



THE BEGINNING OF OUR SUSTAINABILITY JOURNEY

DECEMBER 2024

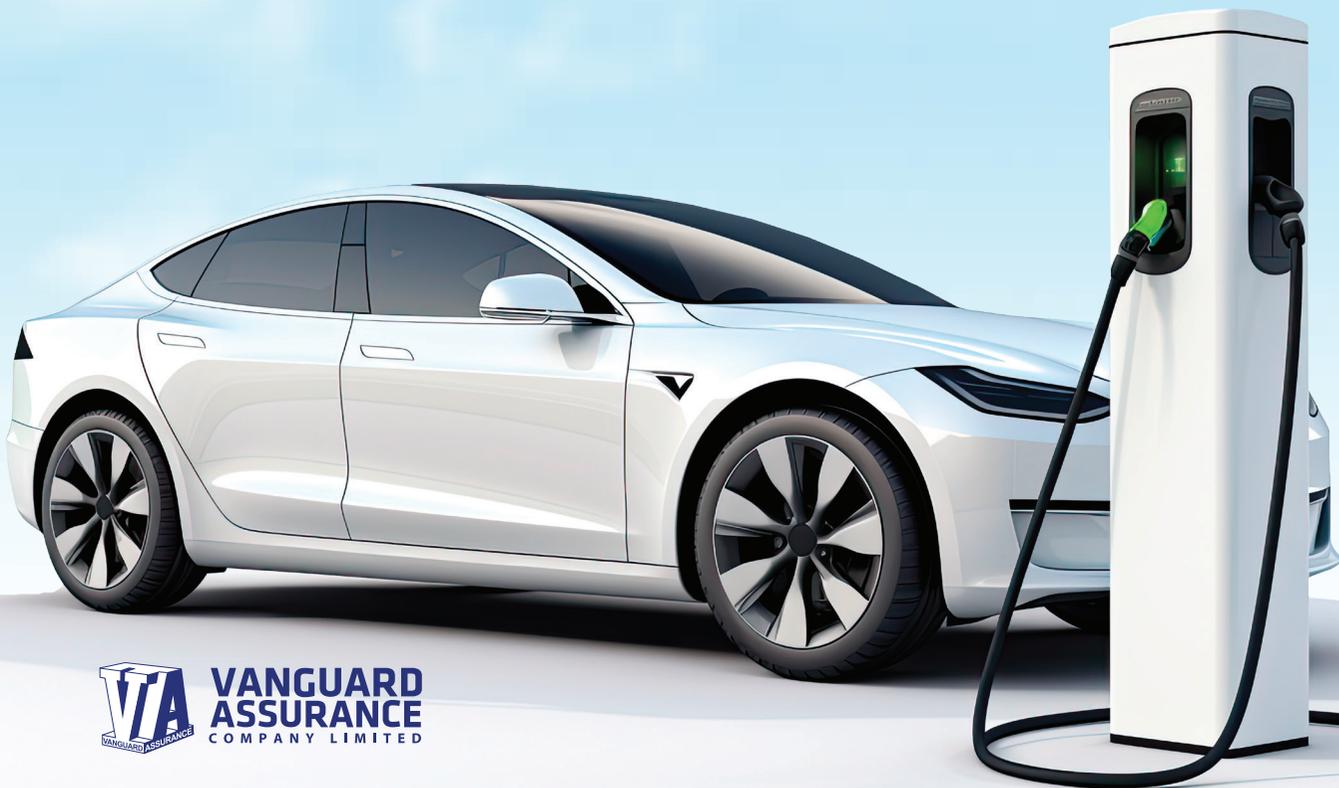


Table Of Contents

CEO's Message	3
Chairman's Message	4
Letter of Support from Representative of Shareholder	5
About Vanguard Assurance Company Limited	6
Meet our Sustainability Champions	6
Vanguard's Sustainability Journey	7
Why Sustainability is important to achieving Vanguard's corporate purpose?	8
Our valued stakeholders	8
Our Materiality Matrix	9
Energy Efficiency	10
The impacts on and implication of climate change for Africa	11
Employee Well-being	11
Data Management	11
Green products	12
Fair Treatment of Customers	12
Embedding the Sustainability Action Plan and Policies across Vanguard	12
Future Aspirations	13
Message from the Nominated Sustainability Lead	13
Stakeholder Views	14
Our Sustainability Strategy	15

CEO's Message



Dear Stakeholders,

Over the past 50 years, Vanguard has strived to conduct our operations with integrity, always prioritising customer satisfaction. In today's rapidly evolving global business environment, the significance of incorporating sustainability practices is increasingly being acknowledged, and the insurance industry is no exception.

Drawing inspiration from the definition of "sustainable development" outlined in the 1987 United Nations Brundtland Commission Report, "Our Common Future", we interpret sustainability within our organisation as operating in a manner that fulfills our current needs while safeguarding the ability of future generations to meet their own. As environmental challenges such as climate change grow more pronounced, our role in promoting sustainable development becomes ever more critical.

As insurers, we possess the influence to steer various initiatives towards creating a better world and advancing the United Nations Sustainable Development Goals (SDGs). The SDGs serve as a roadmap for businesses to collaborate with governments and civil society in pursuit of global sustainability targets.

In November 2022, we embarked on our sustainability journey by organising an Environmental, Social & Governance (ESG) Masterclass for our board and senior management. This initiative aimed at empowering our leadership to champion and propel the sustainability agenda within our organization.

We firmly believe that sustainability should not be merely a superficial exercise but an intrinsic component of our core operations. To this end, we engaged the expertise of advisors to help us craft a robust strategy that aligns with our commitments and objectives. We are proud to introduce our Sustainability Champions appointed from each department of our business to spearhead our sustainability endeavors. Our strategy has been shaped and developed and will be implemented through a comprehensive process involving input from our employees and external stakeholders.

As we commemorate our 50th anniversary, we are delighted to announce that we have become signatories to and members of the Principles for Sustainable Insurance (PSI). Established in 2012 by the United Nations Environment Programme Finance Initiative (UNEP FI), the PSI is currently adopted by a quarter of the world's insurers and serves as a global framework for the industry to address ESG risks and opportunities. This framework has also provided industry guidance on integrating ESG risks into non-life and life & health insurance operations.

We view each day as an opportunity for learning and growth, and we call upon all our stakeholders to join us on this transformative journey. Together, we aspire to lead the charge in promoting sustainability within the insurance sector in Ghana.

Sincerely,

Frederick Adotey Saka
Chief Executive Officer

Chairman's Message



Dear Stakeholders,

It is my privilege to present our Sustainability Report for the year 2024, which also marks our very first Sustainability Report. This milestone, which is the culmination of a year-long project, marks the first steps on our journey towards a more sustainable and successful future for Vanguard Assurance.

We believe that the only way to achieve lasting success is by ensuring that our business operations not only meet the needs of today but also preserve the ability of future generations to meet their own needs.¹ This means continuously striving to do our part to protect the planet, nurture our people, and operate with the highest standards of governance.

This past year, we have taken concrete steps toward achieving these goals. In developing our sustainability strategy, we have identified and prioritised the material environmental, social, and governance issues that are most important to our business. This has led to the creation of an actionable plan with specific measures, targets, and timelines.

Among our key commitments, we have set ambitious targets to reduce our greenhouse gas emissions, identified measures to enhance employee well-being and improve data management, and are focused on boosting customer satisfaction to build and maintain trust with our valued clients.

We firmly believe that our sustainability strategy will enhance our business value, safeguard against risks to our enterprise value and reputation, and ensure that we meet both investor and regulatory requirements.

I am particularly proud to announce that this year-long project has resulted in our successful application and acceptance as a signatory to the Principles for Sustainable Insurance (PSI). Established by the United Nations Environment Programme Finance Initiative (UNEP FI), the PSI serves as a global framework for the insurance industry to address ESG risks and opportunities, and we are honoured to join other insurers around the world in this important initiative.

As we look to the future, we are both optimistic and realistic. We recognise that the path to sustainability is not without its challenges, but we are committed to continuing our journey with determination and resilience.

Over the coming years, we aspire to position ourselves at the forefront of sustainability in the insurance sector in Ghana and play a significant role across Africa. We aim to lead by example, creating a path that others can follow.

I want to express my gratitude to everyone involved in our sustainability journey. Your commitment is what makes our progress possible. Together, we can continue to build a company that both thrives today and creates a lasting positive legacy for tomorrow.

Thank you for your ongoing support.

Sincerely,

Daniel Awuah-Darko
Chairman

¹ United Nations, "The Sustainable Development Agenda". Available at <https://www.un.org/sustainabledevelopment/development-agenda-retired/>

Letter of Support from Representative of Shareholder

I have had the privilege of being a member of the board of Vanguard Assurance for about two years now. I sit on the board as a representative of Blue Orchard who invested in the company in 2022 through its InsurResilience Investment Fund.

It has been a privilege to serve the company and to work with the Management of Vanguard. Together with my colleagues on the board and management, I am committed in our collective approach of stewarding Vanguard Assurance to be a leading and responsible insurance company in Ghana.

As a new shareholder in Vanguard, we supported the company to develop and implement a practical Sustainability Plan which was fully imbedded in the company's strategy. Given that the board sets the tone for the company's strategy, we decided to educate ourselves on what it meant to a responsible and sustainable company.

We engaged the services of an expert, Rosalind Kainyah, who was able to succinctly and in practical terms educate the board and senior management on Sustainability. My takeaway from those sessions was that being profitable as a business should not be at the expense of its people and the environment. That was the genesis of Vanguard's Sustainability journey.

Under Rosalind's guidance, the management and staff embarked on developing a detailed Sustainability plan for the company. After several months of engaging with Rosalind, the company has been able to put in place a comprehensive plan which is a platform on which the company will continue to build its Sustainability Plan.

I would like to commend the entire Management and Staff on fully embracing this process and new way of thinking. The board is well equipped now to hold Management and Staff accountable and to make sure that our strategy fully aligns with our Sustainability Goals. This is a new chapter for the company and as a board, we are dedicated to realising the vision of Vanguard Assurance.

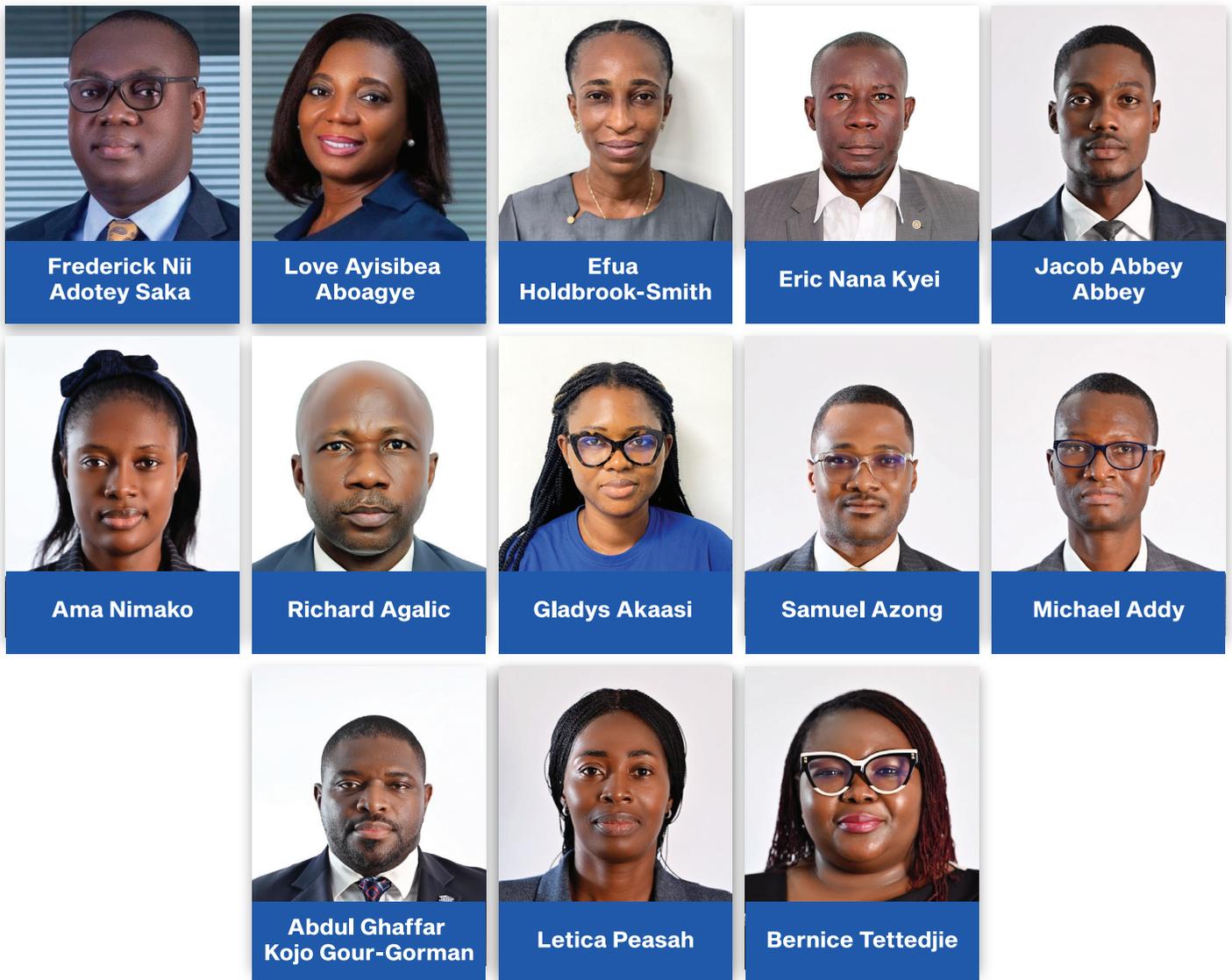
About Vanguard Assurance Company Limited

Vanguard Assurance Company Limited (Vanguard or the company) was the first private indigenous insurance company in Ghana. Our portfolio encompasses a diverse range of insurance products, including motor, property, engineering, personal accident, and micro-insurance. In 2023, our Homeprehensive Insurance Policy was recognised with the prestigious Best Products Innovation award at the Ghana Insurance Awards. With a workforce exceeding 120, we maintain presence in every region across the

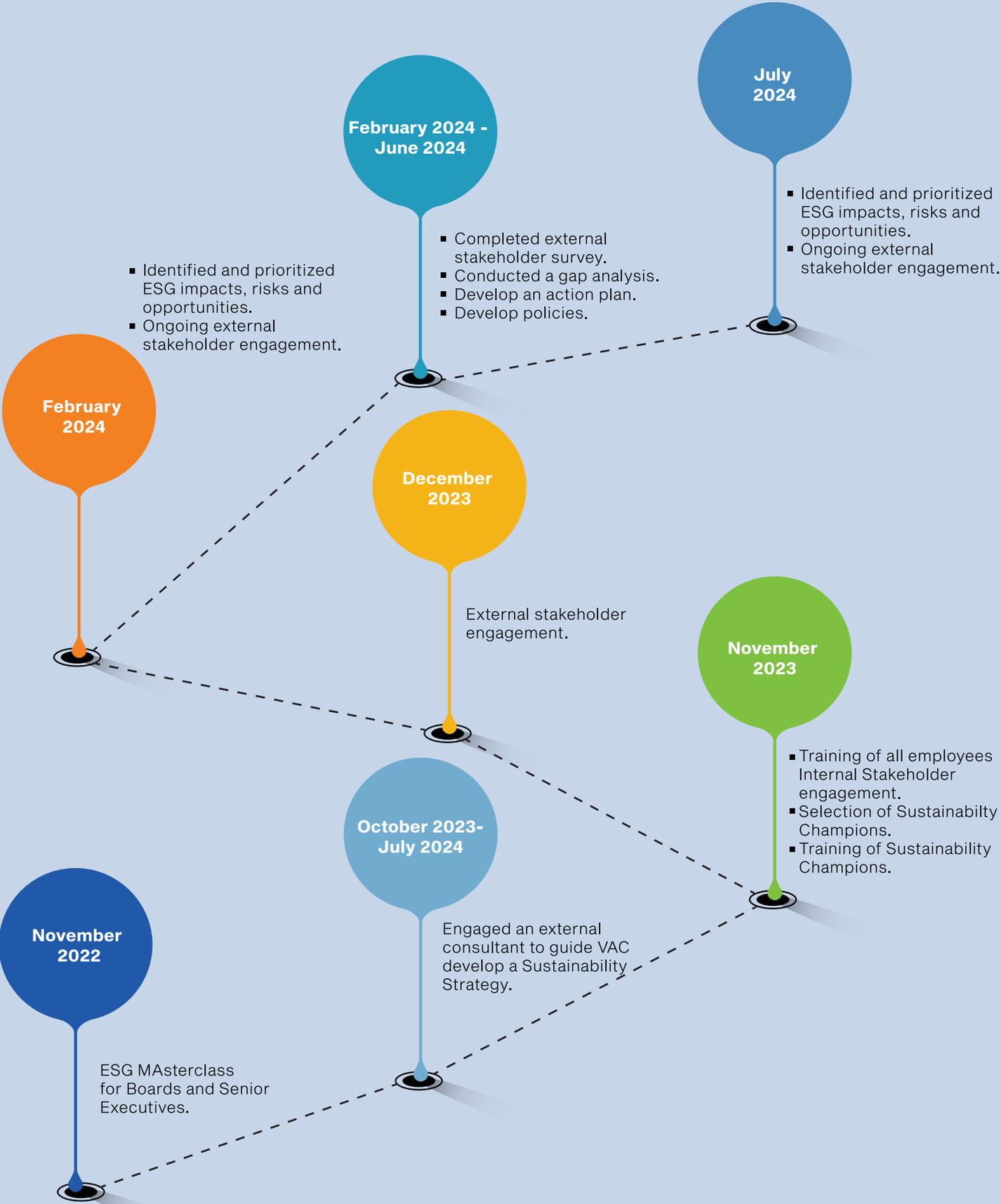
nation. Our corporate vision revolves around becoming the preferred insurer by providing financial protection through groundbreaking insurance offerings that bring delight to our customers.

For more information, visit vanguardassurance.com.

Meet our Sustainability Champions



Vanguard's Sustainability Journey



In November 2022, we engaged Kina Advisory Limited, a Sustainability Advisory firm, to deliver a customised ESG training program for our board and senior management. After the Masterclass, Kina Advisory was tasked with guiding and assisting us in formulating a comprehensive and tailored Sustainability Strategy that considers our unique position as an insurance company operating in Ghana, while also factoring in our financial and human resources. Through collaborative workshops and meetings, we successfully crafted a robust Sustainability strategy tailored to Vanguard's needs.

The Process Included:

- 1 A presentation to all our staff to build awareness about the concepts of Sustainability and ESG and their implications for our business;
- 2 Selecting and training of representatives from each department as Sustainability Champions to ensure effective development, integration and implementation of our Sustainability Strategy;
- 3 Engaging and consulting with our employees and with external stakeholders to get their insights on our material environmental, social and governance issues, and how we could best manage negative impacts and enhance positive outcomes; and
- 4 Conducting workshops and meetings run by the Sustainability Champions and occasionally facilitated by external advisors.

While we received support and guidance from Kina Advisory throughout the process, it was essential, and advocated by the advisors, that we develop the Sustainability Strategy in a manner that aligns with our capacity for realistic implementation.

Consequently, we have now identified and prioritized the material environmental, social, and governance issues pertinent to our business. We have established an action plan with specific measures, targets, and timelines to address each issue, assigning a dedicated member of the management team to oversee implementation.

Additionally, we have introduced a Sustainability Policy, a Gender Equality Policy, and a Human Rights Policy, all of which have been reviewed and endorsed by our Board of Directors.

Visit our website to for more information on our ESG Action plan and our policies. This year-long project culminated in our successful application and acceptance as a signatory to the Principles for Sustainable Insurance (PSI).

Why Sustainability is important to achieving Vanguard's corporate purpose?

- Positions us as a Sustainability Leader in Ghana's insurance sector.
- Enhances our business value.
- Safeguards against risks to our enterprise value and reputation.
- Give us a competitive advantage.
- Meets our investor requirements.
- Meets regulatory requirements.

Our valued stakeholders

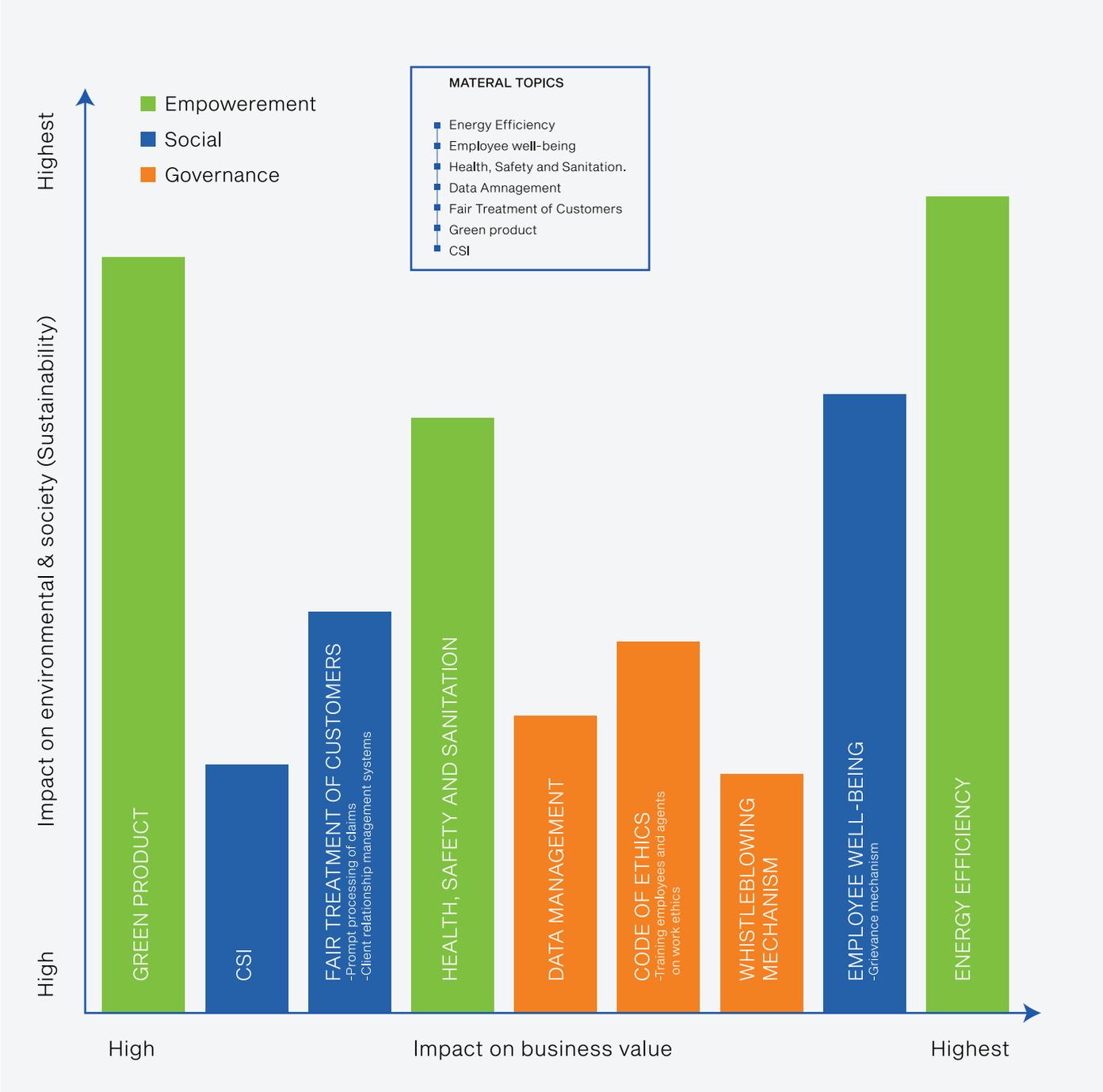
At Vanguard, we consider our stakeholders to be our most valuable assets. In the process of developing our strategy, we made a concerted effort to engage with all employees and approximately 120 external stakeholders covering investors, brokers, agents, corporate clients, individual clients, contracts and suppliers, civil society and media.

While we received responses from 46% of our employees and 20% of our external stakeholders, we acknowledge that the level of response from external stakeholders was lower than expected. We understand that this was our initial engagement with them on this matter and anticipate that participation will increase as we continue to communicate with them. We are committed to providing updates on the actions we are taking to manage our environmental and social impacts, particularly those that are of interest and significance to them.



Our Materiality Matrix

Our Materiality Matrix outlines our commitment to focusing on the topics identified and prioritized as material through internal business analysis and consultations with both employees and external stakeholders. Over the next three years, we will work towards managing, mitigating, or avoiding our ESG risks while seizing opportunities for enhancing ESG related opportunities.



Our Sustainability Champions devoted significant time from their busy schedules, meeting twice a week, to develop an action plan addressing the prioritized issues and opportunities. Considering the financial, technical and human resources we currently have available, we have set specific targets to achieve over the next 2 to 5 years, focusing on their impact on business value and our impact as a business on the environment and society.

In this our initial report, we focus on the actions and targets we have set for our Priority ESG topics of energy efficiency, employee well-being, data management, green products and fair treatment of customers. You can find out detailed ESG Action Plan that covers our identified Material topics on our website.

Energy Efficiency

One of our priority topics in energy efficiency. Recognizing the real and significant adverse impacts of climate change on our communities, our economy and our ecosystem, we will concentrate on enhancing energy efficiency within our facilities and aiming to reduce our carbon emissions by 25% by 2030. To achieve this goal, we have outlined the following actions:



Carbon Emissions Measurement

We will measure our [Scope 1](#) and [Scope 2](#) carbon emissions using a software platform for SMEs to calculate our Greenhouse Gas (GHG) emissions. This will help us in determining which areas of our business produce the most emissions and therefore which areas we need to target for reduction.



Promoting Device Shutdown

We will encourage a culture of turning off devices when not in use to save energy.



Transition to Energy-Efficient Equipment

All desktops will be replaced with laptops to reduce electricity consumption.



Upgrading Lighting Systems

We will switch all lights to LED bulbs and install motion sensors to further reduce carbon emissions.



Paper Usage Reduction

Efforts will be made to reduce paper usage across all departments.



Recycling Initiatives

We will actively promote recycling within the organisation.



Reducing Lift Usage

Employees will be encouraged to use the stairs instead of lifts, particularly on designated days, to reduce electricity consumption and lower our carbon footprint.



Carpooling Scheme

We will encourage carpooling among employees to decrease the number of individual car trips and associated emissions.

Data Management
Targets
Achievable by
December 2024



Scope 1 emissions are direct emissions from sources that are owned or controlled by the organization. These emissions result from activities that are directly managed by the company. Vanguard identified that most of these emissions will most likely refer to the combustion of fuels in company-owned vehicles and facilities.

Scope 2 emissions covers indirect emissions from the generation of purchased electricity, steam, heating, and cooling consumed by the reporting company. These emissions occur at the place where the energy is generated, not where it is used so for instance, the emissions from electricity production happen at a power plant that burns fossil fuels, but the electricity is then used by Vanguard.

The impacts on and implication of climate change for Africa



The African continent has 17% percent world's population but contributes only 4% of global greenhouse gas (GHGs) emissions. These are gases in the atmosphere that raise the surface temperature of the earth and other planets resulting in adverse changes to the climate. Carbon dioxide and methane are two examples of GHGs.

However, despite Africa's relatively low overall contribution to greenhouse gas emissions, the changes to the climate is a global issues and affects every corner of the world. In addition, we on the African continent are disproportionately affected by and vulnerable to the impacts of climate change such as extreme weather events such as excessive heat, droughts, and rising sea levels. These have severe consequences for our communities, our economy and our ecosystem.

By taking proactive steps to reduce our carbon footprint, African businesses can help mitigate these impacts and build resilience against future challenges. Additionally, as the global community moves towards a more sustainable and low-carbon economy, businesses that embrace green practices and technologies are likely to be more competitive, attract investment, and access new markets.

By leading by example and adopting environmentally friendly practices, African businesses can not only contribute to global efforts to combat climate change but also position themselves for long-term success in a rapidly evolving and environmentally conscious marketplace.

Employee Well-being

We recognise that prioritising the well-being is fundamental to cultivating a thriving organisational culture and boosting productivity. To accomplish this, we have established the following initiatives:



Well-being Survey

We will conduct a confidential well-being survey to collect insights and identify areas for improvement. The findings will be analysed to guide our strategies and initiatives



Suggestion Boxes

We will place suggestion boxes in all our branches and offices, using recycled materials to minimise our environmental impact. These boxes will provide a platform for employees to voice their ideas and feedback



Whistleblowing System

We intend to introduce a whistleblowing system to monitor and resolve issues brought up by employees, ensuring that their concerns are acknowledged and addressed promptly.

These initiatives are aimed at ensuring robust data protection and strengthening our capacity to handle customer data responsibly.



Data Management

We are committed to upholding our customers' privacy and protecting their personal data from misuse or unauthorised disclosure. To achieve this, we have outlined specific actions as follows:



Staff Education on Data Privacy

We will provide training to our staff on data privacy and on our relevant policies. Regular quizzes will be conducted to test their knowledge of data privacy and data management practices.



Internal Data Management Platform

The Management Information Systems (MIS) Department will develop an internal data management platform to be adopted across all departments.

These efforts are designed to foster a supportive and proactive work environment, ultimately contributing to the holistic well-being of our workforce.



Green products

We are committed to contributing to the fight against climate change by offering green insurance products. To achieve this, we have established the following specific actions:



Develop Green products

We will assess our current insurance products to determine which ones can be repurposed as green products, aligning with sustainability goals.



Staff Orientation

We will conduct orientation sessions for our staff on green products, ensuring they understand their benefits and can effectively communicate these to customers.



Marketing Green Products

We will actively market green products to our customers, highlighting their environmental benefits and encouraging sustainable choices.



Fair Treatment of Customers

We are dedicated to ensuring the fair treatment of our customers by implementing best practices in the insurance industry. To achieve this, we have established the following specific actions:



Customer Policy and Charter

We will create a comprehensive Customer Policy and Charter that meets best practices in the insurance industry sector.



Staff Education

We will educate our staff on the Customer Policy and Charter through an online training program, ensuring they understand and adhere to these standards.



Complaints and Grievance Desk

We will set up a dedicated complaints and grievance desk to address customer concerns promptly and effectively.



Claims Processing Monitoring

We will monitor and appraise the speed of claims processing to ensure timely and efficient service delivery.

These initiatives are aimed at building trust and satisfaction among our customers, contributing to a more transparent and responsible business environment.

Embedding the Sustainability Action Plan and Policies across Vanguard

At Vanguard, we are committed to embedding sustainability into the core of our operations. To effectively integrate our Sustainability action plan and policies across the organisation, we have implemented various initiatives focused on raising awareness, promoting engagement, and driving tangible actions.



Sustainability Education and Awareness Building

We are incorporating sustainability education into our monthly employee bonding events to raise awareness and deepen understanding of our sustainability goals.



Departmental Quizzes

To stimulate active involvement, we will organise departmental quizzes with rewards, making the learning about sustainability enjoyable and interactive.



KPIs for Accountability

We will set Key Performance Indicators (KPIs) tied to our Action Plan for the individuals tasked with supervising and implementing sustainability initiatives. This will guarantee accountability and enable us to track progress effectively.



Carbon Footprint Competition

We will encourage employees to calculate their personal carbon footprints using tools available on the Giki website. They will then engage in a friendly competition to see who can make the most significant reductions in their carbon footprint.

These initiatives are crafted to cultivate a sustainability-driven culture at Vanguard, empowering each employee to play a role in our sustainability journey.



Future Aspirations

We aspire to be at the forefront of sustainability in the insurance sector in Ghana and play a significant role across Africa by 2034. We aim to lead by example, demonstrating that integrating sustainability into core operations is not just beneficial but essential for long-term success and resilience.

Message from the Nominated Sustainability Lead



I express my heartfelt gratitude to all those who actively contributed to the development of our Sustainability Strategy. A special thank you goes out to my fellow Sustainability Champions, our dedicated employees, and our external stakeholders who engaged with us on this crucial matter.

While we encountered challenges along the way, our perseverance, stakeholder commitment, and the expert guidance of Kina Advisory have led us to a significant milestone. Your invaluable contributions and insights were instrumental in the success of our application to the Principles for Sustainable Insurance (PSI).

Together with my team of Sustainability Champions, I am committed to maintaining a focused and unwavering approach on our sustainability journey. We will continue to provide regular updates on our progress.

Beginning next year, we will commence reporting in alignment with recognised sustainability regulatory frameworks, further underscoring our dedication to transparency and accountability. Additionally, we will publicly showcase our commitment to accountability and transparency in managing ESG issues following the guidance of PSI.

Thank you once again for your unwavering support, and congratulations to Vanguard on becoming a PSI signatory.

Sincerely,

Love Ayisibea Aboagye

Insights from Digisavvy Insurance Brokers

ESG should be more than a display of “politically correct” values. When well-designed and implemented, it should drive meaningful impact across the triple bottom line:

a. *People:* ESG initiatives must enhance the well-being of people, starting with Vanguard’s own staff. I envision Vanguard Assurance employees as ambassadors, reflecting the positive impact of ESG policies.

b. *Planet:* ESG strategies should actively contribute to environmental protection. The policies and practices we adopt need to yield positive outcomes for our planet.

c. *Profit:* ESG must transcend being a mere “cost center.” Properly executed ESG initiatives should enhance Vanguard Assurance’s profitability.

On behalf of the Digisavvy team, we extend our best wishes as you embark on this journey.

Kofi A. Awuku-Sao
Managing Director

View from Staff

The “S” (Social Performance) in “ESG” often doesn’t get as much time and space in the limelight as the “E” (Environmental Management). It may also not be that well known that, increasingly, a significant aspect of social performance relates to the well-being and diversity of a company’s employees.

At Vanguard Assurance as we begin our ESG journey, we are committed to having a diverse and inclusive workforce, from entry level right up to our board of directors.

This, with the other ESG actions we are taken, will pave the way for the company to attract and retain the best talent possible, gain investor confidence, , earn customer loyalty, , reduce operating costs, enhance our value and reputation, and position us as a leader in Sustainability in Ghana.

Edem Gobah

View from A Sustainability Champion

Our journey toward ESG adaptation has been enriching as an indigenous insurance company, driven by a company culture that naturally embraces sustainability.

From the outset, our efforts to implement sustainable policies have been a dynamic and inclusive experience, engaging every corner of our organization. We are thrilled to have successfully become signatories to the Principles of Sustainable Insurance, all while exceeding the expectations of our stakeholders.

The enthusiasm from our staff and customers, who eagerly participate in our carbon footprint reduction activities, has been truly inspiring. We’re immensely grateful to our dedicated ESG Team for making this vision a reality.

Kojo Gorman



Our Sustainability Strategy

Purpose Reflecting your Sustainability ambition & vision	To offer financial security through innovative insurance solutions that delight our customers.				
What matters to your company Your priorities	Energy Efficiency	Employee well-being	Effective data management	Fair treatment of customers	Green products
Goals and KPIs	Reduce carbon footprint by 25% from baseline measurement	100% of staff to have completed employee well-being survey	Create data management policy that ensures that all data is protected to a high standard. Ensure compliance with the Data Act of 2012	Create a Customer Policy and Charter that meets best practice in the insurance industry sector	Create 3 green insurance related products
Strategy How you will you achieve your targets	Reduce scope 1 & 2 emissions	Carry out and analyse results of well-being survey to understand where to improve	Review existing policy (Data Usage and Protection) to cover management of data as a whole	Create a Customer Policy and Charter	Develop a green product strategy to determine
Projects Linked to your strategy	Reduce paper usage, Recycling, Carpooling, Replacing desktops with laptops, installing motion sensors, reduce the use of lift/elevators	Install suggestion boxes, create a whistleblowing mechanism	Educate staff on data privacy, MIS to develop data management platform for all departments	Educate staff on Charter & Policy, grievance desk, monitor speed of claims processing	Projects to create planned green products
Monitoring & Reporting On your progress	Customer and employee surveys; internal monitoring and reports; annual sustainability report; relevant disclosure or reporting frameworks suggested by PSI				
Governance Responsibilities & Controls	Quarterly reports to Board; Internal audits; External assurance				

