

RESPONSIBLE CONDUCT IN THE CHEMICAL TRADE AND DISTRIBUTION



Christian Westphal,
President
Verband Chemiehandel

Even after twenty years since the beginning of the Responsible Care program in the VCH, this initiative remains the central guideline of responsible activity in chemical trading for the participating companies in the VCH. In spite of the many new approaches and initiatives which have occurred in the meantime, the companies using the RC program are stating their unswerving commitment to integrating the principle of sustainability into all business processes.

The regular monitoring of all activities carried out under the term "Responsible Care", which is embedded into the program, is carried out by different third party experts within the scope of a verification concept. Thus Responsible Care was and is always transparent and comprehensible to outsiders as well. This also again enables the annual production of this report shown here, which has appeared since 1998, giving an account of the current status of the responsible care initiative and – as representatives of our industry – provides information from two Responsible Care representatives on RC realization in their own enterprises.

The Friedrich Scharr KG is a medium-sized, family managed business located in Stuttgart. Our chemical products are delivered by our own vehicle fleet both loose and prepackaged. Since the beginning of our membership in the VCH, we have participated in its program „Responsible Care – in Chemical Trading“. The elements of this initiative were integrated into our quality and environmental management system. Via the annual update of the three year plan – this is the design of the program – we regularly inspect internally the extent to which our own self-defined improvement goals have been attained, and which improvement potential exists, above and beyond the statutory requirements. We also audit our specifications for Responsible Care in chemical trading at our suppliers – e.g. haulage companies. The very structured Responsible Care Program, whose scope of duties are also contained in the sustainability strategy of the state of Baden-Württemberg „Business Sustainability Initiative“ (WIN), is a good tool for examining and optimizing our processes. Our employees are regularly trained and instructed in these fields.



Ulrike Schneider,
Responsible Care-Coordinator
Friedrich Scharr KG

The measures involved in responsible care are also useful for our partners: The Friedrich Scharr KG takes an integrative approach to the initiative and provides support and consulting on the use, storage and transport of substances. This even includes information on appropriate disposal, or on transfer to reliable recycling systems. In this way, we ensure the best possible economic and ecological cycle. The self-defined targets in the three year plan meet with a very positive reception from the re-



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sponsible regulatory and supervisory authorities. When changes are being planned in the company - e.g. building measures – at a very early stage, these are also reviewed from the perspective of Responsible Care.

We are convinced that sustainable thinking and acting provides the prerequisites for a successful company development. Here, the Responsible Care Initiative represents an important instrument for increasing environmental awareness – we are pleased to take on this responsibility.

The company C.H. Erbslöh GmbH & Co. KG, founded in 1876, sees itself as a competent consultant partner for international trade with special chemicals and industrial minerals. As the link between raw material manufacturers and industry, we supply our products to a wide range of industries. At our Krefeld location, which started operations at the beginning of the 1990s, chemicals are stored, filled and in individual cases also mixed.



Katrin Schindler,
Responsible Care-Coordinator
C.H. Erbslöh GmbH & Co. KG

Since 1997, as a founding member, we have participated in the „Responsible Care in Chemical Trading Program“. Our integrated management system unites the quality specifications according to ISO 9001, as well as the Responsible Care themes of safety, health and environmental protection.

For us, responsible care, in the sense of the Initiative of the same name, means a responsible interaction with each other, with chemicals, with the environment and with health in general. This is characterized by the fact that our employees are included in the processes of hazard recognition, risk evaluation as well as the associated controls and prevention measures. They have a high degree of technical knowledge at their command, and also pass on this knowledge to others. The basis for this, among other things, is a comprehensive training program, e.g. on the subjects of respiratory protection, hazardous goods, dangerous substances and load securing. The subject of the environment is also part of our safety protection concept. In the sense of Responsible Care, we are implementing measures concerning health protection such as e.g. screening offers, free provision of fruit baskets, sport activities as well as the organization of health day events. Currently, a comprehensive health management program is being developed. Our aims here are the reduction of employee sick leave, as well as a holistic view of the workplaces in all areas. For us, the elements of the Responsible Care Program are an important auxiliary means for the further continuous development of our business activity. The obligation to which we see ourselves committed is the continuous examination of the results of our actions, for society and for future generations. Small things are responsible for large changes.



The worldwide Responsible Care Initiative represents the desire, independently from legal obligations, to strive for a continuous improvement in the fields of environmental protection, safety and health. With the participation in the corresponding VCH program, which bears the additional title, "Responsible Conduct in the Chemical Trade and Distribution", the industry also provides an important contribution to the theme "sustainability". With his Responsible Care participation, the chemical trader undertakes the obligation, among other things, to demonstrate, regularly, in public, the progress made in the realization of the VCH program. This takes place here and in the continuation of the reporting from previous years, using the „indicators of performance measurement" which are submitted by the participating companies. With the overall data obtained in this way, the industry gives an account of its progress in "Responsible Care".

In the following, using selected criteria, examples are given of data values obtained for last year. As in the past years, the results of the last year could not necessarily be directly compared with previous years, (the reasons are e.g.: variations in the volume of the recorded activities as a result of operational changes, the outsourcing of activities, or due to the inclusion of new participants). Nevertheless, the data do again provide a compressed overview of the developments. Many other individual measures, initiated by individual companies with Responsible Care in mind, cannot be recorded statistically. For information, particularly about these other activities, for you as a customer, supplier, public authority or neighbor, the Responsible Care representative of the company in question will be pleased to help you.

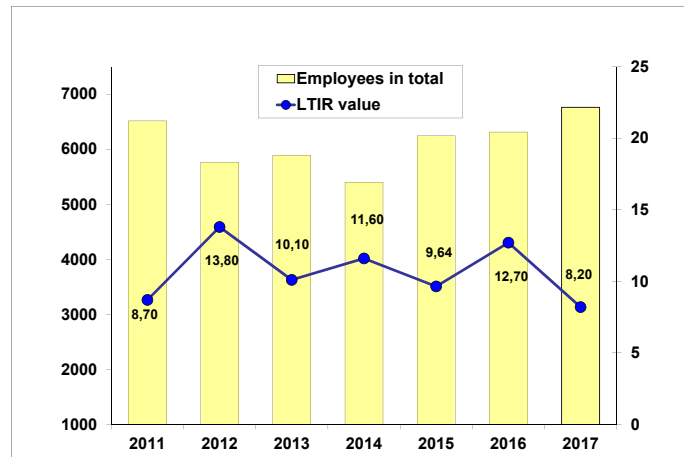


In September 2018, 75 companies took part in the program: The questionnaire with the RC performance indicators covered 69 companies and 132 operational sites which, on the basis of the participation declaration, had been involved in the initiative since January 2017 or earlier. 54 of these

locations had warehouse facilities with their own filling installations, 8 locations had a warehouse without filling. 76 operational sites were sales/distribution offices without their own warehouse. A total of 6,761 employees in the participating companies in 2017 generated a domestic revenue of 6.8 billion euros (about 82% of the industrial sector). 66 % 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.

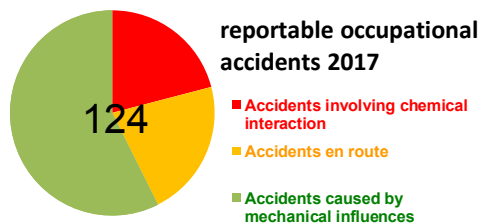
In 2017, in the 54 operational sites with their own warehouse and own filling plant, 2,559 million tons of chemicals were traded (of these 2,084 million tons were liquids). In doing so, there were 57

Your Chemical Trading Company:

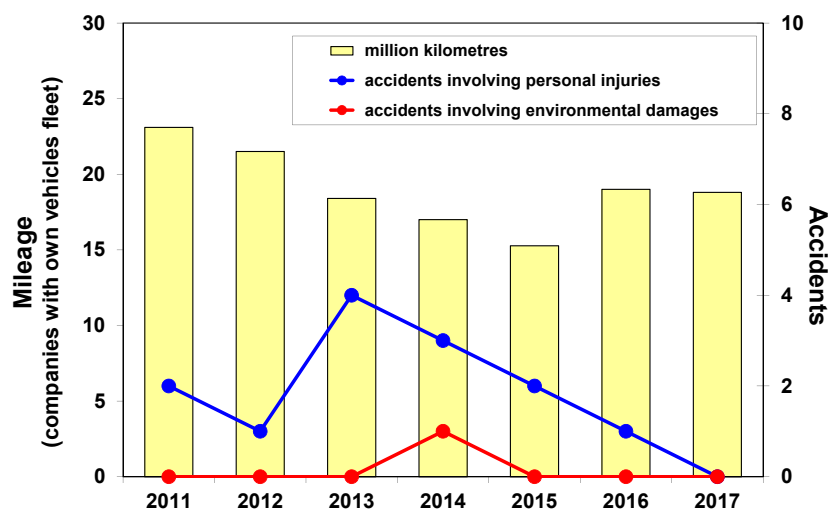


incidents/accidents (this also includes the release of very small amounts). This corresponds to one accident for every 44,901 tons of chemicals handled. There were only 6 cases of unplanned product release causing a ground or water pollution by liquid products.

Regarding the 124 reported of accidents at work subject to compulsory reporting, (incidents at work causing damage to health resulting in sick leave of at least three days), only 25 had a chemical industry-specific connection, or were caused by chemicals. The „LTIR“-value („Lost Time Injury Rate“ – international Indicator for accidents at work), which is calculated by the number of days lost, as a result of injuries subject to mandatory reporting in relation to hours worked by all employees, was 8.2 for last year, (in comparison, for the trade and goods distribution sector in 2017 it was 14.7).



Of the 25 companies who run their own fleet of vehicles (with a total of 365 HGV) there were 30 traffic accidents, of which all involved only damage to property. Only one of the incidents was subject to the obligation to report a hazardous goods accident in the sense of the ADR, and no accident involved personal injury or environmental damage. For a total distance of the HGVs of about 18.8 million km, this corresponds to an accident for every 626.666 km.



As well as the selection of values shown above as examples, a thorough description with the results of all indicators, and also the reports of previous years are available under www.vch-online.de → Responsible Care → Jahresbericht. Your chemical trader will be pleased to inform you about details – contact the Responsible Care Representative at the company in question.

