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# Communication on Progress

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Archemics Ltd  
Bois Marchand, Mauritius



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# Foreward

## **Communication on Progress**

Since 2010 Archemics has been integrating sustainability initiatives in its business operations.

The COVID-19 pandemic impacted our societies, our company and all of us individually. It highlighted our vulnerability and underlined the need to accelerate the sustainability agenda. It has also been an opportunity to demonstrate solidarity, the strength of our team spirit and our ability to respond to challenges successfully. We took care of our employees, supported our communities, worked closely with our customers and favoured local and regional collaboration.

In this climate of increasing uncertainty, we need bold actions and targets to accelerate business contribution to achieving the Global Goals to ensure a better future for the next generations.

We are very humbled to share our achievements and progress in this first Communication on Progress. We are confident that with the right collaboration and intent we will achieve our goals amidst these difficult times.

Thank you to all the collaborators who have been contributing to our sustainability journey.

Enjoy the read and feel free to reach us for your feedback and ideas.

Yours sincerely,

Nidhi Ramlogun

Quality & Sustainability Manager

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# Statement Of Continued Support

“I am pleased to state that the Archemics Ltd reaffirms its support to the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption as well as the core elements of the United Nations CEO Water Mandate. In this first annual Communication on Progress, we describe our actions to integrate the Global Compact and its principles, the Sustainable Development Goals, SDGs as well as criteria of UN CEO Water Mandate into our business strategy, policies, procedures as well as culture to establish business integrity and upholding our responsibilities to people and planet. We are also committed to share this information with our stakeholders using our primary channels of communication.”

Yours sincerely,

Charles Harel  
CEO- Harel Mallac Group  
Parent Company of Archemics

# Overview of Archemics Ltd



Since 1983, Archemics Ltd, previously known as Henkel Chemicals Mauritius Ltd, has positioned itself as a reference manufacturer and supplier of best-in-class consumer and industrial products to a variety of sectors in Mauritius and the region.

Archemics is a full subsidiary of the Harel Mallac Group.



**Located** at Bois Marchand,  
Terre Rouge, Mauritius



**>2000**  
Customers

## 5 DIVISIONS



Industrial  
Cleaning



Adhesive  
Technologies &  
Cementitious  
products



Beauty  
Care



Laundry &  
Homecare



Textile  
Auxiliaries



**200**  
Employees

**30 % Female**  
**70 % Male**

Monthly Production Capacity **600MT**

Onsite Warehousing Capacity **1500 pallets**

Renewable Energy Production -annual **71131 kWh**

Renewable Energy Consumption **12 %**

Annual Turnover **525 Million Rs**

Own R&D Laboratory ,  
Warehouse and Logistic Fleet



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# Our Purpose, Guiding Principles & Commitment

## OUR PURPOSE

We create value – for our customers and our consumers, for our teams and our people, for our shareholders as well as for the wider society and communities in which we operate for the better

## OUR COMMITMENTS

**People - Performance - Customer – Planet**

Our Commitments and our Guiding Principles are the basis for our success.

They are the essence of our thoughts and our actions, both now and in the future.



## OUR GUIDING PRINCIPLES

- Agility and Determination in achieving
- Care and Engagement in what we do
- Trust and Responsibility in our relationships



# Sustainability Policy

We aim at business excellence by providing quality products and services to our customers safely with due regard to the environmental impact of our activities.

We are committed to making a difference for the better of our Customers, Performance, People and Planet.

We set targets on our Sustainability Focal Areas, monitor and review same to achieve our objectives.

## CUSTOMER

- We listen to our customers to understand their needs and develop products & services that meet their expectations.
- We create value for our customers and consumers, by being agile to changing market imperatives, by being innovative and by focusing on quality, service, safety and sustainability.
- We develop new product lines, brands and services and explore new distribution channels to enhance the lives of our consumers and customers.
- We value long-term relationships with our customers.

## PERFORMANCE

- We create value for our shareholders while reinforcing our business acumen by placing safety, health, environmental and quality, innovation and governance matters at the core of our processes.
- We pursue continual improvement and innovation whilst fostering vital interactions with our stakeholders.
- We communicate on our activities and report on our sustainability performance.



- We comply with regulatory and other relevant requirements and are continuously in dialogue with the authorities to improve our operations.
- We position ourselves as a trusted player in the industry with respect to our stakeholders and we associate ourselves with reliable partners having the know-how, experience and technology to consolidate our offerings.
- We strive towards business excellence in a responsible and ethical manner.

## PEOPLE

- We value and foster our talents, promote our flexible entrepreneurial and passionate spirit while maintaining our strong family foundation.
- We promote a positive and responsible culture by embracing best practices to ensure the safety, health, welfare and development of our people.
- We value challenge and reward our people.
- We support the communities through our social engagements.

## PLANET

- We aim at reducing the environmental impact of our activities by managing our resources and processes responsibly for a better future.
- We adopt a holistic approach to sustainability and address the challenges of sustainable development across our value chain by integrating the sustainable development goals (SDGs), United Nations Global Compact principles and Planet Goals.



# Key Milestones of our Journey

Since our inception, we have been slowly but surely integrating sustainable initiatives in our operations.

We issued our sustainability policy in 2010, integrating People, Performance and Planet in our objectives and set our sustainability focal areas on which we committed improvements.

We ensured that our partners have strong sustainability ratings for example, Les Laboratoires Rochex, Filmop amongst others.

We embraced Henkel Sustainability Strategy as well as Harel Mallac Planet Goals pertinent to our operations and have been aligning our offers in line with international concerns in line with our sector.





# Our Key Achievements, Commitments and Standards



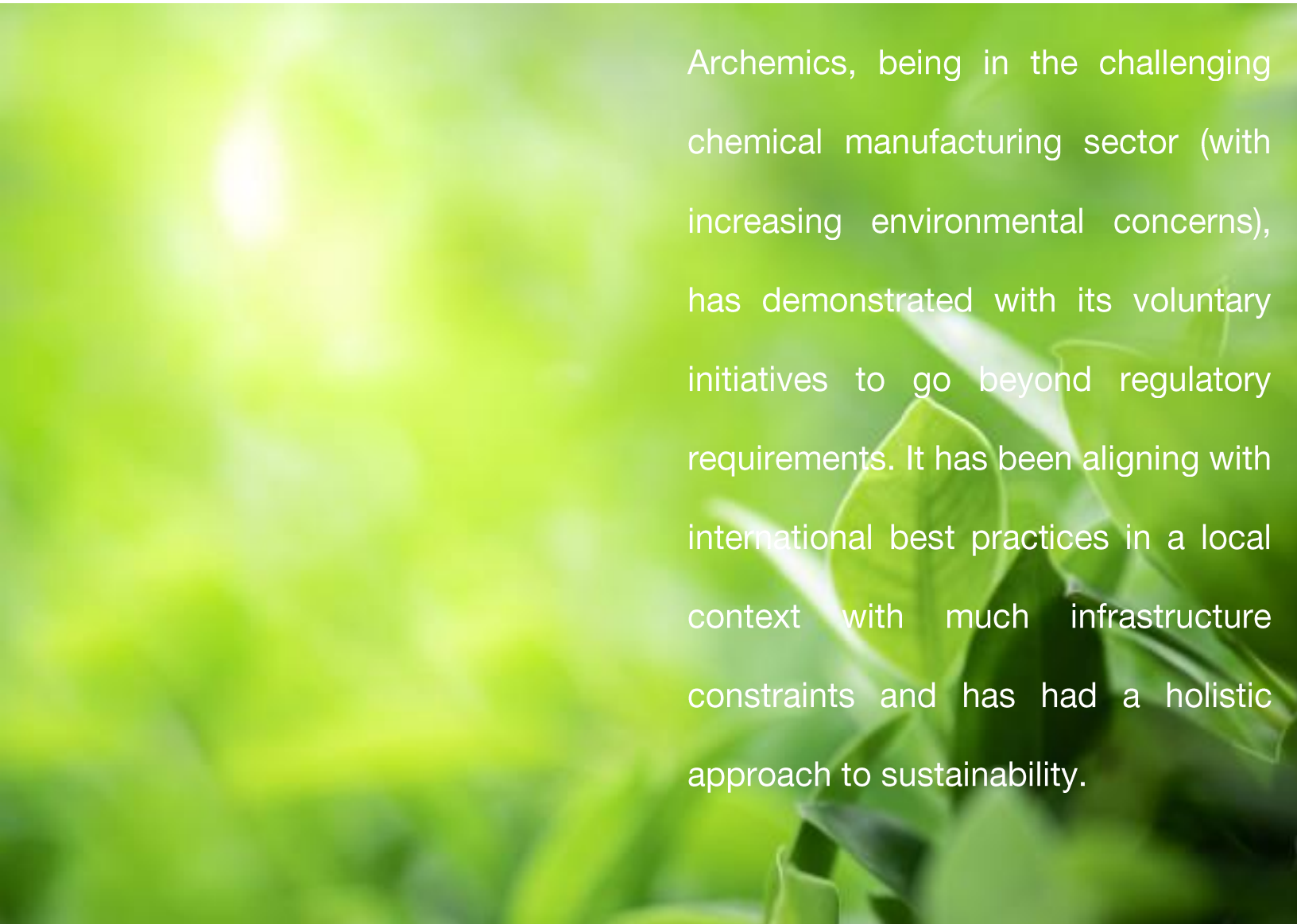
Committed to the New Global Plastic Economy  
to reduce non essential plastic by 2025



Over the years we have achieved ISO 9001, ISO 14001, ISO 45001 certification and compliance to ISO 22716 demonstrating our commitment to quality, environmental, health and safety and cosmetic good manufacturing practice management systems to address risks pertinent to our operations. We have also achieved 5 Earth Rating in the EarthCheck Supply Chain assessment. We have committed to the New Plastic Economy Global Commitment to reduce non-essential plastic. Furthermore, we have endorsed the UN CEO Water Mandate and are a UN Global Compact Participant, where we support the 10 principles. We have recently adhered to the Business Mauritius SigneNatir Sustainability programme.

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# Defining our Sustainability Strategy



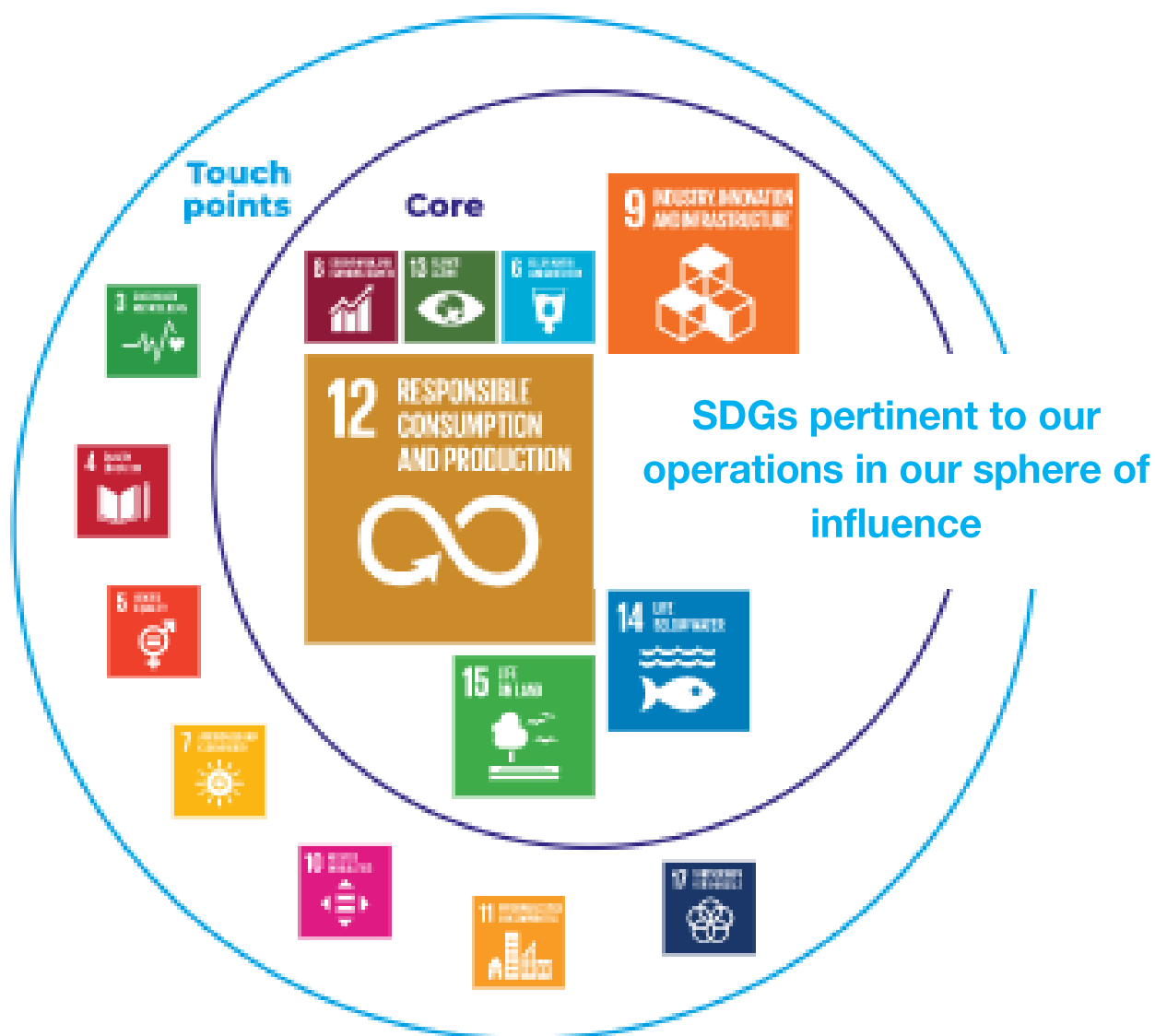
Archemics, being in the challenging chemical manufacturing sector (with increasing environmental concerns), has demonstrated with its voluntary initiatives to go beyond regulatory requirements. It has been aligning with international best practices in a local context with much infrastructure constraints and has had a holistic approach to sustainability.

**We have identified our value chain, our material issues, our key stakeholders, the regulatory, social and industry risks and opportunities in our operations as well as the market sectors we serve.**

**We have aligned with our key Principal, Henkel as well as our Corporate Head Office, Harel Mallac Group strategy to ensure that all the material issues pertinent to our context and operations within our sphere of influence were addressed.**



# The SDGs pertinent to our Operations

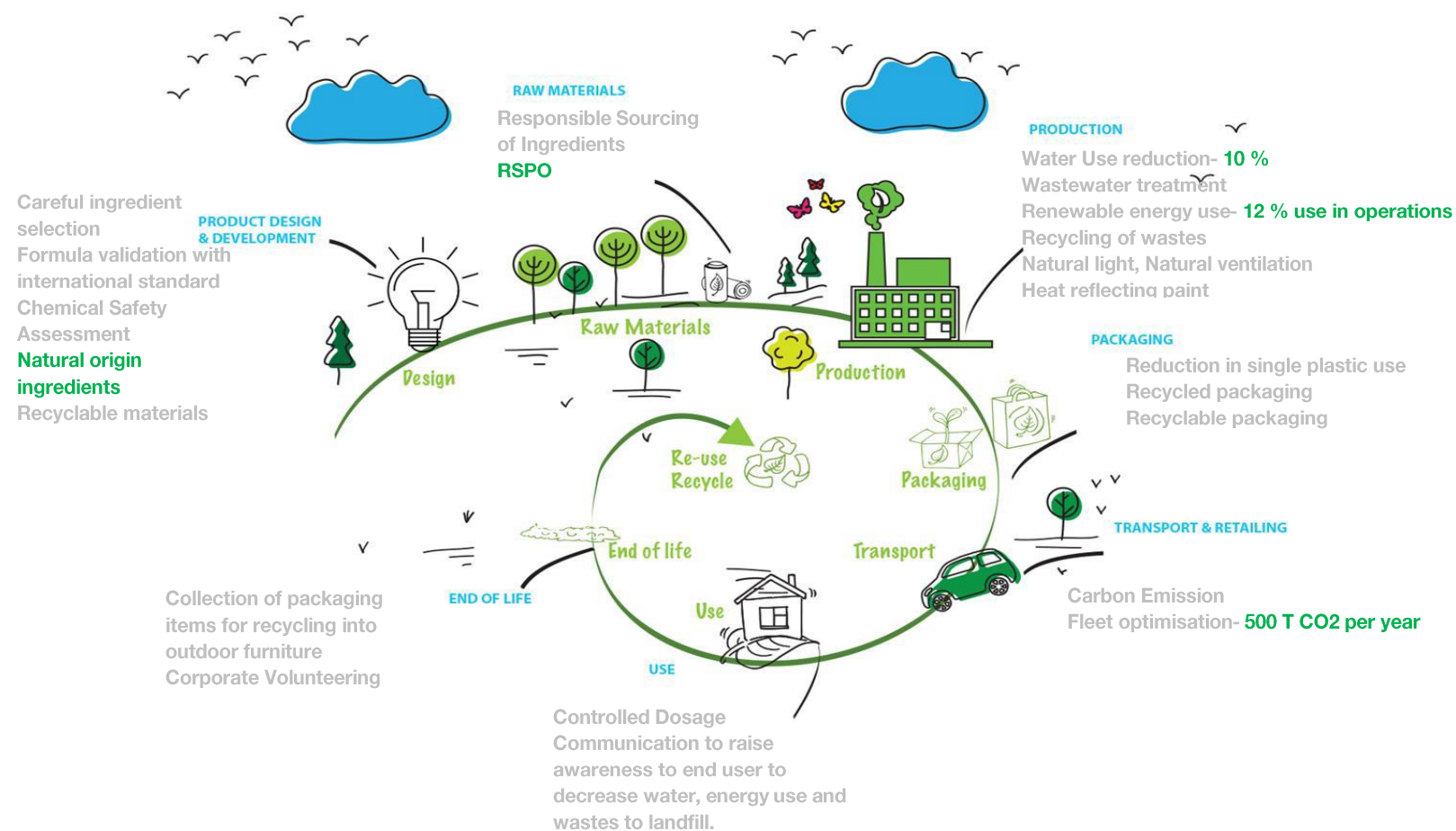


We have adopted a lifecycle analysis (LCA) based framework used in the detergents and maintenance products industry, personal care and chemicals industries.

This promotes and facilitates a common industry approach to sustainability practice and reporting.

A wide variety of activities and initiatives are covered, ranging from the human and environmental safety of chemicals and products, responsible sourcing, to eco-efficiency, corporate social responsibility, occupational health and safety, resource use and consumer information.






# Our Holistic Sustainability Approach









With our holistic approach to sustainability, we have integrated sustainability criteria from design of our products, sourcing of ingredients, production, packaging, distribution, use, end of life and re-use and recycling processes. The pertinent sustainable development goals, SDGs, principles of UN Global Compact CEO Water mandate criteria and Planet Goals are addressed across our value chain.







# Our Planet Goals

Planet Goals	By 2025, we aspire to
	1. We have integrated Environment / Social / Governance (ESG) criteria in our selection of suppliers.
	2. We have reduced and eliminated products that are proven to be environmentally destructive.
	3. We have raised the weightage of environmentally sound products by 10% in each BU's portfolio.
	4. We guide our consumers on the responsible and sustainable use of our products.
	5. We have optimised green packaging, while maintaining compliance with international standards.
	6. We have reduced our energy consumption.
	7. 30% of our consumed energy comes from renewable sources.
	8. We have optimised our vehicle fleet both in numbers and fuel efficiency.
	9. We have stopped purchasing single-use and non-recyclable materials.
	10. We contribute to stall deforestation by optimising our usage of paper.
	11. Our waste is recycled or disposed of responsibly.
	12. We have reduced our usage of water for operations (not incl. production) by 25%.
	13. We have achieved gender equity in our staff.

# Relationship between Our Planet Goals, Focal Areas and Principles of UNGC

Planet Goals Reference	Focal areas	Concepts for implementing sustainability management in our focal areas	UN Global Compact Principles and UN CEO Water Mandate Criteria
	 Social Progress	<ul style="list-style-type: none"> <li>• Fair business practices</li> <li>• Human rights</li> <li>• Fair working conditions</li> <li>• Employee development</li> <li>• Diversity</li> <li>• Supplier relationships</li> <li>• Corporate volunteering</li> </ul>	<b>Human Rights</b> <a href="#">PRINCIPLE 1</a> <a href="#">PRINCIPLE 2</a> <b>Labour</b> <a href="#">PRINCIPLE 3</a> <a href="#">PRINCIPLE 4</a> <a href="#">PRINCIPLE 5</a> <a href="#">PRINCIPLE 6</a> <b>Anti-Corruption</b> <a href="#">PRINCIPLE 6</a>
	 Performance	<ul style="list-style-type: none"> <li>• Business performance</li> <li>• Quality</li> <li>• Reliability</li> <li>• Convenience</li> <li>• Eco-efficiency</li> </ul>	
	 Health & Safety	<ul style="list-style-type: none"> <li>• Occupational safety and health</li> <li>• Plant safety</li> <li>• Product safety and information</li> <li>• Alternative test methods</li> <li>• Hygiene</li> </ul>	<b>Human Rights</b> <a href="#">PRINCIPLE 1</a> <a href="#">PRINCIPLE 2</a>
	 Energy & Climate	<ul style="list-style-type: none"> <li>• Operational energy efficiency</li> <li>• Renewable energies</li> <li>• Energy-efficient products</li> <li>• Transport and logistics</li> <li>• CO2 reductions</li> <li>• CO2 footprint</li> </ul>	<b>Environment</b> <a href="#">PRINCIPLE 7</a> <a href="#">PRINCIPLE 8</a> <a href="#">PRINCIPLE 9</a>

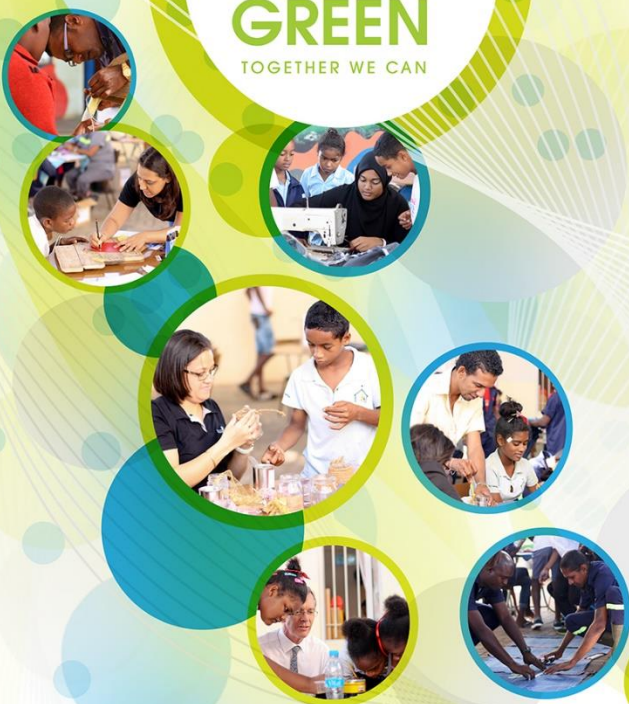


Planet Goals Reference	Focal areas	Concepts for implementing sustainability management in our focal areas	UN Global Compact Principles and UN CEO Water Mandate Criteria
	 Materials & Wastes	<ul style="list-style-type: none"> <li>• Resource consumption</li> <li>• Renewable raw materials</li> <li>• Sustainable palm (kernel) oil</li> <li>• Packaging and waste</li> <li>• Recycling / circular economy</li> </ul>	<b>Environment</b> <a href="#">PRINCIPLE 7</a> <a href="#">PRINCIPLE 8</a> <a href="#">PRINCIPLE 9</a>
	 Water & Wastewater	<ul style="list-style-type: none"> <li>• Water consumption in production</li> <li>• Wastewater and wastewater disposal</li> <li>• Biodegradability</li> <li>• Water footprint /water scarcity</li> </ul>	<b>Environment</b> <a href="#">PRINCIPLE 7</a> <a href="#">PRINCIPLE 8</a> <a href="#">PRINCIPLE 9</a> <b>UN CEO Water Mandate Criteria</b>

# Our Actions & Results

**“Recyclage  
à tout âge”**

**I ♥  
GREEN**  
TOGETHER WE CAN



UNE INITIATIVE DE











Planet Goals	Focal Areas	SDGs
		 
<ul style="list-style-type: none"> <li>• For governance, the Harel Mallac Group appointed, Transparency International - Mauritius to conduct a focus group on good governance in 2017, following which a group Code of Ethics was launched in 2017.</li> <li>• The code of ethics requirements covered the following criteria amongst others: Honest Communication, Commercial Ethics, Conflict of Interest, Our People and Assets, Corporate Citizenship and these have been translated into our internal procedures. All new employees are trained on ethics as part of employee onboarding e-modules.</li> <li>• Since 2018 Archemics has embarked on an EarthCheck Supply Chain Program which assesses sustainability initiatives with respect to the following EarthCheck criteria: International Standards; Environment requirements; Human Rights; Labour Standards; Good Governance. For the year 2018 and 2019 Archemics achieved an Earth Rating of four (4) Earths out of five (5) and for the year 2020 and 2021 Archemics progressed to an Earth Rating of four (4) Earths out of five (5).</li> <li>• We have included Environmental, Social and Governance criteria in our New Supplier Capability Questionnaires since 2020.</li> <li>• Over the years we have initiated several corporate volunteering activities to involve our employees, our communities, and stakeholders in the following areas amongst others to raise awareness on wastes reduction, gardening, hand washing: clean-up, upcycling initiatives, blood donation, disinfecting of community schools such as Ecole Sainte Famille.</li> <li>• We also participated as the neighboring business stakeholder in the Foundation Lagesse community development programme for Bois Marchand.</li> <li>• We have committed to the Business Mauritius SigneNatir Sustainability pledge to advance sustainability locally.</li> <li>• In 2020 throughout the group as well as Archemics a Data Protection programme was roll out to ensure we treated our stakeholders personal data as per legal requirements.</li> <li>• The Harel Mallac group initiated a women's circle based on the Lean In circles model whereby Archemics employees are participating to address fears and obstacles which prevent women from reaching their full potential in the workplace.</li> </ul>		

Focal Areas	SDGs
	<p data-bbox="607 289 837 348"><b>9</b> INDUSTRY, INNOVATION AND INFRASTRUCTURE</p> 
<ul style="list-style-type: none"> <li>• To ensure our business performance we have adopted a risk-based approach to management, with auditing systems, audit committees and board reporting.</li> <li>• We hold the following systems certifications and compliance status to address our business risks, namely ISO 9001, ISO 14001, ISO45001 and ISO 22717 covering quality, environmental, health and safety and cosmetic Good Manufacturing Practices requirements</li> <li>• Our customer satisfaction survey in 2020 gave us an overall satisfaction level of 80 %</li> <li>• Since 2018 we have initiated a programme of Innovation and Quality Circle (IQC) with the collaboration of National Productivity and Competitiveness Council to impart innovative thinking amongst our workforces. We have had around 10 projects at internal level, with 2 winning bronze medal at national level in 2018 and 1 winning silver metal at national level in 2019.</li> <li>• Our cross functional teams were initiated to Design thinking methodology to advance agile customer centred innovation within the company.</li> <li>• Over the years, Archemics has made significant efforts to review its product portfolio in line with industry trend and market requirements to reduce the negative impact of its product on the environment.</li> <li>• To that end 244 product references have been reviewed to align with industry environmental requirements. Some hold several environmental criteria while others are limited to specific criteria. As at 2020:</li> <li>• For industrial cleaning division: 48 cleaning equipment references are made from second life plastic; 175 meets AISE environmental Safety Check requirements for industrial cleaning detergents; 291 references are packed in reusable containers which are washed and refilled, hence decreasing single plastic use impact.</li> <li>• For Textile Auxiliaries Division: 33 hold GOTs V5 certification; 20 are Bluesign® approved / ZDHC Level 3 certified; 8 hold Oeko- Tex standard 100.</li> <li>• For Homecare division: 8 hold Ecolabel certification; 171 hold the A.I.S.E. Voluntary Sustainability Initiative charter / Cleanright charter</li> <li>• For Personal Care Division: 69 meets the following criteria amongst others-certified natural or organic as per COSMOS Ecocert standard /holds COSMOS natural formula approved status /hold ISO 16128 natural cosmetics approved formula status</li> </ul>	











Focal Areas	SDGs
	
<ul style="list-style-type: none"> <li>• Safety of our employees, customers, consumers, neighbours is a key priority for Archemics.</li> <li>• Since 2012 we have been OHAS 18001 certified and since 2019 we have been ISO 45001 certified which gives us a framework to manage health and safety be it plant safety, occupational safety and health as well as our product.</li> <li>• We work on a risk based approached. Emergency systems are in place and we invest in the safety and health training of our employees.</li> <li>• We meet local regulatory requirements.</li> <li>• in 2020 we have focused much resources in ensuring that our workplace was COVID -19 safe by enforcing the surface, hand and air disinfection, promoting WASH campaigns at work, our social media community as well as local community, Bois Marchand.</li> <li>• An Occupational Health Practitioner on a weekly basis as well as psychologist on ad-hoc basis are made available to our team members.</li> <li>• Blood donation campaigns were conducted in 2020.</li> <li>• Over the years measures have been taken to substitute ingredients of concerns, for example toluene.</li> <li>• All products placed on market comply to standards of chemical product labeling depending on product category (industrial detergents, personal care). Allergens are declared on ingredients lists and ingredients of concern are disclosed. We have aligned with the AISE® criteria for industrial and consumer detergent products labeling. All our products are released with a safety data sheet in line with the Global Harmonised System as well as technical data sheet. Our industrial customer are given product use and safety training.</li> <li>• For our personal care products, chemical safety assessments are done on our ingredients.</li> <li>• Employee welfare programmes are in place for the well-being of our employees.</li> </ul>	

Planet Goals	Focal Areas	SDGs
		<div> <div> 13 CLIMATE ACTION  </div> <div> 7 AFFORDABLE AND CLEAN ENERGY  </div> </div>
<ul style="list-style-type: none"> <li>• Since its commissioning in 2012, our on-site Photovoltaic Plant has helped us to generate 674 Mwh of Renewable Energy and avoid 472 T Eq of Carbon Dioxide.</li> <li>• 12 % of this renewable energy is used in our operations.</li> <li>• In 2018, Archemics participated in an Energy efficiency audit in collaboration with Business Mauritius, UNDP, PNEE and Switch Africa Green Project to map the energy consumption in the logistics activities within Mauritius and to define action plans at company and national level company and national level.</li> <li>• The logistic team were trained on measures to take for decreasing energy consumption during the logistics process.</li> <li>• We have put on market consumer laundry products with enzymes so that consumers can do laundry at cold temperature, reducing the energy impact at their end.</li> <li>• In our industry divisions, namely industrial cleaning and textile auxiliaries, we have proposed to customers enhanced formula product to reduce temperature at use.</li> <li>• Archemics conducted awareness programme as well as a level one energy audit by Energy Efficiency Management Office amongst its frontliners in 2019.</li> <li>• We have been collecting our energy and green house gases data since 2016- see table below. As at 2021, concrete objectives will be included and cascaded amongst team members to reduce energy consumption per volume of product manufactured and distributed.</li> </ul>		

Year	Energy				GHG	
	Electricity used per total volume production (MWh/t)	Petrol usage per total volume production (L/t)	Diesel usage per total volume production (L/t)	Energy per total volume production (GJ/t)	CO2-eq emissions per total volume production (transport excluded) (kg/t)	CO2-eq emissions per total volume production (transport included) (kg/t)
2016	0.043	-	-	-	25.64	25.64
2017	0.042	-	-	-	26.71	32.40
2018	0.042	6.27	17.23	1.03	25.85	87.74
2019	0.044	6.40	16.77	1.02	27.15	87.73
2020	0.046	6.90	16.72	1.05	29.47	91.45



Planet Goals	Focal Areas	SDGs
		<div> <div> 12 RESPONSIBLE CONSUMPTION AND PRODUCTION  </div> <div> 15 LIFE ON LAND  </div> </div>
<ul style="list-style-type: none"> <li>• Palm oil is an important source of raw material for the cleaning and personal care industry. At Archemics we commit to use ingredients which has been sourced from renewable palm oil as raw materials. Furthermore, we ensure that our ingredients meet RSPO requirements.</li> <li>• Archemics trade in high volume industrial kitchen and bathroom paper towels. To that effect, it is gradually shifting towards paper which has been sourced from Forest Stewardship Council certified manufacturers.</li> <li>• We have put in place a waste management programme to decrease our waste to landfill as well as reduce our non-essential plastics in our product offering.</li> <li>• Archemics has integrated the eco-conception in its product development process to ecodesign not only the product but also the packaging to reduce wastes to landfill, reduce non-essential single use plastic and promote reuse, refill, recycling, upcycling and composting.</li> <li>• Archemics has been a signatory to New Global Plastic Economy since 2019 and has adopted its principles to design out plastic at upstream level and to rethink the downstream impact on customer and consumer for disposal of the products.</li> <li>• Corporate volunteering programmes has been conducted on site and off site to raise awareness on recycling, upcycling, clean- up programmes amongst others.</li> <li>• In 2020, up to 72 T of wastes have been diverted from landfill through our recycling, upcycling and reuse initiatives in place.</li> <li>• We have also participated in national studies to evaluate the impact and cost of waste disposal infrastructure at a national level and are participating in different stakeholder dialogues be it academia or industry body for wastes segregation and recycling policy at national level.</li> <li>• Hazardous wastes are disposed of as per local regulations and we have a waste disposal guideline defining our approved wastes service providers to ensure traceability of our wastes.</li> </ul>		

Planet Goals	Focal Areas	SDGs
		 
<ul style="list-style-type: none"> <li>• We aim to reduce our impact on water and our water consumption and wastewater generated.</li> <li>• We have conducted a water and wastewater risk assessment and control measures identified are being implemented.</li> <li>• Since 2010 we have made significant infrastructural changes on our plant to decrease our impact on water. In 2014 we invested in a wastewater treatment plant. Same was upgraded in 2018 and 2019 to cater to our needs.</li> <li>• Since 2015 we have signed the World Business Council for Sustainable Development WASH pledge to advance Water, Sanitation and Hygiene in the workplace. We conduct audits against the requirements on an annual basis as well as spot checks to ensure compliance. Awareness campaign with employees as well as stakeholders are done annually.</li> <li>• In 2016 we collaborated on a national study to conduct effluent characterization of industrial sectors and Archemics showcased its process, concerns and recommendations.</li> <li>• In 2018 and 2019 significant investments were made to improve our infrastructure to ensure all effluent were captured for treatment to prevent ground water contamination. In 2019 a leak was observed in our effluent plant and measures were taken to correct same</li> <li>• In 2019, we relocated our existing borehole away from our production plant.</li> <li>• Our products are eco-designed to meet AISE® environmentally safety check (ESC) criteria.</li> <li>• As at 2020, Up to 567 references in our Industrial and homecare detergents have Biodegradable surfactants meeting regulations 2004/648/EC.</li> <li>• Our water consumed against effluent generated per volume of product manufactured is shown in table below. Targets will be set across the operations to achieve a significant reduction in water consumed and effluent generated.</li> <li>• Archemics supports the UN CEO Water Mandate and is integrating its core principles in its operations.</li> <li>• Future infrastructural improvement in the pipeline are replacement of our current water treatment plant with a reverse osmosis plant which will allow us to use water direct abstracted for operations instead of using potable water. Improvements are also planned for reuse of reject water from reverse osmosis plant in cleaning activities.</li> </ul>		
Date	Water per total volume production (m3/t)	Wastewater per total volume production (m3/t)
2016	2.23	0.19
2017	2.35	0.19
2018	2.22	0.43
2019	2.73	0.65
2020	2.74	0.73

# Business In times of Covid-19





Under the new normal, our team's main focus was to make our workplace safe. The team focused on innovation and team spirit to develop and put in place new products and services such as the Safe Journey Hygiene Programme.



The **Archemics Safe Journey Hygiene Programme** delivers a comprehensive offer to reinforce confidence for your stakeholders to experience a safe journey on your site.

Catering to different sector requirements (retail, education, tourism, medical, industrial, amongst others) the **Archemics Safe Journey Hygiene Programme** takes into account rapidly evolving hygiene standards at international and local level.

The Seamless **Archemics Safe Journey Hygiene Programme** includes:

- High performing cleaning & hygiene products meeting international standards
- Industrial & professional cleaning and dosing equipment
- Tailor made hygiene and sanitary protocols
- COVID hygiene training
- Verification & testing programme

★ **Contact Archemics team for more information**

We also contributed to a lot of corporate volunteering be it amongst our employees, our customers, the frontliners and our community.





**Follow our progress on:**

**Archemics Ltd**

**a Bois Marchand, Terre Rouge, 21401, Mauritius**

**t (230) 249 3191 | f (230) 248 3682**

**w [archemics.mu](http://archemics.mu)**

**e [communication@archemics.mu](mailto:communication@archemics.mu)**

