

INTERNATIONAL COUNCIL OF CHEMICAL ASSOCIATIONS

FREQUENTLY ASKED QUESTIONS ABOUT THE RESPONSIBLE CARE[®] GLOBAL CHARTER

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What is the Responsible Care Global Charter, and why was it developed?

Answer: The Responsible Care Global Charter is an agreement achieved among the members of the International Council of Chemical Associations (ICCA) to create a common global vision for Responsible Care and to improve the environmental, health and safety performance of chemical producers in the 52 nations that currently implement the initiative. The Charter was prepared as a means to address on-going stakeholder expectations, respond to evolving challenges and enable the industry to speak with a common voice on the global commitments it has made.

What are the specific objectives of the Charter?

Answer: The Charter articulates a set of core principles and commitments for chemical producers worldwide that belong to ICCA member associations. They include: continuously improving and reporting performance; contributing to sustainable development through Responsible Care; enhancing the sound management of chemicals; extending Responsible Care along the chemical industry's value chain; actively supporting improved governance processes to ensure accountability and transparency of trade association and company performance; and addressing stakeholder expectations.

Are there major differences in Responsible Care implementation requirements in various countries? Does the Charter eliminate the ability for Responsible Care programs around the world to be tailored to regional needs?

Answer: Responsible Care has evolved as a global initiative over two decades. There are differing requirements for Responsible Care participation and performance within national associations, but each association must conform to a set of eight Fundamental Features. The Charter reinforces these Fundamental Features and now establishes a set of common core global commitments and processes, while preserving implementation flexibility to account for the distinctive aspects of national laws and cultures and differing business needs within the implementing nations now and in the future. This effort recognizes that the timetable for implementation will vary country by country. Over the coming months, individual associations will be discussing with their members what changes, if any, need to be made to national programs based on the availability of resources.

How will the Charter change my existing Responsible Care[®] commitments if I am a global chemical company?

Answer: The Charter establishes a framework for company and association activities. There are no immediate changes to existing Responsible Care commitments. The ICCA's Responsible Care Leadership Group (RCLG) will administer a Charter implementation process, whose activities will be conducted over the next several years, and which will include developing tools and guidance materials to assist companies and associations in such areas as management

systems, product stewardship and sustainable development. As Responsible Care is implemented at the national level any specific decisions on Responsible Care requirements will be the result of individual trade association decisions taken in consultation with their member companies. The ICCA, through the Responsible Care Leadership Group, will assist the national associations through benchmarking and other forms of information sharing, workshops and compilation of best practices to promote consistency in Charter implementation.

Does the Charter commit to a differing set of performance metrics than those that exist for individual trade associations?

Answer: The Charter metrics are the same as those that the ICCA has been using for several years. They include: number of fatalities; lost time injuries frequency rate; sulfur oxides; nitrogen oxides; chemical oxygen demand; energy consumption; direct and indirect carbon dioxide; other greenhouse gases; number of transportation incidents; and total water consumption. The RCLG periodically reviews these metrics to determine the need for any changes. The national associations will also need to determine what changes, if any, are necessary within their programs to meet Charter commitments.

The Charter commits chemical producers to a “management systems approach” based on Plan-Do-Check-Act elements. How does this differ from the ISO 14001 standard or other management systems adopted by individual chemical trade associations?

Answer: A management system “approach” refers to the conceptual framework whose major elements comprise a management system. ISO 14001 is one example of a management system as are others such those adopted by the American Chemistry Council or the U. K.’s Chemical Industries Association. They all possess the common framework of Plan-Do-Check-Act although the specific elements and level of detail included in each management system can vary. Each association will determine how it meets this Charter obligation to apply a management system approach (which can also include codes that are based on a systems approach), and the ICCA will offer technical assistance and guidance to promote consistency of application.

What type of verification is required under the Charter? Is third-party verification required globally?

Answer: The Charter does not require third party verification worldwide. Rather, the Charter’s objective is to strengthen verification processes by offering national associations a means to go beyond self assessment through such options as processes carried out by associations (e.g., Management Systems Verification type approaches), acceptance of verification by government bodies or through external organizations (e.g., third party auditors, assessors from other companies, or by other trained assessors working outside the assessed company). Consistent with this approach, each national association will develop specific verification protocols based on direction from its members (unless, of course, such protocols already exist). There is no expectation that all national associations must adopt the same verification process; rather, flexibility is provided to improve upon self-assessment processes.

What will be the process for implementing the product stewardship aspects of the Charter?

Answer: The ICCA's Responsible Care[®] Leadership Group, whose membership consists of the Responsible Care leaders of the 52 trade associations, is taking the lead for developing the "unified product stewardship management system approach" contained in the Charter and which will be consistent with the overall management approach for Responsible Care. It will solicit input from other ICCA groups. The RCLG will benchmark from existing product stewardship approaches. This effort will be integrated with the activities of the ICCA's Global Product Strategy Task Force and the Technical Assessment Group with the goal of having an ICCA-wide product stewardship management system approach in place in 2006.

What specific actions will be taken to integrate Responsible Care with value chain activities?

Answer: Individual RCLG trade association members will undertake specific actions to extend Responsible Care principles and practices through the value chain. These activities will be developed in the context of each company's value chain and will recognize the appropriate and distinctive needs of companies to improve performance across the value chain. Discussion and implementation of opportunities will be undertaken in coordination with the ICCA's Global Product Strategy commitments to develop a value chain outreach plan for priority sector groups. Where possible, existing cross-industry programs will be leveraged and best practices applied to the development of programs with other industry sectors.

How is sustainable development defined? What are the next steps that will be taken to demonstrate the industry's contribution to sustainable development?

Answer: Sustainable development consists of a set of principles, policies and practices aimed at achieving economic, environmental and societal progress that benefits future generations without compromising the needs of the present generation. The ICCA has actively participated in a dialogue on this topic for many years and achieved acceptance from the United Nations and other stakeholders that Responsible Care is the means through which the chemical industry will contribute to sustainable development. The Charter advances this commitment through the continuation of practical steps that improve performance, expand economic opportunities and develop innovative technologies. For additional information on sustainable development, see the ICCA publication "Industry as a Partner for Sustainable Development," prepared in 2002 for the World Summit on Sustainable Development.

When will the Charter become a public document?

Answer: Individual trade associations have begun discussing the Charter with their members through a series of regional meetings. In addition, there will be a formal public release of the Charter, together with elements of the ICCA's Global Product Strategy, at the International Conference on Chemicals Management organized by the United Nations Environmental Programme in February, 2006 in Dubai. The Charter will be posted on public Web sites and broadly circulated to external stakeholders at that time.

What are the governance processes referred to in the Charter?

Answer: The purpose and scope of the governance processes are to ensure that appropriate and effective implementation of Responsible Care[®] commitments occurs at both the national and global levels. Effective governance processes also help ensure the credibility of Responsible

Care with external stakeholders. Governance processes will include such areas as: tracking and communicating performance; defining and monitoring the implementation of Responsible Care obligations; supporting national association governance; helping companies and associations to achieve Charter commitments; and establishing a global process through the ICCA for revoking, when necessary, the Responsible Care status of any company or association that does not meet its commitments.

Does the Charter represent an endorsement of the United Nations' Global Compact?

Answer: The Charter does not endorse the Global Compact. On April 24, 2001, the ICCA informed the United Nations that it supported the Global Compact's environmental principles and cited the implementation of Responsible Care, the Long-range Research Initiative and the High Production Volume chemical testing initiative as evidence of those principles in action. However, the environmental principles are a discrete section of the Global Compact. Some chemical companies have endorsed the Global Compact, and others have not. The Responsible Care Global Charter preserves an individual company's flexibility on whether or not to endorse the full Global Compact.

What type of commitment is included in the CEO Declaration of Support letter?

Answer: The Declaration of Support letter was developed as a means to demonstrate CEO-level commitment to Responsible Care to improve performance. The letter requests that CEOs of global companies endorse and implement the Charter across all aspects of Responsible Care[®] (including relevant elements of the ICCA's Global Product Strategy) and strengthen the initiative worldwide by working with national chemical associations. A CEO's signature represents support for Responsible Care principles and practices worldwide across all significant business activities of the chemical company. Companies possess flexibility to sign the letter endorsed by the ICCA Board of Directors or tailor it more directly to their specific business characteristics consistent with the commitment to endorse and implement the Charter and Global Product Strategy.

Who is expected to sign the CEO Declaration of Support letter to the Charter, and what are the legal and Responsible Care[®] implications for the signatories?

Answer: CEOs of global chemical companies (those operating in more than one country) that belong to ICCA and/or RCLG affiliated trade associations will be asked to sign the Declaration of Support letter. Only one letter will be requested from each global company. The global CEO will sign on behalf of the worldwide chemical business operations and submit its declaration letter to the trade association in the country where the company is headquartered. The associations will manage this process and seek CEO signatures during October, 2005-January, 2006. The names of CEOs signing the Declaration of Support letter will be made public as part of the plan to publicly release the Charter. The Charter establishes no new legal requirements for a company; rather, it represents an endorsement of a set of Responsible Care principles and practices for companies to implement in the context of their membership requirements in individual national associations.

What is the status of the Declaration of Support letter for Associations?

Answer: The Declaration of Support Letter by Associations to the Charter has now been finalized and has been sent out to all associations running responsible care programmes. Completed letters will be sent to the ICCA RCLG Secretariat for safe keeping as part of the overall Responsible Care Governance Process.

How can I stay informed about ongoing Charter-related activities?

Answer: The RCLG, and national associations, will periodically update their membership and all Responsible Care professionals on Charter activities. In addition, the ICCA's Responsible Care web site (www.responsiblecare.org) will provide ongoing updates of activities related to Charter implementation as will the *Careline* publication. In addition, the web site already provides associations and companies a wealth of information on the countries that participate in Responsible Care, the core elements of their programs and contact information. Another source of information can be found at http://rclg.alert.com.mt/members_map.htm. and there is a devoted web site for the Launch in Dubai www.icca-at-dubai.org. The ICCA's 2005 Responsible Care Status Report also provides the latest information on all the programmes of all the countries that currently implement the initiative.