

RESPONSIBLE CONDUCT IN THE CHEMICAL TRADE AND DISTRIBUTION



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Since 1997, the companies, which are joined together in the German Chemical Traders Association (Verband Chemiehandel – VCH), are making an exceptional contribution to sustainability in the handling chemicals through the initiative „Responsible Care – in chemical trading“. With the written declaration of participation in the RC programme of the VCH, the companies undertake the obligation to continuously improve their activities for more safety, health and environmental protection in their companies when handling chemicals. RC represents in particular product stewardship: The

chemical trader takes on this responsibility, across corporate boundaries, also in the downstream supply chain and even into the activities of his customers: The trader is proactively engaged in ensuring that that customers too understand and adopt the contents of RC as a basis of corporate activity. The communication, concerning the relevant aspects for a safe handling of chemicals, is at the same time an important element of the dialogue between RC and the public. Originating from the classical RC fields of action¹⁾, the following description is an example of how the chemical trader understands "sustainable chemistry" in contact with his or her customer. As in previous years, information will be provided on the second page about the realisation of the RC programme in the member companies of the VCH.

The chemical trader is more than just a supplier of goods to his customer. He is also available as a consulting partner: the customer thus profits from the long years of experience of the chemical trader in many different, and in some cases, highly specialised fields:

- The chemical trader provides advice on alternatives when applying solvents or cleaning agents which have a high hazard potential for the environment and/or the health of the employees.
- Own formulations for various industrial and commercial applications are being continuously developed and kept up to date, and the improved products are then passed on to the customers.
- In addition to the hazardous goods instructions in the responsibility of the customer, upon request, internal training courses concerning e.g. the safe handling of the products supplied are offered.
- The substitution of outdated (dangerous) methods used by the customer with modern, less dangerous technologies is supported with consulting.
- On the basis of many years of experience and the state-of-the art scientific knowledge of the chemical trader, consulting support is offered for plant engineering concerning the safe use and dosing of substances and mixtures - e.g. with regard to the stability of ingredients and the appropriate protective equipment.
- Flammable chemicals are of course particularly dangerous: The chemical trader informs and advises about the possibilities of improving fire and explosion protection, the safe storage on site and the safe handling of such products.
- Beyond the information in the safety data sheets, where possible, further data on chemicals and their hazard potential which requires more intensive research is made available. In this way, scientific and process technology projects, where appropriate, are accompanied by the trader taking over difficult material acquisition tasks and supplying chemical technical know-how.
- The customer is informed about the possibilities of making improvements, from the point of view of working safety and health protection, when discharging liquids from the vehicle of the chemi-

cal trader and transferring it to own storage tanks, as well as the extraction from IBCs or other dispensing units.

- With regard to a dosing technology which meets the specific requirements and conforms to the regulations (e.g. with hydrogen peroxide solution), the customer can be supported in the planning and realisation of such projects. Contacts can be liaised to suitable specialist companies and new plant installations coordinated with external support.
- With chemicals which have a high danger potential, where appropriate, a change to a more modern packaging solution with a higher degree of safety can be envisaged (e.g. a sealed IBC with a venting device on the withdrawal system).
- The chemical trader offers support with environmental protection projects and with site remediation in the implementation of technologies and methods which both meet the requirements and are in accordance with the law.
- The customer will be offered an emergency management – for example in the case of mixing damages. This emergency management is the tool for providing the customer with support to cope with the affects of accidents in connection with chemicals.
- In agreement with the customer, the possibilities of optimising logistic processes in product supply will be examined, - thus avoiding unnecessary transportation and reducing carbon emission.
- In the so-called "sensitive chemicals" field, (chemicals which can be used for making weapons/ drug abuse) the chemical trader co-operates proactively with the German state and federal criminal investigation authorities, within the scope of voluntary agreements, if there are circumstances giving rise to suspicion.
- Depending on the focus of their activities, the customers will be informed about the implementation, and often problematic interpretation, of the increasingly complex chemicals legislation of the EU, which has been comprehensively revised over the last years (REACH-Reg. / CLP-Reg. Classification, Labelling and Packaging / Biocide-Reg.) – also to prevent the customer from making wrong decisions due to ignorance.

There is a regular exchange of information between member companies in the various forums of the VCH concerning many of the aspects of a sustainable chemistry and product stewardship mentioned here. The relationship between supplier and customer from the RC point of view is incidentally a theme of the regular „RC-Workshop“ of the VCH. The findings obtained at the workshop are, where necessary, made available to the customer as a source of knowledge in the form of "customer information" and other working aids²⁾: In this respect, there have been recent information publications on different themes e.g. „IBC – flammable liquids – fire load“. A further recommendation worth noting is also the guidelines of the Umweltbundesamt (Federal German Environment Agency) „Sustainable Chemicals“³⁾, which, among other things, describes important aspects of a sustainable chemicals management in 10 "golden rules".



**Responsible Care -
Verantwortliches
Handeln im
Chemiehandel**

Contact your chemical trader: he/she will be pleased to help you with your questions, as to how you – beyond the regulatory requirements and therefore in the sense of RC - can organise your daily handling of chemicals innovatively and sustainably.

1) www.vch-online.de → Responsible Care

2) www.vch-online.de → Publications

3) www.umweltbundesamt.de → Publications

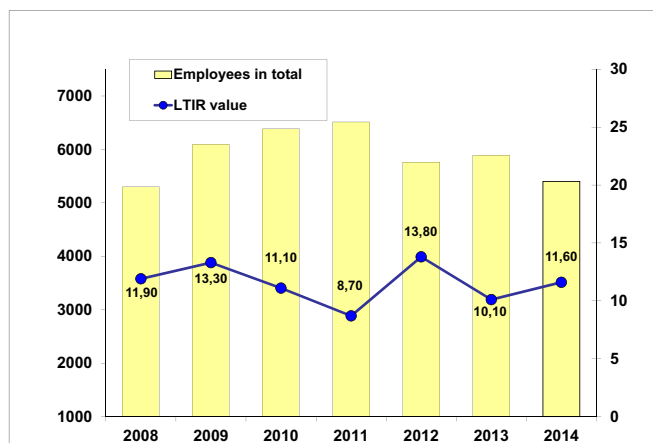


As part of the dialogue with the public, the Responsible Care Programme of the VCH allows for the industry, via its trade association, to submit an annual account to interested third parties (suppliers, customers, authorities, neighbours and the general public), of the „indicators for measuring performance“, thus documenting the efforts made in the realisation of the guidelines of the programme. In accordance with the VCH programme and the „guidelines of chemical traders

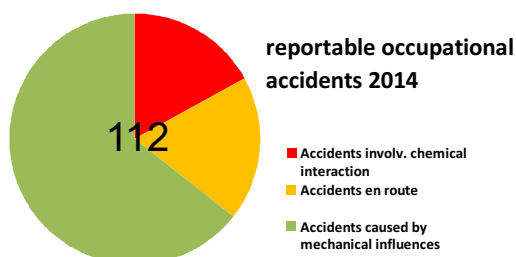
for the safe handling of chemicals“, and according to the RC guidelines of the International Chemical Trade Association (ICCTA), the questionnaire covers the activities of the companies with regard to the indicators in the fields of „product stewardship“, „plant safety/averting danger“, „work/health protection“, „environmental protection“, „transport safety“, „dialogue“. In the following, in continuation of the reports of previous years, examples will be given using selected RC programme points of the values calculated for the previous year. As in the past, it is not always possible to make a direct comparison with the values of the previous years because, due to the exit or arrival of participants or operational restructuring, the scope of activities covered can vary greatly. Nevertheless, the data provide a compact overview of the developments in our branch of industry. An exposition of all the calculated values and further information on RC can be downloaded from the VCH website.

In April 2015, 70 companies participated in the RC programme of the VCH (69 % of the member firms). 65 companies were requested to provide data who had been in the programme since the beginning of 2014. Of the 139 operational plants covered, 47 of these locations has their own warehouse with filling operations, 7 locations had a warehouse but were without filling facilities. The remaining 75 business locations were sales/distribution agencies without their own warehouse. 18 companies specialised in foreign trade. With a total of 5,414 employees, the participating companies generated revenue in 2014 amounting to about 7.2 billion euros (80 % of the sector of industry as a whole). About 70 % of the employees work in the commercial field and the remaining staff work in warehouses/transport or in QM/QS, laboratory, security, technical support or manufacturing operations.

In 2014, in the 47 operational sites with their own warehouse and filling facilities, 2,341 million tonnes of chemicals (of these 2,021 million tonnes of liquid chemicals) were transshipped. Here, 46 accidents occurred. This represents an accident for every 44,000 tonnes of liquid chemicals handled. Unscheduled releases of chemicals occurred in only 5 cases and even the smallest releases are counted as an incident. In only one of the incidents was their any water or ground pollution.

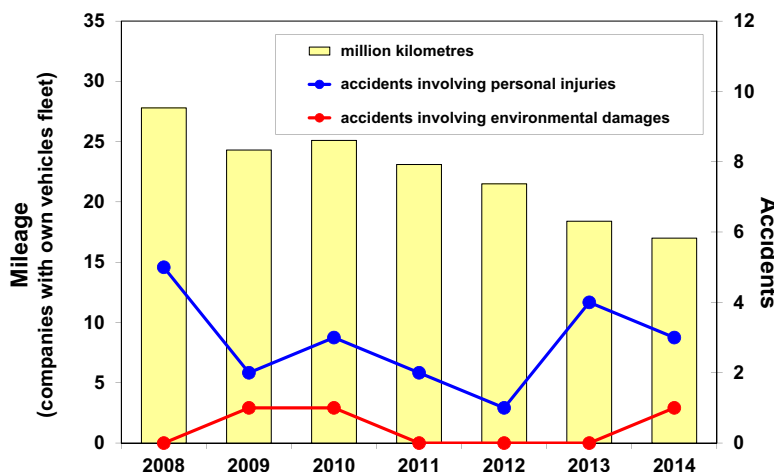


The number of accidents at work requiring notification was 112 last year, i.e. Incidents causing harm to health which occurred at work with at least 3 days subsequent sick leave. Only 22 of the 112 had a chemical industry-specific context – the remainder were commuting accidents,



injuries from mechanical forces. From this, the „Lost Time Injury Rate“ (LTIR) is calculated as the standard international accident index. This is the number of accidents at work resulting in sick leave related to 1 million working hours. Taking the accidents recorded in 2014 as a basis, the LITR figure is 11.69 (in comparison, the association for trade and goods distribution figure in 2013: 15.92).

For the 25 companies who run their own vehicle fleet (in total 284 HGV), there were 43 road traffic accidents in 2014. Three of the accidents involved injury to persons – the other cases involved damage to property and environmental damage occurred in one of the accidents. In comparison with the total number of kilometres travelled, 17 million km., this corresponds to an accident every 395,000 km. No accident was subject to an ADR reporting obligation.



As shown on page 1, many of the activities under the central theme of RC cannot be quantified and therefore cannot be statistically evaluated. Therefore, in addition to the information presented here, do approach the RC Representative of your chemical trader and get a personal overview locally of the responsible handling of chemicals. Further information on RC, and also the reports of previous years, can be downloaded from the VCH website („Responsible Care“).

Your Chemical Trading Company: