

## RESPONSIBLE CONDUCT IN THE CHEMICAL TRADE AND DISTRIBUTION



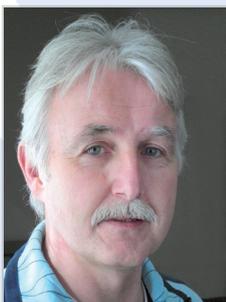
**Uwe Klass, President  
Verband Chemiehandel**

Chemical products are an indispensable prerequisite for maintaining and improving our standard of living. To this the German chemical companies organized within Verband Chemiehandel (VCH) make an important contribution by supplying thousands of industrial businesses with chemicals used at many stages of their work routine or production process. Chemistry's high value was also corroborated by an opinion poll\* carried out in 2009 in order to assess how Germany's chemical industry is perceived by the public: 79% of respondents confirmed that the branch turns out useful products, resp. (70%) that chemicals make an important contribution to the quality of life. Besides, there is no negative public perception of the chemical sector – particularly owing to critical incidents – which surely furthers its acceptance even more. Since 1996, the firms taking part in the world-wide „Responsible Care“ (RC) initiative via VCH's RC programme have contributed their share to constantly improving safety, health and environmental protection in chemical trade – also and most importantly going beyond statutory requirements. Please see page 2 where we have again summarized the results of these efforts\*\*. But first some of the „RC Coordinators“ entrusted with implementing RC in their companies are once more describing the manifold approaches to bringing RC „to life“:

At S. Goldmann GmbH & Co. KG in Bielefeld, we are fully aware of our responsibility towards man and environment. As an internationally acting trading company it is particularly important for us to ensure an accurate handling of chemicals by constantly sensitizing all parties in the global supply chain to this topic. Verband Chemiehandel's Responsible Care programme, which we joined in 1997, provides us with an important tool for this responsible chemicals handling. Our specially trained staff make sure that information about possible hazard potentials – foremostly adherence to transport regulations, correct handling of safety documents, and instructions for resp. supervision of labelling – is exchanged with customers, suppliers and service providers in the best possible way. We put special emphasis on the selection of our suppliers, above all concerning the cooperation with our Asian partners whom we acquaint with the RC concept by way of a specific dialogue. As a result we could quickly achieve substantial improvements mainly in the areas site safety, occupational and transport safety. RC will at all times remain a trademark of Goldmann when it comes to handling chemicals in a responsible way.



CSC JÄKLECHEMIE, one of Germany's major medium-sized distributors, has been an active member of the VCH RC programme since its start in 1997. The requirements arising from the programme are compulsory for us and form the basis of all our business activities. RC has thus strongly influenced the continuing modernization of our Nuremberg headquarters during the last 15 years. Among others, we started modernizing our solvent storage and filling rooms in the mid-nineties. And a short while ago we finished the new building for our acids and alkalines department, likewise our filling station for food additives resp. pharmaceutical excipients including HACCP concept and ISO 22000 certification. As a result we have achieved state-of-the-art technology in all sections. And the basis for this is the consistent implementation of RC topics in all business areas, as well as the unconditional support the management gives to these activities. Our special efforts regarding environmental protection and safety were acknowledged with the „Product Stewardship Award“ presented to us by the „European Solvent Industry Group“ (ESIG) in 2009. The jury was not least convinced by JÄKLECHEMIE's activities regarding ethical principles and its commitment to social responsibility – consequently the assumption of comprehensive product responsibility along the supply chain.



**Hans-Peter Lingl,  
RC-Coordinator  
CSC JÄKLE Chemie  
GmbH & Co. KG**

Since our entry into the VCH RC programme, the Responsible Care guidelines have become an integral part of Chemie Wocklum's management system. Thus „Responsible Conduct“ is clearly evident in the daily handling of chemicals and the contact with customers, suppliers and the public. For instance, RC induced our voluntary monitoring of chemicals used for the manufacture of explosives, this monitoring being initiated by VCH and other associations independently from legal requirements. Every modification of our facilities is directly communicated with the approving and controlling authorities – whether an authorization is required or not. We do not solely talk about prices with our customers, but also about possible deficiencies regarding their transshipment or storage facilities which may lead to environmental hazards or safety deficits. For us, such comprehensive communication concerning environment and safety symbolizes one of Responsible Care's basic aspects. Despite the initial scepticism about articulating these topics as Responsible Care targets experience has shown that Chemie Wocklum benefits from them in a non-material as well as an economic sense. Ecology supports economy! This way our own deliveries can be processed much faster and approval applications can be agreed with the authorities more quickly. Exchanging ideas with colleagues from other chemical distribution companies at VCH's RC Workshops also contributes to the continuous improvement of our RC activities.



**Dagmar Kutsche,  
RC-Coordinator  
S. Goldmann  
GmbH & Co. KG**



**Thomas Müller, RC-Coordinator,  
Chemische Fabrik Wocklum Gebr.  
Hertin GmbH & Co. KG**

(\*Survey by TNS Infratest on behalf of „Initiative Chemie im Dialog“)

(\*\*Previous years' reports / further information about RC at [www.vch-online.de](http://www.vch-online.de))



As participants in the VCH RC programme, and thus in the world-wide RC initiative, the firms commit themselves – in excess of statutory standards – to strive for a constant improvement of safety, environmental and health protection as well as occupational safety.



**Responsible Care -  
Verantwortliches  
Handeln im  
Chemiehandel**

Another obligation assumed with RC is the dialogue with the public, ultimately symbolized by the present report.

The annual report describes the results ascertained via the "Indicators of Performance" (a catalogue of 109 questions in total), based on the ex-

emplary programme elements

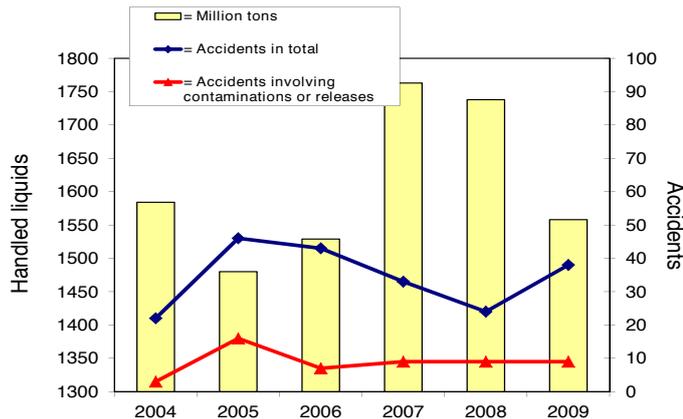
- Plant Safety and danger defence,
- Labour safety and health protection,
- Transport safety.

Please turn to VCH's website ([vch-online.de](http://vch-online.de) „Responsible Care“) for a detailed account of the results concerning the further programme elements „**Company organisation**“, „**Assignment of responsibilities and supervision**“, „**Product responsibility**“, „**Environmental protection**“ and „**Dialogue**“. There you will also find the reports from previous years as well as additional information about chemical trade and distribution.

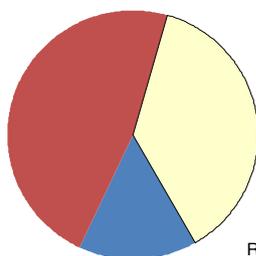
At the end of April 2010, 67 companies (= 62% of VCH members) took part in VCH's RC programme. The data were collected from those (62) firms that were already in the programme since early 2009. Out of the 138 surveyed sites 53 maintain warehouses with filling and 8 warehouses without filling. 77 sites are distribution resp. sales businesses; 13 companies focus their activities on foreign trade. With 6,092 employees, the RC participants generated a turnover of 5.2 billion Euros (roughly 80 per cent of the sector's turnover) in 2009. Around 70 per cent of employees belong to the commercial staff, while the remainder works in warehouse/vehicle fleet.

In 2009, the 53 sites with own warehouse and own filling handled 1,558 million tons of liquid chemicals. **38 accidents** were reported, 2 causing soil/water contaminations and 7 involving accidental releases (here also smallest amounts were considered). This corresponds to one accident per 41,000 tons of handled liquid chemicals.

Your Chemical Trading Company:



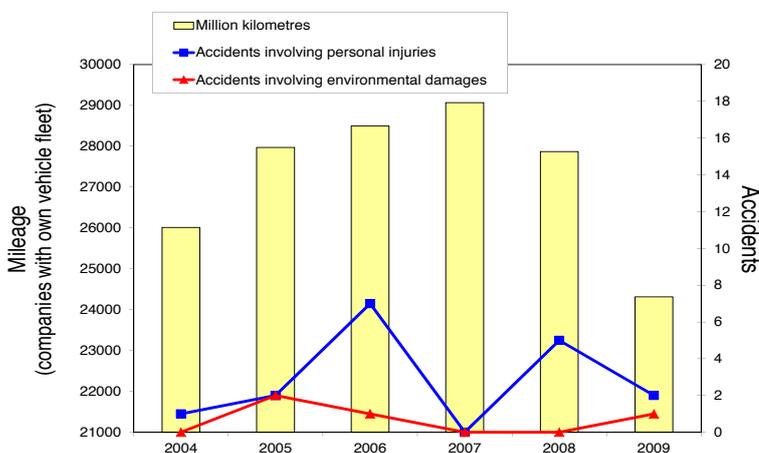
The number of **reportable occupational accidents** remained on previous years' low level: abt. 70 per cent of a total of 140 reported incidents were accidents en route resp. accidents caused by mechanical influence having no chemical-specific relation to the occupation.



Reportable occupational accidents

The „**Lost Time Injury Rate**“ (LTIR), the prevailing international accident index, describes the number of occupational accidents involving time lost due to injuries in relation to 1 million work hours. Based on accidents reported in 2009, the LTIR value comes up to 13.31.

In 2009, the 29 firms with an own vehicle fleet (all in all 447 lorries) reported 126 **reportable traffic accidents** according to ADR. Only two of these led to personal injuries, and only in one case an environmental damage was caused. Measured against a total mileage of a good 24.3 million, this equals one accident per 192,000 km.



Not all activities carried out with reference to RC values can be quantified, thus they elude statistical evaluation. Besides it is not always clearly recognizable that individual projects are at the same time a contribution to implementing RC. It is therefore also important to get your own idea of the responsible handling of chemicals: Contact your local distributor's „Responsible Care Coordinator“ who will be happy to answer all your questions about the implementation of the RC programme.