Communication on progress 2011



1. Introduction – Our company

In 2011 ADDINOL celebrates its 75th anniversary as the historical roots of our company go back as far as 1936. The former Mineralölwerk Lützkendorf was founded on October 26th, 1936. Within a few years it became one of Germany's largest refineries. Shortly afterwards World War II and its outcome ended the upturn suddenly. Plants had been almost completely destroyed. However, already in 1945 rebuilding started and production was resumed quickly. In the following decades the plant was a nationally-owned enterprise and covered the major share of the lubricant demand of the GDR. After the German Reunification the company changed its name to ADDINOL – Additives in Oil – which had been the name of its most famous brand before.

Today ADDINOL develops and produces high-performance lubricants which set new standards at the chemical site in Leuna/Saxony-Anhalt. We are one of the few companies in the German mineral oil industry acting independently of any large business group and have distributor partners on all continents in more than 80 countries. Our product range includes more than 600 high-performance lubricants such as engine oils for motor vehicles, a broad range of oils and greases for industry and special products at the cutting edge of technology. With our innovative high-performance lubricants and our competent customer service we provide the optimum solution for almost all applications.

Many things have changed since founding the company back in 1936; however, we still follow the same values: outstanding quality, understanding for the requirements of our customers, flexibility and our superior commitment.

ADDINOL high-performance lubricants – our innovations are based on experience and competence!

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Lube Oil GmbH - Hochleistungs-Schmierstoffe/ High-Performance Lubricants

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2. Letter of support

Since September 2007 ADDINOL Lube Oil GmbH is a member of the UN Global Compact. Already before our membership in the United Nations Global Compact ADDINOL supports the objectives, which are summarised in the 10 principles:

- **Principle 1** Businesses should support and respect the protection of internationally proclaimed human rights.
- **Principle 2** Businesses should ensure that they are not complicit in human rights abuses.
- **Principle 3** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.
- **Principle 4** Businesses should support the elimination of all forms of forced and compulsory labour.
- **Principle 5** Businesses should support the effective abolition of child labour.
- **Principle 6** Businesses should support the elimination of discrimination in respect of employment and occupation.
- **Principle 7** Businesses should support a precautionary approach to environmental challenges.
- **Principle 8** Businesses should undertake initiatives to promote greater environmental responsibility.
- **Principle 9** Businesses should encourage the development and diffusion of environmentally friendly technologies.
- **Principle 10** Businesses should work against corruption in all its forms, including extortion and bribery.

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These ten principles reflect the minimum standards of human rights, job norms, environmental protection and the fight against corruption. Due to its membership ADDINOL has the possibility to contribute to a fairer globalisation.

For a respectful and responsible approach to our environment, for the support and respect of human rights as well as for the adherence to standards of health and safety, the management and employees of ADDINOL Lube Oil GmbH practise the active implementation of these principles at the company.

This COP reflects a period from September 2010 to September 2011.

3. The compliance of the principles

Principle 1 and 2

ADDINOL respect and supports the international human rights within our sphere of influence and operate our business in such a way as tomake us an exemplary employer. We provide a safe work environment for our partners, customers, suppliers and employees. We are very careful to ensure the strict implementation and compliance at involved suppliers.

Principle 3

ADDINOL recognise the employees freedom of association and their right to collective bargaining. All employees of ADDINOL have the right to join trade unions and form employee representations. Employees within trade union organisations or employee representative are neither preferred nor disadvantaged. Through its possible commitment a preference or disadvantage is not been given to the employees.

Principle 4 and 5

We condemn any kind of child labour as well as forced and compulsory labour. We stop all cooperations with business partners, which use child labour and violate human's dignity.

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Principle 6

ADDINOL Lube Oil GmbH does not accept any harassment, discrimination, insult or similar behaviour due to origin, race, religion, political opinion, sex or handicap. Furthermore, ADDINOL also employs physically and socially disadvantaged people. ADDINOL has business partners in all parts of the world, which meet regularly at international partner conferences. Continuous co-operation as well as an active exchange of experiences will promote cultural diversity as well as mutual respect and understanding. Discriminations in every possible way are avenged by ADDINOL with employment consequences.

Principle 8

Process heat recovery

For ADDINOL it is out of a question to release unused valuable energy into the environment. Our company uses the available residue heat from steam condensate as energy source. The steam condensate provides the heat energy for all heating circuits required in our production plants. Thanks to the industrial steam condensate transformation ADDINOL contributes to an energy saving as well as to a reduction of CO₂ emissions.

Principle 9

Resource and energy saving by modern mould release oils for AAC production

A main objective of our research and development department is the formulation of new high-performance lubricants to realise a saving of fuel and power. Hence, a responsible and sustainable handling with resources can be realised. ADDINOL develops a new generation of mould release oils for production of aerated autoclaved concrete (AAC). In comparison with competitor mould release oils for AAC production a reduction of oil consumption as well as a decrease of power consumption is achieved:



saving money and oil by lower consumption



saving heating energy by the ideal viscosity for application

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Cella Rotenburg	ADDINOL Mould Release Oil F 135	Competitor
lant type / Manufacturer	Masa-Henke	
ype of application	Spraying	
osts per kW/h	0,09 €	
vestment of mould oil per liter [Drum]	1,38 €	1,05 €
iscosity of mould release agent at 40°C	135 mm²/s	187 mm²/s
il consumption per mould	0,80 Liter	1,50 Liter
aving oil cumsumption	-47 %	
il consumption per year	21.333 Liter	40.000 Liter
eating temperature	45 °C	50 °C
aving of energy	-10 %	
nergy consumption per year	40.500 kW/h	45.000 kW/h
otal costs per year	33.085,00 €	46.050,00€
rofit because of change per year	12.965.00 €	
Oil consumption per year	Energy consumption per year	
45.000 Liter	46.000 kW/h	
40.000 Liter -	45.000 kW/h 44.000 kW/h	
	43.000 kW/h	
35.000 Liter -	42.000 kW/h	
30.000 Liter -	41.000 kW/h	
	40.000 kW/h	+
25.000 Liter -	39.000 kW/h	4
20.000 Liter	38.000 kW/h	
ADDINOL Mould Competitor Release Oil F 135	ADDINOL Mould Release Oil F 135	Competitor

Scheme 1:

Cost calculation of ADDINOL Mould release Oil F 135 compared with a competitor product.

Please note: Every AAC plant is individually. The given values are not in every casetransferable. The values depends on the local operating conditions.

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Welcome to the World of ADDINOL