



Responsible Care in Chemical Trading

Content and form of the program *(Excerpt)*

Resolution of the general meeting dated 20th November 1996

amended by resolutions of the general meetings
dated 8th May 2012 and 10th May 2016

**The German Chemical Traders' Association (VCH) supports the
worldwide Responsible Care Initiative**

Preface

Environmental and development problems are frequently global phenomena and demand responsible action from all participants. Accordingly, the UNEP Conference for Environment and Development, in Rio de Janeiro, in 1992, defined the model of sustainable development for the future as the common goal of the international community of nations.

German chemical trading, organized in the Verband Chemiehandel (VCH - Chemical Traders' Association), wants to contribute towards a future-compatible development. This means for the companies, continuously examining the consequences for society and future generations of their economic activity, and taking account of the information gained in their decision making on a sustainable basis. Already with the „Guidelines of Chemical Trading for the Safe Handling of Chemicals, their Marketing and the Information of the Public“ (Appendix 1), which was unanimously agreed at the general meeting in 1995, the members of the Chemical Traders' Association therefore acknowledged their responsibility, and defined detailed targets for the fields of product responsibility, plant safety and hazard prevention, occupational safety, environmental protection, transport safety and dialogue. On the basis of these guidelines, and the Responsible Care/Responsible Distribution program, agreed by the International Council of Chemical Trade Associations (ICCTA), in June 1996, the companies of German chemical trading participate actively in the worldwide „Responsible Care“ initiative, which was founded by the chemical industry. They do this in cooperation with the German chemical industry on the basis of the partnership agreement between the German Chemical Industry Association (Verband der Chemischen Industrie (VCI) and the VCH, renewed and reaffirmed in 2007, as well as the partnership agreement made with CEFIC (Conseil Européen de l'Industrie Chimique). The participating companies undertake the obligation to continuously improve their performance regarding safety, health and environmental protection – independently of statutory requirements. They set themselves ambitious goals, control the improvement progress and make sure this is visible both inside and outside the company.

Conservation of natural resources and an increase in work, transport and plant safety can only be achieved by committed action from all employees. Therefore, in chemical trading, employees are trained in order for them to participate with their own initiatives in the realization of the necessary measures. Chemical trading, with its participation in the „Responsible Care“ initiative, and all the employees, thus contribute towards a sustainable use of resources and a future-compatible development of society.

The following program should place the necessary instruments at the disposal of the member companies, in order for them to join in the initiative successfully. The program explains both the formal and also the material specifications which a company must satisfy for a participation in the “Responsible Care” initiative of chemical trading.

Elements for the realization of the program

The program for the realization of Responsible Care is subdivided as follows:

1. Participation declaration of executive management
2. Appointment of a Responsible Care representative
3. Awarding the Responsible Care logo
4. Self assessment using a questionnaire
5. Continuous improvement – Establishing a three year plan and annual reviews
6. Revocation of the logo
7. Indicators for performance measurement
8. Verification by expert third party
9. Documentation

1. Participation declaration of executive management

Responsible Care is a leadership task and is the responsibility of the highest management level of the company. By signing the participation declaration (Appendix 2) and sending this to the Chemical Traders' Association, executive management undertakes the obligation:

- to implement the content-related specifications of the guidelines of the Association which were agreed at the members' meeting in 1995 and
- to adhere to the formal conditions of participation in the Responsible Care program.

2. Appointment of a Responsible Care representative

Together with the declaration of participation, the executive management of the company appoints in writing a Responsible Care representative announcing the name, both internally and to the Chemical Traders' Association, as the contact partner (Appendix 3). In smaller companies, the Responsible Care representative can also be the CEO.

The Responsible Care representative supervises the fulfillment of the basic rules of the program in all company departments. He/she provides instructions for this purpose and is the contact person within the company for matters concerning safety, health and environment protection. At least once a year, he/she reports to executive management. He/she is to participate in the Responsible Care workshops of the Chemical Traders' Association. The RC workshop serves the exchange of experiences between the RC representatives and the discussion of all relevant RC subjects.

3. Awarding the Responsible Care logo

The Responsible Care logo is the visible evidence that the company is a member of the worldwide Responsible Care initiative, and has undertaken the obligation to observe the duties the initiative demands. The logo is a collective mark and may only be used according to the specifications of the International Council of Chemical Associations

(ICCA - (Appendix 4). The Chemical Traders' Association awards the authorization to use the logo as soon as it receives the participation declaration of executive management, the name of the appointed Responsible Care representative and after assessing compliance with the specifications stated here.

4. Self-assessment using a questionnaire

The Responsible Care representatives fill out the self-assessment questionnaire (Appendix 5) to the best of their knowledge and judgment. The result of the questionnaire highlights the weak points where the company needs to act and improve in the fields of safety, health and environmental protection. Within three months after receiving the logo, the self-assessment questionnaire must be sent to an expert third party (Element 8). If the company does not fulfill this obligation, it will receive a reminder by registered letter to send the questionnaire.

The expert third party inspects the completed questionnaire for plausibility within 14 days after receipt. If he/she objects to the replies to the questions, the company is given the opportunity to rectify answers. If all objections have still not been eliminated, the company is given the possibility of answering the questionnaire again. If this does not lead to a plausible questionnaire, then the company is no longer authorized to display the logo. In all, starting with the date of the award of the logo, this process must be completed within 6 months.

5. Continuous improvement – Establishing a three year plan and annual reviews

Associated with the participation in the Responsible Care initiative, is the obligation of each company to strive to make continuous improvements within the company in all fields of the program.

The company receives a confirmation of the positive verdict on the self-assessment from the expert third party. Based on the self-assessment, the Responsible Care representative agrees a work plan with the executive management of the company. This lays down in detail which measures the company will implement in order to eliminate existing deficits. The plan sets out continuous improvement targets over three years. The plan should be kept flexible in order to use the means available most effectively, and optimized by changing focuses, if information gained during the Responsible Care initiative suggests this. Therefore, new findings should be fitted into the three year plan by the RC representative within the scope of the annual review. The RC representative sends a copy of the annual report to the expert third party.

The three year plan is to be sent to the expert third party within 6 months after receiving a positive verdict on the self-assessment. After three years, the expert third party inspects the company to establish whether the targets of the three year plan have been met (Element 8). Additionally, the results of an ESAD assessment can be consulted, if this has been made. The expert third party takes the annual reports of the continuation, and if necessary, corrections, of the three year plan into account. The terminating meeting takes place after the on-site audit at the company. A member of executive management or the location manager also takes part in this meeting.

6. Revocation of the logo

If, during the audit according to Element 5, the expert third party does not establish a continuous improvement in the fields of safety, health and environmental protection, he/she sets the company, participating in the Responsible Care initiative, a deadline of six months in which time the necessary corrective measures can be taken. After this, an audit by the expert third party takes place again. If this audit does not establish a continuous improvement the Chemical Traders' Association is informed. The association

within the scope of its possibilities, offers help to the company. If after a renewed audit no improvement can be established, then the company is no longer authorized to use the logo. The amendment time may not exceed 12 months in total.

The revocation of the logo will be declared by the Chemical Traders' Association with a registered letter. The revocation must first be threatened by registered letter with a deadline of three months.

7. Indicators for performance measurement

The participating companies report annually on the measures they have introduced in order to implement the guidelines in practical working. This occurs by reporting the indicators of performance measurement in the current version. The RC workshop of the VCH is responsible for changes to the indicators. Via the Chemical Traders' Association, the sector informs interested third parties annually (suppliers, customers, public authorities, neighbors and the general public), using the evaluation of the reported results, of the efforts of chemical trading to realize the guidelines.

8. Verification by expert third party

The improvement process in the company, according to Element 5, is verified by reliable, independent expert third parties.

An expert third party has the necessary reliability when, due to his/her personality profile, conduct and competence, he/she is capable of fulfilling the tasks described herein.

The expert third party has the necessary independence if he/she is free from commercial financial or other pressures which may influence judgment, or which could put in question the trust in the impartial performance of duties.

The expert third party has the necessary technical qualifications if, due to academic education, vocational training and practical experience, he/she is suitable to correctly perform the tasks involved.

According to the above criteria, the Chemical Traders' Association determines the expert third parties which can perform the tasks according to this program.

9. Documentation

All the measures taken within the scope of the Responsible Care program are to be documented by the Responsible Care representative. The documentation must include at least:

- the participation declaration of executive management (Appendix 2)
- the appointment of the Responsible Care representative (Appendix 3)
- the self-assessment questionnaire (Appendix 5)
- the three year plan and the annual reviews/continuations/corrections
- the report of the performance criteria (Program element 7)
- evidence of training
- evidence of verifications

The documentation can be integrated into an existing management system.
