

Responsible Care The Chemical Industry Contribution to Sustainability

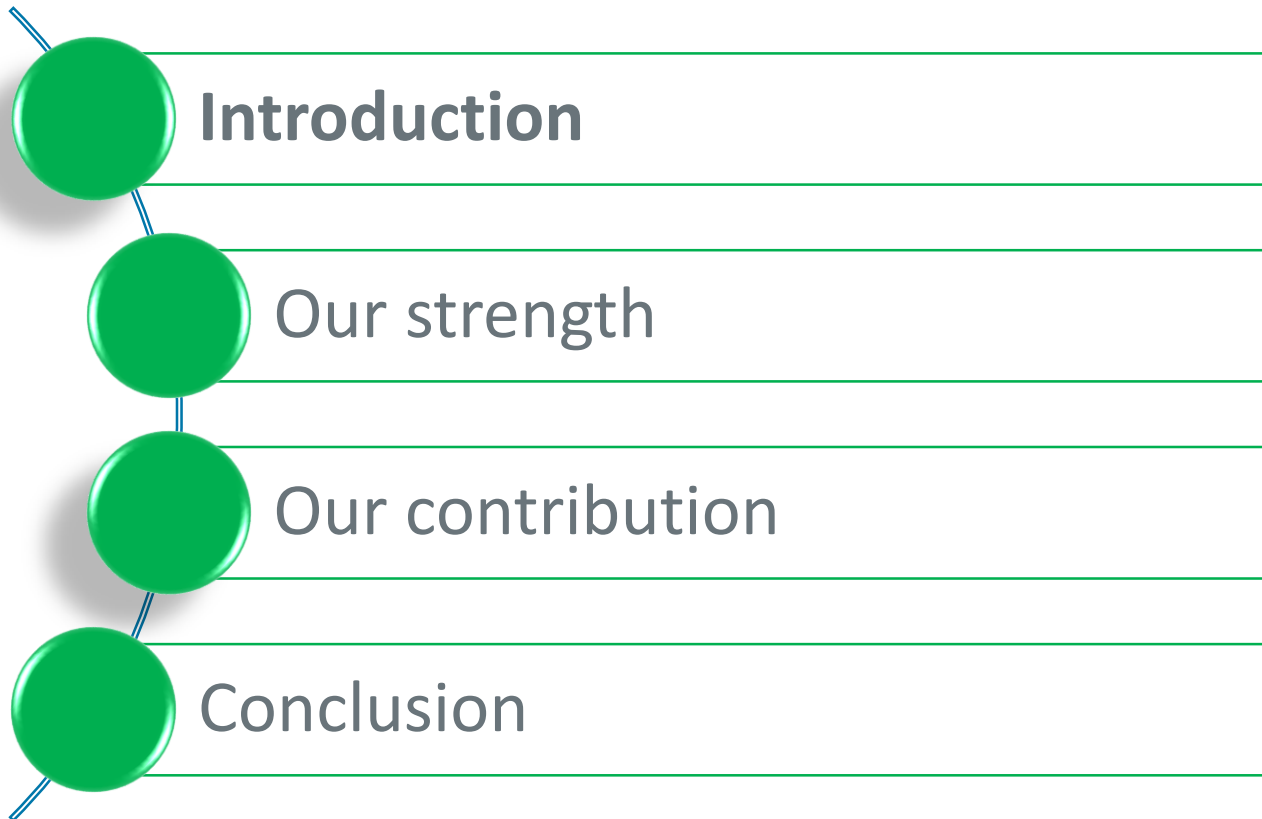


PRESENTATION TO BCCI WORKSHOP IN SOFIA, 17 MAY 2017

17-05-2017
Francis Leveque



Responsible Care: our contribution to Sustainability



Introducing Sustainability



- The main challenges
- The importance of Chemistry

The Sustainability Challenges



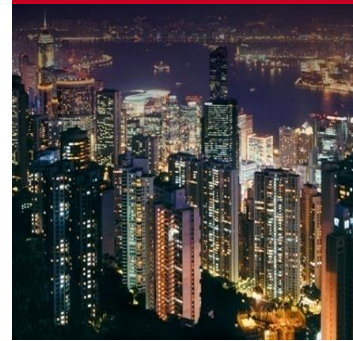
Health & Nutrition



9 billion people will live on earth by 2050!

- How can we guarantee food and water supply for everyone?
- What are possible benefits and contributions of plant science?

Construction & Housing



67% of the world population will live in cities by 2025!

- What does future architecture look like?
- Which materials are needed to make energy consumption more efficient?

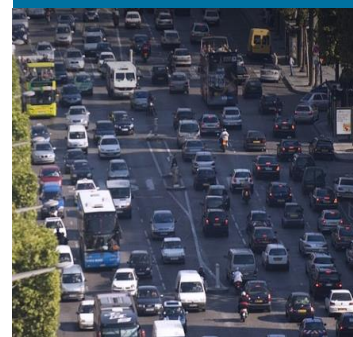
Energy & Resources



50% more primary energy needed in 2030!

- What is the ideal energy mix of the future?
- How big is the stake of renewable energy?

Mobility & Communication



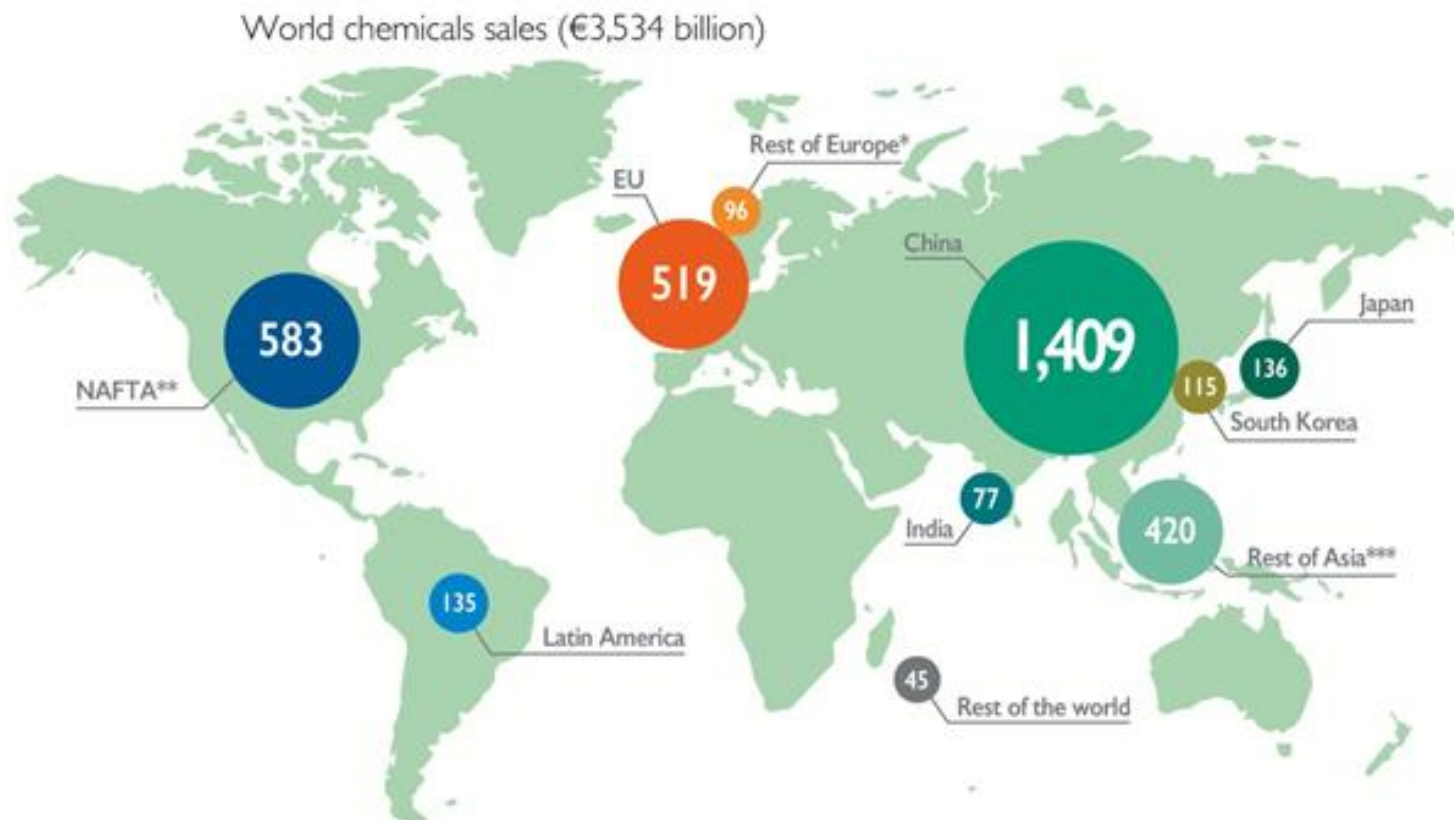
1.2 billion cars will drive on earth by 2020!

- How can we reduce emissions and fuel consumption?
- What will future cars be made of?

Europe is still a big player, but Asia outpaces all other regions



World chemicals sales: geographic breakdown



Source: Cefic Chemdata International 2016

* Rest of Europe covers Switzerland, Norway, Turkey, Russia and Ukraine

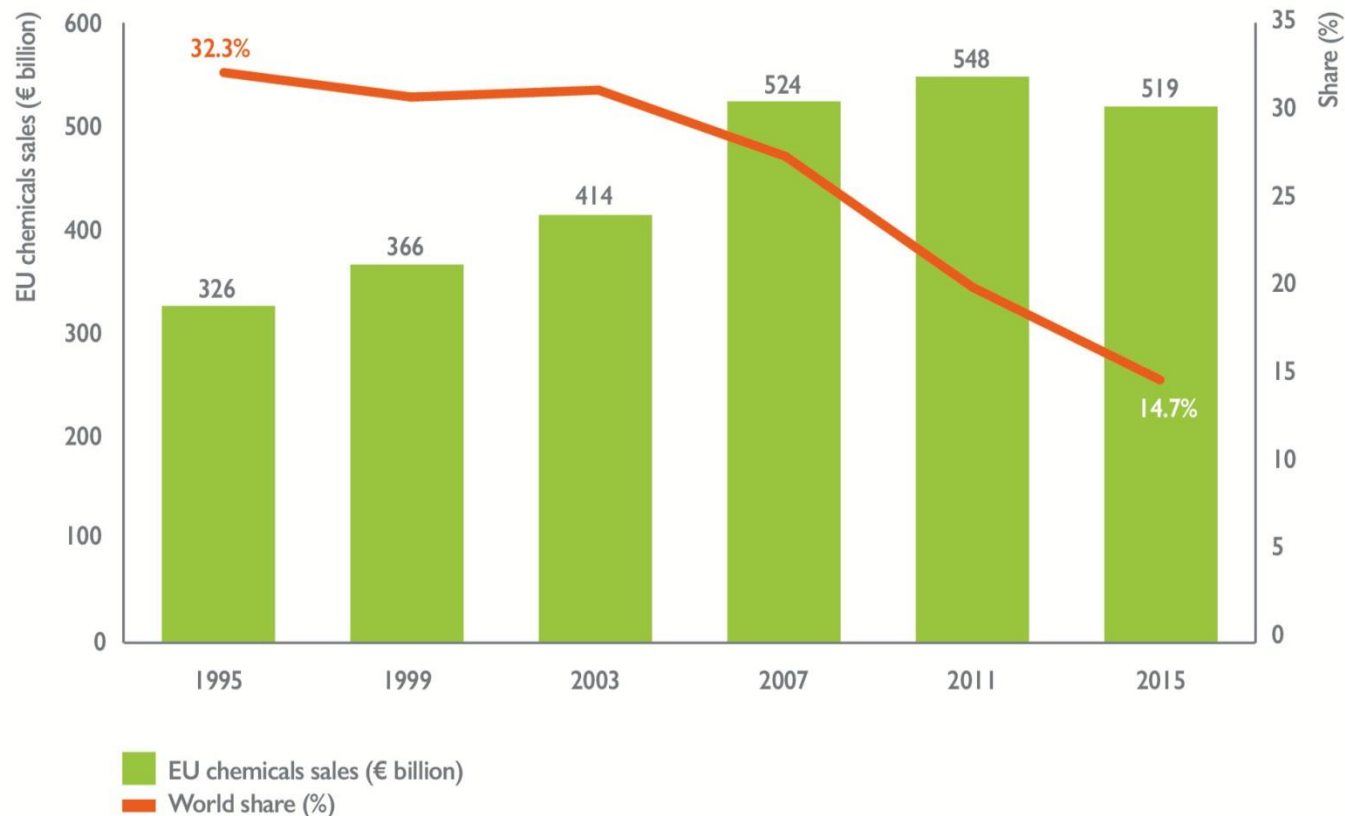
** North American Free Trade Agreement

*** Asia excluding China, India, Japan and South Korea

EU chemicals sales have expanded despite the fall in world market share



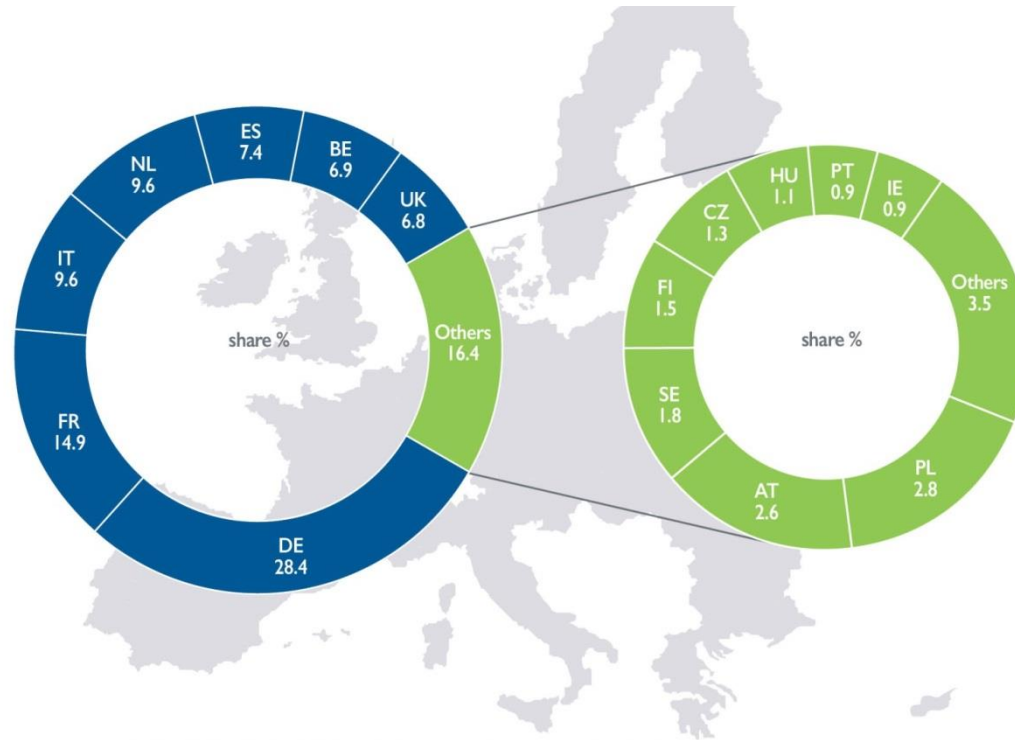
EU share of global chemicals market



The chemical industry in Europe



THE VAST MAJORITY OF EU CHEMICAL SALES IS GENERATED IN SEVEN EU MEMBER STATES – SALES 2013: €527 BILLION



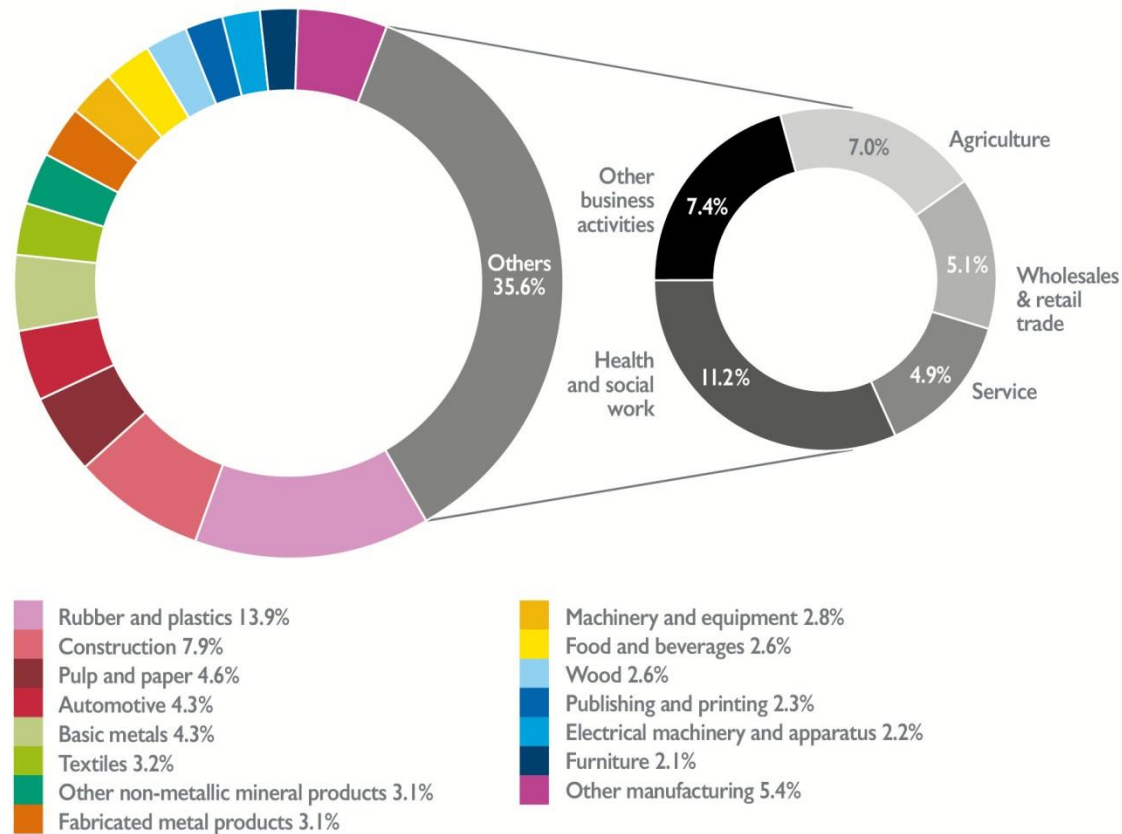
Source: Cefic Chemdata International (2014)

Nearly two-thirds of EU chemicals are supplied to the industrial sector

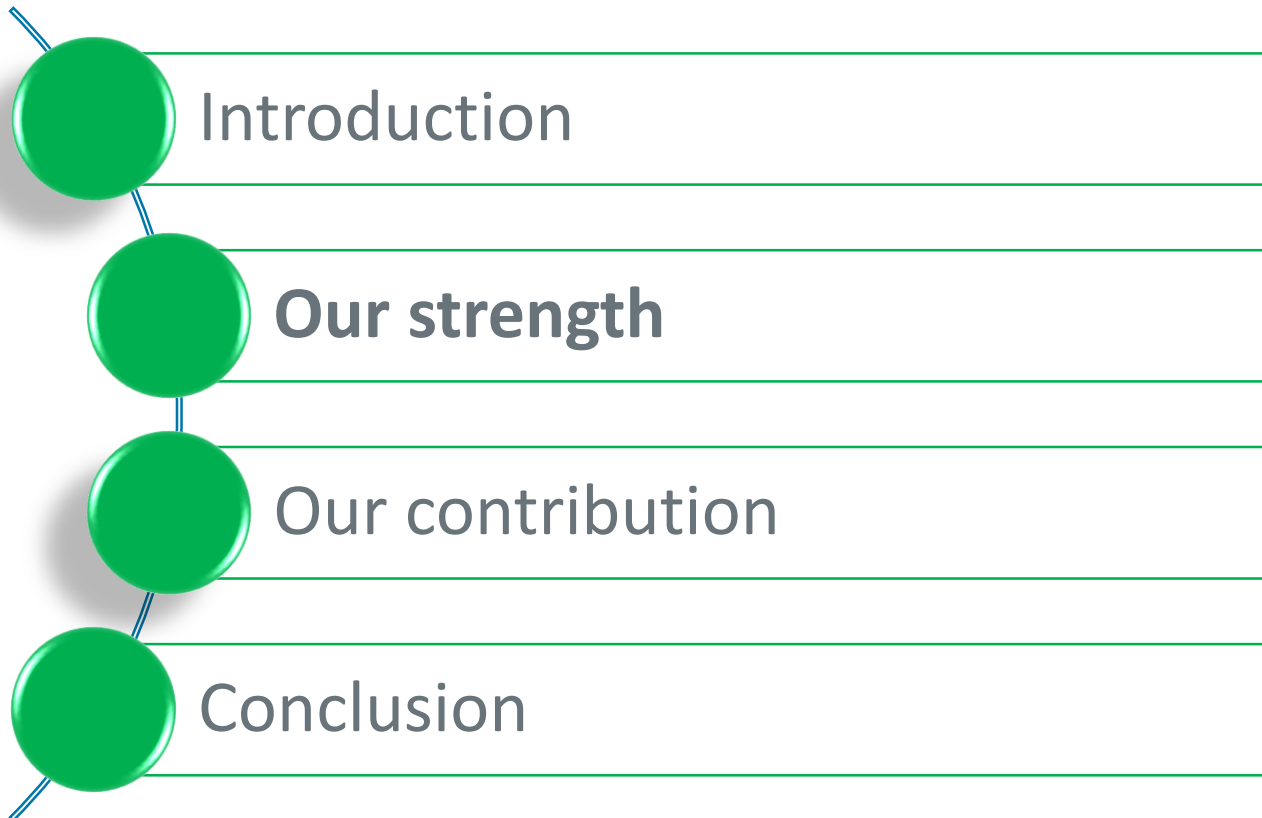


Contribution of the chemical industry to the EU economy

Customer sectors of the EU chemicals industry



Responsible Care: our contribution to Sustainability

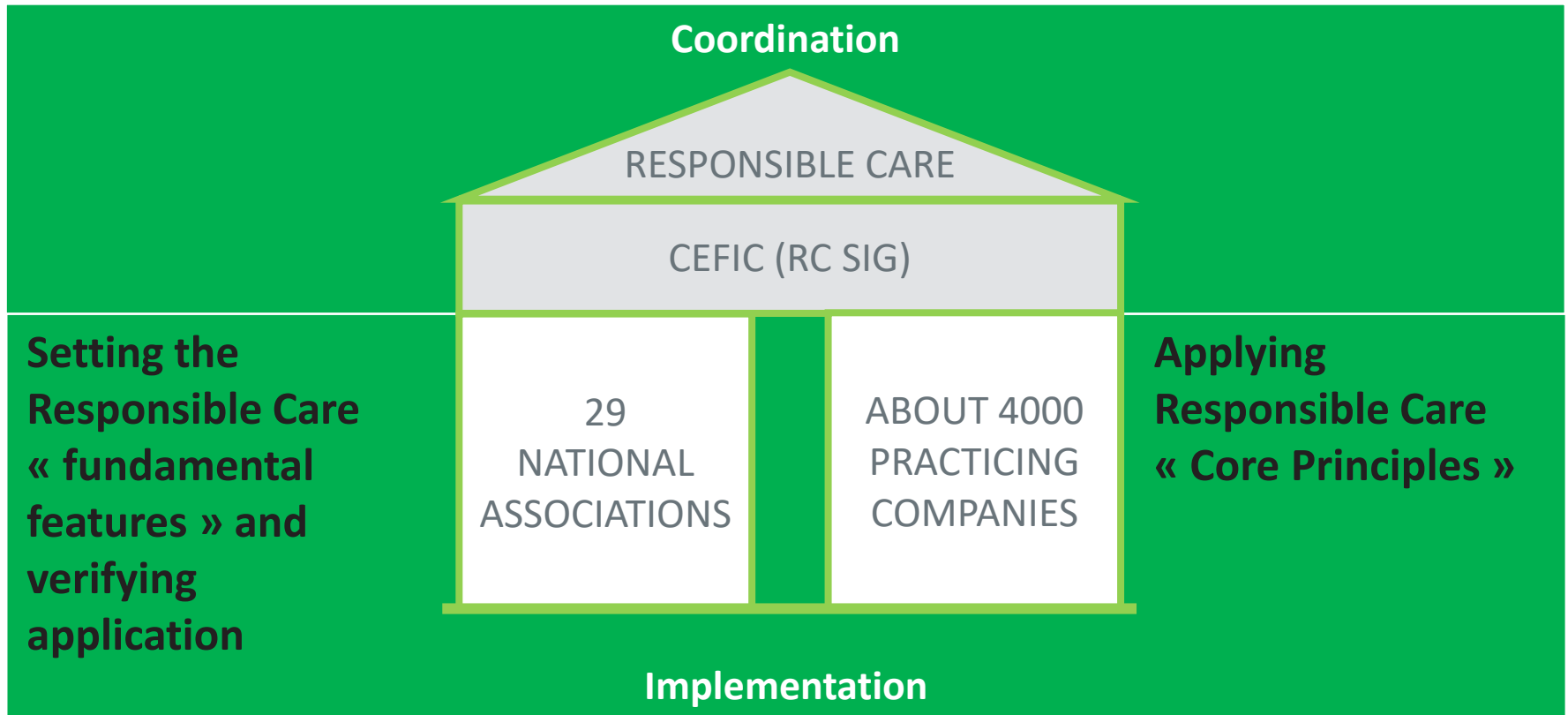


Our strength



- Responsible Care organization
- The Global charter
- The Logo
- Cooperating with key stakeholders
- Showcasing our successes

Responsible Care organization in Europe



National associations and companies: the two key pillars of implementation

In Europe, Cefic has a coordination role

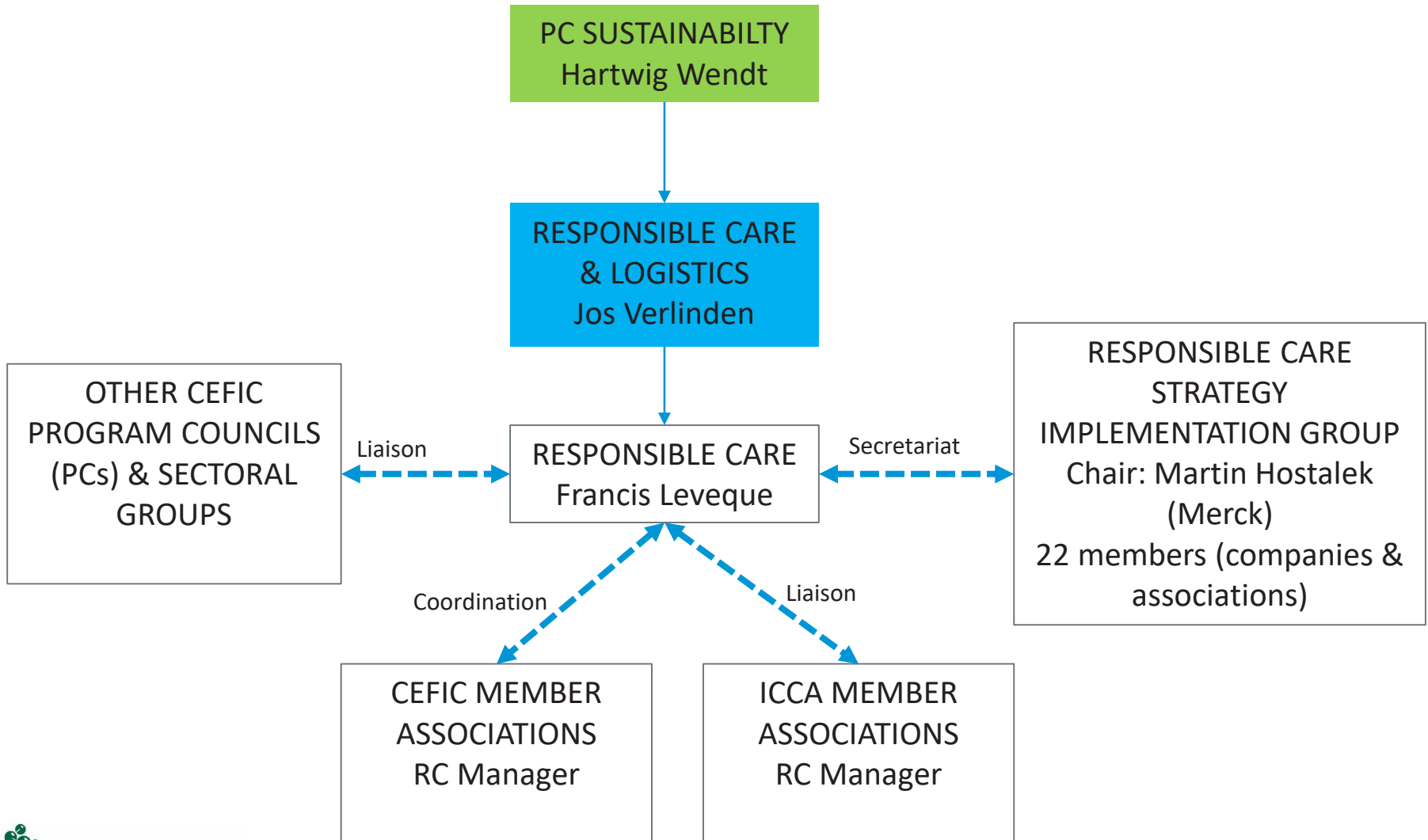
Introducing Cefic: the voice of the chemical industry in Europe



- Based in Brussels since 1972
- Representing the chemical industry in Europe **1.2 million jobs** – **17%** of world chemical sales
- One of the most active networks of the business community
- Interacting every day with stakeholders on behalf of its members

A growing membership:
about 230 new members joined Cefic in the last 5 years

Current organization at Cefic



New Responsible Care global charter



- Cefic's goal is to have as many companies as possible sign the new global charter in Europe
- End 2016, 101 member companies of Cefic have signed

With the Global charter, the chemical industry has set a unifying foundation of its contribution to Sustainability

The logo: providing visibility to practitioners



Responsible Care[®]
OUR COMMITMENT TO SUSTAINABILITY

- A trademark registered in every countries where Responsible Care is practiced
- ICCA guidelines for the use and protection of Responsible Care Trademarks

Developing Responsible Care along the value chain



- New MOU with FECC signed May 10th

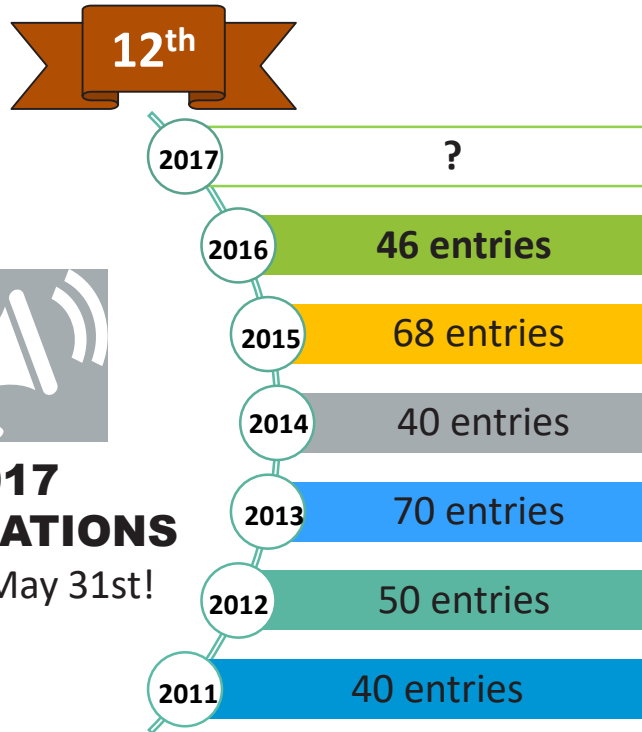


Strengthening our long-lasting commitment and cooperation in Responsible Care with chemical distributors

From left to right, M. Mensink (DG Cefic & Secretary ICCA) and E. Setien (DG Fecc) exchanged signed copies of the MOU in presence of Dr N. Prior (President Fecc), R. Stuyt (RC committee Chairman Fecc), E. Nordmann (President ICTA), and F. Leveque (RC manager Cefic) – Cefic offices May 10th, 2017

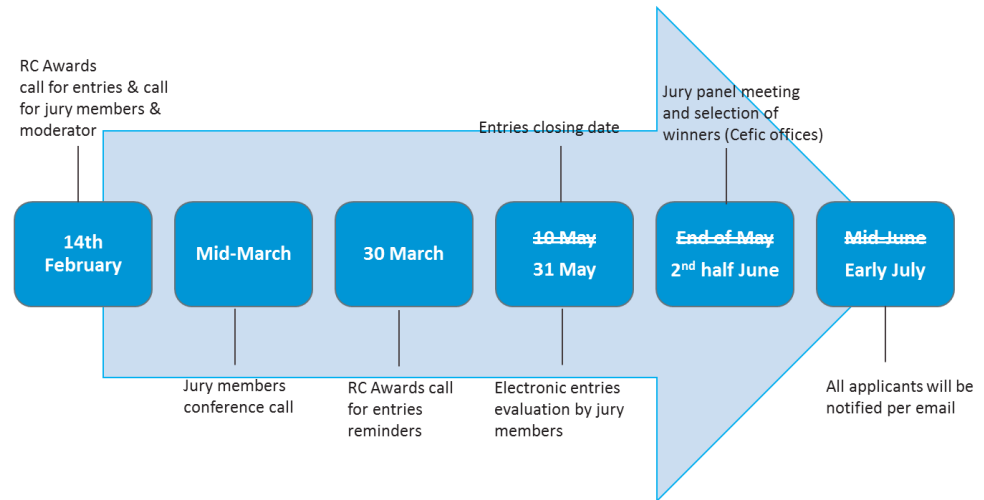
- New MOU with the Social partners (ECEG /IndustriAll) scheduled for signature June 14th
- MOU with the chemical transport association (ECTA) signed Oct. 2008

Showcasing the successes of Responsible Care: the European Awards



2017 APPLICATIONS
Closing May 31st!

Timeline 2017



Winner celebration ceremony during the public part of Cefic's convention (Vienna October, 27th, 2017)

Nourishing the dialogue with key stakeholders



- OPCW



ORGANISATION FOR THE
PROHIBITION OF CHEMICAL WEAPONS

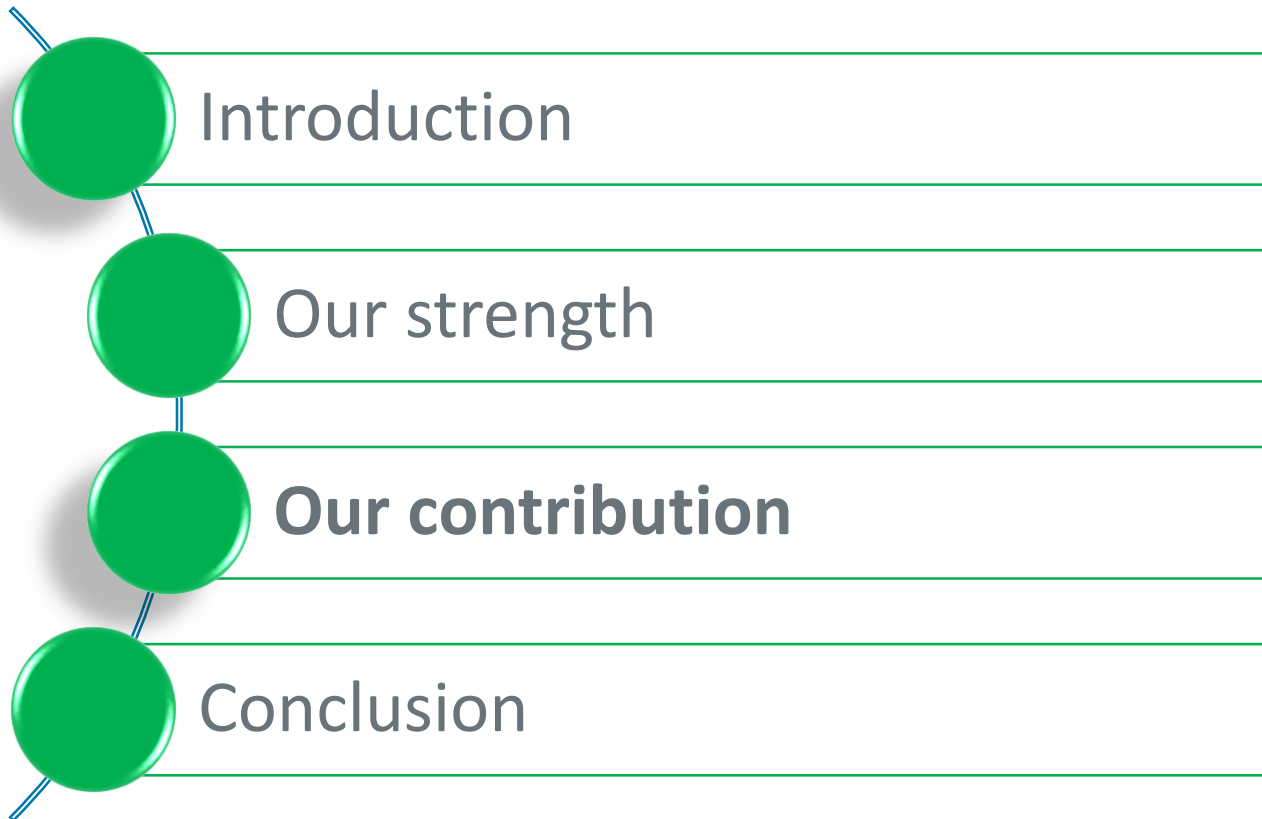
Showing our commitment to the CWC; strengthening the long-lasting cooperation with the OPCW; promoting Responsible Care

- UN-Environment



Showing our commitment to SAICM; strengthening the long-lasting cooperation with the UN; promoting Responsible Care

Responsible Care: our contribution to Sustainability

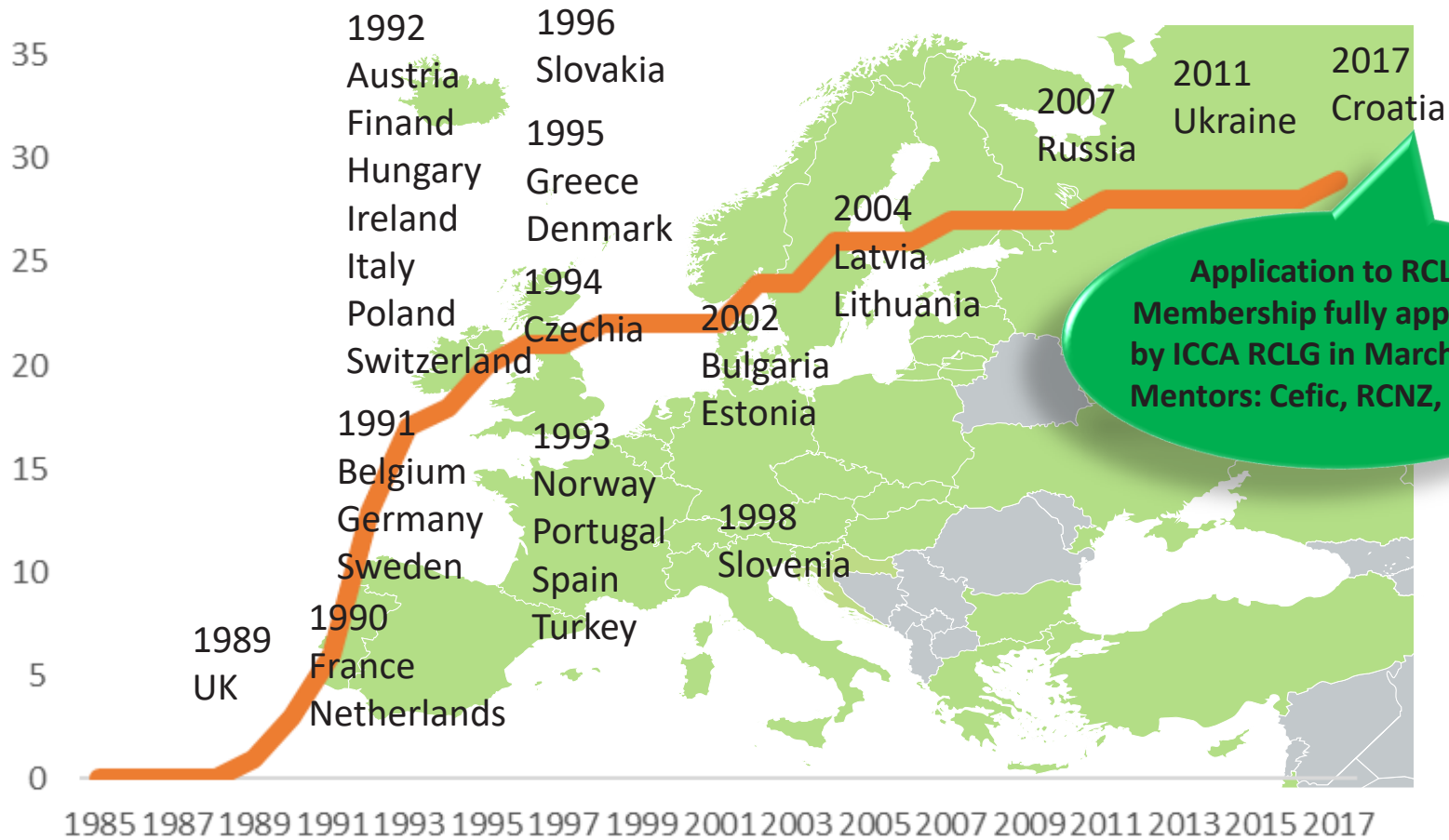


Our contribution



- Capacity building
- Key Performance Indicators
- The Awards
- Management Framework

Responsible Care in Europe



Today in Europe, Responsible Care is practiced in 29 countries

Moving forward: capacity building



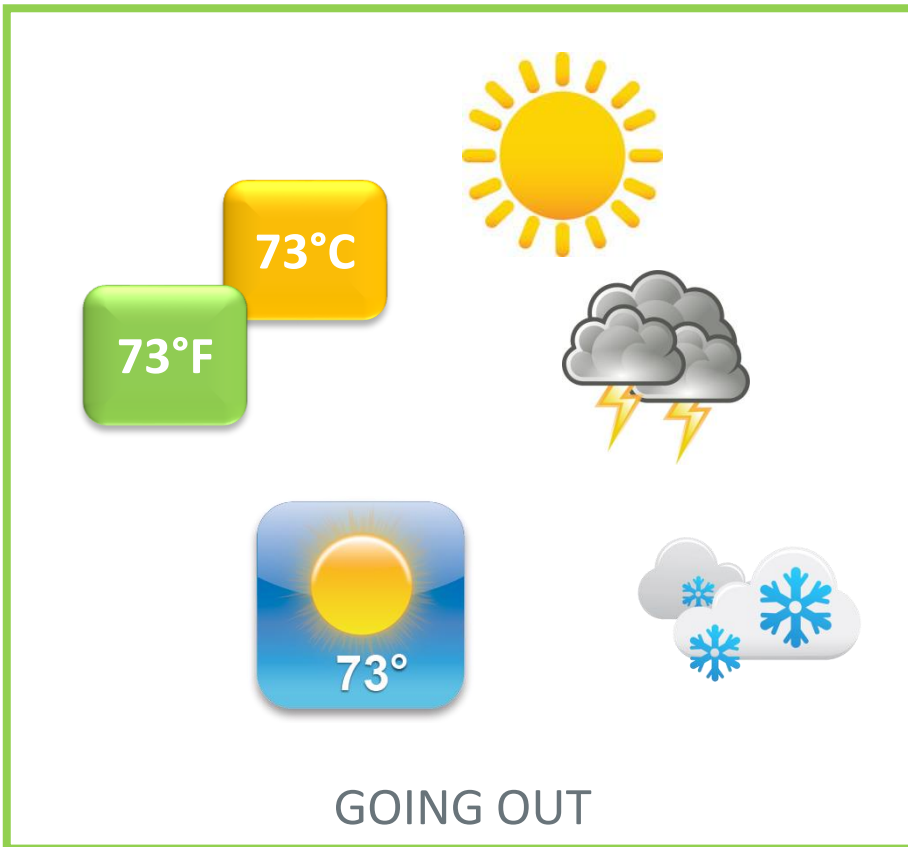
Albania
First contact
initiated

Serbia
First contact
established
(meeting to
schedule)

Romania
Plan for applying to ICCA
RCLG under elaboration
Mentors: Cefic, Merck, ORTO,
Estonian Fed., VNCI,
Dow, BASF

Belarus
Workshop co-sponsored
With the OPCW
Mentors: MUCT /IUPAC, RCU, Cefic, BASF
(Also targeting former Soviet republics
of central Asia speaking Russian)

KPIs are essential in everybody's life



Helping everybody making safe and secure decisions

Different ways to deal with the same topic with regional variance

Key Performance Indicators (KPIs): proving the continuous improvement hallmark of Responsible Care



By practicing Responsible Care, companies commit to contribute to sustainability through improved performance, expanded economic opportunities and the development of innovative technologies and other solutions to societal challenges

(Element n°6 of the Responsible Care Global Charter)

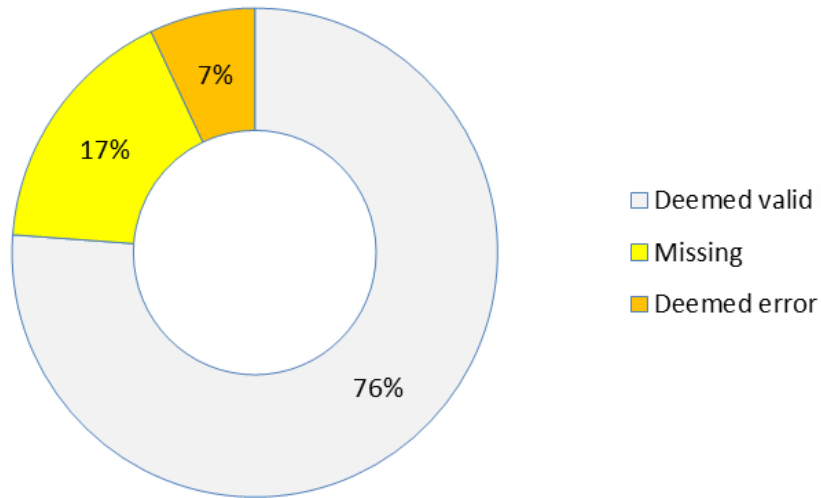
With the Responsible Care KPIs, we are addressing Sustainability goals



Audit of KPIs reported by Cefic member associations - Nov. 2015



QUALITY ASSESSMENT - ALL KPIS



- List of 51 KPIs
- 11 446 entries in database
- Period from 1998 to 2013
- **Urgent need to improve quality**

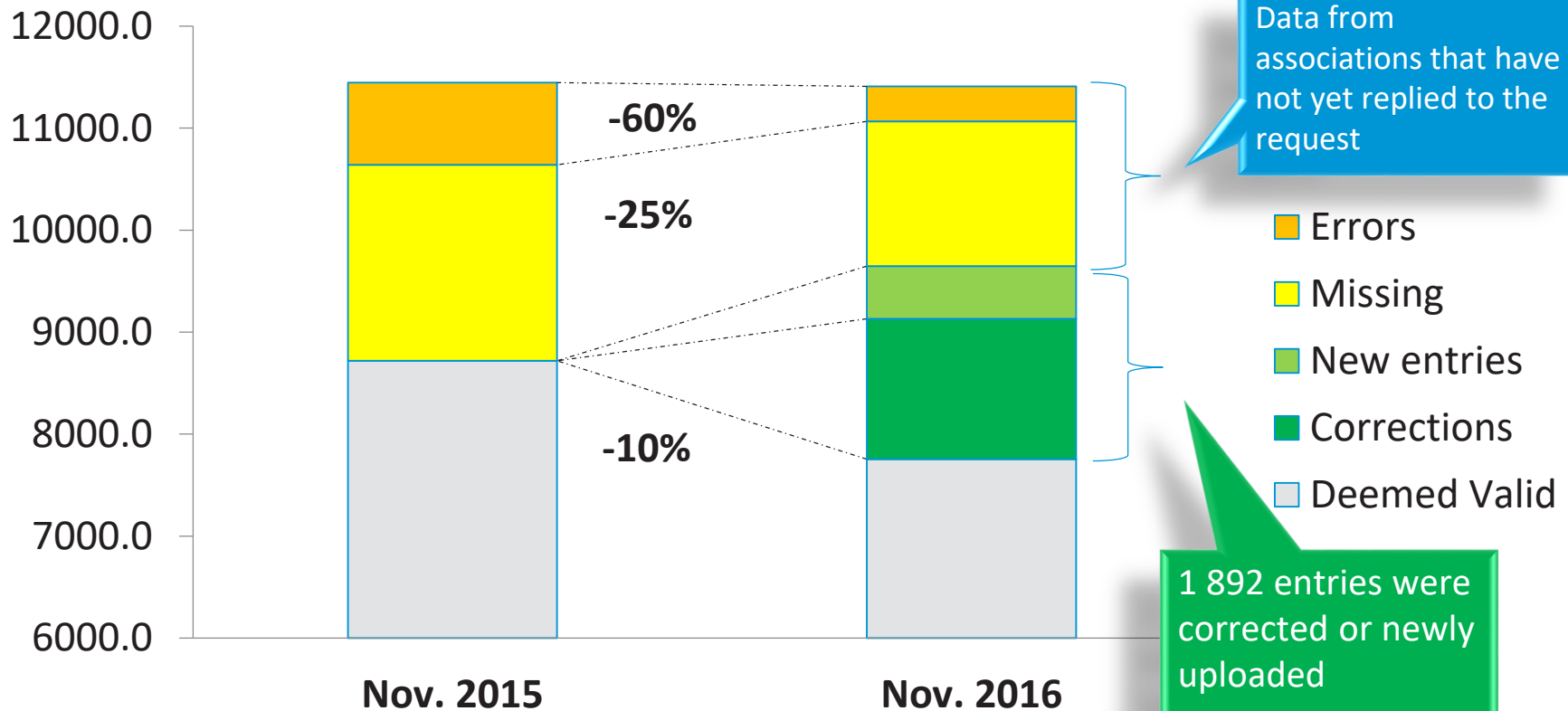
Action Plan

- Pilot group
- Phase I: filling the gaps (2016 - closed)
- Phase II: consolidating improvements (2017 - in progress)

KPIs action plan preliminary results: concrete quality improvement



Number of entries



Moving forward with the KPIs: consolidating improvements



SHORT TERM ACTIONS

- Report less but better KPIs

- KPIs reporting to Cefic aligned on ICCA's requirements
- Simplifying entries revision
- Restarting publishing KPIs on Cefic's website

LONGER TERM ACTIONS

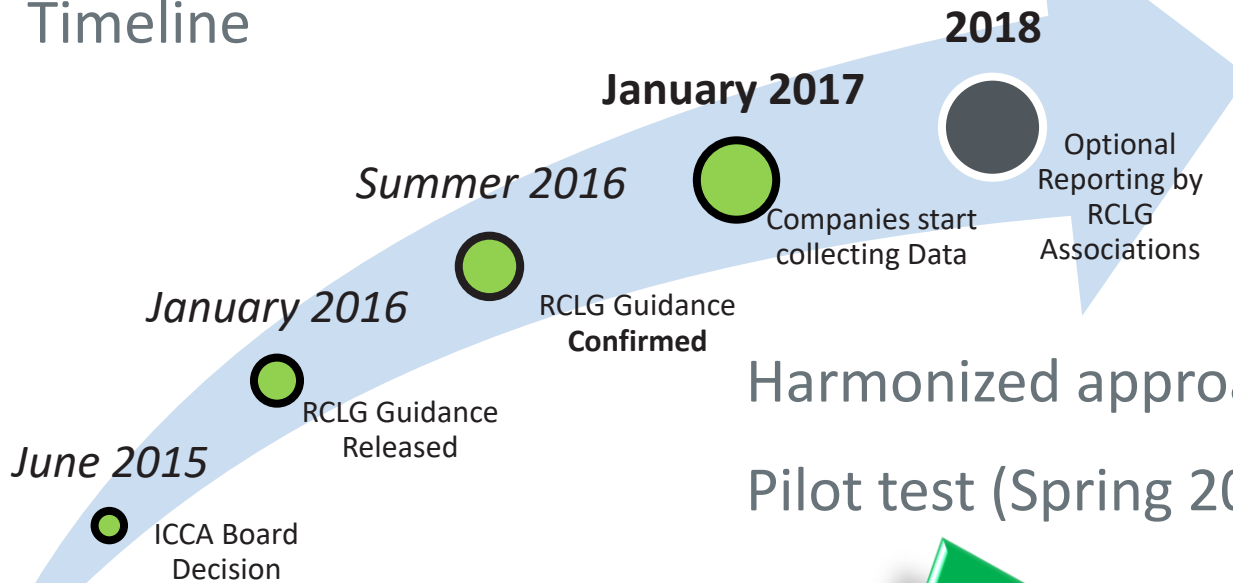
- Provide benefits to the member Associations

- Deepen our understanding of KPIs
- Create dashboards for members
- Keep supporting /encouraging lagging associations

Moving forward with the KPIs: New RCLG Process Safety KPI



Timeline

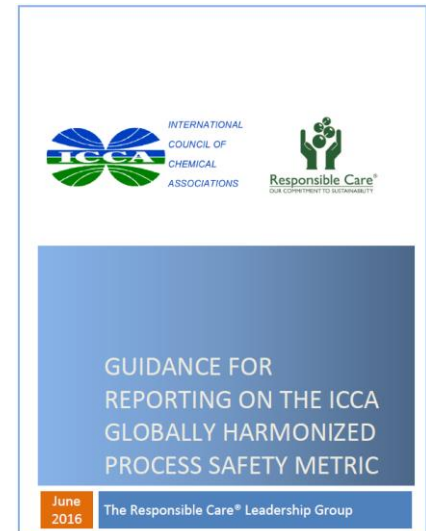


2020
Mandatory reporting by RCLG Associations (2018 data)

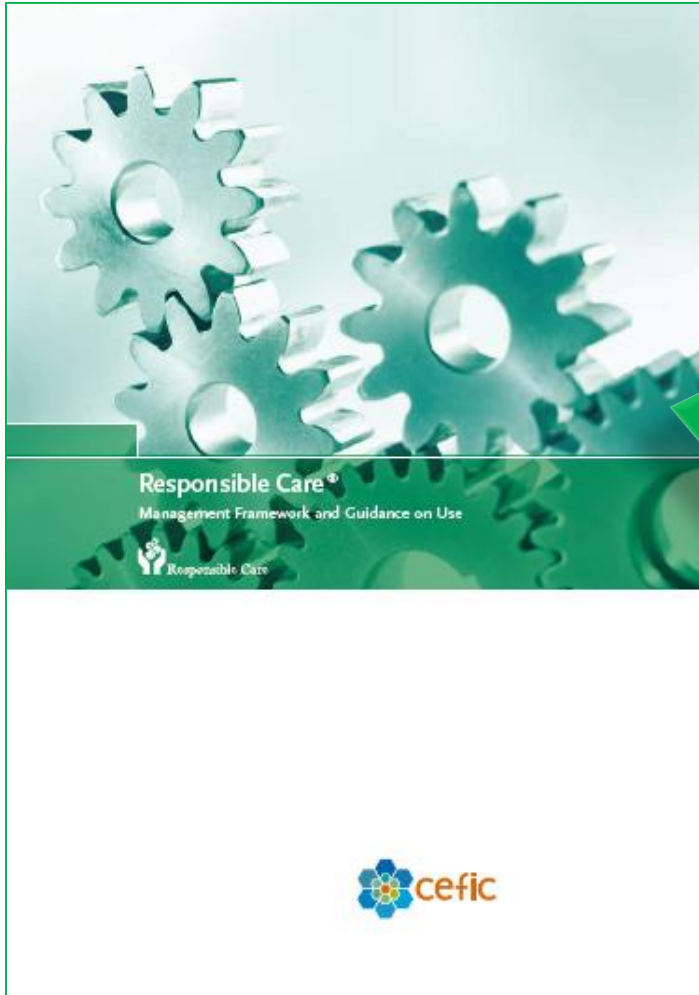
Harmonized approach validated by a Pilot test (Spring 2016)

Goals

- Enhance safety culture ; communicate transparently
- Drive improvements to fewer and fewer incidents
- Improve reputation, credibility



Updating the Responsible Care Management Framework



Current management framework (dated June 23rd, 2005) needs update

Action plan (in progress)

- Workgroup set up to draft a proposal
- Main updates:
 - ✓ ISO 9001/2015 and ISO 14001/2015
 - ✓ RC along the Supply Chain
 - ✓ Addressing Sustainability and Corporate Responsibility
 - ✓ Circular Economy etc.

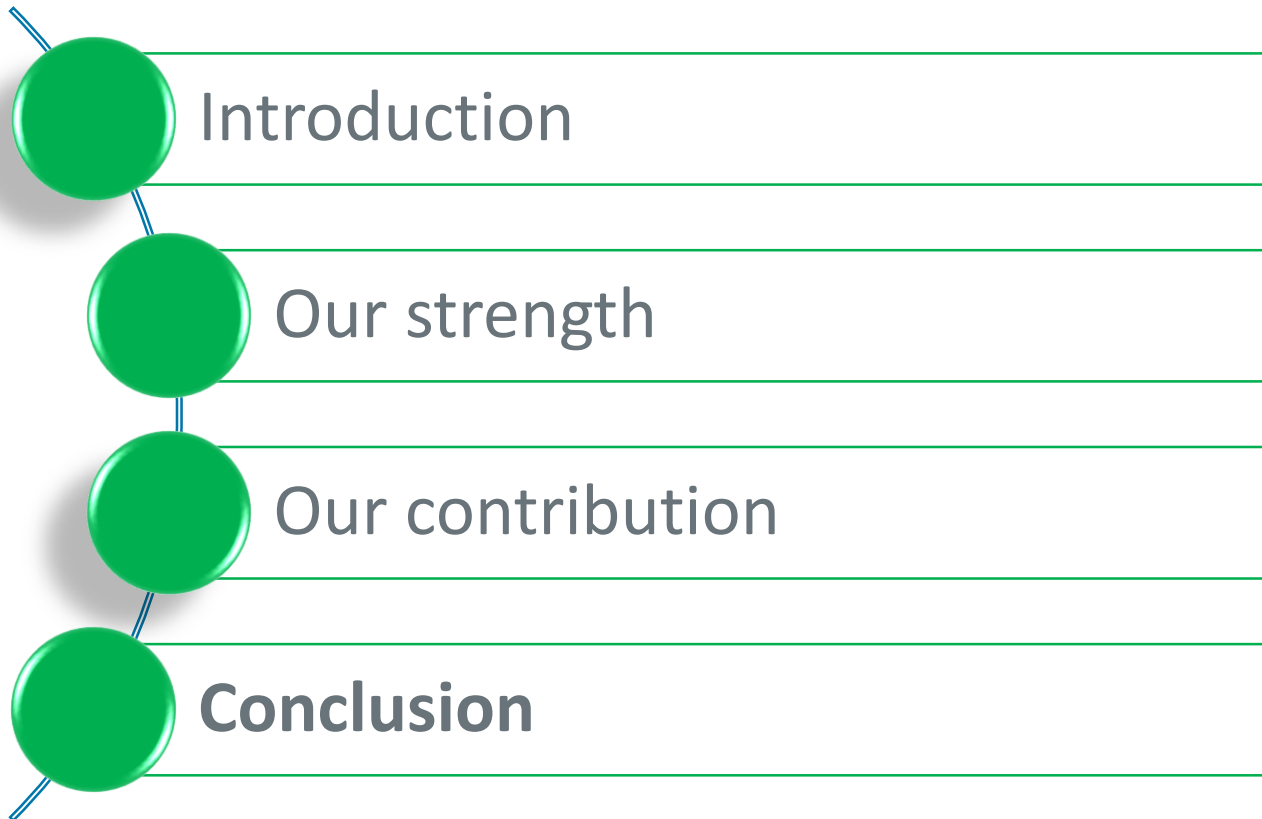
Looking at the longer term



A FEW QUESTIONS ON THE AGENDA OF THE RCSIG

- Improving Responsible Care visibility
- Setting up a common vision and strategy
- Focussing on education and outreach
 - Exploring the e-learning potential
- Avoiding duplication of tasks across members

Responsible Care: our contribution to Sustainability



Conclusion



- Responsible Care is the **foundation of a sound and robust approach of Sustainability** in the chemical industry
- With the **potential to broaden its current reach** to encompass more Sustainability themes
- With **three main areas of focus**, namely: (1) Perfecting and deepening KPIs; (2) Increasing visibility, and (3) Building capacity



Thank you very much

Contact us: fle@cefic.be; visit our website www.cefic.org