

## 1. Introduction – Our company

### Welcome to ADDINOL, probably Europe's most modern lubricating plant!

“The ADDINOL Lube Oil GmbH is one of a few companies in the German mineral oil industry acting independently of any large business group and having distributor partners on all continents in more than 80 countries. At the chemical site in Leuna, Saxony-Anhalt, we develop and produce high-performance lubricants which set standards.”

Georg Wildegger, General Manager of the ADDINOL Lube Oil GmbH

Research & development and our applications advice service together make up a vital part of our core competence. The latest analysis equipment of our in-house laboratory is state-of-the-art. Here we develop the formulations of our innovative high-performance lubricants, test all finished products carefully and analyse all raw materials thoroughly before their use.

For storing all the base oils and liquid additives we possess large stock facilities with indoor and outdoor tanks. From the very beginning all base oils and additives are stored separately. By different sections they are led to the production plants as required. For blending we use blenders which have been constructed especially for their purpose. In these we produce our high-performance lubricants according to our formulations and by incorporating our know-how and highly modern technology. Only after passing comprehensive quality checks the lubricants are led to the storage tanks. Afterwards they are filled into containers or drums or our attractive turquoise cans. The finished products are stored in our own logistics centre and wait there for being shipped to partners and customers all over the world. Bulk products are led into tank trucks directly on the spot and weighed exactly. Then the lubricant starts its journey in tank trucks.

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

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Welcome to the World of ADDINOL - [www.addinol.de](http://www.addinol.de)



Containers and all other packages are shipped via train or truck within Europe, overseas is reached by ship. In almost all countries of the world customers appreciate the unique performance and the outstanding quality of ADDINOL high-performance lubricants made in Leuna.

**ADDINOL High-performance lubricants.**

**Our innovations are based on experience and competence!**

## 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:

### Human Rights

**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.

### Labour

**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.

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### Environment

**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.

### Anti-Corruption

**Principle 10** Businesses should work against corruption in all its forms, including extortion and bribery.

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 2011 to September 2012.

## 3. The compliance of the principles

### Principles 1 & 2

ADDINOL Lube Oil GmbH respects the internationally accepted human rights within our sphere of influence and operates our business in such a way as to make us an exemplary employer. We aspire to co-operate intensively with business partners, which profess the entrepreneurial responsibility as well as the protection of the human rights and their compliance.

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We support civil courage and take the necessary initiative to ensure responsibility towards our employees. ADDINOL Lube Oil GmbH promotes health and safety protection at work.

## Principles 3, 4, 5 & 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. Discriminations in every possible way are avenged by ADDINOL with employment consequences. We condemn any kind of child labour as well as forced and compulsory labour. We stop all co-operations with business partners, which use child labour and violate human's dignity.

## Principles 7, 8 & 9

All over the world we face a shortage of resources, an increasing energy demand and the problem of global warming because of greenhouse gases resulting from the burning of fossil fuels. To protect environment and resources ADDINOL Lube Oil GmbH aims at a sustainable application of the valuable raw material oil. For one part this will be realised by recycling all empty oil cans of plastics or metal sheet.

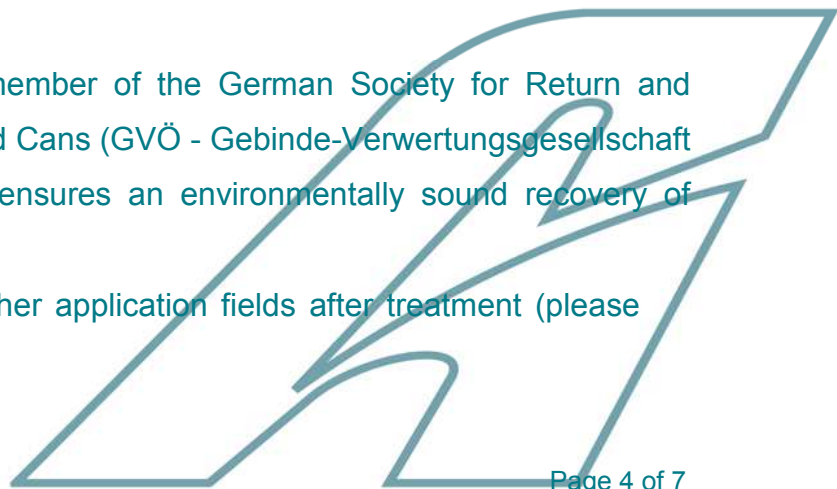
### Recycling instead of waste

Since many years ADDINOL is a member of the German Society for Return and Recovery of Empty Oil Containers and Cans (GVÖ - Gebinde-Verwertungsgesellschaft der Mineralölwirtschaft mbH). GVÖ ensures an environmentally sound recovery of empty oil containers and cans.

The returned oil cans are used in other application fields after treatment (please see flow chart below)

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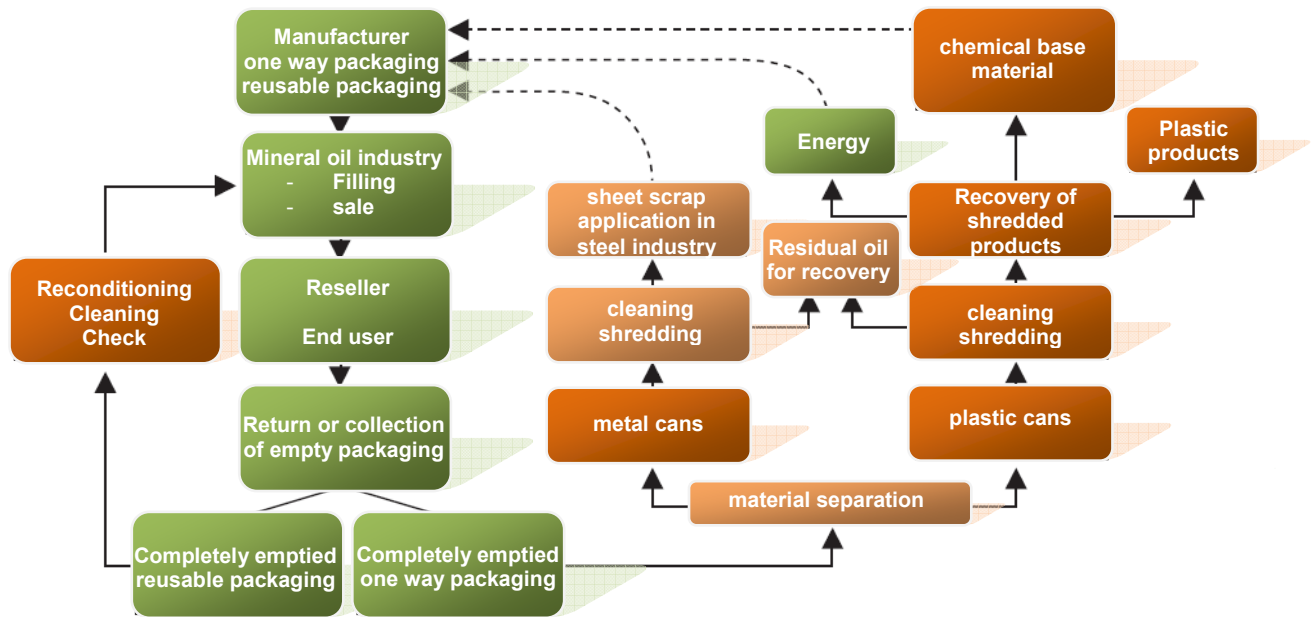


Chart 1: Cycle of reusability of GVÖ – can and container return and recovery

Source: <https://www.gvoo.de/service/downloads>

Since many years ADDINOL participate in sustainable recycling of empty oil cans and containers made by plastics or metal sheets.

Recycling of plastics and metal sheet make an important contribution to climate protection: every ton of plastic packaging which is collected separately, saves approx. 1.26 ton of harmful greenhouse gases.

Overview about ADDINOL products and projects to promote greater environmental responsibility

**1. Energy saving by friction reduction**

The optimisation of energy efficiency holds an enormous saving potential for almost every industrial plant or company and helps to reduce operating costs permanently. Innovative hydraulic fluids increase efficiency of hydraulic systems and reduce energy consumption of plants.

In long-term tests, for instance in injection moulding machines and large hydraulic presses for manufacturing autobody sheets operators documented savings of up to 5%.

## 2. Electricity from the farm

More and more agricultural areas in Germany are used for the production of re-growing materials. Regionally available material and parts of plants, which were unused until now, are the basis for the generation of biogas. Silage, rape cake, pulp as well as corn get into a fermenter. If necessary the biomass is chopped before. In the fermenter biogas is generated through anaerobic fermentation and putrefying processes; its composition varies. The generated biogas is fed to a gas engine, which powers a generator for electricity generation. ADDINOL Lube Oil GmbH supports and furthers the application of electricity generation without the use of fossil resources. For the environment, a biogas plant pays off: emissions fostering the greenhouse effect are reduced. Only the quantity of CO<sub>2</sub> is released, which was bound by fermented plants before. Furthermore, refined biogas (also called bio methane or bio natural gas) can be used as fuel for natural gas vehicles without restrictions.

## 3. Climate protection begins at home – ADDINOL Gas engine oils for micro-CHP

Never before have such subjects as energy efficiency, CO<sub>2</sub>-balance and protection of the environment been debated as much as they are at the moment. Also when it comes to the supply of private households with heat and electricity alternative approaches gain in importance. The magic formula: decentralised energy supply by the help of compact units, so called micro-CHP, using the principle of combined heat and power generation. By producing heat and electricity simultaneously the input energy (mainly natural gas) is converted with optimum results.

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These micro-CHPs achieve efficiencies of more than 80 %; between 10 to 40 % primary energy is saved, compared to the separate production of heat and electricity CO<sub>2</sub>-emissions are reduced by up to 60 %.

At the moment there are several companies at the market offering micro-CHP. All of these plants are similar regarding their conditions of operation and the typical requirements: high temperature loads, stop-and-go operation, small oil volumes and the wish for long lifetimes with minimum maintenance effort. For their convenient use ADDINOL provides two synthetic gas engine oils perfectly tailored to these particular operating conditions.

### Principle 10

ADDINOL Lube Oil GmbH fights against corruption and fraud in their business activities. We expect integrity of our employees and business partners as well as corresponding courage to proceed against corruption. All staff members of ADDINOL are responsible to ensure anti-corruption and all cases of corruption are reported to the management.

