

# 2015-2016 Communication on Progress

A report on BDP's commitment to the ten principles of the United Nations Global Compact



## Statement from the CEO

I am proud to present BDP's annual Communication on Progress (COP) report. BDP remains committed to good corporate citizenship in the global community. This report expresses our continuing commitment to the UN Global Compact and its principles. At BDP, we strive to ensure that these principles are ingrained in BDP's business culture, operations and mission as a company. BDP's most valuable assets are its integrity and ethical commitment, which set us apart from the competition. Protecting these assets and our reputation is the duty of everyone in BDP. To that end, we also strive to influence those with whom we do business (including our agents, consultants, suppliers and customers) to adhere to and embody our guiding principles. As a member of the UN Global Compact, we will continue to promote and conform to these values with our sphere of influence.

Sincerely,



**Richard J. Bolte, Jr.**  
*Chairman & CEO*



## BDP Background

BDP International, Inc. ("BDP") was founded in 1966, and is now established as one of the leading privately held freight logistics/transportation management firms in the United States. We have operations in more than 120 countries, including more than 115 offices across the world, and employ over four thousand employees worldwide. BDP People believe in delivering on the promise of service excellence, integrity, fair dealing and social commitment.

BDP provides a range of services, including ocean, air and ground transportation; freight forwarding; logistics consulting services; and state of the art web-based shipping management systems.

## HUMAN RIGHTS

Businesses should support and respect the protection of internationally proclaimed human rights; Businesses should make sure that they are not complicit in human rights abuses.

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## LABOR STANDARDS

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; The elimination of all forms of forced and compulsory labor; The effective abolition of child labor; and The elimination of discrimination in respect of employment and occupation.

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## ENVIRONMENT

Businesses should support a precautionary approach to environmental challenges; Businesses should undertake initiatives to promote greater environmental responsibility; and Businesses should encourage the diffusion and development of environmentally friendly technologies.

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## ANTI CORRUPTION

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

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# HUMAN RIGHTS

## Principle 1

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

### COMMITMENT

BDP Supports the internationally recognized human rights contained within the Universal Declaration of Human Rights and seeks to avoid complicity in human rights abuses.

### PROCESSES & SYSTEMS

**Equal Employment:** BDP International is proud to be an Equal Opportunity Employer. We believe that diversity of our employees worldwide is a great strength of BDP. BDP does not discriminate in employment opportunities or practice on the basis of race, color, religion, age, national origin, gender, sexual orientation, disability, union affiliation, veteran status or any other status protected by law. We expect that all employees will be treated equally without regard to these characteristics. Consistent with this policy, BDP International strives to ensure the following:

1. BDP’s equal employment policy is a global policy which applies to business in all regions, in order to promote the principles of non-discrimination and equal opportunities regardless of race, religion, national origin, gender, sexual orientation, disability, veteran or any other protected status.
2. BDP employees are informed of the policy and have access to BDP’s Equal Employment processes and mandates through the Employee Handbook and Global Code of Conduct. BDP also provides employees with an anonymous hotline and web complaint form via the company intranet, to report any violations or complaints to Human Resources and the Legal Department.
3. Applicants are recruited, hired and trained for all jobs without regard to race, color, religion, national origin, gender, sexual orientation, disability, veteran status or any other status protected by federal, state or local laws.
4. Compensation, benefits, discipline, and company sponsored programs and activities are administered without regard to race, color, religion, age, national origin, gender, sexual orientation, disability, veteran status or any other status protected by federal, state or local laws.
5. Transfers, promotions and lay-off decisions are made without regard to race, color, religion, age, national origin, gender, sexual orientation, disability veteran status or any other status protected by federal, state or local laws.

# HUMAN RIGHTS

## BDP HUMAN RIGHTS POLICY:

**BDP** is committed to developing an organizational culture which implements a policy of support for internationally recognized human rights and seeks to avoid complicity in human rights abuses. BDP maintains and enforces a Human Rights Policy to ensure that all BDP employees regardless of their religion, are treated fairly and equally, without prejudice, abuse or exploitation. This includes discrimination and other forms of abuse, in regions where US laws do not apply and civil rights procedures are not entirely clear or known to BDP.

**We** strive to maintain a universally acceptable standard for human rights, in accordance with UN principles and our global Human Rights Policy. Employees are expressly informed about the policy, which is available to and enforceable for all levels of employees, including senior management. The policy is maintained on the company intranet, and trainings designed by BDP's Legal, Human Resources and Compliance teams are created to promulgate the policy company wide. We also strive to ensure that all offices maintain adequate working conditions for employees. This includes opportunities for career advancement, adequate rest and annual leave, appropriate working hours and competitive pay.



BDP seeks to identify, assess and manage human rights impact within the sphere of influence. Amongst other things, BDP will:



Respect the human rights of all employees established in the ILO's Declaration of Fundamental Principles and Rights at Work.



Select major suppliers and contractors based on the compliance compatibility with BDP human rights and social policies.



Respect the cultures, customs and values of people in communities where we operate.



Contribute, within the scope of our capabilities, to the advancement and fulfillment of internationally recognized human rights in the communities operating and society at large by improving economic, environmental and social conditions as well as by responsible public engagement.



# HUMAN RIGHTS

## BDP ANTI-HARRASMENT POLICY:

An important aspect of BDP’s Equal Employment Opportunity Policy is to ensure that all individuals have the right and opportunity to work in an environment that is free from harassment of any nature. BDP maintains an Anti-Harassment Policy which applies to sexual harassment as well as harassment on the basis of race, color, religion, gender or sex, national origin, veteran status, age, disability, sexual orientation, familial status, citizenship, genetic information or any other characteristic protected from discrimination under federal, state or local law. Harassing behavior consists of discriminatory intimidation, ridicule, or insult that has the purpose or effect of unreasonably interfering with an individual’s work performance or of creating an intimidating, hostile or offensive work environment, as viewed from the perspective of a reasonable person.

The policy also forbids all forms of physical, sexual or other kinds of harassing behavior. The policy is global, and provides for reporting procedures in order to ensure accountability. BDP also maintains an anonymous complaint form on the company intranet, and a reporting hotline.

## GLOBAL CODE OF CONDUCT

BDP maintains a Global Code of Conduct (the “Code”). The Code applies to every officer, director and employee at BDP International. We also expect that those with whom we do business (including our agents, consultants, suppliers and customers) to adhere to the Code. Our Code is designed to help our employees comply with the law and maintain the highest standards of ethical conduct. All BDP International officers, directors and employees must carry out their duties in accordance with the policies set forth in this Code and with applicable laws and regulations.

## BDP International Code of Conduct



# HUMAN RIGHTS

## SAFE WORKING ENVIRONMENT:

Through its safety committee, BDP aims to maintain a safe and healthy workplace by eliminating workplace injuries, identifying hazards and suggesting ways to prevent them.

The objectives of the committee are:

**Promptly review all safety-related incidents, injuries, accidents, illnesses and deaths;**

**Conduct quarterly workplace inspections, identify hazards and recommend methods for eliminating or controlling the hazards;**

**Annually evaluate BDP's workplace safety and health program and recommend improvements to management.**



Due to the company's dedication to safety, the corporate headquarters in Philadelphia, Pennsylvania was awarded the Governor's Award for Safety Excellence on September 18, 2015.

## ACCESS TO HEALTHCARE:

BDP offers access to health, dental and vision insurance. BDP also offers retirement packages and tuition reimbursement for employees who wish to further their education. Our US-based Human Resource Management System provides employees access to wealth of health and wellness knowledge which allows employees to proactively manage their own medical history. Onsite flu vaccines are provided in several of our US locations. Additionally, it is a requirement for BDP offices around the globe to provide health insurance and support to employees in case of health related emergencies, or personal crisis, in terms of leave from work (flexible work arrangements where possible such as work from home or flexible hours) and HR support, for work related guidance.

## WORK/LIFE BALANCE:

BDP values the commitment every employee makes to the organization and as such offers many benefits to help employees achieve greater work/life balance, including: paid time off (for vacation, sick or personal leave), select holidays off of work, short-term and long-term disability as well as honoring any regional government laws such as the Family Medical Leave Act.

# HUMAN RIGHTS

## Principle 2

Businesses should make sure that they are not complicit in human rights abuses.

### COMMITMENT

At BDP, we pride ourselves on our people, processes and technology that reach beyond simply delivering our business services. To provide the finest service experience in the world, BDP emphasizes the values of accountability, customer care and enduring relationships in all regions where we have operations. These values are consistent with our culture of supporting human rights. We uphold the internationally recognized human rights contained within the Universal Declaration of Human Rights and seek to avoid complicity in human rights abuses, and combat them however we can. BDP also maintains separate policies to reinforce our stance against child labor, harassment and human rights violations respectively.

### PROCESSES & SYSTEMS

**Violation of Business Ethics, Code of Conduct, Human Rights Policy, Child Labor Policy, Equal Employment Policy or Anti-Harassment Policy:** Any violation of applicable law or any deviation from the standards embodied in the Code will result in disciplinary action, up to and including termination. Disciplinary action may also apply to an employee's supervisor who directs or approves the employee's improper actions, or is aware of those actions but does not act appropriately to correct them. In addition to imposing its own discipline, BDP may also bring suspected violations of law to the attention of the appropriate law enforcement personnel. BDP encourages employees to notify Human Resources if a situation arises which the employee believes conflicts any of these policies. Additionally, BDP maintains a hotline as well as an intranet-based complaint form both of which allow employees to anonymously report suspected violations to the Legal Department. All policies operated by BDP encourage employees to report any violations to the appropriate supervising authority.



# HUMAN RIGHTS

## GLOBAL TALENT MANAGEMENT TEAM:



BDP's Training, Education and Development (TED) demonstrates that BDP is committed to investing in our most important asset, our people, by having global responsibility for the education and development of all employees. BDP University is used to administer global awareness programs such as:

1. Hazardous Materials
2. Industry Regulations
3. Anti-Dumping Procedures, Environmental Obligations
4. Regulatory and Legal Compliance
5. Government Security Programs
6. Anti-Corruption Compliance
7. Business and Ethics Risk Management
8. Effective Emergency Management

**Local Leadership Globally:** BDP has experienced local leadership in every BDP location and staff who thoroughly understand local laws, cultures, business practices and regulations.

**Industry Thought Leader:** As a sought after industry thought leader, BDP encourages clients and employees through our various trade communications, Trendwatch, TradeAdvisory, and Gateway, to maintain ethical best practices in all regions of the world. BDP also participates in and hosts events geared towards industry issues, externalities and ethics. For example, in 2015 we co-organized the Ethisphere Oil and Gas Ethics Summit in Houston, Texas and we also hosted the Export/Import Regulatory seminar in Houston, Texas; among other conferences we were involved in.

**Hotline:** In the event that employees become aware of any facts surrounding a transaction that might be suspicious and give rise to a violation of the Code of Conduct, they may anonymously advise BDP by calling +1 (866) 631-2807.

**Anonymous Complaint Form:** Employees may also inform the company with regards to potential violations via an anonymous complaint form, easily available on the company's intranet site.

## Principle 3

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

### COMMITMENT

**BDP** strongly encourages all employees to own their personal career development through a variety of policies and programs within our organization. Through our performance based processes, every employee has the ability to re-negotiate their positions and wages during the review period. Performance reviews and internal job postings are used to incentivize career development and personal growth for all BDP personnel.

**F**urther, BDP maintains assistance programs, such as relocation assistance, and policies for accommodating emergencies or other employee needs, for example in the case of disability. “Flexitime” or flexible working hours are also available upon necessity and management approval, and performance reviews are conducted with employees every six months, to allow for the discussion of any employment-related issues.

### PROCESSES & SYSTEMS

**Pay:** BDP follows minimum pay requirements in each location we operate and offers competitive industry compensation.

**Performance Management:** Each year, BDP publishes Key Performance Indicators for the entire global organization. These indicators are communicated clearly and swiftly throughout the organization, and each employee is assigned personal Key Performance Indicators by their manager. Through a semi-annual review process, each employee has the opportunity to discuss their progress towards meeting these goals within the annual timeframe and to communicate their expectation for increased responsibility and/or salary requirements.

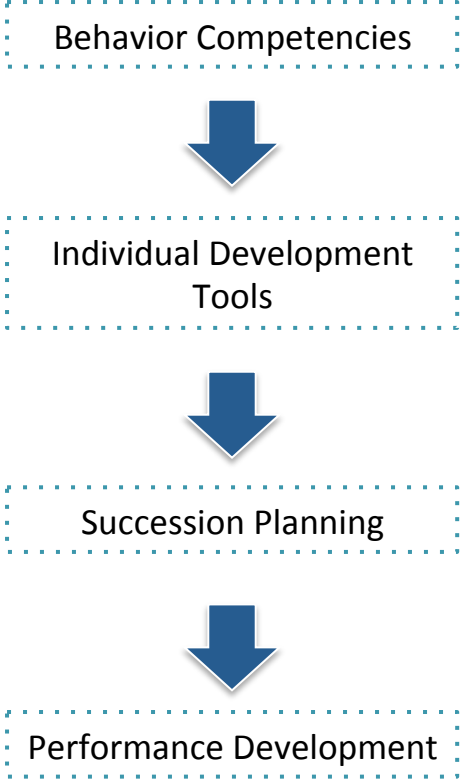
**Employee Classification:** BDP classifies employees under applicable employee categories for the region in which they operate (ex. exempt/non-exempt). All employees have a service date associated with their date of hire that governs their eligibility for various benefits such as vacation accrual rates, service recognition and participation in retirement plans. Further, employees have the opportunity to apply for internal job postings, transfers and promotions within BDP.

# LABOR STANDARDS

**Mentoring Program:** Being a privately held, family-owned company that values personal relationships, BDP has historically used informal mentoring and networking throughout the organization. BDP’s structured Mentoring Program varies vastly from informal mentoring as it is focused solely on the leadership development of a small group of high potential employees identified by management. The purpose of the Mentoring Program at BDP is to foster career development and share career experiences between management and high potential employees. The long-term goals of the Mentoring Program are to:

- Identify and reward high potentials within the organization by providing them with personal attention and guidance from BDP management;
- Lay the foundation for a succession plan throughout the organization;
- Improve morale and job satisfaction of high potential employees;
- Establish a culture that values career development and networking while fostering trust throughout the organization; &
- Aid in retention and recruitment of high potential employees.

# DEVELOPMENT OPPORTUNITIES



# LABOR STANDARDS

**Leadership Development Program:** The goal of BDP's Leadership Development Program (LDP) is to cultivate the next generation of leadership at BDP through a series of leadership development courses, networking opportunities and educational classes. The LDP includes four major opportunities:

**Leadership Experiences:**

1. One week consisting of intensive leadership development training delivered at the Global Corporate Headquarters, with training designed by Dale Carnegie.

**Leadership Development Specific BDP University Courses:**

2. A series of courses and presentations conducted by Senior Management designed to help enhance the skill sets of BDP's future leaders as they prepare for the next level of responsibility at BDP. These courses are available on BDP's online learning platform, BDP University.

**Capstone Project:**

3. Employees identify an opportunity to better BDP, and then develop a business case study to implement that project.

**Networking:**

4. A strong network is essential for all leaders. All participants in this program meet with executive leadership of the company in both formal and informal settings in order to discuss their paths within the company

Change starts with you.



**START**

**BDP University:** BDP's Corporate University helps keep employees up-to-date on the latest transportation and logistics issues, regulations and best practices. A personalized curriculum with live classroom sessions, online webinars and self-paced "on demand" courses assists staff in professional and personal development. Training is available for legal, technical, industry-specific and other education topics, which will be of use in assisting employees on the job.

# LABOR STANDARDS

## Principle 4

The elimination of all forms of forced and compulsory labor.

**BDP** adheres to all social and labor obligations to support its employees globally. These obligations include, but are not limited to, employee medical benefits, family and medical leave, term disability benefits and paid vacation, consistent with requirements of each jurisdiction. Also see Principles 2 and 3. BDP also offers employees flexible working hours upon management approval, safety policies at the work place, sick leave, personal leave and other social/life insurance benefits for eligible employees.

**F**urther, to combat exploitation and abuse at home and abroad, BDP maintains a Global Code of Conduct. BDP also maintains an Equal Employment Policy, Human Rights Policy, a Policy against Child Labor and an Anti-Harassment Policy. All staff is notified and trained with regards to these policies, and are accountable for adherence to them as well as the Global Code of Conduct.

Violations can lead to disciplinary action such as probation, suspension and other penalties, up to termination. BDP encourages all agents, customers and subcontractors to follow these policies as well.

BDP maintains an anonymous complaint form on its intranet website as well as a complaint hotline, to ensure accountability with our ethical mandate.

## Principle 5

The effective abolition of child labor.

### COMMITMENT

**BDP** fully complies with the Child Labor provisions of the Fair Labor Standards Act and applicable state statutes, which govern the employment of minors.



# LABOR STANDARDS

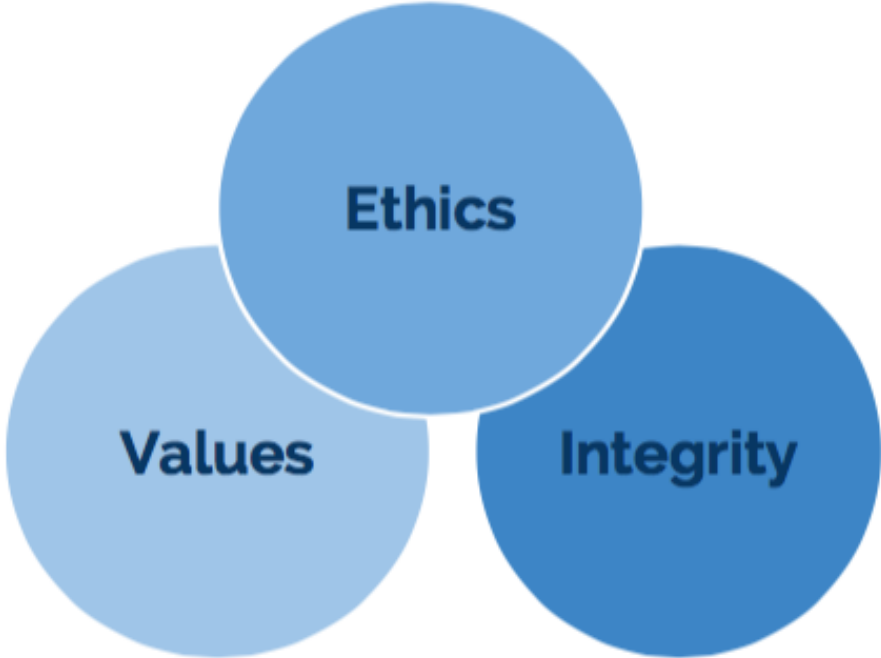
## PROCESSES & SYSTEMS

**Policy:** BDP requires that all employees and representatives shall recognize the U.N. Convention on the Rights of the Child, and that its business partners comply with all relevant national and international laws, regulations and provisions applicable in the country of operation. Employees and partners obliged to take the appropriate measures to ensure that no child labor occurs at their place of operation.

Each office manager shall effectively communicate to all employees, as well as to local agents, the content of BDP's Policy, and ensure that all measures required are implemented accordingly.

**Background checks:** BDP conducts background checks prior to hire to ensure minimum age requirements are met for all employees.

BDP maintains an active policy against child labor. All staffed are notified and trained with regards to the policy, and are accountable for adherence to it, as well as the Global Code of Conduct. Violations can lead to disciplinary actions such as probation, suspension and other penalties, up to termination. BDP encourages all agents, customers and subcontractors to follow these policies as well.



Office Managers and all of BDP's business partners are instructed to take appropriate measures to ensure that no child labor occurs at their place of operation.

**Instructions include:**

Never employ underage workers (i.e. workers below 15 years of age or any higher age prescribed by local laws and regulations).

Verify the age of all employees and anyone carrying out work for BDP against official documents.

## Principle 6

The elimination of discrimination in respect of employment and occupation.

**Anti-Harassment Policy:** An important aspect of BDP International's Equal Employment Opportunity Policy is to ensure that all individuals have the right and opportunity to work in an environment that is free from harassment of any nature. Harassment in any form including that of employees, applicants for employment, temporary employees, temporary agency workers, vendors, maintenance workers or customers is unacceptable conduct that is not tolerated by BDP.

This policy applies to harassment on the basis of race, color religion, sex, sexual orientation, gender identity or expression, national origin, veteran status, age, disability, marital status, citizenship genetic information or any other characteristic protected from discrimination under law. Employees are notified about the policy and trained about its requirements through courses and the employee handbook. The policy is also revised and updated periodically and published on our internal Human Resources intranet page.

Additionally, BDP actively works to promote a conformable and friendly work environment for employees. To that end, managers are directly encouraged to avoid overly aggressive, rude and combative behavior with subordinates, even if such behavior is prompted by work related or performance reasons.

BDP treats complaints of harassment and employee discomfort in the work place with the utmost importance, and these issues can be reported to the regional Human Resources executives.

**Anti-Harassment, Diversity and Cultural Sensitivity Training:** BDP conducts on-going training for all employees to ensure that BDP maintains a workplace free from all forms of harassment.

**Harassment Complaint Procedure:** BDP encourages the prompt reporting of complaints or concerns so that rapid and constructive action can be taken. All allegations of harassment are investigated promptly and in as confidential a manner as is consistent with effective investigation. BDP will take appropriate corrective action when warranted. BDP encourages all employees to assist in maintaining a harassment-free workplace. Anonymous reporting is possible through BDP's intranet site or hotline.



## Principle 7

Businesses should support a precautionary approach to environmental challenges.

**BDP** is committed to being an industry leader in corporate sustainability. BDP seeks to operate in an environmentally responsible manner through education and compliance, with sustainability at the forefront of daily business practices.

The global shipping industry is responsible for approximately three percent of the world's greenhouse gas emissions<sup>1</sup>. These emissions will continue to rise unless action is taken. BDP realizes the impact that the industry has on the environment and continually looks for new ways to reduce emissions. As a non-asset based company, BDP works with suppliers, customers and all stakeholders to ensure its environmental, health and safety standards are high priority.

1. [http://ec.europa.eu/clima/policies/transport/shipping/index\\_en.htm](http://ec.europa.eu/clima/policies/transport/shipping/index_en.htm)

**BDP** has continuously grown and improved upon its sustainability program since its inception in 2008. BDP's Sustainability Manager is responsible for maintaining, improving and communicating all of BDP's sustainability initiatives. BDP's sustainability program is comprised of internal, external and global community initiatives. The Sustainability Manager stays current on all industry developments to keep BDP and its stakeholders informed and prepared for any regulatory or industry changes that may occur.

In 2015, BDP reinvented its environmental policy. The current policy highlights BDP's commitments to the environment, health and safety of BDP's employees, customers and the global community. The Environment, Health and Safety (EHS) Policy is approved by all board members and management. In addition, BDP's Chief Executive Officer is fully supportive and influential in shaping our environmental endeavors. This policy is communicated to all employees and conveys our commitment to operate with the environment, health and safety in the forefront of our practices. Echoing this policy are several of BDP's programs; BDP Sustainability Program, the BDP Green Team, the BDP EHS Program and Responsible Care.

# ENVIRONMENT

## BDP SUSTAINABILITY

BDP's Sustainability program encompasses all of our policies, programs and practices for conducting operations in an environmentally, as well as fiscally responsible manner. The BDP Sustainability Program focuses on internal and external initiatives; including an interactive training program for all employees, along with programs focused on energy conservation, paper reduction, recycling, reuse and transit. To strengthen our external presence, BDP has become a member of the Clean Cargo Working Group (CCWG). BDP has also been elected a member of the CCWG steering committee. The CCWG is a global business to business initiative comprised of carriers, shippers and logistic providers. This membership allows BDP to collaborate with peers and business partners, calculate our customers' carbon footprint, along with the ability to review ocean carrier environmental data. Each of these areas further shape and define BDP's commitment to society, the economy and our responsibility to protect the environment.

## BDP GREEN PROGRAM

The BDP Green Team has made several advances in establishing environmental standards in the workplace. The Green team has appointed eco-leaders within each region of the United States. These eco-leaders support all initiatives and facilitate these in the BDP offices within their region. In 2015, the BDP Green Team collaborated with the Safety committee and the Wellness Team to form the Environmental, Health and Safety (EHS) Team. The EHS Team collaboration allowed BDP's EHS initiatives to reach every office across the globe.

The BDP Green Team, Safety Committee and Wellness Committee are collaborating to create a more sustainable effort in the global expansion of each group. In this expansion, they will join together as the EHS (Environmental, Health and Safety) Team. The main focus of the Environmental, Health and Safety Team will be to:

***bring together the ideals and standards embedded in each area and communicate these to our global BDP community.***



# ENVIRONMENT

Currently, we are proud to report the following achievements of 2015 and essential goals for 2016:

Increased communication and awareness in all US offices regarding recycling, paper reduction and energy conservation:

Employee engagement via monthly internal newsletters, social networking sites and in person meetings to enhance BDP's goal of corporate-wide awareness of sustainability.

### Environmental events in 2015 included:

- Earth Day celebration with awareness events for all employees focusing on less waste and reusable items;
- EHS Week celebration including a BDP University Course, a sponsored snack and an EHS game;
- Contest engaging employees to submit photos or videos that portray how they celebrate EHS.



**Ship Clean, Breathe Easy**



The BDP Sustainability training has continued to expand globally, after its first year. By the end of 2015, thirty-five percent of employees had taken the sustainability training. This training highlights areas in the workplace and at home where employees can be environmentally conscious.



In 2015, fifteen percent of office and paper supply purchases in BDP's US offices were environmentally friendly products. These products were made from recyclable materials or can be recycled.



In 2015, BDP responsibly disposed of electronic waste through a third party contractor who ensured proper recycling of the e-waste.



Continue to distribute reusable mugs to all employees in the US.



# ENVIRONMENT

## Principle 8

Businesses should undertake initiatives to promote greater environmental responsibility

### MEMBERSHIP & SUPPORTING PARTNERSHIPS:

**Clean Cargo Working Group:** Supporting BDP’s sustainability initiatives, BDP became a member of the Clean Cargo Working Group (CCWG) in 2013. In 2015, BDP was elected as steering committee member for the CCWG. The CCWG is a global business to business initiative comprised of carriers, shippers and logistic providers. This membership provides BDP with several benefits:

1. The ability to calculate our customers’ carbon footprint using data and tools provided by the CCWG;
2. The ability to review and compare ocean carriers’ environmental performance across a broad range of data;
3. Collaboration with peers and business partners to improve BDP’s environmental performance;
4. Help influence the development of tools, standards and methodologies for improving environmental performance across the intermodal value chain.

**BDP Responsible Care®:** BDP has been a Partner of the American Chemistry Council’s (ACC) Responsible Care® initiative since 2003. Responsible Care is a global, voluntary initiative where Member companies that manufacture chemicals and supply chain companies work together to continuously improve and support the overall health, safety, environmental quality and community awareness of chemicals throughout their life cycle.



**Responsible Care®**  
OUR COMMITMENT TO SUSTAINABILITY

As a **Partner practitioner** in the Logistics Management Sector, BDP pledges to operate business according to the ethics, values and principles set forth in the Responsible Care program elements:

- Endorse the Guiding Principles of Responsible Care;
- Measure and publicly report performance on an annual basis;
- Implement the Security Code within a specified time frame;
- Implement the Responsible Care Process Safety Code of Management Practices;
- Implement the Responsible Care Management System (RCMS®);
- Obtain independent certification that a management system is in place and functions according to professional specifications.

# ENVIRONMENT

BDP is pleased to report a robust agenda of Responsible Care activities in 2016. BDP employees at ALL levels and departments within each BDP region, country and office will be engaged in Responsible Care education.

The Responsible Care journey is strategically built into the 5-Year BDP Strategic Plan. Chemical Brand Dominance is one of five “Pillars” for BDP growth and development. Progress and successes with Responsible Care initiatives in 2016 and beyond will be internally measured against our Strategic Plan to support our company’s vision of Delivering the Best Global Logistics Solutions. BDP Responsible Care communications, education and activities will be customized by region to ensure the highest level of employee engagement and content relevant in the focus areas of:



## BDP Responsible Care Global Charter Campaign:

The Global Charter was developed by the International Council of Chemical Associations (ICCA) in collaboration with select ACC Responsible Care Member companies. An updated Global Charter has been rolled out to the Responsible Care network of North America-US headquartered Members and Partners.

BDP has declared support as a multinational company with global activities. Our organization will embrace and uphold the 6 key elements to the Global Charter within our local business cultures and practices. As such, BDP is developing a campaign to:

***Voluntarily implement the Global Charter to employees across all BDP regions and countries;***

***Generate awareness of Responsible Care initiatives and what the supply chain value membership brings to our workforce and our customers;***

***Demonstrate how and where BDP employees at every level are invested both in practice and mindset:***

- We work as One BDP, One Team
- Responsible Care is the right thing to do
- Engage our customers and supply chain vendors

***Engage employees through a strategic communication plan including internal webinars, training through BDP University, Town Hall Meetings with local leadership, Social Networks and idea sharing;***

***Engage employees in a celebration signing of BDP Global Charter poster to signify their role as an integral component in the Responsible Care initiative worldwide.***

# ENVIRONMENT

## 2 Responsible Care Process Safety Code of Management Practices:

Beginning in 2014, BDP North America US began implementing the Process Safety Code of Management Practices set forth by the requirements defined in the Responsible Care Management System (RCMS®):

→ RCMS implementation is required for supply chain Partner companies during a 3 year certification cycle from 2014-2016;

→ BDP's Process Safety Code implementation focuses on US operations and departments at this time;

→ RCMS implementation is required for supply chain Partner companies during a 3 year certification cycle from 2014-2016.

→ The Process Safety Code includes 7 management practices: Leadership and Culture, Accountability, Knowledge, Expertise and Training, Understanding and Prioritization of Process Safety Risks, Comprehensive Process Safety Management System, Information sharing and Monitoring and Improving Performance ;

→ BDP practices and documentation will be sampled by an external auditing firm in March 2016 to determine RCMS certification;

Many of the policies and processes documented under the Process Safety Code are standard operating practices for BDP US operations. Formal implementation provides excellent opportunities for our organization to:

Evaluate and refine existing processes and operating systems,

Identify and close process gaps for continuous improvement.

Create opportunities to identify, reduce and manage process safety risk,

Develop, customize and roll out training to support,

Enhance teamwork and communications among BDP US departments and BDP Centers of Excellence.



# ENVIRONMENT



## BDP Responsible Care Committee:

The 28-member Committee represents BDP US personnel and hosts four annual meetings -one meeting each Quarter- to introduce trending topics and discuss progress and continuous improvements with BDP Responsible Care initiatives. The Committee has BDP CEO-level leadership and commitment along with engagement in internal/external events:

Participates on monthly conference calls and webinars hosted by the US ACC Responsible Care Team;

Includes designated members that attend annual conferences and expos hosted by the US ACC Responsible Care Team;

Collaborates with BDP US Safety Committee and BDP Centers of Excellence to integrate Responsible Care education into BDP's EHS initiatives and vice versa;

In 2016, the Committee will expand to include members from BDP locations in Asia Pacific, Canada, Europe, Middle East and Latin America.

## EDUCATION AND AWARENESS:

To improve communications and enhance information-sharing on policies and initiatives, BDP developed an intranet site to centralize all things BDP Responsible Care. BDP employees around the globe have site access to and can easily find content to enhance their education on this topic. This site offers opportunities to increase awareness of where BDP is invested in Responsible Care, and how employees can implement the core principles and policies in their regions to further strengthen our program.

## HAZARDOUS CHEMICAL EXPORT REPORTS:

BDP is highly strategic and mindful when it comes to the safety and security associated with the handling, movement, and government reporting of hazardous chemicals. As a leader in chemical logistics management, BDP expanded their hazardous shipment export reports to include all regions and countries outside the US. These reports provide our company with detailed information about the hazardous shipments we export from all regions. We have data that highlights specific areas such as total kilograms of hazardous materials transported, modes of transport, TOP ocean and ground carriers selected and TOP UN Numbers. This data builds the foundation for BDP to have a stronger view of hazardous chemical export trends within the BDP global network.

# ENVIRONMENT

## REACH

BDP is also active in promoting compliance with REACH (Registration, Evaluation and Authorization of Chemicals) which is the European Union's single regulatory system for chemical management. As an Only Representative, BDP is qualified to aid its customers, clients and suppliers.



### In this role BDP can:



- Evaluate risks and exposure associated with our business;
- Maintain all communications and negotiations with ECHA and all relevant Member State governmental bodies;
- Identify and communicate with all importers, distributors and downstream users;
- Prepare and submit the technical registration dossier;
- Make the filings, register the chemicals and pay all attendant fees;
- Coordinate data exchange and testing strategies with SIEF group and Consortium members;
- Create and submit safety data sheets and chemical safety reports;
- Audit and train internally as well as with our customer base where needed;
- Address classification and labeling;
- Perform any other obligations resulting from authorizations or restrictions.



## Principle 9

Businesses should encourage the diffusion and development of environmentally friendly technologies

BDP's IT Center of Excellence has a commitment, supported by a corporate policy, to ensure BDP's technology purchases and endeavors to minimize environmental impact. BDP's main environmentally friendly technology initiatives include:

**Electronic Document Management:** BDP continues its efforts to become entirely paperless via its Document Management System (DMS). DMS has been fully executed in all US offices. DMS will continue to be implemented in all other offices around the globe.

To recognize their innovation in sustainability, BDP's Rotterdam office was awarded the BDP Green Leaf Sustainability Award. Through utilizing digital archiving, BDP Rotterdam reduced significant waste of documents, file folders, and archive space within the office. Paper waste was reduced by over five percent by the end of 2013 and continued to reduce each year thereafter. The BDP Green Leaf Award was created after the innovation of the Rotterdam office and will continue each year to recognize excellence in sustainability.

**Paperless Marketing Communications:** All marketing communications are now distributed electronically. Customers can register to receive weekly newsletters and business updates via email, rather than in paper form. BDP reduced cost and paper usage by converting the 2016 BDP calendar to an electronic version. Marketing has made several advances to decrease BDP's carbon footprint in 2015 and will continue to expand upon these initiatives in 2016.

**Green Conferences:** BDP has implemented a web based application for external meetings and events; eliminating the need for printed signage and meeting information, questionnaires and end of conference surveys. This significantly reduces BDP's paper waste as over 100 attendees were present at this conference and could access all presentations and conference information on the application. BDP has procured environmentally conscious giveaways for all conference attendees: distributing recycled pens and notebooks. BDP also does not have bottled water at events and seminars, but rather pitchers of water with glasses for attendees.

**Video Conferencing/Webinars/Conference Calls:** BDP has continued to increase utilization of webinars and conference calls to cut down on travel costs. BDP has installed video conferencing capabilities into the corporate office so that employees can have global meetings without having the environmental and economic effects of travel. BDP has also transitioned to Google email, allowing easier access to web conferencing via Google Hangout.

# ANTI-CORRUPTION

## Principle 10

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

### COMMITMENT

BDP is committed to full compliance with both the letter and spirit of the laws and regulations in all countries in which it operates. It is of the utmost importance to BDP to conduct its business with integrity in accordance with BDP's Global Code of Conduct and all applicable laws and regulations.

### PROCESSES & SYSTEMS

**Policy:** BDP operates under a Global Code of Conduct ("the Code"). The Code applies to every officer, director and employee of BDP. BDP also expects that those with whom we do business (including our agents, consultants, suppliers and customers) will also adhere to the Code.

The Code prohibits bribery in any form, including: extortion, facilitating payments, kickbacks, political contributions, and the offer or receipt of gifts, hospitality or entertainment. The Code also ensures that BDP maintains complete and accurate financial records and make annual anti-bribery training available for all principals, and key employees involved in sales, marketing and procurement.

BDP also maintains a stringent anti-corruption policy, which prohibits any form of corrupt practices, whether they are bribes or other forms of illicit payments. An anonymous complaint hotline and web forms have been created to prevent any such activity, and hold perpetrators accountable. Those caught committing corrupt acts are subject to termination. Employees that witness any suspicious behavior are encouraged to report such behavior to the Legal Department or anonymously through the intranet or hotline.

**Appointment of FCPA Compliance Officer:** BDP appointed an FCPA Compliance Officer who is responsible for the management and implementation of the FCPA Compliance Program. This includes the establishment, development and maintenance of the compliance program and the communication of these standards to all current and prospective business partners and employees.

# ANTI-CORRUPTION

The FCPA Compliance Officer is also responsible for periodic reporting on the effectiveness of the program through the implementation of a monitoring and auditing system to detect criminal conduct.

## TRAINING

BDP's Legal Team conducts ongoing global FCPA (Foreign Corrupt Practices Act) and Anti-Corruption Training through BDP University, live, in person training and live webinars. The training consists of a detailed PowerPoint presentation on anti-bribery provisions of local legislation, the FCPA and BDP's Compliance Program. Employees are then tested on their knowledge through the training and must score at least an 80% to pass the training.

Certifications are then sent to employees to be signed. The certifications state that the employee has completed the training, and will adhere to BDP's compliance program. All original and electronic certifications are stored in our legal files.

We aim to ensure that all principals and key employees involved in sales, marketing and procurement are certified in FCPA and anti-corruption compliance globally. In addition, all employees must participate in training annually and all new employees must complete training as part of their on boarding orientation.

BDP is also implementing new training in line with the World Bank guidelines on the prevention of fraud and corruption. This extensive training covers the guidelines issued by the World Bank in 2015 and will be made available to all BDP employees, while mandatory for management executives.

BDP also conducts leadership and board training with reference to corruption and ethical risks along with the need for FCPA compliance. This allows executives and board level staff to understand the intricacies of the law and practice involved in anti-corruption efforts..

# ANTI-CORRUPTION

## DUE DILIGENCE

Included in BDP's Code of Conduct is a section on due diligence in selecting international consultants, intermediaries and joint venture partners. This section provides executives and employees with information on identifying proper business partners, required disclosures and the final approval process. BDP also maintains a vetting process for selecting subcontractors and agents. All partners need to certify that they are compliant in FCPA and anti-corruption.

In addition, BDP is in the process of adopting regional and global vendor vetting policies to ensure that all business partners are compliant and ethically sound. Such policies involve verifying the reliability of the vendor, collecting bank details, employee details, evaluating conflicts of interests, evaluating whether employees of the vendor are government employed simultaneously and collecting other financial information with respect to vendors.

## TRACE CERTIFIED

BDP has been a certified agent of TRACE International beginning in 2015. TRACE is a non-profit organization that provides all members with anti-bribery compliance support. TRACE members include thousands of enterprises throughout the world that work together to increase transparency in international business transactions. Through TRACE, BDP is provided customizable due diligence, training and advisory services along with one complete anti-bribery and third party compliance solution.



# ANTI-CORRUPTION

## CONTRACT PROVISIONS:

The Code also holds a section detailing contract provisions and certification requirements for BDP’s consultants, intermediaries and joint venture partners. The provisions require that all parties involved are fully compliant with anti-bribery legislation, the Foreign Corrupt Practices Act (“FCPA”) and the Organization for Economic Cooperation and Development (“OECD”) Convention, along with all other applicable laws and compliance procedures. All contracts also set out accounting and financial provisions, reporting requirements, disclosure information, and termination provisions for non-compliance.

The certification terms require each consultant, intermediary and joint venture partner to periodically certify that he or she:

- Understands anti-bribery legislation and the FCPA (and OECD Convention);
- Has not violated or caused the company to violate legislation (and/or OECD Convention) since the date of the prior periodic certification;
- Does not know or have reason to believe that any other person retained by the company has violated anti-bribery legislation (an/or OECD Convention), or caused the company to violate them since the date of the prior certification; and

Will immediately advise a named official of the company if the certifying person should learn of or have reason to believe there has been any violation of the FCPA (and/or OECD Convention) in connection with the company’s business.

**BDP** has been named 2016 World’s Most Ethical Company by the Ethisphere Institute.

“This award recognizes those companies who align principle with action, work to make trust part of their corporate DNA, and by doing so, shape future industry standards by introducing tomorrow’s best practices today.

The Ethisphere Institute is the global leader in advancing the standards of ethical business practices that fuel corporate character, marketplace trust and business success.”

- Ethisphere Institute

