

The Insurance Company of East Africa



SUSTAINABILTY

REPORT

2019

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Message from the Directors

ICEA was built on a foundation of values that encompass always doing the right thing. For more than 50 years, our Company and our people have been delivering outstanding shareholder value while meeting the needs of our various stakeholders – our investors, our agents and customers, our employees, our communities, and society. We have always recognized that in order to achieve long-term success, we have an obligation to society and the sustainability of the world around us. This understanding stems from the reality that at its core, insurance is a service business. It helps people and businesses manage their risk so that they can go about their lives and serve their customers. It is a key component that enables the global economy to thrive. Much of our business is focused on small businesses and organizations in industries that help others, including public entities, health care and social services organizations, and agricultural or food-related enterprises. Overall, property casualty insurance is a business of risk management. Managing risk in our own business and helping our clients manage theirs is of paramount importance.

Our people are our greatest asset in these endeavors. From the day it was founded, our business has been about people, and the expertise they bring to bear in all that we do. We have succeeded over these five decades because of teamwork - and because those teams are made up of individuals who, every day, in every location, go the extra mile. This has been reflected not only in our results, but in our culture of working together with shared values for a common goal and a common good. We trademarked the phrase “We are better together” more than a decade ago – and we live those words every day. So, it only follows that our culture is one of helping others, and our people are dedicated to serving both the communities in which we live and work and those in need throughout the world. We are often humbled by the generosity of our people and the many hours of service they offer each year, and we strive to do our part as a Company.

However, in talking to our investors we have realized that while we have lived these values every day, we have not communicated how our policies and practices support the sustainability of our Company and the world around us to our stakeholders in an organized manner. So we have embarked on a journey to collect and disseminate information about our efforts in these areas, while continuing to further enhance what we do. To that end, we recently undertook a strategic assessment of our most important environmental, social and governance (ESG) issues for further consideration and compiled this report as a starting point for our journey. This report is just the beginning. It is a foundation that we can build upon in the years to come. We are excited about continuously improving our sustainability performance and look forward to sharing our progress with you.

Thank you for your interest in ICEA and the work we do to make our Company and our country a better place today and for future generations.

Management

6/7/2020

About Us

The Insurance Company of East Africa (ICEA) was established on 10th November 1964 through a merger of three companies: -

Eagle Star Insurance Company of UK,
Welfare Insurance Company of UK,
New Zealand Insurance Company.

The shareholding of the three fore mentioned companies was later sold off to First Chartered Securities (FCS) Group, which is the current holding company with business interests in various sectors. ICEA Group Uganda is a subsidiary company of ICEA LION Group of Kenya.

ICEA LION group is one of the largest Insurance groups in the region with operations in Kenya, Uganda and Tanzania.

ICEA Group Uganda was formally known as Insurance Company of East Africa (Uganda)Ltd incorporated in Uganda on 5 August 1999 and licensed to provide both short term (General) and long-term (Life & Pensions) insurance business.

In September 2014 the Insurance Company of East Africa (ICEA) Ltd split into ICEA Life Assurance (Operating Life Business) and ICEA General Insurance (Operating non-life business) in order to focus on better customer service delivery and comply with Insurance requirements. The split gave birth to the ICEA Group companies.

Mission, Vision and Principles

Mission

We protect and create wealth.

Vision

To be a leading Pan Africa provider of Insurance and related financial services

Core Values and Principles

- We see through the eyes of the customer
- Our people are important to us
- We deliver on our promise
- We champion integrity

Our services

The Insurance Company of East Africa has its products and services divided into two categories and these are; Individual life and Corporate (group) services that are further divided into other products and services listed below

Under the Individual Life:

Endowment Plans

- Toto Education Plan (TEP)
This helps plan children's education and future at a whole. A parent or guardian will save an amount of their choice regularly in their children's ICEA account for a certain period having peace of mind that, should anything happen to them, their children's education will be in safe hands.

- Child Educator Policy (CEA)
- Endowment Assurance (EAW)
- Triple Payback Assurance (TPB)
- Whole Life Policy

Term Assurance

- Level Term Assurance
- Value Added Term Assurance (VAT)
- Mortgage Protection
- Value Added Mortgage (VAM)
- Key Man Assurance

Supplementary Riders

- Permanent Total Disability
- Accidental Death Benefit
- Last Expense
- Critical Illness

Whereas under the Corporate (group):

Group Life Assurance

- Funeral Cover Policy
- Disability cover
- Group Mortgage protection
- Group Car loan protection
- Group Credit Life Assurance

Group Retirement Benefits & Administration

- Staff retirement benefits
- Retirement Benefits Scheme Administration
- Annuities

Investment Plans

- Family Income Fund
- Group savings account

Supplementary Extensions

- Permanent Total Disability
- Accidental Death Benefit
- Last Expense; self, spouse & children
- Critical Illness

Engineering

- Contractor's All Risk
- Erection All Risk
- Contractor's Plant and Machinery
- Machinery Breakdown

- Electronic Equipment

Fire

- Nyumbani Insurance Cover
- Fire and Allied Perils
- Asset All Risks

Liability

- Retirement Benefits Trustees Cover
- Public Liability
- Directors and Officers Liability
- Product Liability
- Professional Liability

Motor

- Motor Private Ordinary
- Motor Commercial Ordinary
- Simba Motor Policy

Accident

- Travel Insurance
- Personal Accident
- Group Personal Accident
- Workers Compensation Cover
- Medical Insurance - Corporate
- Gold Cash Medical Cover

Bonds

- Advance Payment
- Performance
- Customs
- Bid Securities

Location of headquarters

ICEA GENERAL INSURANCE
COMPANY LIMITED
Plot 2 & 4A Nakasero Road
Rwenzori Courts, 1st Floor
P.O Box 37834 Kampala (U)
Tel: +256 414 250 719
0800 100 311 (Toll-free)

ICEA ASSET MANAGEMENT
COMPANY LIMITED
Plot 2 & 4A Nakasero Road
Rwenzori Courts, 2nd Floor

P.O Box 33953 Kampala (U)
 Tel: +256 414 347 535
 0800 100 120 (Toll-free)

ICEA LIFE ASSURANCE
 COMPANY LIMITED
 Plot 2 & 4A Nakasero Road
 Rwenzori Courts, 2nd Floor
 P.O Box 33953 Kampala (U)
 Tel: +256 414 232 337
 0800 100 120 (Toll-free)

www.icea.co.ug

Location of operations

The Insurance Company of East Africa has its operations in Uganda, Kenya and Tanzania under ICEA group Uganda, ICEA Lion group in Kenya and Tanzania respectively. ICEA also through Mitchell Cotts Freight Ltd caters for transport management and freight services through East Africa including Sudan.

Assets under management

	ICEA Life Assurance Company Ltd	ICEA General Insurance Company Ltd	ICEA Asset Management Company Ltd	ICEA Group
	Ushs	Ushs	Ushs	Ushs
Security held with Bank of Uganda	1,035,320,000	1,343,765,000	-	2,379,085,000
Total Assets	88,895,934,000	38,939,880,000	1,022,499,000	128,858,313,000

Company	Assets (Ushs)
ICEA Group (Uganda)	128,858,313,000
ICEA Lion Group (Kenya & Tanzania)	3,536,701,822,000
Total	4,825,284,952,000

Ownership

The First Chartered Securities Group is the main shareholding company with other companies like ICEA Lion and ICEA group of companies in line.

Markets served

ICEA Uganda takes part in the insurance market of Uganda by providing its products and services to the following corporate and private companies



Information on employees and other workers

ICEA is a family of a large work force with more than 5,000 employees in East Africa, all working and collaborating under the banner of “We are better together”. This sense of belonging and commitment to include everyone in our mission makes ICEA measurably different.

ICEA’s employees are of the highest importance to our success. We invest in their growth as individuals and professionals. This makes good business sense: consider, what assets does an insurance company have, other than a team of the most qualified and dedicated people operating with the highest levels of integrity and commitment. But the quality of our relationships with our employees runs deeper than that. ICEA offers employees the opportunity to enroll in courses or classes for insurance-specific professional development through various educational organizations and some of the courses offered include: Insurance Essentials, Insurance Fundamentals and Commercial Insurance.

We have succeeded for over 50 years because of our foundational principle of encouraging teamwork. This has been reflected not only in our operating results, but in our culture of working together with shared values for a common goal and the common good. Our employees and strong culture are our greatest competitive advantage. Our people-first approach applies to how we treat our agents, policyholders and our employees.

Supply chain

ICEA’s supply value chain simply involves interaction between a prospect and our insurance agent. Where our trained professional agents identify possible prospects in the community and approach them to talk to them about our nice insurance packages, the prospects on acceptance become clients who are ready to take on an insurance package of their interest.

Significant changes to the organization

There were no significant changes to the organization for the year 2019.

Precautionary Principle or approach

As a property casualty insurance business, protecting our clients from risk is our reason for being. Risk is the lens through which we view the world, providing us with a unique perspective on many of the issues that impact societal well-being and the health of our natural environment. We help clients address risks through our products and services, manage underwriting, investment and operational risks in our own business, and have established internal policies and practices to positively impact our employees, communities and natural resources. Ethical behavior and a strong connection to our communities are hallmarks of ICEA’s culture. The idea is as simple as it sounds. Doing the right thing engenders the trust of our customers, distribution partners, employees and shareholders, enabling us to grow our business profitably and meet the diverse needs of all our constituents. It is embedded in our culture and exemplified by our employees every day.

External Initiatives

- Insurance Regulatory of Uganda
- The Insurance Institute of Uganda
- Bank of Uganda

Our bankers include:



Membership of association



Ethics and Integrity

Our corporate ethics and compliance policies are a cornerstone of our culture and the foundation for the long-term success of our Company. Our Code of Ethics and Business Conduct plays a prominent role in setting expectations and providing guidance for employees, managers and senior leadership. In areas such as privacy, economic sanctions and anti-corruption, specific policies supplement the Code of Ethics and Business Conduct.

ICEA's approach to ethics and compliance includes mandated ethics training for all new employees, as well as strong policies on data protection, record retention and other specific areas of ethics and compliance. Other ethics resources for ICEA employees include a Business Ethics Committee established at every operating unit, and a 24-hour, independently operated 'Ethics Line' hotline and website. Our integrity as a Company and as individuals starts with the ICEA Corporation Code of Ethics and Business Conduct. The Code applies to everyone – from senior executives to entry-level employees – and no one is exempt. ICEA leaders and managers play an important role in reinforcing our robust approach to ethics and our culture of accountability and compliance. Managers are expected to set a strong example of ethical conduct, help their teams understand the Code and encourage employees to speak up about concerns. Each report to ICEA's Ethics Line is reviewed typically within 24 hours of receipt and the reporter receives a confirmation message regarding his or her submission.

It should be therefore noted that our ethical code of conduct reflects upon our core values and principles that have been mentioned earlier in the report and further addresses the following issues:

- Harassment and treating each other with fairness, dignity and respect.
- Workplace safety and security.
- Potential conflicts of interest.
- Observing laws against bribery and corruption.
- Fair dealings with customers, agents, brokers, suppliers, competitors, and employees.
- Protecting information and data.
- Careful communication, including in social media.
- Avoiding insider trading/sharing insider information.
- Keeping accurate business records and reporting.
- Cooperating with a government investigation.

Governance structure

OUR DIRECTORS

ICEA Life Assurance Company

James P.M Ndegwa, Chairman

Paul Omara, Director

Andrew Owiny Otengo, Director

David G. Opiokello, Director

Justus Mutiga, Director

ICEA General Insurance Company

Simon Rutega, Chairman

Gabriel Kuria, Director

Patrick Mugambi, Director
 Steven Omondi Oluoch, Director

ICEA Asset Management
 James P.M Ndegwa, Chairman
 Emmanuel Mwaka, Executive Director
 David G. Opiokello, Director
 Justus Mutiga, Director
 Einstein Kahinda, Director

Corporate Social Responsibility

Using one of our primary roles as an employer, our company has been able to respond to its social responsibility debt to the society members by providing them with employment opportunities which have helped in fighting off poverty thus improving on the standard of living of the locals. It should be noted that ICEA’s employment criteria that is nondiscriminatory in nature enables the company to take on employment applications of different kinds of people in the sense of gender, age and religion and this also helps to bridge the gap between people preventing inequalities in society.

Stakeholder engagement

ICEA Proactively engages with its stakeholders so as to achieve its long-term purpose and existence by encouraging learning and increasing transparency between the company and the stakeholders and they include;

Stakeholder Group	How we engage
Shareholders and Corporate clients	<ul style="list-style-type: none"> • Annual Report, Proxy Statement and Sustainability Report • Press releases • Webcasts and conference calls • Financial services conferences • One-on-one visits to discuss financial performance and ESG issues • Communications through Investor Relations and Corporate Governance Teams as well as company’s Board of Directors • Annual Meeting and Investor Days
Private Customers	<ul style="list-style-type: none"> • In-person conversations • Digital interface • By telephone • Social media • Annual Report, Proxy Statement and Sustainability Report • Customer satisfaction surveys, customer focus groups and net promoter scores • Assessment of financial data
Employees	<ul style="list-style-type: none"> • Performance management and development programs • Volunteer events

	<ul style="list-style-type: none"> • Annual Report, Proxy Statement and Sustainability Report • Matching gifts program (open to eligible employees) • Business Resource Groups, Green Teams and Volunteer Councils • Company intranet, email, direct mail, social media and in-person meetings • ICEA Ethics Help Line • Employee surveys
Independent financial advisors and intermediaries	<ul style="list-style-type: none"> • In-person meetings, calls, conference calls and conferences • Proxy voting • Annual Report, Proxy Statement and Sustainability Report
Community leaders, neighbors, and nongovernmental organizations (NGOs)	<ul style="list-style-type: none"> • In-person meetings, calls, conference calls, social media, and events with local leaders, neighbors, NGOs, and advocacy groups • Board memberships • Financial support (grants, corporate contributions, impact investments) • Employee volunteering • Pro bono consulting
Suppliers, vendors and business partners	<ul style="list-style-type: none"> • ICEA Ethics Help Line • In-person meetings, calls, conferences, and workshops • Vendor Registration Portal and related websites

Our Awards and Ratings

- In June 2010, the Global Credit Rating organization awarded ICEA LION Group a “AA” rating. This probably the highest rating any insurance Company has been awarded from an accredited rating agency.
- Johannesburg, 11 Sep 2013—Global Credit Ratings affirmed the national scale claims paying ability rating assigned to ICEA LION General Insurance Company Ltd of AA-(KE); with the outlook accorded as Stable.
- Johannesburg, 1 Oct 2014—Global Credit Ratings affirmed the national scale financial strength rating assigned to ICEA LION Life Assurance Company Ltd of AA-(KE); with the outlook accorded as Stable.

Reporting practices

Entities included in the consolidated financial statements

There were no any financial statements provided for this report for the period of 2019. All the financial figures present in this report are for Insurance Company of East Africa.

Defining report content and topic boundary

In this year's report, our management has put more emphasis on economic and social impacts in the communities we operate. Under our economic impacts, we chose to report about Indirect economic impacts because of the continued increase of the positive effects to other business entities that have been brought upon by ICEA whereas Employment impacts was chosen under the social impacts. This is because of the visible ability ICEA has contributed in the open employment of the community members in the society.

List of material topics

Indirect Economic Impacts is our only material topic

Restatements of information

Not applicable

Changes in reporting

This is the first sustainability Report that has been prepared by ICEA.

Reporting period

1 January 2019 to 31 December 2019

Date of most recent report

This is the first sustainability report to be prepared.

Reporting cycle

Annually

Claims of reporting in accordance with GRI Standards:

Global Reporting Initiative (GRI) is the most widely accepted framework for sustainability reporting. This report has been prepared in accordance with the GRI standards: Core option

External Assurance

This report has not been externally verified. However, ICEA is audited externally by Ernst & Young limited. However the Global Credit Rating Organization has been a key organization in the rating of our company and its operations.

Material Topics

GRI 200: Economic Impacts

Management approach (GRI 103) 2016

At Insurance Company of East Africa, we considered indirect economic impacts under economic impacts as our material topic because it measures the increase in our business to business activities while excluding the initial round of spending unlike the direct economic impacts that attempt to measure the change in economic activity in a specified region. ICEA's management approach towards the indirect economic impacts involves not only insuring that the society and its members are protected against risk but also other business enterprises so as to increase on its business to business activities with the local communities. Business entities need protection from risk in order to play their roles as private sector leaders in a thriving economy. At ICEA, we consider insurance to be the glue that binds our economy together, and we strive to support both businesses and our communities. This requires that we, in turn, act as responsible corporate citizens.

GRI 203: Indirect Economic Impact 2016

Insuring those who protect others is ICEA's approach under the indirect economic impacts i.e. protection takes a broad view of risk at ICEA. Our purpose is to meet the needs of the insured, and to insure those who need insurance. We have strived to do this for over 50 years by providing appropriate, risk adjusted returns and offering the best products and services to our clients. We offer insurance for workplace injuries to support the highest possible quality of life, both for workers and for their families. ICEA also insures small companies, public sector entities such as cities and towns to support them in cases of property damage or liability claims, and non-profit organizations, social sector services and charitable organizations so that they can continue to fulfill their missions. For example, ICEA through Knight Frank Uganda Ltd a registered value and real estate agent has been able to establish and construct affordable housing that has provided the people in local communities especially those that have an affiliation with the company itself with a roof under their heads thus improving on the housing infrastructure in the society. Furthermore, Mitchell Cotts Freight Ltd a company under ICEA has helped improve the transport and logistics services in and around Uganda through providing affordable freight forwarding services to the extent of Kenya in the East and Sudan in the North. It has also contributed to the construction and repair maintenance of the Sudan highway which has made transport much easier, safer and quicker.

ICEA and the Sustainable Development Goals

At Insurance Company of East Africa, we joined the global community as partners in contributing to Uganda's achievement of the Sustainable Development goals.

Through our indirect economic impacts, we are contributing to Uganda's achievement of SDG 6 of 'Good Jobs and Economic Growth' where through Mitchell Cotts Freight Ltd a company under ICEA we are providing fairly cheaper freight forwarding services which has aided the ease in the exportation of various goods from Uganda to the neighboring countries such as Kenya and Tanzania thus improving on Uganda's Balance of Payment Position. A strong Balance of Payment Position directly leads to Economic Growth of a country.



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Further More

For more information regarding the report, please visit our website <https://www.icealion.com>

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