



## **COMMUNICATION ON PROGRESS**

### **YEAR 2013-2014**

#### **STATEMENT BY MANAGING DIRECTOR**

Ghana Oil Company (GOIL) continues to use the UN Global Compact Principles as its guide in all its activities, involving the corporate values in areas of human rights, labour, environment and anti-corruption.

The company continues to provide guidance on Corporate Governance issues and has reviewed its internal policies and practices to ensure continued relevance in the areas of the four (4) pillars of the compact principles. This has thrown more awareness on responsibility and accountability on the employees, customers, suppliers and other stakeholders of the company.

The company's stance on ethical issues is guided by the Company's Code of Ethics, which is reviewed periodically.

Some of the achievements of the company's CSR projects has comprised of the building of bore holes, tree planting and donations, among others.

One major achievement of the company is the Certification of the ISO 9001:2001

We provide regular and transparent reports. Our business principles are our reference point and go hand-in-hand with the objective of continued growth, benefiting Shareholders, Customers and Employees, and contributing to the economic and social development of Ghana.

As a general principle,

- GOIL is sensitive to the concerns expressed by the public, government and non-governmental organizations in matters concerning our operations.
- GOIL observes the rules of free competition.
- GOIL rejects bribery and corruption in all forms, whether public or private, active or passive.

GOIL strives to uphold:

- The principles of the Universal Declaration of Human Rights;
- The key conventions of the International Labour Organization;

- The principles of the United National Global Compact.

GOIL strives to earn the confidence of its shareholders, with the objective of providing them with a profitable investment. We regularly provide full and transparent information to all shareholders. We comply strictly with applicable stock exchange regulations and report our activities accurately in our financial statement.

GOIL provides customers with quality products and services, strives at all times to offer them the best performance at competitive prices for their particular requirements. We are attentive to our customer's needs, continuously monitoring, assessing and improving our products, services, technology and procedures to deliver quality, safety and innovation at every stage of the development, production and distribution process.

GOIL has confidence in the loyalty, motivation, competence and sense of responsibility of its employees. We expect them to adhere to the highest standards of integrity and avoid any conflict of interest. We pay particular attention to our employees working conditions, respecting individuals, avoiding discrimination and protecting their health and safety.

We include our employees in our development by encouraging the distribution of information, dialogue and consultation. We respect their personal lives. We recruit personnel solely on the basis of our requirements and the specific capabilities of individual applicants.

We develop their professional skills and careers without discrimination regarding, gender, or affiliation with a political, religious, or union organization or minority group. All employees have an individual performance appraisal with Management once a year, at which objectives are set, performance assessed and career development discussed. Career development is facilitated by appropriate training.

GOIL is careful to respect each party's interests, with transparent and fairly negotiated contract terms. We expect our suppliers to adhere to principles equivalent to those in our code of conduct.

GOIL applies its business principles and rules of individual behaviour whenever it leads or operates a Joint Venture. When we do not lead or operate a venture, we require the leader or operator to apply principles that are compatible with our business principles and rules of individual behaviour.

In conducting its businesses, GOIL respects the natural environment and the cultural values of Ghana. Through our operations, we contribute to the social and economic development in towns and local communities. GOIL rejects all forms of bribery and corruption. In particular, GOIL will not resort to bribery or corruption in order to obtain or retain business or other improper advantage in the conduct of all business.

All our stakeholders are encouraged to inform or report any breach of Company procedure or wrongdoing to the following whistle-blowing email address which is accessible only by the chairperson of the ethics committee: [wb@goil.com.gh](mailto:wb@goil.com.gh)

As part of the company's health policy, periodic health walk and health talk are organized for all employees. Compulsory periodic medical screenings for early detection of potential harmful condition are organized for staff.

**Patrick A.K. Akorli**

A handwritten signature in black ink, consisting of a large, stylized 'P' followed by a horizontal line and a smaller, cursive 'A'.

**Managing Director**

July 30, 2015

	Global Compact Principle	Action Taken	
	<p>1:Business should support and respect the protection of internationally proclaimed human rights;</p>	<p>Goil conducts its business responsibly and ethically and believes in the principles of human rights as enshrined in the United Nations Global Compact. We promote the protection of human rights and believe in the United Nations Declaration of Human Rights and the International Labor Organization’s Declaration on Fundamental Principles and Rights at Work.</p> <p>Our reputation is based on trust, respect and integrity. Our employees and stakeholders are treated with utmost respect. We are guided by our values of integrity, accountability, trust and respect. We serve the communities in which we operate in line with our internal policies on CSR principles operate with the ambits of the law</p> <p>GOIL has rules of confidentiality and non-disclosure code of practice on the protection of workers’ personal information</p> <p><b>Workplace health and safety:</b></p> <p>To augment the fact that the company has its members of staff registered with the National Health Insurance Policy, We provide staff The continue to provide the enhanced health policy developed for all staff and their families with GLICO Life Insurance to access free health services to a considerable measure. This health policy is to enhance employees’ well being, productivity and personal safety.</p> <p>Additionally, the company periodically organizes health programs like health walk and health talks to sensitize our employees on the need of staying healthy.</p> <p>The company continues to enforce the Health Policy by conducting for its entire staff thorough medical examination. Results of such medical examinations are treated with the utmost confidentiality. The medical doctors attend to each member of staff privately to explain results and if need be, prescribe medication</p>	

	<p>2. And make sure that they are not complicit in human rights abuses.</p>	<p>Goils policy on human rights is guided by our Workplace Rights Policy and Code of Business Conduct. All our employees are treated fairly and not discriminated against. We employees are professionally trained, ensure high quality in our standards and keep a motivated workforce, working as a team in an environment, which recognizes and rewards performance, innovation and creativity and provides for personal growth and development. GOIL is dedicated to developing a culture which implements a policy of respect and support for globally acknowledged human rights and seeks to avoid connivance in human rights abuses of any form.</p>	
	<p>3. Business should uphold the freedom of association and the effective recognition of the right to collective bargaining.</p>	<p>Goil believes in the freedom of association by employees. There is the Junior staff union and senior staff association. These unions and association are being guided by the Collective Agreement &amp; Bargaining Hand book and Senior Staff Association handbook.</p> <p>The company is committed to ensuring that the right to organize and Collective bargaining allows those workers to find a common voice. It offers employees with an essential framework for engaging with management on their rights to review salaries on a yearly basis.</p> <p>Management meet all staff at least once in every two months at staff durbars to discuss general matters including business performance, welfare, health, safety, among other happenings in the company during the period.</p> <p>Employees are allowed to negotiate with management to ensure better working conditions; this has promoted peace and harmony within the company over the years.</p> <p>The company can boast that over the past decades there have never been any strikes by the workers. Differences are always settled in a dialogue.</p>	

	<p>4: The elimination of all forms of forced and compulsory labour.</p>	<p>The company ensures that all workers in its supply chain conform to standards which are against forced or compulsory labour. Systems are in place to monitor activities of all workers engaged in the performance of the company's activities. Employees work within the framework of the national labour law. Employees who work outside the normal time are paid compensatory remunerations agreed within the collective bargaining handbook. Our third parties contractors are guided by the company's policy labour laws.</p> <p>.</p>	
	<p>5: The effective abolition of child labour.</p>	<p>The company takes a proactive approach to respecting this principle in our workplace by following a non-tolerance to child labor policy in our business operations nationwide and in our supply chain.</p> <p>The company does not employ minors and act in strict compliance with the National Labour Law.</p> <p>Please find below percentage age statistics for the year 2013-2014.</p> <p>Younger persons have been recruited within the period while those who attained the retirement age of 60 years have gone on pension as required by law. The youngest member of staff is around the age of 24 years</p> <p>20years to 30years-15%</p> <p>31years to 40years-27%</p> <p>41years to 50years-20%</p> <p>51years to 60years-38%</p>	

	<p>6.And the elimination of discrimination in respect of employment and occupation challenges:</p>	<p>As a company, we do not discriminate on the grounds of gender, sexual orientation, marital or civil partner status, gender reassignment, race, colour, nationality, ethnic or national origin, religion or belief, disability or age. Currently, we have a physically challenged employee in our fold.</p>	
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	<p>7:Business should support a precautionary approach to environmental challenge:</p>	<p>The company continuous to hold on to its mission statement of protecting and preserving the environment. We market our products in an ethical, healthy, safe environmentally friendly and socially responsible business practices. We focus on newest technologies to ensure that products we sell do not create emissions to the detriment of the environment. In this regard , all our facilities where we operate and equipments we use are tested and verified by statutory organizations like the Environmental Protection Agency, Ghana Standards Authority, Ghana National Fire Service among others. Our goal is for all of our facilities to operate with no leaks or incidents that may cause serious injury to our employees, contractors or neighbors'. We have continuously maintained and improved on our universal set of standards that detail the safety risks that need to be managed called <b>The Health, Safety, Security and Environment Control Framework</b> which defines the controls for managing our operations safely and responsibly</p>	
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<p>8.Undertake initiatives to promote greater environmental responsibility</p>	<p>Our Company builds stations, installs tanks and pumps and operates systems that meet the requirements of each field while considering our influence upon the environment at all times. This is reflected by the emphasis we place on our environmental aspects of managing our business from the initial project phase to the operation of the station.</p> <p>As we continue to build stations and other petroleum facilities we adhere to statutory requirements by obtaining Environmental Protection Permits, Ghana Standard Authority Permits, Factory Inspectorate Permits, and Ghana Fire Service Certificates among others in our operations.</p> <p>We built a fuel storage facility at the Sekondi Naval Base to serve the shipping vessels operating within the area. This facility was commissioned in 2014 with all the high safety standards.</p> <p>We are committed to continual implementation of environmentally sustainable processes through our <b>Health, Safety, Security and Environment Policy</b>. Pollution prevention by use of installed used oil tanks disposal being disposed off through authorized agents.</p> <p>We continue to provide bore holes to deprived communities as part of our corporate social responsibility.</p>	
<p>9. And encourage the development and diffusion of environmentally friendly technology.</p>	<p>To safe-guard the environment, the Company sold and continues to sell only environmentally friendly fuels, Super XP and Diesel XP. These fuels guarantee better mileage and reduce emissions. As a reward for our loyal customers these additivated products are sold at the same price as normal super and diesel</p>	

	<p>10:Business should work against corruption in all forms, including extortion and bribery</p>	<p>The Internal Audit department is an objective assurance and consulting department designed to add value and improve the company's operations. The department helps Goil businesses accomplish their objectives by bringing a systematic, disciplined approach to evaluating and improving the effectiveness in the control and governance processes. The department evaluates the adequacy, appropriateness, effectiveness and integrity of internal controls over financial reporting and business operations and offer recommendations where weaknesses are noted. The Internal Audit performs a wide range of audit services including financial audits, compliance audits, operational audits, information technology audits, and investigations.</p>	
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