



# Sustainability Report 2020

## Foreword

Dear Reader,

When Harel Mallac's 13 Planet Goals 2025 were adopted by the Group's Board of Directors in November 2019, we were far from knowing that the first steps we would take on our path to sustainability would be in such circumstances.

2020 was an extraordinary and challenging year. Besides the pandemic which impacted everyone's lives and created instability and uncertainty, it was also marked by worldwide environmental disasters and social unrests that reminded us – if we ever needed reminding – of the urgency to act for a more inclusive society and steward biodiversity and nature at large.

This first progress report provides an overview of how, at Harel Mallac, we are doing our share and rolling out our actions to achieve our 13 goals on Water, Waste, Energy, Ethical Trade and Diversity. Although we fell behind with some of our ambitions for the year 2020, I am pleased to report a good progress on most goals.

I would like to thank Salimah Jaulim and the network of Sustainability Focal Points for their support. We have seen what great things can happen when we all work together, and we strongly believe the Harel Mallac teams will make a difference for the Better of our People and our Planet, through these actions.

Your feedback and suggestions are important to us, so do not hesitate to call or email us.

Enjoy the read!

Sophie Desvaux de Marigny  
Group Head of Sustainability & Communication



# Our Commitment for 2025

## Trade Ethically

1. By 2025, we will integrate Environment / Social / Governance (ESG) criteria in our selection of suppliers.
2. In 2025, we will eliminate products that are proven destructive to biodiversity.
3. By 2025, we will raise the weightage of environmentally-sound products by 10% in each BU's portfolio.
4. By 2025, we guide our consumers on the responsible and sustainable use of our products.
5. By 2025, we will optimise our packagings, while maintaining compliance with international standards.



## Rethink Energy

6. By 2025, we will reduce our energy consumption (excl. production) by 25%.
7. In 2025, 30% of our energy will come from renewable sources.
8. By 2025, we will optimise our vehicle fleet both in numbers and fuel efficiency.



## Manage Waste

9. By 2025, we will stop purchasing single-use plastics and non-recyclable materials.
10. By 2025, we will reduce our paper consumption by 30%.
11. By 2025, all our waste will be recycled or disposed of responsibly.



## Save Water

12. By 2025, we will reduce our usage of water for operations (excluding manufacturing facilities) by 25%.



## Advance Diversity

13. By 2025, we will achieve gender equity in our staff.



# PLANET GOALS

at a Glance

**13** SMART goals which we commit to reach by 2025.



Five themes that were chosen for their pertinence towards the nature of our businesses and the local Mauritian reality.



The Planet Goals program is led by our Head Office.



Roll-out is overseen by a Sustainability Committee chaired by the Chief Executive Officer. The Committee reports on progress every semester to the Board of Directors.

**5** **SUSTAINABILITY CHAMPIONS** whose mandate is to sensitise the staff on the PG2025, mainstream sustainability in the cluster's decisions

**2019** is our baseline for our indicators.

# PLANET GOALS

## Champions



### Leads

**Sophie Desvaux de Marigny**

Group Head of Sustainability & Communication

**Salimah Jaulim**

Communication & Sustainability Executive



### Focal Points

**Nidhi Ramlogun**

Quality & Sustainability Manager, Chemicals Division

**Bluette Drioux**

Administration & HR Executive, Suchem



**Medhi Rungen**

Senior Lead, Harel Mallac Technologies

**Ejilen Penselgadoo**

Marketing Executive, Novengi



**Achala Mulloo-Hurpaul**

Sales & Marketing Executive, EO Solutions and Linxia

**Kaneesh Munboth**

Project Engineer, MCFI



# TRADE ETHICALLY



By 2025, we will integrate Environment / Social / Governance (ESG) criteria in our selection of suppliers.

Progress 2020:



## Action 1.1: Adopt a Responsible Sourcing Policy per division.

- Our Equipment & Systems division has adopted a Responsible Sourcing Policy.
- The Chemicals and Technology divisions are preparing same for 2021.

## Action 1.2: Screen Suppliers according to ESG criteria.

- A new supplier onboarding form (SOF) containing ESG criteria was made available to all companies. MCFI started using the SOF in 2020: out of 150 suppliers, 36 registered through the SOF. Other business units started monitoring in 2021.

**Action 1.3: Favour local products and suppliers to advance a circular economy.**  
We record our suppliers and business partners' membership to networks in our ERP.



**24%** of MCFI suppliers  
have signed the SOF



In 2025, we will eliminate products that are proven destructive to biodiversity.

Progress 2020:  25%

In 2020, we identified 174 products in our portfolio which are hazardous to biodiversity.

**Action 2.1: List concerned products and plan feasible way-outs and replacements.**

- **Chemco** and **Novengi** operate in the air-conditioning and refrigeration sectors and import refrigerant gases. **Chemco** has already stopped importing HFCs, and **Novengi** is currently phasing out of same.
- **Suchem** trades a wide range of crop-protection chemical products. It regularly conducts trials to substitute organic or non-toxic products for them: in 2020, it added five certified bio-pesticides and two non-hazardous alternatives to its portfolio.

# TRADE ETHICALLY



By 2025, we will raise the weightage of environmentally-sound products by 10% in each BU's portfolio.

Progress 2020:  25%

In 2020, we had 10,461 products in our portfolios, of which 550 bore an eco-efficiency or environmental certification.

**Action 3.1: Where involved in the product conception, factor environmental and life-cycle considerations in our R&D.**

- Archemics ensures that its homecare detergents, personal care range and industrial detergents all meet the Environmental Safety Check criteria of [A.I.S.E.](#)

**Action 3.2: Scout for new products that have ecologic labels and certifications.**

- Linxia widened its white-goods line with new Candy equipment which all rate A to A++ on energy-efficiency certification.
- Novengi has launched a new range of energy efficient air-compressors by Kaeser (an Energy-Star Partner).



# TRADE ETHICALLY



By 2025, we guide our consumers on the responsible and sustainable use of our products.

Progress 2020:



**Action 4.1: Provide relevant information on the environmental impacts of our products.**

In 2020, all our products and equipment documentation provided information on their environmental impact, with exception made of **Suchem**' sprayers.

**Action 4.2: Educate consumers on the responsible use and disposal of our products.**

Creation of online content by **Archemics** and **Linxia** which will improve our consumer experience, in the optimal use of our products, for maintenance tips and troubleshooting.



Click [here](#) to view Linxia video



Click [here](#) to access Archemics online content



By 2025, we will optimise our packagings, while maintaining compliance with international standards.

Progress 2020:  50%

## Action 5.1: Reduce single-use and non-recyclable packaging.

Archemics has taken the lead on this topic via many projects among which:

- a “bottle-refill” project for detergents in its showroom and at customer sites, which should be rolled out in 2021.
- the review of labels to include voluntary environmental instructions such as waste reduction and the 3Rs.
- the refilling of personal care products’ bottles intended for hotels (ongoing with [Attitude Hotels](#) and in development with others).

## Action 5.2: Favour online user manuals, notices and other instructions documents.

No progress was noted on this action for the year under review, but **Archemics** and **Linxia** committed, early 2021, to make such documents available on their respective websites.

# RETHINK ENERGY



By 2025, we will reduce our energy consumption (excl. production) by 25%.

Progress 2020:



We measure our electricity intensity in terms of Gigajoules (Gj) per full-time employee (FTE) per year. Our baseline for this indicator is 8.26 Gj per FTE in 2019 (7,355 Gj for 891 employees), and we aim at 6.2 Gj per FTE in 2025. In 2020, our operations used 6,295 Gj of electricity (equivalent to 7.72 Gj per FTE), a reduction from 2019.

## Action 6.1: Conduct energy audits for all Business Units.

None of our companies has conducted energy audits in the year under review. Both MCFI and Archemics are planning same for 2021, in collaboration with the [Energy Efficiency Management Office](#) and the [Programme National d'Efficacité Energétique](#).

## Action 6.2 Optimise usage of electric appliances.

In 2020, we conducted an internal group-wide sensitisation campaign on energy savings and tips for an efficient and safe use of IT and other electric equipment.

Our electricity  
consumption  
decreased by

7%

# RETHINK ENERGY



In 2025, 30% of our energy will come from renewable sources.

Progress 2020:



55%

Our Group sources the largest share of its electricity from the national grid, which is generated mainly from fossil sources (78.3%).

The Mauritian government plans to increase use of renewable sources of energy for electricity generation from the current 21.7% to 40% by 2030, a commendable vision to which we contributed in 2020 by launching two photovoltaic plants in Henrietta (2MW, operated by the CEB Green Energy) and Petite Riviere (5MW, operated by our subsidiary SPV Petite Riviere), in addition to our Solar Field PV farm in Mont Choisy which operates since 2017.

**Action 7.1 Where feasible, produce our own electricity.**

Archemics has an installed PV capacity of 45.6 kWp since 2012 and our Pailles compound has one of 12.65 kWp since 2019.

**17%** of our electricity came  
from renewable sources.



# RETHINK ENERGY



By 2025, we will optimise our vehicle fleet both in numbers and fuel efficiency.

Progress 2020:  30%

## Action 8.1: Favour hybrid and electric vehicles for our fleet.

Watchword was given by the CEO early 2020 on preference to select hybrid or electric vehicles (HEV), but none of the eight new vehicles bought during the year was HEV.

## Action 8.2: Raise awareness on safe and efficient driving with employees.

- Awareness campaign on “safe and efficient driving” for employees in November 2020.
- Archemics is an active member of [BUROS](#).

## Action 8.3: Reduce usage of transport using technology, agile work, and better planning.

- Harel Mallac & Co has adopted an Agile Work Policy since 2019.
- Harel Mallac Technologies’ staff comes to the office once a week and has developed a remote client-assistance mechanism since March 2020.

**28%** of our workforce continued working from home regularly after the lockdown

**17%** decrease in our car fuel consumption

# MANAGE WASTE



By 2025, we will stop purchasing single-use plastics and non-recyclable materials.

Progress 2020:



**Action 9.1: Collaborate with suppliers on alternatives to single-use containers (incl. consignment, packaging and crates).**

- MCFI has started importing products such as textile auxiliaries, hydrogen peroxide, acetic acid, hydrochloric acid in bulk, rather than small-sized containers.
- Archemics collaborates with a hotel company and a food-supplier on a single-use plastic (5L containers) reduction project.

# 100%

of our companies are equipped with filtered water dispensers, thereby saving on single-use water bottles.

# MANAGE WASTE



By 2025, we will reduce our paper consumption by 30%.

Progress 2020:  
77%



**Action 10.1: Promote paperless work through electronic transmission and storage of documents.**

Our paper consumption intensity stood at 9.8 kgs per FTE in 2020 (13.3 kgs per FTE in 2019). The reduction in paper use can be imputed to three main factors:

- With the roll-out of SAGE, most payment processes were made paperless.
- With the increasing number of employees working from home, email and electronic storage surged.
- Listed companies were allowed to share their annual reports in electronic versions only, which saved some 815 kgs of paper in 2020.

**Action 10.2: Use only environmentally certified paper and / or recycled paper.**

Our business units only use paper from an environmentally certified supplier: the Forestry Stewardship Council.

We have reduced  
our paper  
consumption by

**3.5** kgs/FTE

**100%**

of the paper we use is FSC certified.

# MANAGE WASTE



By 2025, all our waste will be recycled or disposed of responsibly.

Progress 2020:  
20%



## Action 11.1: Dispose of our hazardous waste according to regulations.

- Our e-waste (mainly computers) was sent for recycling to BEM Recycling and Atics.
- Vehicle-related hazardous waste (car batteries and tyres) was disposed of at the garage.
- Used oils were recycled by Eco Fuel.

## Action 11.2 Recycle all our office paper, cardboard and ink-cartridges

All our companies recycled the waste mentioned above.

## Action 11.3: Monitor, reduce and reuse our wastewater.

- The volume of wastewater decreased slightly, from 4,608m<sup>3</sup> to 4,592m<sup>3</sup>, mirroring the slowdown of our chemical activities during the lockdown.
- All our wastewater is treated on-site before being carted away by professional services providers to the nearest accredited wastewater treatment plant.

# 100%

of our companies recycled their office paper, cardboard and ink-cartridges.



# SAVE WATER



By 2025, we will reduce our usage of water for operations (excluding manufacturing facilities) by 25%.

Progress 2020:



Although our water consumption decreased in absolute terms in 2020 (from  $8,007m^3$  to  $7,869m^3$ , the consumption intensity increased to  $16m^3$  per FTE (from  $13.5m^3$  per FTE in 2019).

**Action 12.1: Equip water-points with water-flow reducing devices.**

This action has not been tracked during the year under review but is planned for Q1 of 2021.

**Action 12.2: Educate staff to encourage water-saving behaviours.**

In November 2020, we ran a group-wide sensitisation campaign on water-saving good practices and the office and home.

Archemics is a member of the



**CEO  
WATER  
MANDATE**

# ADVANCE DIVERSITY

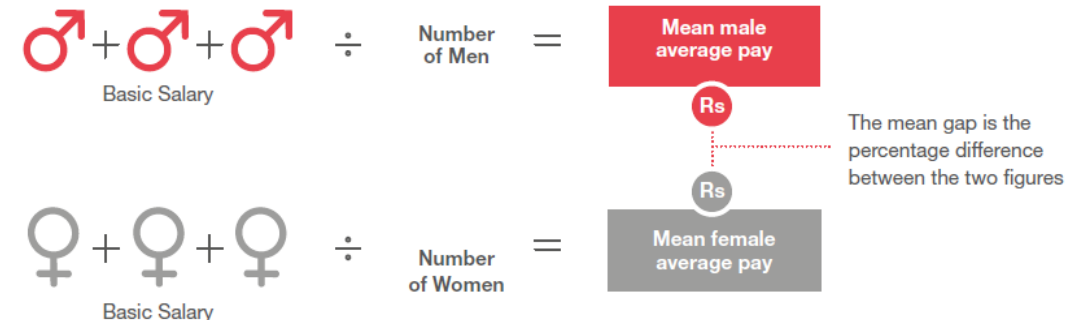
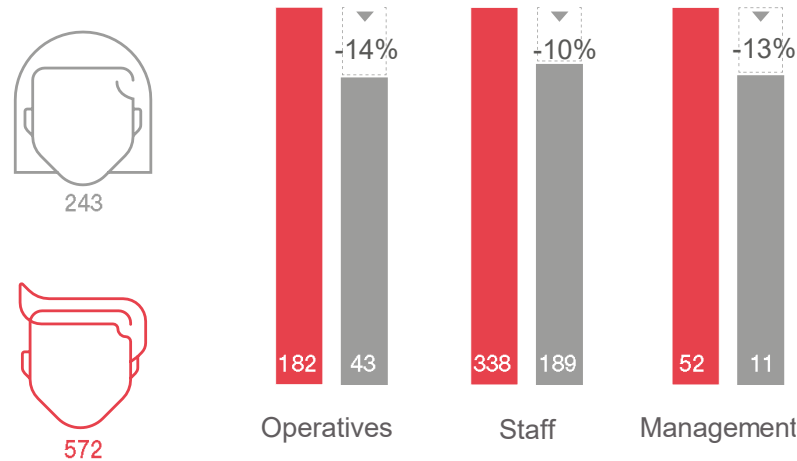


By 2025, we will achieve gender equity in our staff.



## Action 13.1: Bring the Gender Pay Gap below 2% in the Group

We noted a reduction in the gender pay gap for both the operatives and management groups (towards 2019), but an increase in the gap for our staff group.



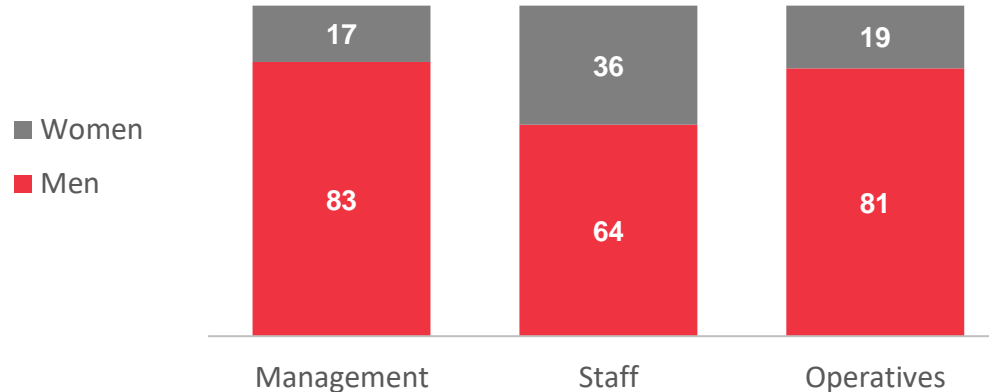
# ADVANCE DIVERSITY



We have achieved gender equity in our staff

## Action 13.2: Reach 35% of women at Management Level

The ratio of women in managerial positions at Harel Mallac increased from 14% in 2019 to 19% in 2020.



In November 2020, we launched the group's Women Circle, a network of 22 female managers - using the [Lean In Circles](#) operating model - to address the fears and obstacles which prevent women from reaching their full potential in the workplace.

Harel Mallac also took other steps towards gender equity by :

- granting its male employees ten days of paternity leave.
- devising flexible working arrangements for 28 working mothers or pregnant women during the year under review.



# Sustainability Networks

*“If you want to go fast, go alone. If you want to go far, go together.”*

African Proverb

With this proverb in mind, we believe that networks and partnerships are key to the success of our sustainability programme. Harel Mallac, Archemics and MCFI recently joined Signe Natir, Business Mauritius’ initiative for sustainable development.

Archemics is also a member of the United Nations Global Compact and the UN CEO Water Mandate.

We also align all our actions with the promotion of the 17 Sustainable Development Goals of the United Nations.





Follow our progress on the Planet Goals on



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