



Intercontinental Trust Ltd

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Communication on Progress to the United Nations Global Compact

23rd January 2021



MAURITIUS | SEYCHELLES | SOUTH AFRICA | SINGAPORE | KENYA

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1. Purpose



This is our **Communication on Progress** in implementing the Ten Principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

ITL is a signatory to the United Nations Global Compact (UNGC), the world's largest corporate sustainability initiative that believes businesses can be a force for good. UNGC urges companies worldwide to align strategies and operations with ten universal principles on human rights, labour, environment, and anti-corruption, while asking them to take actions that advance societal goals. For the first time since enrolling in January 2020, ITL will submit a Communication on Progress (COP) report highlighting its engagements and initiatives on the ten principles.

2. Statement of continued support by the Chief Executive Officer (CEO)

Intercontinental Trust Ltd, Mauritius, COP for 2020

"I am pleased to confirm that Intercontinental Trust Ltd reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption. In this our first annual Communication on Progress, we describe our actions to integrate the Global Compact and its principles into our business strategy, culture and daily operations. We are also committed to share this information with our stakeholders using our primary channels of communication."

Yours sincerely,



Chief Executive Officer

3. Human Rights

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

Philosophy

Intercontinental Trust Ltd (“ITL”, the “Company”) is committed to conducting business in accordance with the highest ethical standards and in compliance with all applicable laws, rules and regulations. As such, it adheres to its policies, which provides directors and employees with the necessary information to understand their ethical responsibilities and ensure business is conducted with integrity.

ITL ensures that business operations do not violate human rights principles by taking disciplinary and/or preventive actions, wherever deemed appropriate, to address existing or potential violations of the law or its policies.

The Company abides to all local laws including the Workers’ Rights Act 2019 and Data Protection Act 2017 to:

- Eliminate abuses in human rights,
- Ensure the privacy rights of individuals in relation to requirements of collection, processing, storage, transfer and handling of personal information/sensitive personal information.

The measures documented in the ITL Staff Hand Book and a set of internal policies are accessible by all employees. The latter are informed of updates arising due to a change in the law or a management decision by email.

Recruitment

ITL’s recruitment policy promotes diversity through the un-biased recruitment of people irrespective of gender, age or background. ITL believes that a diverse and balanced workforce gives it access to a wide range of skills, knowledge and expertise that are essential to its success.

ITL offers a healthy and secure working environment by promoting a corporate culture and set of values that:

- Promotes social well-being,
- Empowers the workforce,
- Reduce inequalities,
- Fosters a healthy rapport with all stakeholders, and
- Ensures there is no abuse in human rights.

Training and development

Training starts from day one (1) for all new joiners through the induction training that includes Company policies and operational procedures. They will then have an annually reviewed development and training plan, to help them reach full potential in their current positions.

ITL encourages its employees to take on courses in accounting (ACCA or ACA) or secretarial services (ICSA). Members are entitled to paid CPD seminars that promote continuous professional development.

The Company also offers opportunities to its staff to try new things and specific training is part of it. As such, the Company offers to sponsor courses for employees willing to take on new responsibilities that are in line with its strategy.

Remuneration philosophy

As a service organisation, human capital is essential to the Company that understands that fair and just remuneration contributes to job satisfaction and a healthy and decent lifestyle.

The Company ensures that all new joiners receive and properly understand all parts of their contract of employment prior to signature. The remuneration package offered will consider the candidate's qualifications, skills, experience and the role he/she will fill in.

The Company also provides firm-wide benefits such as medical coverage, pension plans, maternity and paternity leaves, flexible working hours and work from home facilities. The Company believes that these are useful to parents and promotes better work-life balance.

The remuneration packages are reviewed on an annual basis after considering the employees' annual performance, augmented responsibilities and changes to living standards that arise mainly because of inflation.

In short, ITL ensures that its employees:

- Are treated fairly based on merit;
- Are given the opportunity to benefit from financial results and development of the group through performance-related bonuses;
- Receive no less than the minimum wage as prescribed by the law,
- Receive a satisfactory annual salary review that caters for the government increase, and
- Have a proper work-life balance.

Other benefits

ITL has a Leaves Policy whereby all employees are entitled to annual leaves (including local, sick, examination, wedding, maternity, paternity, injury etc...).

ITL has a Flexible Working Arrangements ("FWA") Policy to promote staff welfare and work-life balance, as well as the need to adapt to the constantly evolving business requirements. Employees are offered the flexibility of the start and end hours of work, provided that they adhere to the rules of the FWA policy.

Even though flexible working arrangements are offered to the organisation at large, its implementation depends to some extent on the business needs of each business unit and the particularities of each position within the organisation.

Promotion of staff welfare and safety

The Company provides a high standard of staff welfare and health to its employees. The maintenance team ensures that the workplace remains in pristine conditions. This includes a clean office, suitable temperature, ventilation and lighting; and suitable washing and sanitation areas appropriate for both genders.

ITL provides its employees with:

- Subsidized healthy meals,
- Safe drinking water,
- Refrigerators for food storage, and
- Clean and sanitary mess room for eating.

To promote a healthy balance of the mind, body and spirit among its employees, ITL has an Activity and Sports Committee that organizes activities such as football, bowling, badminton, nature hikes, counselling and off-premises team building activities.

To promote health and safety in the office, the Company has set up a Health and Safety Committee as required by the Occupational Safety and Health Act. The members meet every two (2) months to discuss on identified health hazards and take measures to mitigate or eliminate these.

Moreover, a team of volunteers received first aids and fire wardens training. As at date, there are seventeen (17) fire wardens spread over the office. They are in charge of assisting the remaining one hundred and sixteen employees in case of a disaster.

COVID-specific measures

During the COVID-19 pandemic, the Company implemented several policies to ensure the safety of its employees and close collaborators including:

- Barrier gestures such as temperature checks at office's entrance and social distancing,
- Distribution of masks and hand sanitizers,
- Compulsory work from home enforced for employees with chronic illness and/or those living with old/ill family members, and
- Provision of essential supplies to employees in need.

Despite the harsh global economic conditions, the Company did not terminate any of its employees and willingly refunded the government's financial aid.

Creating awareness

During the year, ITL organised an awareness week on Breast Cancer. Informative charts were displayed in the common areas and talks held by subject matter experts from an NGO. Attendees embraced the opportunity to learn more on this topic and provided positive feedbacks.

We intend to have several similar awareness creating sessions over the next year.

Projects in the pipeline

The Company has identified health to be primordial for its employees and is assessing the possibilities of providing on-site fitness (e.g. yoga and aerobic) classes, and putting an activity room at the disposal of its employees.

4. Labour

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

Opportunity to voice out

ITL recognises the right to collective bargaining and abides with all the relevant Mauritian laws that govern the freedom of association. ITL has an open door policy where any employee can voice out his/her concern to his/her manager, Human Capital department or Director. An employee may make use of the policy to resolve any matter with his line manager and, if the outcome is deemed unsatisfactory, further escalate the matter.

The Human Capital team conducts stay interviews with all employees to assess staff satisfaction. This exercise provides employees the opportunity to voice out their concerns and sources of job dissatisfaction. They are encouraged to propose solutions and ways to improve things.

The findings of this exercise is presented to Management which endeavours to implement reasonable and acceptable solutions.

Elimination of forced labour and/or child labour

The Company operates in accordance with the existing labour laws in Mauritius that forbids offering employment to anyone below the age of 18.

All prospective employees receive an employment contract that details the conditions of employment relating to the job offered. The Human Capital representative explains all the conditions and answers any questions that the person may have. They sign on the documents only if they are fine with the conditions proposed.

Elimination of discrimination in recruitment

The demographic analysis confirms how well the organisation makes good use of experience and diversity at different levels of hierarchy.

ITL has adopted an Equal Opportunity Policy in line with the Equal Opportunity Act. The company declared that this policy is geared towards building an organisation where the employee will make full use of their talents, skills, experience and competence and where the employees feel respected and valued regardless of their status, that is, their age, caste, colour, creed, ethnic origin, impairment, marital status, place of origin, race, sex or sexual orientation.

The Human Capital team ensures that no employee receives less favourable treatment and that opportunities for employment, training and promotion are accessible to all candidates irrespective of their status.

In addition, ITL undertakes that selection for employment, promotion, transfer, training as well as access to benefits, facilities and services will be fair and equitable and based solely upon merit.

The following tables depict the gender distribution by age groups and by level of hierarchy (professional bands) of all the employees of ITL. Figures below show employees working on a permanent basis as well as on short and long-term contracts, as at December 2020.

Age Distribution	Gender		Grand Total
	Female	Male	
18-29	44	12	56
30-39	18	16	34
40-49	9	4	13
50-60	3	7	10
>60	1	2	3
	75	41	116

Table1: ITL employees gender distribution by age

Grade	Gender		Grand Total
	Female	Male	
Admin staffs	11	5	16
Junior Staff	36	8	44
Senior staffs	8	2	10
Assistant manager	8	10	18
Manager	5	10	15
Senior Managers	6	2	8
Directors	1	4	5
	75	41	116

Table1: ITL employees gender distribution by position

5. Environment

Principle 7	Businesses should support a precautionary approach to environmental challenges
Principle 8	Undertake initiatives to promote greater environmental responsibility.
Principle 9	Encourage the development and diffusion of environmentally friendly technologies.

“We are in this together! Ensam nou pli for!”

The freighter ‘MV Wakashio’, carrying some 4,000 tons of fuel aboard, ran aground on Mauritius’ barrier reefs on Sunday 25 July 2020 and started breaking apart 12 days after the grounding, releasing about 1000 of its estimated 4000 tons of heavy bunker fuel.

In the upsurge of solidarity and relief efforts, ITL has been part of the volunteering team in the making of oil containment booms and organized a hair collection campaign at its premises, in an attempt to protect Mauritius’ southeast beaches and stop the tide of oil reaching the shores.



ITL is committed to influence and engage with its employees and external stakeholders towards driving eco-efficiency performance (pool cars), and greening the supply chain. On this note, ITL is proposing questionnaires to its suppliers to ensure that they comply with sustainable procurement standards. We define sustainable procurement as encompassing the social and environmental aspects of the products that ITL procures as well as the attitude of the supplier towards sustainability.

“Be a part of the solution not pollution”

We have started reducing the use of plastic bottles at ITL by implementing glass bottles in most of our boardrooms for clients.

Furthermore, we are planning to have 1-2 clean up days in the vicinities. Such initiatives bring about a sense of community and responsibility to keep our environment and public areas safe and clean. Visible results might lead to a heightened interest and involvement among community members in reducing garbage and food waste, and preserving the environment.

We are also planning to organize a Blood Donation day at the office this year and promote health amongst our staff.

Forests are the world's air-conditioning system – the lungs of the Planet, and we are on the verge of switching it off.

In this view, we are considering to replace some of our ACs by ventilators and have more plants in the office. This will help to reduce stress, increase productivity, boost creativity and reduce sickness while providing a cooler environment. More plants will also make the workspace more attractive.

With the outbreak of the Covid-19 pandemic, the Pandemic Preparedness and Response plan was triggered and several operational changes were swiftly implemented. Whilst for many, work-from-home has been a novel routine, it was already a reality at ITL since 2013 – the IT infrastructure was set to cater for and support the work-from-home facilities. ITL plans to encourage work from home practices to help lower its carbon footprint related to CO2 emission produced by travelling by car.

Paperless initiatives at ITL

Our Technologies and best practices

At ITL, we endeavour to demonstrate our business' commitment to environmental protection.

E-signature

During the lockdown in Mauritius, 90% of ITL's active workforce has been working from home, ensuring minimal disruption in our service level. The use of e-Signature was implemented for the smooth running of the business, ensuring full compliance with ITL's data privacy and data security protocols. Post-Confinement, the use of this tool has led to a significant decrease in working papers since some of ITL's teams still use it for certain internal controls.

Promoting internet banking over its manual counterpart

The increased accessibility of online banking services makes ensuring secured bank transfer instructions via Internet Banking a crucial matter. At ITL, we sensitize our clients by encouraging them to make use of these paperless options with the aim of reducing the use of paper in their daily banking transactions.

Less printing through proper use of technology

The nature of our work requires numerous board meetings documents. In a sustainable perspective, instead of printing them, we developed a paperless solution through iPads.

Paperless project

Since 2014, ITL has implemented the Paperless project that includes the safekeeping of statutory documents and recycling of all the disposable papers. The main benefits of this project includes:

- Cleaner working spaces,
- More space in archives,
- Recycling instead of unneeded printed documents.

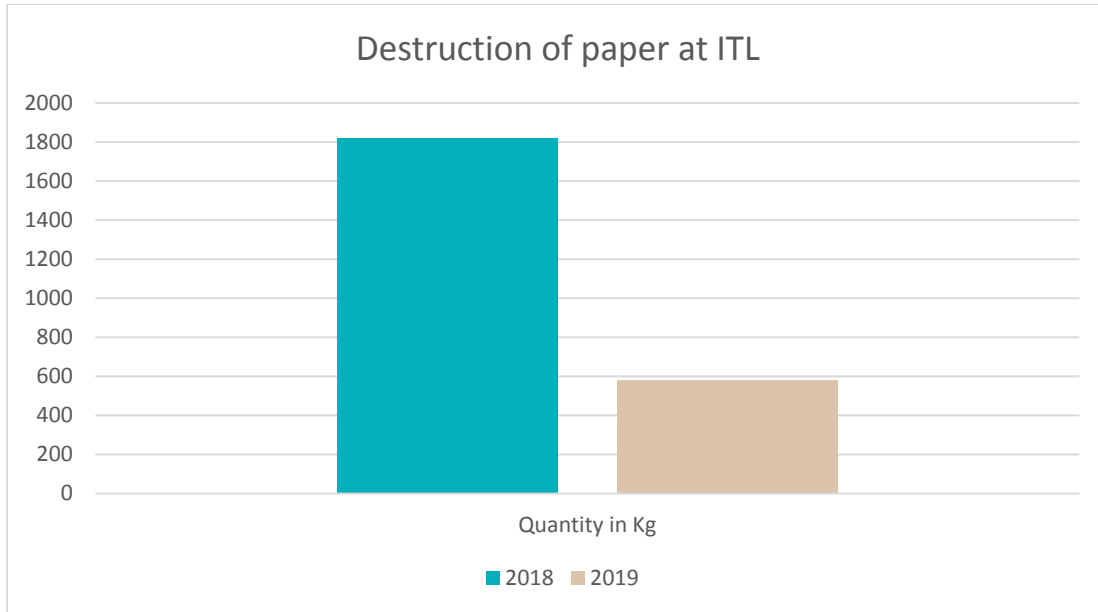


Diagram1: Weight of paper recycled

The significant decrease in 2019 is explained by the clearing of the archives in 2018 when documents exceeded their statutory limit of storage.

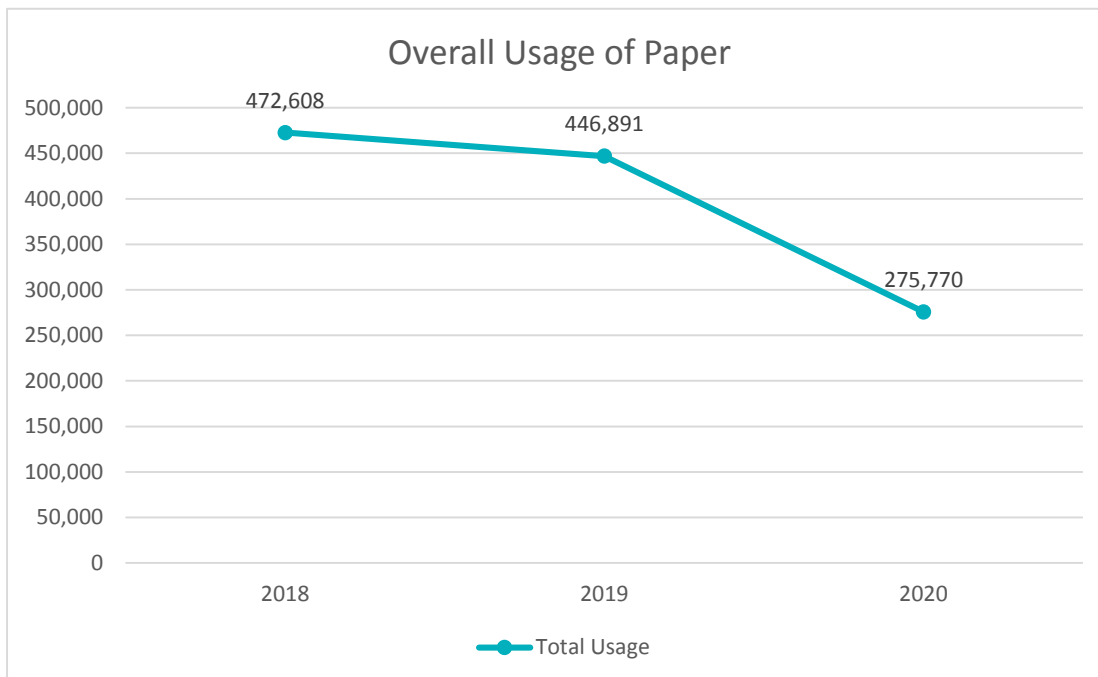


Diagram2: Number of A4 paper sheets used at ITL

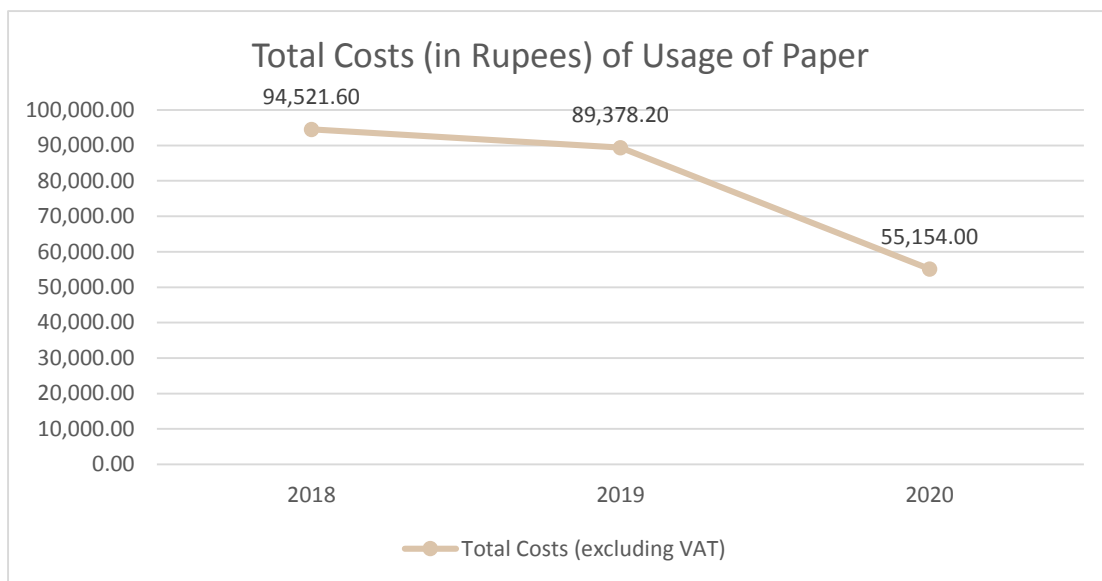


Diagram3: Cost of paper used at ITL

“Think outside the trash, Recycle!”



ITL plans to implement recycling bins within our office premises to educate its employees on waste sorting and recycling. This initiative will teach our employees a small act of theirs can help reduce greenhouse gas emissions, save resources and energy, alleviate wildlife degradation and reduce costs in the long term.

A best Christmas decoration competition was organised with ‘Recycling’ as the theme. We encouraged each team to unleash their creativity by making their own Christmas ornaments with recycled or eco-friendly materials. The idea was to sensitize our staff to “think green” and encourage them to use waste materials like paper rolls, plastic bottles, corks, paper, wood etc. for the office holiday crafts.

Reducing CO2 emissions

Passenger vehicles are a major pollution contributor. From this perspective, we are trying to reduce CO2 emissions by using hybrid cars as our pool cars. Moreover, we are considering more ways to reduce our overall carbon footprint.

To further promote our incentives and increase the engagement of all employees, we will be introducing the “Best Sustainability Team” Award. We are currently deciding on the criteria on which to assess the teams.

We also wish to gift all employees with a microwave-friendly Tupperware and reusable cutlery to eliminate the use of plastic take-away and plastic cutlery when ordering food.

6. Anti-corruption

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

ITL is a company where professionalism, ethics and the highest standards of integrity prevail, and where reputation is more important than any single piece of business the company may become engaged in. ITL is committed to fight against bribery, fraud and money laundering. It seeks to meet, and where possible exceed, the standards set by best practices in its industry, both in Mauritius and worldwide.

Regulatory framework and Internal Policies:

Mauritius has a comprehensive regulatory framework dealing with Anti Money Laundering and Combatting of the Financing of Terrorism (AML/CFT). The noteworthy legislations and regulations include:

- The Financial Intelligence and Anti Money Laundering Act 2002;
- The Financial Intelligence and Anti Money Laundering Regulations 2018; and
- The AML/CFT handbook published by the Financial Services Commission of Mauritius' (the "FSC").

The Government of Mauritius has recently reiterated its commitment to bring its AML/CFT framework up to date in alignment with international best practices advocated by the OECD and the FATF. ITL has adopted a proactive approach in upgrading its internal processes in line with the FSC's efforts.

ITL has well established processes and procedures for compliance with the regulatory framework. In addition to the laws and regulations relevant to the industry, ITL has also adopted its own internal policies and procedures comprising, among others:

- A conflict of interest policy; and
- A procedures manual.

Ensuring compliance:

ITL has a compliance team that assists the Company in ensuring compliance for itself and its clients. The Compliance Officer is responsible for the implementation and ongoing compliance of the Company with internal programmes, controls and procedures within the requirements of the FIAMLA and FIAML Regulations 2018.

At the outset, new clients are on-boarded only upon receipt of compliance clearance following a satisfactory due diligence exercise based on the FSC's and ITL's own internal criteria. The clients are then subjected to a risk assessment exercise and risk ratings are allocated to them, based on which ongoing monitoring is done.

Training on compliance with AML/CFT laws and regulations and cybersecurity are given to all new employees. Regular refreshers are also provided as and when there are regulatory updates.

ITL has a Compliance Committee which meets at least on a quarterly basis whereby the risk management framework including the risk policy and risk classification method are reviewed. The Compliance Committee further considers high-risk reports for clients which are subject to enhanced due diligence requirements and special cases where possibilities of high risk transactions have been identified. In addition to the Compliance Committee meetings, ad hoc meetings are held to address specific issues that come up in the day-to-day operations.

File reviews and bank monitoring for clients are done periodically based on the risk rating of each client. Additionally, employees involved in operations conduct ongoing transaction monitoring for clients. All transactions are subject to the four eyes principle and approved by the compliance team, if need be, to ensure that the parties involved are fit and proper and that all transactions are legitimate.

ITL has passed ISAE 3402 Type II audits since 2010. PricewaterhouseCoopers audits the internal controls and processes annually and ITL has consistently received a clean report since its first audit. The annual evaluation and testing of controls ensures the continuous upholding of effective processes and high service levels and provides for opportunities to analyse and improve on processes.