality and the dignity of each employee, and consideration is given to their views before reaching decisions that materially affect their jobs and interest.

PRINCIPLE TWO

Make sure that they are not complicit in human rights abuses.

Employees of the company on entry are given adequate induction training and orientation on all aspect of the operations of the Company.

The Company's sponsorship policy is anchored on the development of the youth through, sports, education and health. In this regard, the Company has consistently sponsored the country's national football teams on international assignments such as the world youth (under 20) held at Egypt in 2009 , and the Black Stars for the Fifa World Cup 2010 held in South Africa. On health, donations are made to the National Cadet Centre every six months whilst we offer financial assistance to doctors-in-training to undertake internships in foreign countries. In 2009, the Company sponsored them foreign internships to the tune of GH¢1,000.00.

The Company also protects the rights of its customers by providing information about its product/services. Complaints from customers either about our products or staff are swiftly dealt with.

The Company encourages its employees to participate in national programmes such as general elections, registration for national identification cards and registration on the National Health insurance Scheme etc.

LABOUR STANDARDS

PRINCIPLE THREE

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

The company demonstrates its human rights protection policy in the Collective Bargaining Agreement (CBA) between the Company and the Union for Industry, Commerce and Finance Workers UNICOF which covers the Junior Staff and the Company's Conditions of Service for Senior and Management staff. There is automatic membership for all members of staff upon entry into the Company. The terms in the CBA and Conditions of service are reviewed every two years and five years respectively. The Group also has a plan for employment, training and career development and the criteria are transparent for all employees. Examples, the Company has clear rules regarding working hours, breaks etc. and the Company has a formal system to hear the opinion of employees.

Staff under the Collective Bargaining Agreement also have unlimited access to their leaders.

PRINCIPLE FOUR

The elimination of all forms of forced and compulsory labour

The Company gives to every prospective staff, an appointment letter stating the terms of the employment contract and a response letter given to the employer either accepting or rejecting the offer. This ensures that no employee is forced into employment. Contract staff and sales agents are all given their contract terms for thorough study before acceptance. The Company makes overtime payments to staff who work beyond the official working hours and week-ends.

PRINCIPLE FIVE

The effective abolition of child labour

The Company ensures that people employed into the services of the company are not under age, i.e the company does not employ any one below the age of 18 years. All prospective employees must have completed their Senior Secondary School Education because it is assumed that any who has completed the Senior Secondary School Education must have attained the age of eighteen. By next year, our policy will be reviewed to reflect the required age for entry into the Company to do away with any existing ambiguity.

PRINCIPLE SIX

Eliminate discrimination in respect of employment and occupation.

The Company advertises vacancies within the company and in the Newspapers. This is done with the intention to give equal opportunity to all prospective employees irrespective of their gender, disability colour, religious affiliation etc. In selecting people to fill a vacancy, formal and standardized interviews are conducted to arrive at a suitable choice for the position.

We have an equal opportunities policy (Glico Policy Manual, Section Eight) which ensures that there is no discrimination in the selection process. The policy affirms Glico's commitment to the principles of fair employment and the elimination of all vestiges of discriminatory practices that might exist. Glico encourages all employees to take advantage of opportunities for promotion as they occur. This encouragement has helped to achieve that goal and now the Company can boast of quite a number of women in managerial positions in the company. Indeed, Glico General Insurance has a woman as its Managing Director.

The Company will continue to encourage all its employees to aspire to as high a level as possible.

ENVIRONMENT

PRINCIPLE SEVEN

Businesses should support a precautionary approach to environmental challenges;

In the light of global sensitization on the effects that industry has on the environment, our Company has always taken various initiatives on the protection of the environment. Glico has supported financially whilst its staff have participated in tree planting exercises organized by the Ghana Armed Forces. The Company periodically assists in clean-up activities within the communities in which it operates.

PRINCIPLE EIGHT

Undertake initiatives to promote greater environmental responsibility;

Our Company is very much aware of the various environmental problems and is putting in place all the necessary measures to ensure that our activities impact positively on the environment in which we are located. The Company has made conscious efforts through good practice in the

disposal of the waste it generates. It has therefore contracted a waste management service provider to collect the waste on daily basis to ensure a clean working environment.

PRINCIPLE NINE

Encourage the development and diffusion of environmentally friendly technologies;

Recently the Company acquired a new generating set to replace an outmoded one that was being used at our Abossey Okai Branch offices. This was to minimize the pollution being emitted by the old Generator. Our operations involve the use of a lot of paper which we dispose of to paper processing companies to recycle. We will encourage our suppliers to employ environmentally friendly technologies in their operations. In future we intend to have periodic audit on our waste management service providers to ensure compliance with laws and regulations.

ANTI-CORRUPTION

PRINCIPLE TEN

Businesses should work against all forms of corruption, including extortion and bribery.

Glico Group is very conscious of the upsurge of bribery and corruption in the business setting. In order that this malicious practice is not encouraged in the discharge of our services, the Company through its induction programmes for New Employees ensures that employees adhere to the Company's Code of Conduct which, among others, prohibits employees from accepting money in consideration of the service so rendered. No employee is permitted to derive any benefit in connection with the official duties which might have the effect of placing him/her in such a position that his/her personal interest and his/her duty to the Company or to any customer of the Company would be in conflict and he/she shall refrain from taking any course of action which might place him/her in such a position.

As a way of checking that corruption is curbed, the Company has an internal Audit Department which ensures compliance of Company regulations whilst External Auditors are also engaged to check our operations. The subsequent publishing of our Annual Reports ensures transparency in our operations.

The Company will 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 services.

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