



THE CHEMICAL DISTRIBUTOR  
OF CHOICE

UN Global Compact  
Communication on Progress 2022

# CEO Statement by Andreas Fröh



As a leading European distributor of chemicals, TER Chemicals boasts a comprehensive product portfolio. It comprises, among other things, the entire spectrum of specialty chemicals and food additives from globally recognized producers.

Our portfolio, our role in the chemical supply chain but also our suppliers' and customers' requirements put us in a special position to develop sustainable solutions and help build a better future for all. To achieve this goal, we acknowledge our responsibility for the entire lifecycle of the products and services we provide and work towards creating sustainable added values.

I am therefore pleased to reconfirm TER Chemicals' commitment to support the UN Global Compacts' Ten Principles of human rights, environmental protection, labour standards and anti-corruption.

In this annual Communication on Progress, we are happy to share among others our progress on sourcing sustainable product solutions through our the newly found Innovations Department and how or new and improved policies further support the integration of the Global Compact and its principles into our business strategy, culture and daily operations.

**Andreas Fröh**  
CEO  
TER Chemicals Distribution Group

Hamburg, June 20<sup>th</sup> 2022

## Sustainable Supply Chain



Assume responsibility for the entire supply chain lifecycle

Decrease energy consumption and emissions along the supply chain

Ensure human rights, environmental protection, labour standards and anti-corruption along the supply chain



## Sustainable Portfolio



Increase ratio of green chemicals and select sustainable suppliers

Focus on innovative product development and support circular economy development

Source sustainable alternatives and offer guidance to customers



## Sustainable Organization



Contribute to European Chemical Strategy and UN Sustainable Development Goals

Participate in initiatives and report on sustainability progress

Obtain and support relevant certifications





## HUMAN RIGHTS

- Revision of Supplier Code of Conduct also already incorporating aspects of the German supply chain law (Lieferkettensorgfaltspflichtengesetz) to address protection of human rights along the supply chain and formulate a solid base for supplier audits on the respective matters
- Implementation and combination of new and existing company policies including revised Code of Conduct and Ethics highlighting
  - Working conditions
  - Health and safety
  - Equality and discrimination
  - Human and labour rights
  - Information security and managementwithin TER Chemicals and along the supply chain
- Integration of a whistleblowing policy and system to report on any non-compliant behaviour



## LABOUR

- The offer of mobile work has been extended post-pandemic and was regulated through additional agreements in all German companies
- Training and development programs conducted remote and in presence whenever possible
  - TER Development program
  - 100 days Coaching for Management
  - Technical, administrative and system skills trainings
- Gender Equality targets on track with 52% women compared to 48% men in our workforce
- Revision of Supplier Code of Conduct also already incorporating aspects of the German supply chain law (Lieferkettensorgfaltspflichtengesetz) to address protection of labour rights along the supply chain and formulate a solid base for supplier audits on the respective matters
- Integration of a whistleblowing policy and system to report on any non-compliant behaviour



# Measures to implement the 10 UNGC Principals

## ENVIRONMENT

- Founding of new department INNOVATION with the purpose
  - to analyse the existing product portfolio
  - source and develop sustainable alternatives and additions together with suppliers and customers
- Calculation of Company Carbon Footprint and off-setting of the CO2 equivalents by supporting to projects relevant to our supply chain



- Participation in UNGC Climate Ambition Accelerator to join SBTi and progress on reducing GHG emissions along the supply chain



## ANTI-CORRUPTION

- Revision of Supplier Code of Conduct and implementation and combination of new and existing company policies including revised Code of Conduct and Ethics highlighting
  - Anti-Corruption
  - Anti-competitive practices
  - Quality and Compliance
  - Competition compliance
  - Trade Sanctions
- Introduction of a whistleblowing policy and system to report on any non-compliant behaviour in 2022
- Due diligence measures, reviews and our internal confidential confidant system did not unearth hints or proof of corrupt behaviour or actions in 2021





