

The Global Compact

Communication on progress 2009



1. Introduction

The world grows together stronger and stronger. This is reflected by continuously growing and transnational flows of goods, money, information and people. Globalisation improves the general living conditions in many areas – but at the same time it leads to an expansion of problems caused by human acting. It is undisputed that companies as value added organisation play a major role in the globalisation process. Basis of entrepreneurial activity is a functioning framework, which settles binding rules for all market participants. National governments are responsible for shaping and protecting this framework, however, their ability to act is restricted to the national borders. As a result of the growing transparency the society perceives mismanagement more often. People criticise that concerns put their profit motives before the welfare of people. These voices of the society have become louder and louder during the last years and they demand more and more often that companies assume social responsibility.

2. Company profile

ADDINOL Lube Oil GmbH located in Leuna/Saxony-Anhalt is a medium-sized company in the sector of high-performance lubricants for automotive and industrial applications. Development and production are carried out at the chemical site in Leuna which has a long tradition.

3. Statement of support

Since September 2007 ADDINOL is a member of the UN Global Compact. By its membership ADDINOL undertakes to realise the ten principles of the UN Global Compact within its worldwide entrepreneurial activity. These ten principles reflect the minimum

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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.

In the following it is described how ADDINOL supports and realises the principles 1, 6, 7, 8 and 9.

This COP reflects a period from September 2008 to September 2009.

4. The compliance of the principles

Principle 1

Business should support and respect the protection of internationally proclaimed human rights

It is guaranteed by regular controls and training courses that all legal guidelines for the compliance of occupational safety as well as health protection are adhered to by all employees. A healthy and safe work, defined in the system for sanitary and safety management, is a condition for a healthy economic development.

Principle 6

Business should uphold the elimination of discrimination in respect of employment and occupation

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.

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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.

Principle 7

Business should support a precautionary approach to environmental challenges

A responsible product portfolio as well as aspects of environmental protection are considered and maintained over a maximum period of the whole product life. Because of longer oil drain intervals and a demonstrable oil reduction, the total quantity of waste oil is decreased simultaneously – which reduces the negative impact on the environment.

Some industrial oils and greases are biodegradable and minimise the eco-toxicological pollution during a contamination with soil and waterbodies.

Principle 8

Business should undertake initiatives to promote greater environmental responsibility

The support of renewable energies is one of our most important objects. We are active in the sectors of biogas, wind and hydroelectric power and supply these branches with accordant high-performance lubricants.

Power plants

ADDINOL Lube Oil GmbH supports and furthers the application of electricity generation with high continuity and almost without CO₂ emission. ADDINOL Lube Oil GmbH offers innovative high-performance gear oils with long operating times and maximum utilization of energy. A specific additive combination of ADDINOL high-performance gear oils protects against material fatigue and wear. Thereby a high potential of energy saving will be achieved by reduced friction loss and lower oil sump temperatures.

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Hydroelectric power

Hydroelectric power plants are designed for an operation over many decades. However, the generation of energy out of hydroelectric power is only sustainable if all components can be used over a long period, especially the gears of the turbines and their lubricants. Using an efficient gear oil influences lifetime of both gears and lubricant and also the amount of used oil to be disposed in a positive way. This directly leads to a reduction of operating costs.

Many products of the ADDINOL lubricant range do not only achieve longer oil operation life, they also enable a longer lifetime of machine elements. Thus, our high-performance gear oils facilitate a lower resource consumption by wear reduction and re-smoothing of damaged of tooth flanks.

Principle 9

Business should encourage the development and diffusion of environmentally friendly technologies

A main objective of our research and development department is the formulation of new high-performance lubricants to realise significantly longer oil change intervals. Hence, the oil consumption can be reduced and responsible as well as sustainable handling with resources can be realised.

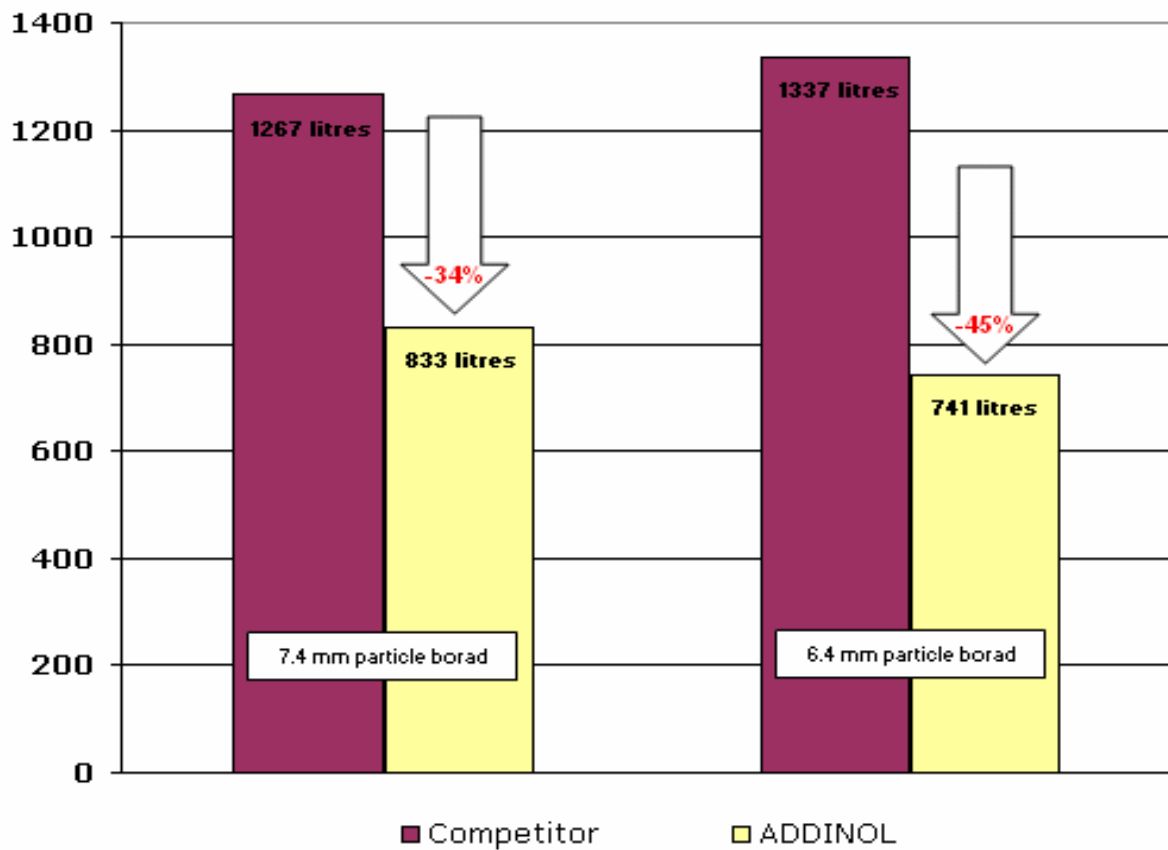
Products of the high-performance lubricant range achieve a verifiable reduction of oil consumption of 34% up to 45% in comparison with competitors:

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Consumption of lubricants per month (characteristic values of production monitoring)



Picture 1: Extract of profitability report of belt lubrication