

RESPONSIBLE CONDUCT IN THE CHEMICAL TRADE AND DISTRIBUTION



**Uwe Klass, President
Verband Chemiehandel**

For many years now, the sustainability principle has been part and parcel of everyday life both in business and private matters. Given the fact that we are reaching the critical limits of our systems and resources, and that we are learning to accept this, the principle of sustainability has become a general requirement governing all our actions. The VCH programme „Responsible Care – in Chemical Trading“, already initiated in 1996, bears testimony to our actions here. For our sector of industry, this means exploiting tried and tested systems without having to reinvent the wheel.

The realisation of the Responsible Care Initiative in chemical trading and – as part of this – the question how sustainable management can take place successfully within companies, is mainly dependent how the responsible actors can participate with their personal commitment. In future, even more than was previously the case, your involvement as business partners will be a priority, thus making sustainability tangible and quantifiable as a joint factor of success. Ask your chemical trader – above and beyond regulatory stipulations and thus entirely in the spirit of Responsible Care – it is about realising sustainability together and making this a brand name, also in chemicals.

As examples, in the following, two „Responsible Care representatives“, report on how sustainability in chemical trading can be implemented using the directives of Responsible Care. The second page again includes information on the progress of the initiative in the chemical trading sector overall.

As the leading speciality chemical distributor in Europe, the Azelis Group is very much aware of its responsibility towards the current generation and those to come. Our goal is to work as sustainably as possible along our value adding chain. Already in 1997, we installed an environmental management system to ensure the sustainable environmental compatibility of our products and our operational processes. To this purpose, we identify quantifiable performance indicators, among others our consumption of electricity, gas, water and fuel and our waste generation, and we set ourselves new targets every year for improving efficiency. Regarding waste, our motto is “reuse preferred to recycling, recycling preferred to disposal”. As far as possible, collections are made of identical waste materials. These measures permit us to use our resources sustainably in the long term and also to work in an economic manner.

In order to guarantee the safe and responsible handling of chemicals, and the corresponding documentation thereof, we

follow the Responsible Care initiative of the Chemical Traders' Association, even exceeding these requirements in certain cases. For example, our trade with substances of very high concern, in the sense of the REACH regulation of the EU, is very restricted and is subject to detailed investigation beforehand. Under the conditions of Responsible Care, and thus sustainability, it is also self-evident for us that, as one of the first distributors, we have underlaid a large part of our operating site with a special foil (Schlegel Lining Technology) to protect the earth and groundwater.

As part of our sustainable economic activity, we are also committed to our social responsibility, and therefore, in our region, participate in lectures at schools in the recognition of fields of work, among others, in connection with scientific and technical professions so-called “MINT” occupations (a German acronym for “Mathematics, Information Technology, Science and Technology”). We are also engaged in another form with offers of practical training and apprenticeships as well as making donations to charitable organisations.



**René Krüger, RC-Coordinator
Azelis Deutschland GmbH**

For the SAFECHEM Europe GmbH, the principles of Responsible Care are the cornerstone of their business model – here in particular, the commitment to recycling. Since the foundation of the company in 1992, we have committed ourselves to an effective risk management with our services and products for the safe, innovative and sustainable use of solvents in the cleaning of metal surfaces and textiles, as well as the quality control of asphalt. We augment our eco-friendly SAFETY-TAINER™ safety system of reusable packaging for supply and disposal, with a wide range of service elements for process optimisation – all these are the prerequisites for effective recycling and a sustainable chemicals management. Portable test kits and laboratory analyses allow the extension of the use period of the products, and thus also contribute towards avoiding waste. With our special knowledge and many years of experience, we train the users in the safe handling of solvents. With COMPLEASE™, our chemical leasing business model, we provide a full service which permits an equilibrium between ecology, economy and social responsibility. For this contribution to greater sustainability in the chemical industry, we were honoured with the „Responsible Care Award“ of the European Chemical Association CEFIC in 2016. Furthermore, with a view to the self-commitment to continuous sustainable further development, was and still is our early engagement in the voluntary evaluation system „ESAD II“ for the judgement of quality, safety and environmental standards in chemical trading. We contributed towards compiling the questionnaire for chlorinated solvents (Cs). The system is also an important instrument for us when evaluating the supply chain.



**Ferdinand Pree
RC-Coordinator / Manager
EH&S and Quality
SAFECHEM Europe GmbH**



Since 1996, the German Chemical Traders Association (VCH), via its programme "Responsible Care in Chemical Trading" *, offers participating companies the necessary instruments to participate successfully in the worldwide Responsible Care Initiative. The VCH programme is based on the Responsible Distribution/Responsible Care Programme of the International Chemical Traders Association ICTA. This requires that the participating companies provide an annual report of the measures with which the initiative was realised practically in the company.

With the identified overall data obtained using the „indicators of performance measurement“*, the industrial sector, as in previous years, again provides a situation report. In the following, using selected elements of the programme, information is provided on the figures determined during the last year. As in the past years, the results of the last year could not necessarily be directly compared with previous years, because the extent of the recorded activities was in some cases significantly different – whether due to structural changes (the outsourcing of activities which were previously included), or due to the inclusion of new participants. Nevertheless, the data do again provide a compressed overview of the developments. A presentation of all the data which was recorded and further information can be obtained from the VCH website.

In May 2017, 71 companies took part in the programme: The questionnaire covered 132 operational sites which, on the basis of the participation declaration, had been involved in the initiative since January 2016 or earlier. 49 of these locations had warehouse facilities with their own filling installations, 9 locations had a warehouse without filling. The remaining operational sites were sales/distribution offices without their own warehouse. 11 companies focussed on exporting. A total of 6,313 employees in the participating companies in 2016 generated a domestic revenue of 6.8 billion euros (about 72% of the industrial sector). 63 % of the employees in the operational units surveyed are commercial or administrative staff, the remaining workers are employed in the warehouse or as drivers or in QM/QC, Laboratory, technology, manufacturing.

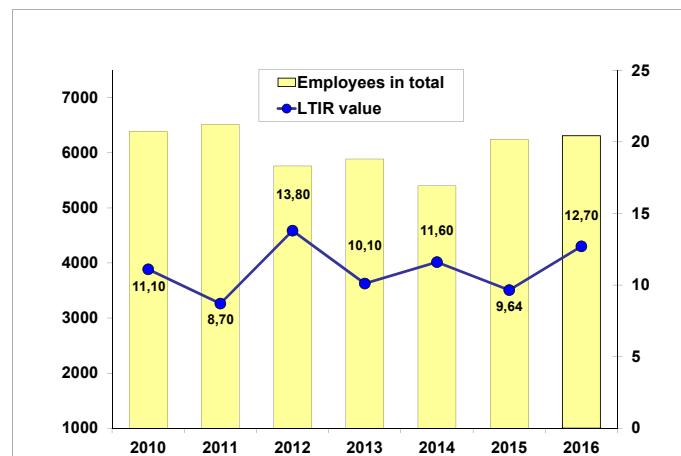


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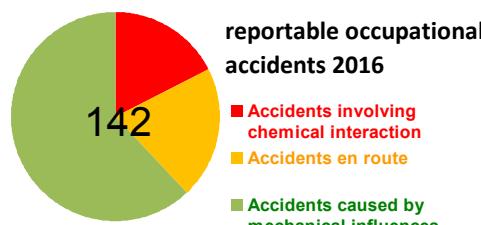
Last year, in the 49 operational sites with their own warehouse, own filling plant and own personnel, 2,473 million tons of chemicals were traded (of these 1,791 million tons were liquids). In doing so, there were 58 incidents (either at their own operating site or that of the customers). This corresponds to one accident for every 30,879 tons of liquid chemicals handled. There were only 7 cases of unplanned product release – in three cases a ground or water pollution occurred.

Your Chemical Trading Company:

CG Chemikalien GmbH & Co.KG

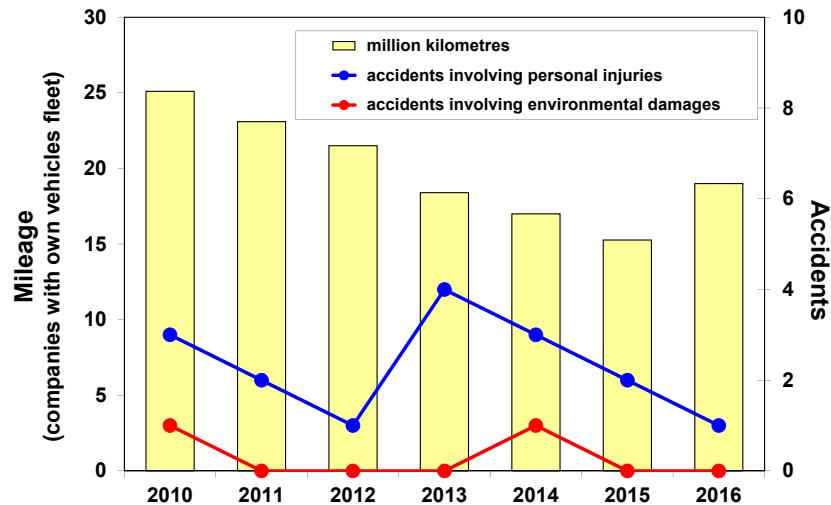


Regarding the number of accidents at work subject to compulsory reporting (total: 142), i.e. incidents at work causing damage to health resulting in sick leave of at least three days, they increased in comparison to the previous year. However, the number of accidents with a chemical industry-specific connection, i.e. resulting from the effects of chemicals (22) cases, fortunately remained at the low level of previous years. The „LTIR“-value („Lost Time Injury Rate“ – international Indicator for accidents at work), which is calculated by the number of days lost



in relation to hours worked by all employees, was 12.7 for last year (in comparison, for the trade and goods distribution sector in 2015 it was 14.58).

Of the 25 companies who run their own fleet of vehicles (with a total of 349 HGV) there were 36 traffic accidents which occurred during the reporting period: Only one of the incidents was subject to the obligation to report a hazardous goods accident in the sense of the ADR, and only one accident involved personal injury. The other accidents were only damage to property. As is the previous period as well, none of the incidents involved damage to the environment. For a total distance of the HGVs of about 19 million km, this corresponds to an accident for every 528,000 km.



If you are a customer, or supplier of the chemical trading industry, or an official body or a neighbour, the Responsible Care representative, as the contact person of the company, will be pleased to provide further information above and beyond this annual report.

*The reports of previous years, the questionnaire for the acquisition of data, the detailed presentation of all results and further information can be accessed under www.vch-online.de → Responsible Care.

