



Championing True Sustainability



LOLC

United Nations Global Compact Communication on Progress Report for 2012/13

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Foreword

The LOLC Group, since its inception in 1980, has steadily grown into an empire which powers the entrepreneurial spirit of Sri Lankans far and wide. From the rural heartland to the corporate milieu, LOLC has continued to transform the lives of countless Sri Lankan men, women and business establishments, whilst proudly shaping the country's economic landscape.

Vibrant : is how their business, people and the corporate terrain can be best described.

This versatile young conglomerate provides solutions which are both profitable and ethically transacted, and they dispense their services with transparency and great conviction. Trust and reliability are believed to be the powerful ingredients behind LOLC's strong brand appeal amongst stakeholders. Whether they are globally reputed funding organizations, customers, regulatory authorities, employees or the finance industry, the LOLC brand appeals to people's innermost aspirations to improve their lives and the Nation at large.

Throughout their 3 decade long service towards transforming lives, they have gained an intimate insight into the Sri Lankan way of life – socially, environmentally and economically – by way of interactions with people and communities. Hence, the concept of True Sustainability is not an isolated phenomenon; it is intrinsically embedded into the heart of the organization's business ethos where they cannot do one without the other. LOLC is an organization truly committed to dispensing a sustainable business and a business that advocates values of social responsibility.

In keeping with such a legacy, LOLC is proud to champion the values of true sustainability by being a signatory to the United Nations Global Compact initiative.

Principles of the UN Global Compact

The LOLC Group and its subsidiaries subscribe to UNGC's established code of principles mentioned below:

Human Rights

1. Businesses should support and respect the protection of internationally-proclaimed human rights.
2. Businesses should make sure that they are not complicit in human rights abuses.

Labour

3. Businesses should uphold freedom of association and effective recognition of the right to collective bargaining.
4. Businesses should uphold the elimination of all forms of forced and compulsory labour.
5. Businesses should uphold the effective abolition of child labour.
6. Businesses should uphold the elimination of discrimination in respect of employment and occupation.

Environment

7. Businesses are asked to support a precautionary approach to environmental challenges.
8. Businesses are asked to undertake initiatives to promote greater environmental responsibility.
9. Businesses are asked to encourage the development and diffusion of environmentally-friendly technologies.

Against Corruption

10. Businesses should work against corruption in all its forms, including extortion and bribery.

Commitment to UNGC Principles

LOLC's own commitment to the established principles of the UNGC initiative can be found imbedded into the functions of its business operations which are demonstrated in their Annual Reports, Press Releases and Websites.

Here is an overview of the Group's commitment for the FY 2012/13 outlined in their Annual Report which is submitted together with this review.

- Statement of continued support: Group Managing Director / CEO's Review, Page 15
- Subscribing to UNGC Principles and activity report: Sustainability Report, Pages 264 – 270
- Further information:
 - Chairperson's Statement, Page 04
 - Deputy Chairman's Statement, Page 08
 - Business Review, Page 17 – 60
 - Enterprise Risk Management Report, Page 125 - 130

All above mentioned material can be accessed via www.lolc.com

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