

UNITED NATIONS GLOBAL COMPACT  
COMMUNICATION ON PROGRESS



GLICO GROUP LIMITED  
2013 REPORT

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## **Message from the Executive Chairman, GLICO GROUP**

The year 2013 has been both challenging and exciting in terms of re-strategizing and reengineering some of our processes and structures. In satisfying our shareholders and stakeholders, we have reiterated our commitment to the principles of the Global compact; and 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.

As a business leader in Ghana, we are determined to set standards that are enviable to other corporate organizations. We therefore declare our unflinching support for the United Nations Global Compact. 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.

These principles guide the workings within every subsidiary and branch of GLICO GROUP. We have set out clear principles of corporate policies in our Code of Business Principles which we uphold wherever we operate.

We have ambitious plans to grow our company. But we recognize that growth at any cost is not viable in our increasingly resource-constrained world. We have developed new ways of doing business which will decouple our growth from our environmental impacts, while at the same time increasing the positive social benefits arising from our activities.

We believe the principles offers GLICO GROUP the opportunity to define practical ways of working together to create a more prosperous and sustainable world. We are playing our part to contribute to these goals by Living out the Compact's principles in our everyday business operations.

We also continue to advocate the Global Compact and its principles in our annual Communication on Progress, on our websites, in our senior executives' speeches and financial reports.

I am happy to add that our commitment to the principles of the Global Compact played a significant role in GLICO being rated "B" by Standards & Poors Rating Agency in 2013.

As a company, we strive to imbibe the commitments of the principles of the Global Compact. We believe that as we uphold these commitments, we shall touch every one we do business with us to also uphold the principles of the Global Compact.

Our continued commitment to the United Nations Global Compact's principles is expressed in details in the report.

Thank you.

A handwritten signature in black ink, appearing to be 'K. Achampong-Kyei', written over a rectangular box.

K. Achampong-Kyei  
**Executive Chairman**

## **GLICO GROUP LIMITED**

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## **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. GLICO is the only insurance company in Ghana to be rated "B" by Standards & Poors Rating Agency.

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 Institute of Public Relations, Ghana
- A Member of United Global Compact

## **ACHIEVEMENTS & AWARDS**

After 27 years of operation, GLICO is now an organization distinguished in excellence with a recognizable brand. It currently has over 500 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
- Best Life Insurance Company ( World Finance Awards) -2013
- Best Insurance Company for Tourism (GTA Awards) -2013
- Premier Brand –GLICO GENERAL – 2013/14
- Ashanti Financial Excellence Award – 2013/2014

**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. GLICO GROUP remains an equal opportunity employer since the company's inception as a life insurance company in 1987.

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.

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.

The company continues to support minority interests including ethnicity, sex and qualification. Presently, GLICO GROUP has a wide employee base covering all ethnic groups in Ghana.

Currently, GLICO GROUP has twenty six (26) branches in all the regions of Ghana, with a wide employee base of different backgrounds, beliefs and behavior. Our staff uniforms, in 2013, have been modified for muslim women so that it is easy to express their religious faith. 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. This private health scheme has further been upgraded to cover pregnant women and women on maternity.

## **1.3 OCCUPATIONAL HEALTH AND SAFETY**

Detailed Health and Safety policy has been attached to the report.

## **1.4 CORPORATE SOCIAL RESPONSIBILITY**

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.

GLICO has consistently contributed towards enhancing strong and reliable relationships and support for its clients, communities and the country as a whole. The strong areas of focus include sports, education, health, social welfare, community development and protection.

So significant is the social responsibility in the corporate culture of GLICO that it has set aside the month of November every year as Customer Service & CSR month to



appreciate, reward, support and give back to stakeholders whose support has made the GLICO brand the preferred one.

## **PRINCIPLE 2**

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

At GLICO GROUP we do not tolerate human rights abuses in our operations and we extend the same conditions to our stake holders. After 27 years in operation the company has no recorded cases of Human Rights abuses.

Induction of new staff into our fold has become the starting point to instill in them our values and vision. New staffs are taken through the processes and principles of the business that make us different. They are shown the "Gliconian" way of doing things, which employs fairness in dealing with all staff.

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.

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.

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 has well structured organizational procedures, which 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.

The company respects the rights of employees to form / join an association. To this effect, there is currently one active employee union operating in the company:

The Union of Industry, Commerce and Finance (UNICOF) membership is subscribed by all junior staff.

- UNICOF Executives holds regular meetings with all Union members and these meetings are approved and sometimes expensed by the company.
- Top management holds quarterly communication meetings with the UNICOF. These meetings serve as platform where the members of the union hold free face-to-face discussions with Management.

The Collective Bargaining Agreement (CBA) has a number of policies that comprehensively ensure a win win situation for employees and management.

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.

Career Management processes are implemented to ensure the promotion of optimal utilization and development of talents in GLICO.

The terms in the Collective Bargaining Agreement (CBA) and Conditions of Service are reviewed and negotiated every two and five years respectively.

Staff durbars are held on quarterly bases for Management and Staff. This gives 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 nominated representative.

#### **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. Work done during holiday, weekends or after working hours are duly compensated for.

Productivity-based incentive schemes are still in operation and remuneration for management staff is still linked to business performance.

GLICO has 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 department and they are promptly dealt with.

Structures inquiries are held by the Disciplinary Committee. Through this, rights are upheld with no single individual deciding on complaints and or accusations.

We continue to operate with high standards of social, ethical and environmental considerations in every aspect of our business.

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 supports Section 58 of Ghana's Labour Act which strongly prohibits the employment of young persons. GLICO GROUP will not hesitate to cut links with clients that utilize young persons or are in contravention of the law.

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 2013:

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

## **PRINCIPLE 6**

### **ELIMINATE DISCRIMINATION IN RESPECT OF EMPLOYMENT AND OCCUPATION**

GLICO GROUP permits the employment of qualified relatives or friends as long as such employment does not create conflict of interest.

HIV/AIDS, physical challenge, ethnic background, marriage between employees and gender are not barriers to employment.

GLICO GROUP continues to ensure 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. Reward and recognition, training, performance management and all employee life-cycle activities are in consonance with fair labour practices.

GLICO GROUP has a comprehensive Collective Bargaining Agreement (CBA) that frowns on any form of discrimination in respect to 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. In line with this, our recruitment process is done in a fair manner taking into considerations the applicant's qualifications, skills and experience.

## **PRINCIPLE 7**

### **BUSINESS SHOULD SUPPORT A PRECAUTIONARY APPROACH TO ENVIRONMENTAL CHALLENGES**

Our commitment to protecting and preserving the environment extends throughout our company with the involvement of employees at all levels.

We minimize the environmental impact of our operations, equipment, product, packages.

GLICO GROUP has a clear policy on matters of clean environment in the office space and beyond.

To this end, we anticipate paper usage will go up thus we encourage a lot online internal communication.

In line with this, the GLICO Intranet was launched last year to aid paperless internal communication.

## **PRINCIPLE 8**

### **UNDERTAKE INITIATIVES TO PROMOTE GREATER ENVIRONMENTAL RESPONSIBILITY**

Energy and water conservation continues to be a major objective for GLICO GROUP. We have contributed significantly to the protection of the environment through sponsorships and support for environmental protection agencies. We have inculcated energy and water efficient habits into daily routines of employees by replacing all lighting systems and bulbs. 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. Notices have been posted at vantage point in all our branches nationwide to remind staff about energy conservation.

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.

## **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.

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 ALL FORMS OF CORRUPTION, INCLUDING EXTORTION AND BRIBERY.**

GLICO GROUP has instituted ethical and value based systems for effectiveness and efficiency in our 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. We work from a shared set of values recognizing that integrity is critical to our business success and our outstanding reputation.

Our Code of Business Conduct is one example of our absolute commitment to honesty, integrity and the highest standard of ethical behavior.

Planned systems audits are conducted on regular schedules by our internal audit team and external auditors. This system provides detailed business information on all daily transactions that feeds into other applications for all levels.

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.

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.

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](http://www.glicogroup.com)