



Intercontinental Trust Ltd

Private and Confidential

Intercontinental Trust Ltd

Communication on Progress to the United Nations Global Compact

21st January 2022



MAURITIUS | SEYCHELLES | SOUTH AFRICA | SINGAPORE | KENYA

Table of Contents

1.	<i>Purpose</i>	3
2.	<i>Statement of continued support by the Chief Executive Officer (CEO)</i>	4
3.	<i>Human Rights</i>	5
4.	<i>Labour</i>	10
5.	<i>Environment</i>	12
6.	<i>Anti-corruption</i>	15

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.

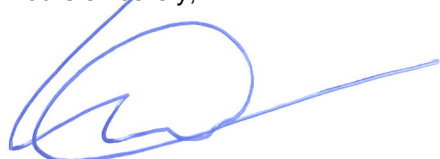
ITL is a signatory to the United Nations Global Compact (UNGC), the world's largest corporate sustainability initiative that believes businesses can be a force for good. UNGC urges companies worldwide to align strategies and operations with ten universal principles on human rights, labour, environment, and anti-corruption, while asking them to take actions that advance societal goals. ITL submits its annual 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 2021

"I am pleased to announce 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 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,



Mr. Ben Lim

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

As a registered Management Company, Intercontinental Trust Ltd (“ITL”, the “Company”) is committed to conduct business in accordance with the highest ethical standards and in compliance with all applicable laws, rules and regulations prevailing in Mauritius. As such, it adheres to its internal policies, which provide directors as well as employees with the required information to understand their ethical responsibilities and to ensure that business is conducted with integrity.

In light of the above, ITL ensures that business operations do not violate human rights principles when taking necessary disciplinary and/or preventive actions to address existing or potential violations of the law or its policies.

As such, the Company abides to all domestic laws including the Workers’ Rights Act 2019 and the 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.

To limit any internal issue, measures have been provided for and made available to all employees in the ITL Staff Hand Book, which sets the internal policy framework of the Company. The employees are accordingly informed about updates arising due to an amendment in the law or a management decision by email and on Workplace.

Recruitment

In line with Section 5 of the Worker’s Rights Act 2019, ITL’s recruitment policy promotes diversity and transparency through the un-biased recruitment of people irrespective of gender, age, sexual orientation, colour, religion, background or disability. As such, ITL firmly believes that a distinctive and balanced workforce is synonymous to a myriad of convenient skills, knowledge and expertise, which are key factors to making the Company prosper.

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 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.

ITL has always strived to create a well-balanced work environment for its valued staff. Under normal circumstances, several staff building activities and events are hosted throughout the year and these have helped tremendously in making the workplace enjoyable whilst breaking communication barriers among coworkers. However, the COVID-19 situation has prevented the Company from holding such activities physically. Nevertheless, E-bonding activities were established to enable staff to meet virtually and partake in a series of activities such as live cooking classes, movie watching, craft-making tutorials etc.

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.

ITL has invested in a new Social Media Platform – **Workplace** for all internal communications.

Workplace is very similar to Facebook except that it is private for the organization and as a business, this helps us work together better and move faster to get things done. Following a two-weeks testing phase, this social media platform has been deployed to all employees who are now able to communicate and interact with their colleagues instantly.

COVID-specific measures

ITL gives great value to the well-being of its employees and it cannot be denied that the Covid-19 pandemic may have had an impact mental health and the quality of life. During the first lockdown, which prevailed in Mauritius in March 2020, a committee was set up to secure staff welfare and this remains a priority.

Issues brought to management's attention were tackled through swift decision making.

The Company has 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 KN95 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' contract of employment and willingly refunded the government's financial aid.

Additionally, in order to cater for the welfare of its staff and their relatives, ITL organized and sponsored a few Covid-19 vaccination campaigns exclusively for its personnel starting as from the end of 2020. In this regard, appointments in private clinics and transport facilities were arranged for all staff. As of the date, over 95% of our employees have been inoculated against the virus. With the alarming rising number of cases in the country, arrangements have also been made for the administration of booster doses in a private clinic.

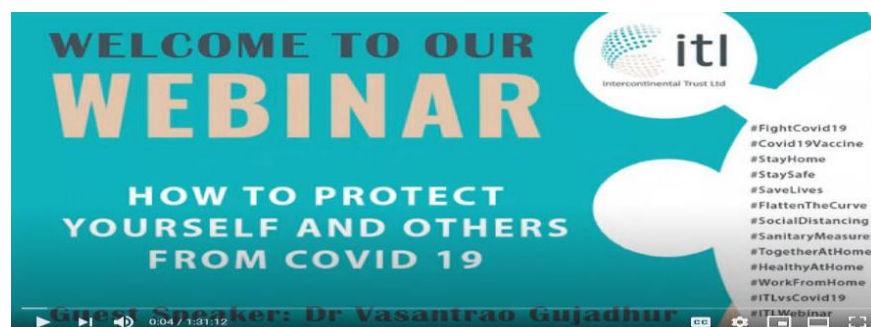
Creating awareness

Management considers the employees to be their most prized asset and are conscious of the toll that the Covid-19 pandemic may have taken on mental health and the quality of life. Since the first lockdown, a committee was set up to ensure that staff welfare remained a priority and as such, concerns escalated to management were swiftly addressed.

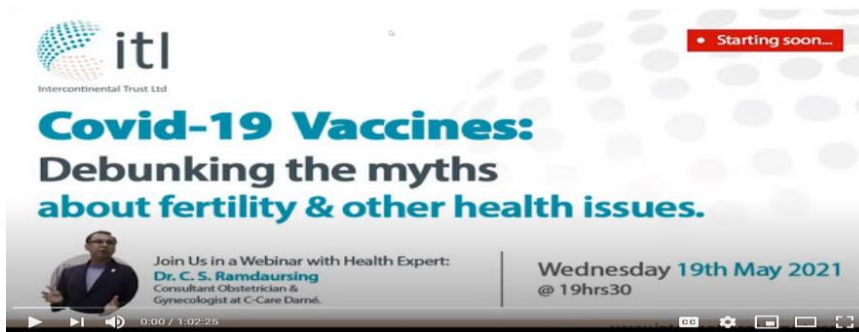
Staff Vaccination Campaigns and Free webinars on Covid-19 vaccinations

In order to protect its staff and relatives, ITL organized and sponsored a few Covid-19 vaccination campaigns exclusively for its personnel and close relatives. Appointments in private clinics and transport facilities were arranged for all staff. As of the date of this submission, over 95% are vaccinated.

In parallel, ITL also organized 2 free webinars on the benefit of getting the Covid-19 jabs with the collaboration of renowned Mauritian doctors. Although these were primarily hosted for the benefit of its personnel, access was not denied to other interested parties.



<https://www.youtube.com/watch?v=KvtolGDTIXc&t=14s>



https://www.youtube.com/watch?v=aou_AiY-97I&t=15s

Both webinars had over 200 attendees and were mentioned in the local press.

ITL Solidarity Fund

In 2020, Management set up the ITL Solidarity Fund with the main objective of assisting employees and their immediate household family members who have been directly impacted by the COVID-19 pandemic. The ITL Solidarity Fund includes a seed capital from ITL and additional voluntary commitments from all staff to be called upon as and when required.

Staff who have been facing financial constraints and experiencing difficulties in securing basic necessities such as food, medical supplies and travelling, etc., have already benefitted from the ITL Solidarity Fund, and the fund remains operational even post the confinement period.

Maintaining Work-from-Home policy in 2021

Mauritius was hit by a second wave of the Covid-19 in March 2021, which prompted the implementation of yet another lockdown until 30 June 2021. Despite the lifting of the confinement and the resumption of most economic activities, ITL Management has decided to maintain its work-from-home policy until further notice as a safeguard measure. Given the growing number of Covid-19 cases, ITL does not want to jeopardize the health and safety of its employees.

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 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.

ITL has implemented a recruitment and remuneration committee during the year, which discusses on the strategies and way of recruitment across the firm.

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 shows employees working on a permanent basis as well as on short and long-term contracts, as at December 2021.

Age Distribution	Gender		Grand Total
	Female	Male	
18-29	86	23	109
30-39	25	16	41
40-49	9	6	15
50-60	4	9	13
>60	1	2	3
	125	56	181

Table1: ITL employees gender distribution by age

Grade	Gender		Grand Total
	Female	Male	
Admin staffs	9	6	15
Junior Staff	47	13	60
Senior staffs	34	13	47
Assistant manager	10	6	16
Manager	16	11	27
Senior Managers	8	3	11
Directors	1	4	5
	125	56	181

Table1: ITL employees gender distribution by position

5. Environment

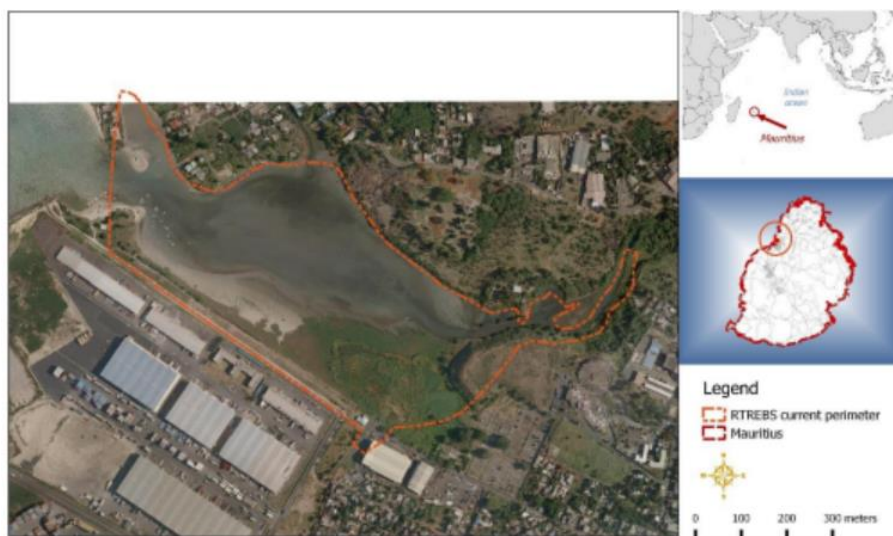
Principle 7	Businesses should support a precautionary approach to environmental challenges
Principle 8	Undertake initiatives to promote greater environmental responsibility.
Principle 9	Encourage the development and diffusion of environmentally friendly technologies.

Global warming is a reality. Seasonal disruptions, hotter days, flash floods and droughts are some of the manifestations of this man-induced calamity. The environment is a topic of interest for many of ITL's stakeholders (especially employees and clients) and most of our efforts went towards environmental initiatives during the past year.



The Rivulet Terre Rouge Estuary Bird Sanctuary | Wetlands

Located towards the north-western part of Mauritius in a place called Mer Rouge, the Rivulet Terre Rouge Estuary Bird Sanctuary ("Sanctuary") is a unique part of the island for the fact that it temporarily shelters hundreds of migratory birds. The birds fly in from places as far as Siberia in order to escape the harsh winter over there and suit themselves in the warm temperature of Mauritius.



The Sanctuary is spread out over an area of 26 hectares. As per observatory calculations, nearly 1200 birds visit this sanctuary every year, among which 13 are regular migrant bird species, and 6 are rare migrants. The Sanctuary is protected and is under constant monitoring to ensure that no human activities in the nearby areas can affect the reserve in any way.



Grey plover



Crab plover



Common whimbrel



Common greenshank

The Sanctuary is also an area of wetlands that forms part of the 800 proclaimed Ramsar sites and thus requires protection against human misdemeanours that could disrupt the fauna and flora. Wetlands are one of the key life support systems on this planet in concert with agricultural lands and forests. They play an important role in the delivery of inland freshwater and coastal ecosystem conservation.

The Sanctuary also houses about 69 identified species of plants (e.g. *Amaranthaceae*, *Aizoaceae*, *Boraginaceae*, *Chenopodiaceae*, *Commelinaceae*, *Compositae*, *Convolvulaceae*, *Cyperaceae*, *Euphorbiaceae*, *Gramineae*) including 10 that are either endemic to Mauritius or native to the Mascarene Islands.

The plague of the Sanctuary is plastic and many other non-disposable materials. These pollutants account for 75% of the total global marine litter of which 80% arises from activities carried out in-land. The pollutants are carried to the sea via rivers, 'rivulet' and other waterways. They ultimately end on the shores of the Sanctuary. Moreover, despite all the security put in place around the Sanctuary, human dumping cannot be completely avoided mainly because of its surface area.

To increase awareness on the importance of wetlands and of the environmental threats, a group of 15 volunteers from the Company organised a clean-up day at the Sanctuary during which they spent the day gathering wastes including plastic, bricks, glass and household wastes that had been piling on for some years. The team helped put the lot in the local garbage collectors' truck. The total weight totalling around the 1.5 tonnes.





Endemic and endangered Tree Planting



Sanctuary members explaining the importance of wetlands



Observing migratory birds without disturbing them

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 reiterated its commitment to bring and maintain its AML/CFT framework up to date in alignment with international best practices advocated by the OECD and the FATF. In line with the above, Mauritius has taken several initiatives, including review and amendments to its regulatory framework. As a result, Mauritius was whitelisted by the FATF in October 2021 and removed from the UK list of High Risk countries in November 2021.

While Mauritius has achieved such milestones, ITL remains proactive in upgrading its internal AML/CFT framework 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 its own internal policies and procedures comprising, among others:

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

In line with the recent changes in the Mauritian AML/CFT regulatory framework, ITL has adopted an updated internal policies and procedures in January 2022.

The policies and procedures adopted by ITL act as a safeguard to ensure that business is being conducted within the parameters of the laws and regulations and helps to detect any red flags, which may potentially compromise the reputation of the Company and eventually that of Mauritius as a financial centre of good repute.

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, FIAML Regulations 2018 and the FSC's AML/CFT Handbook.

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's updated procedures manual will be disseminated to its employees and a refresher training will be provided to them thereon during year 2022.

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. During the year under review, an ongoing screening mechanism has been put in place on all of ITL's employees, its clients and their principals in an effort to automatise part of the ongoing monitoring function. Additionally, 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.

New technologies

ITL has selected the KYC Portal ("KYCP") software, which is the industry's most advanced customer due diligence and anti-money laundering data collection platform. KYCP addresses the need to identify subjects ahead of acceptance, ascertain compliance with regulatory frameworks and the ongoing quest to identify and avert risk exposures across industries, sectors, organisation sizes and market positions. The implementation of this software is expected to increase efficiencies by over 60%, which consequently has a major positive impact on business operations while being better able to meet AML requirements.

ISAE 3402 Type II Audits

ITL has passed consecutive 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, including a quarterly review of internal safeguards such as checklists, ensures the continuous upholding of effective processes and high service levels and provides for opportunities to analyse and improve on processes.