



**Profit-Planet-People
– How Sustainability Reshapes the
Lubricants Industry**

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LUBRICANTS.
TECHNOLOGY.
PEOPLE.

Agenda

Profit-Planet-People – How Sustainability Reshapes the Lubricants Industry



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Global & European Lubricants Market

Competitive Landscape

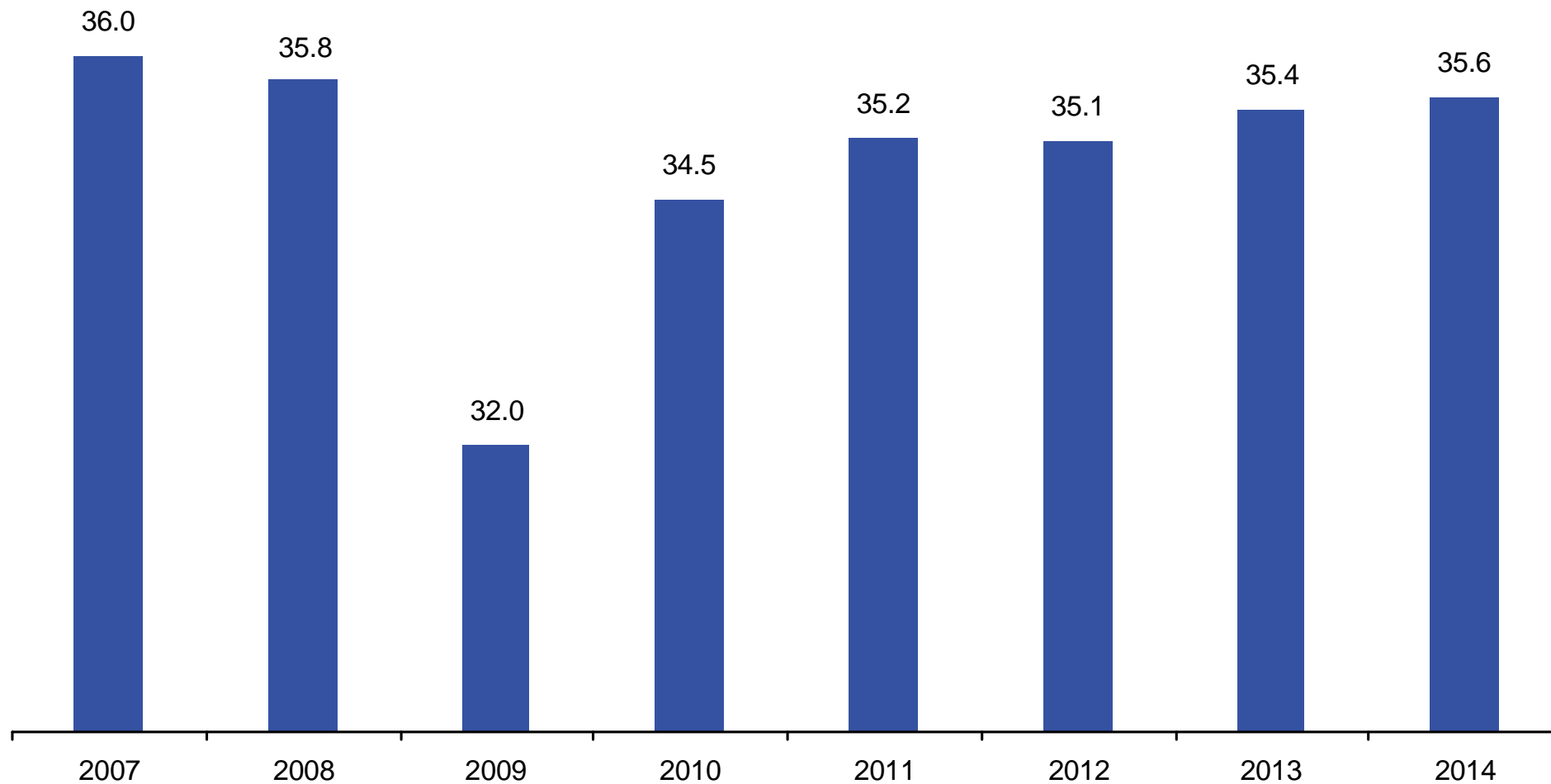
Sustainability

Global & European Lubricants Market

Development Global Lubricants Demand (Million Tons)*



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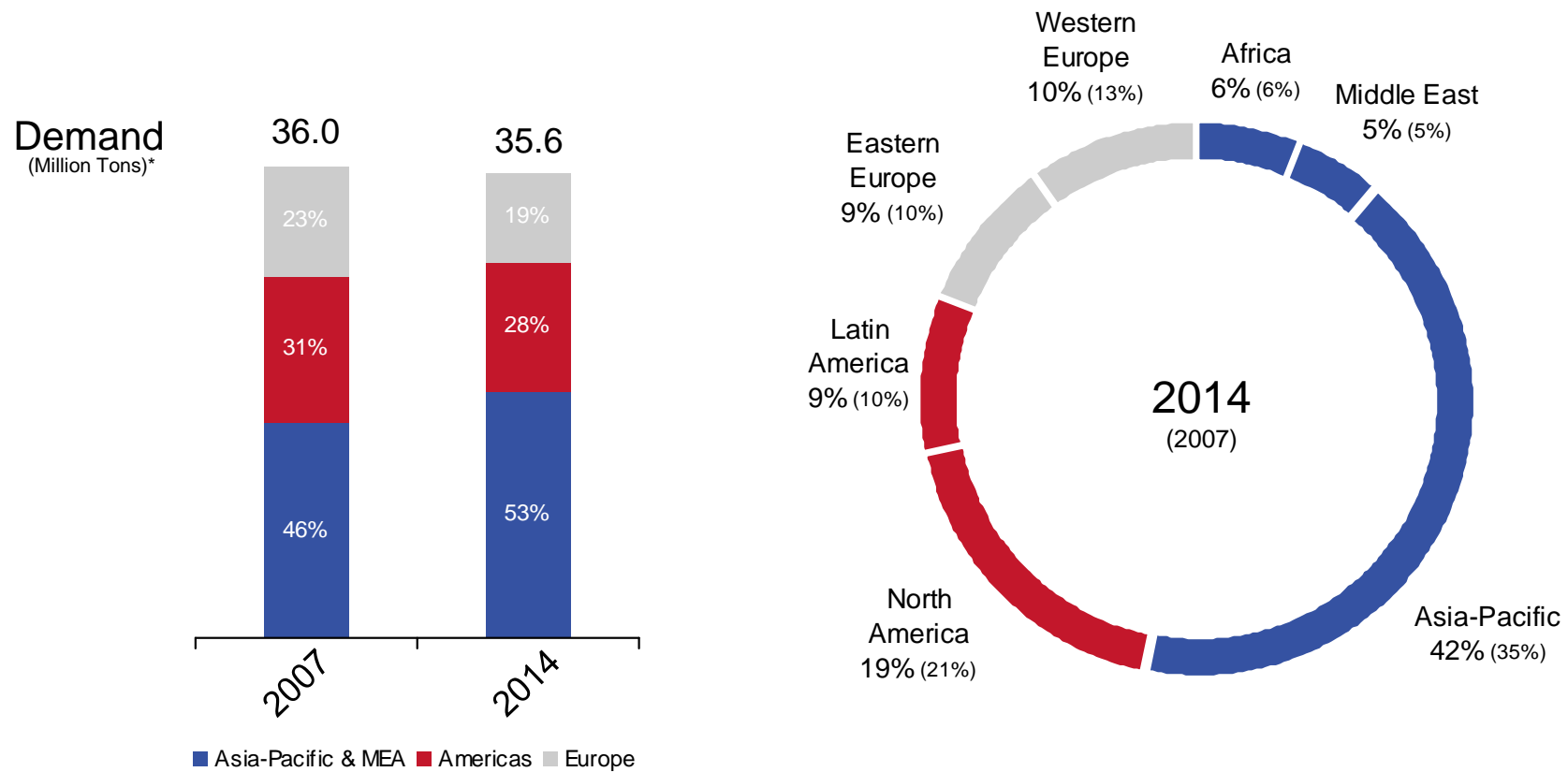


Global & European Lubricants Market

Development Regional Lubricants Breakdown



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2014 : 2013
Variance (%)

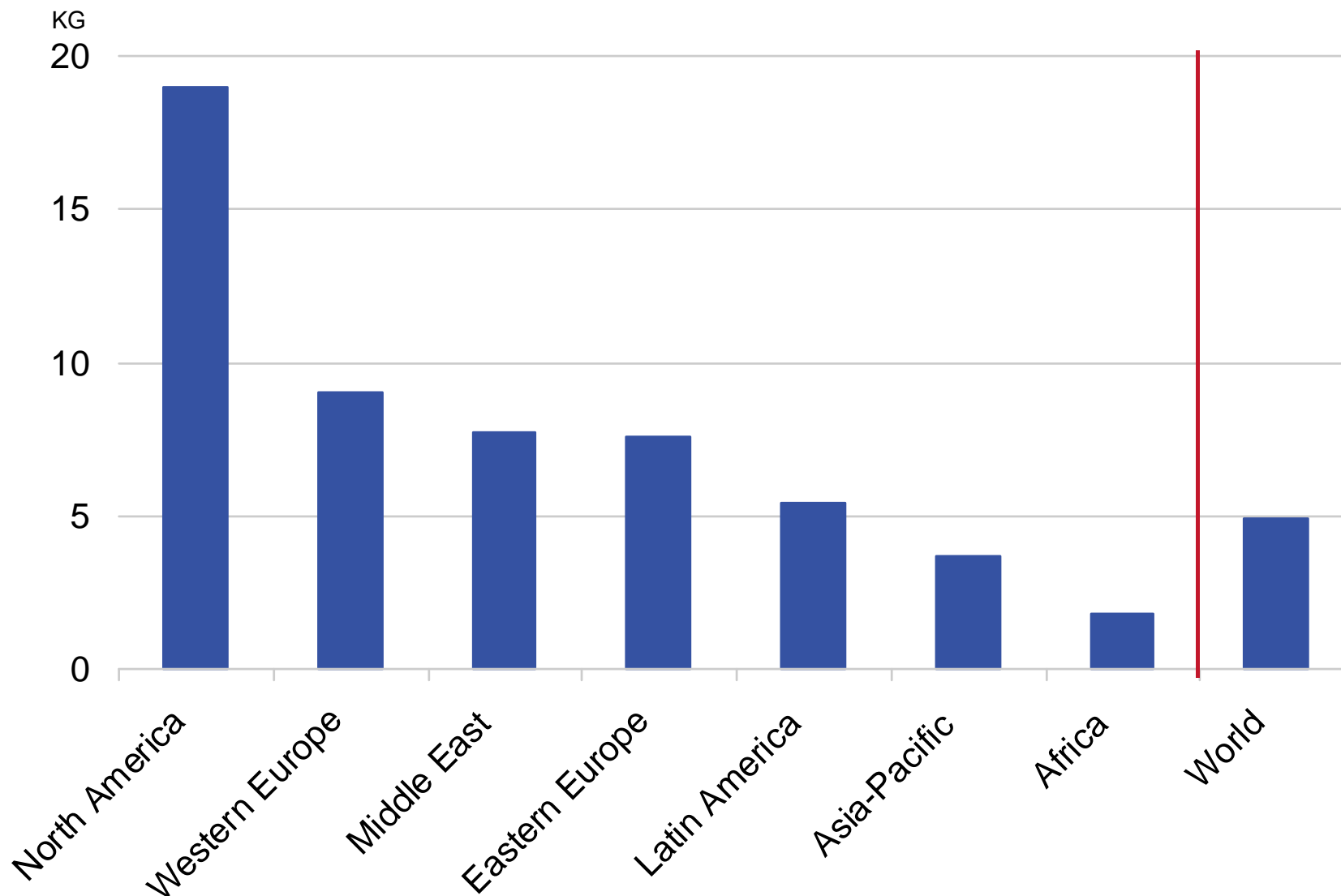
North America	1.4
Latin America	-1.4
Western Europe	-1.0
Eastern Europe	-4.5
Middle East	4.0
Africa	1.1
Asia-Pacific	1.3
World	0.4

Global & European Lubricants Market

Regional Per-Capita Lubricants Demand 2014



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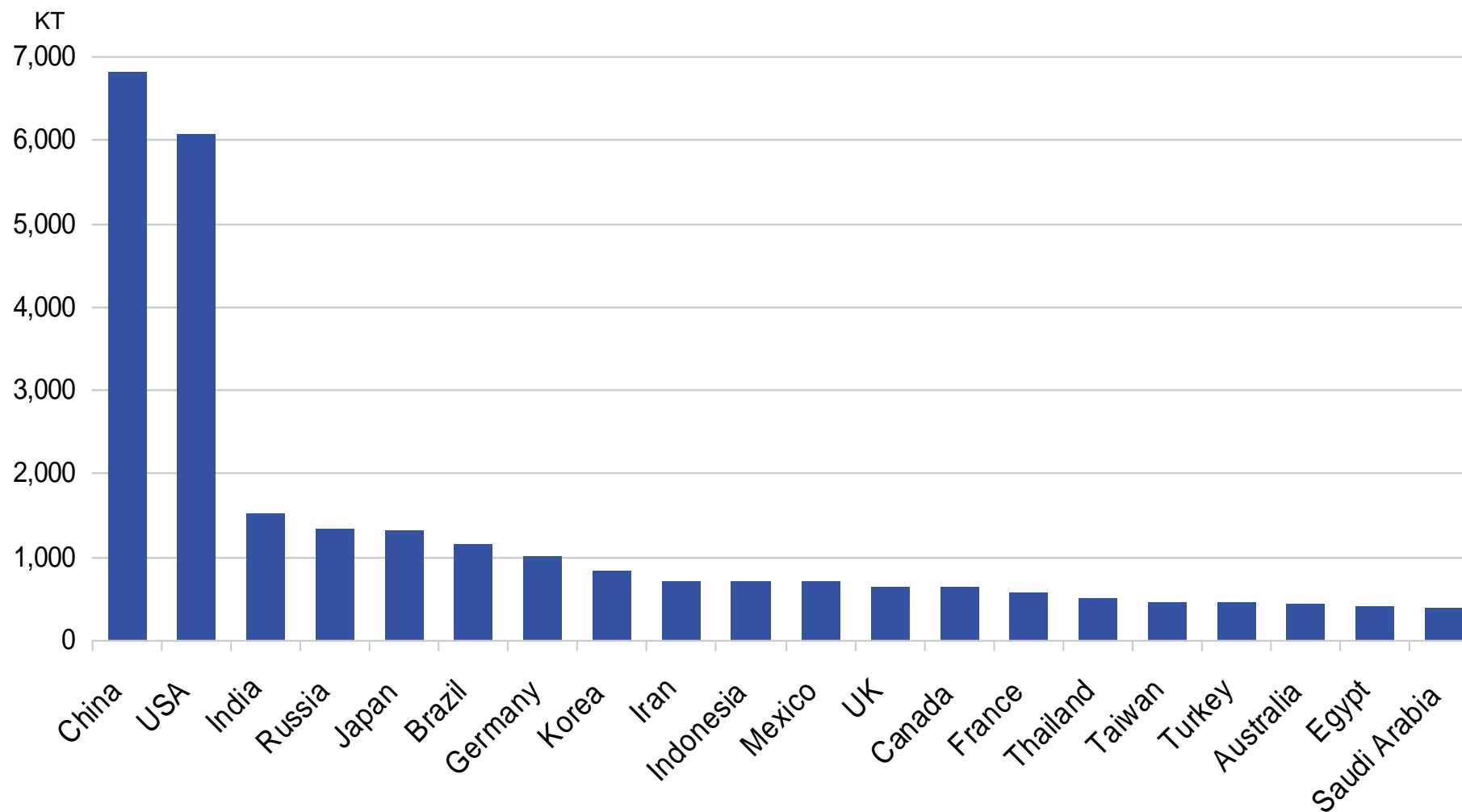


Global & European Lubricants Market

Ranking Top 20 Lubricant Countries 2014



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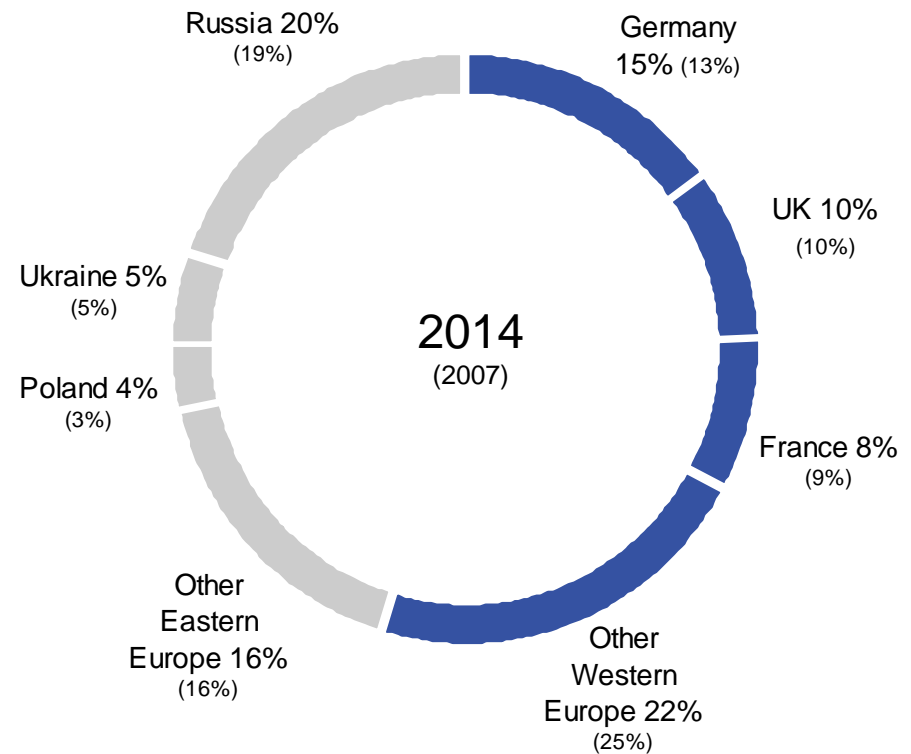
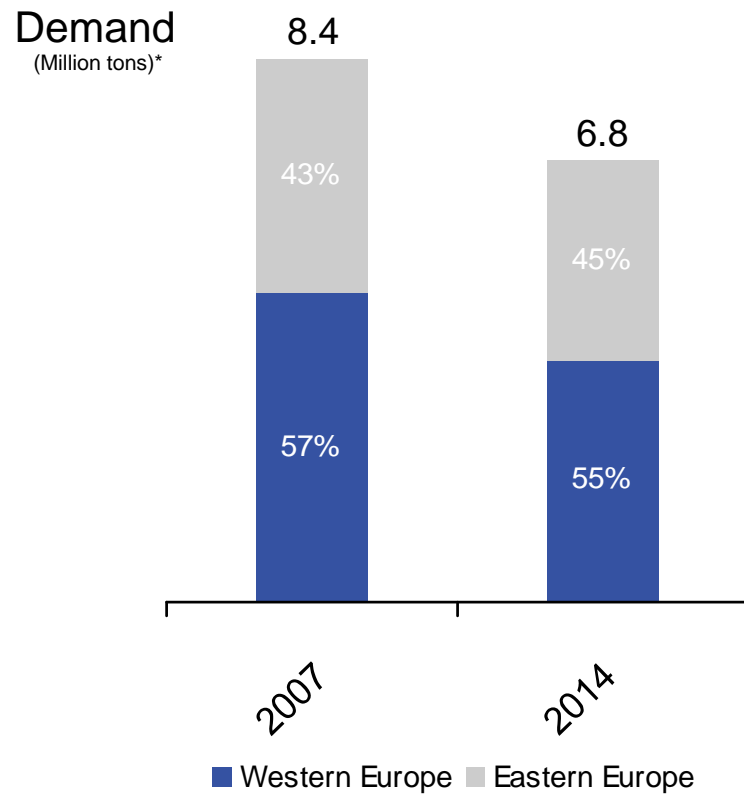


Global & European Lubricants Market

Development Country Lubricants Breakdown



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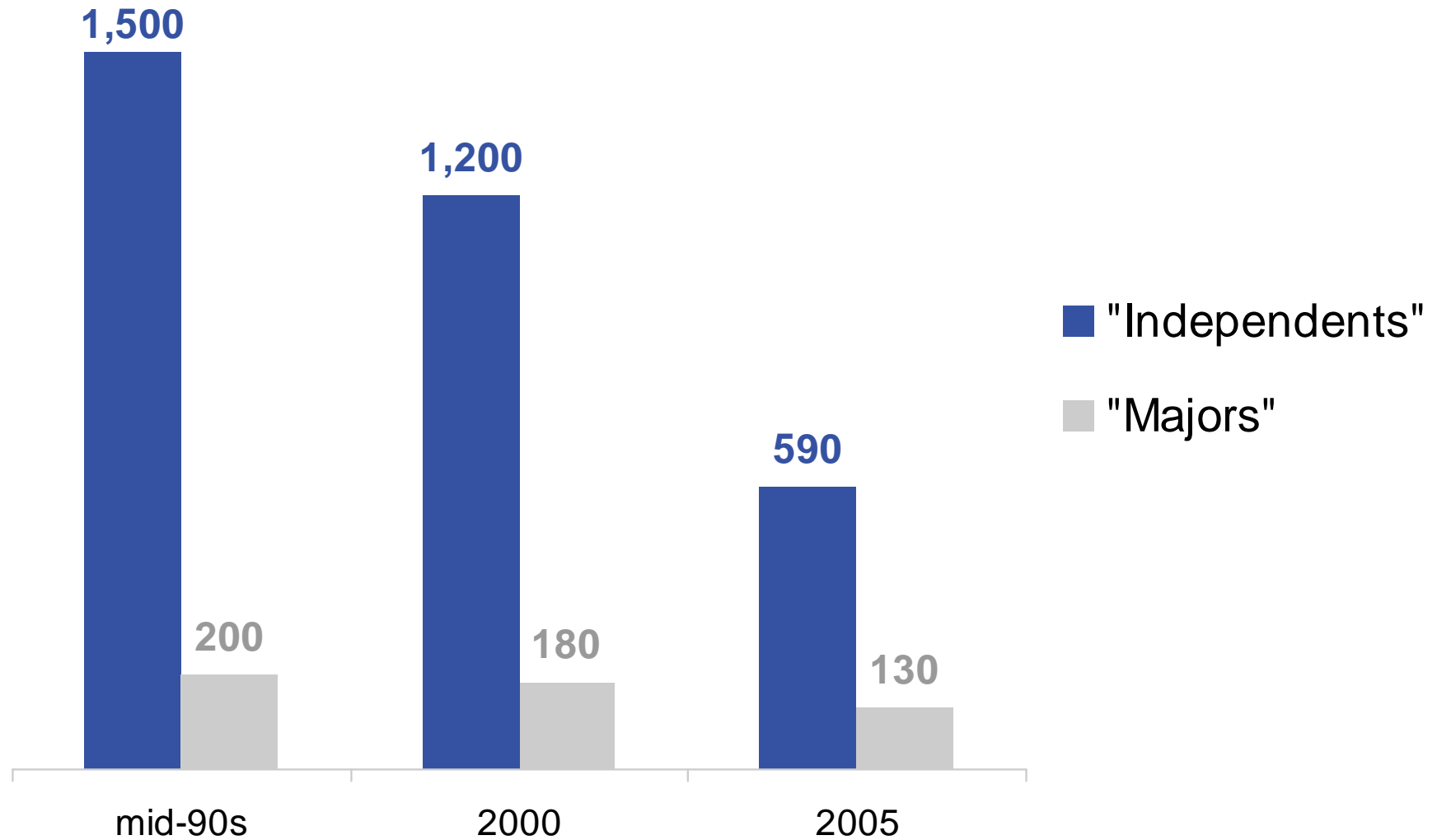
Global & European Lubricants Market

Competitive Landscape

Sustainability

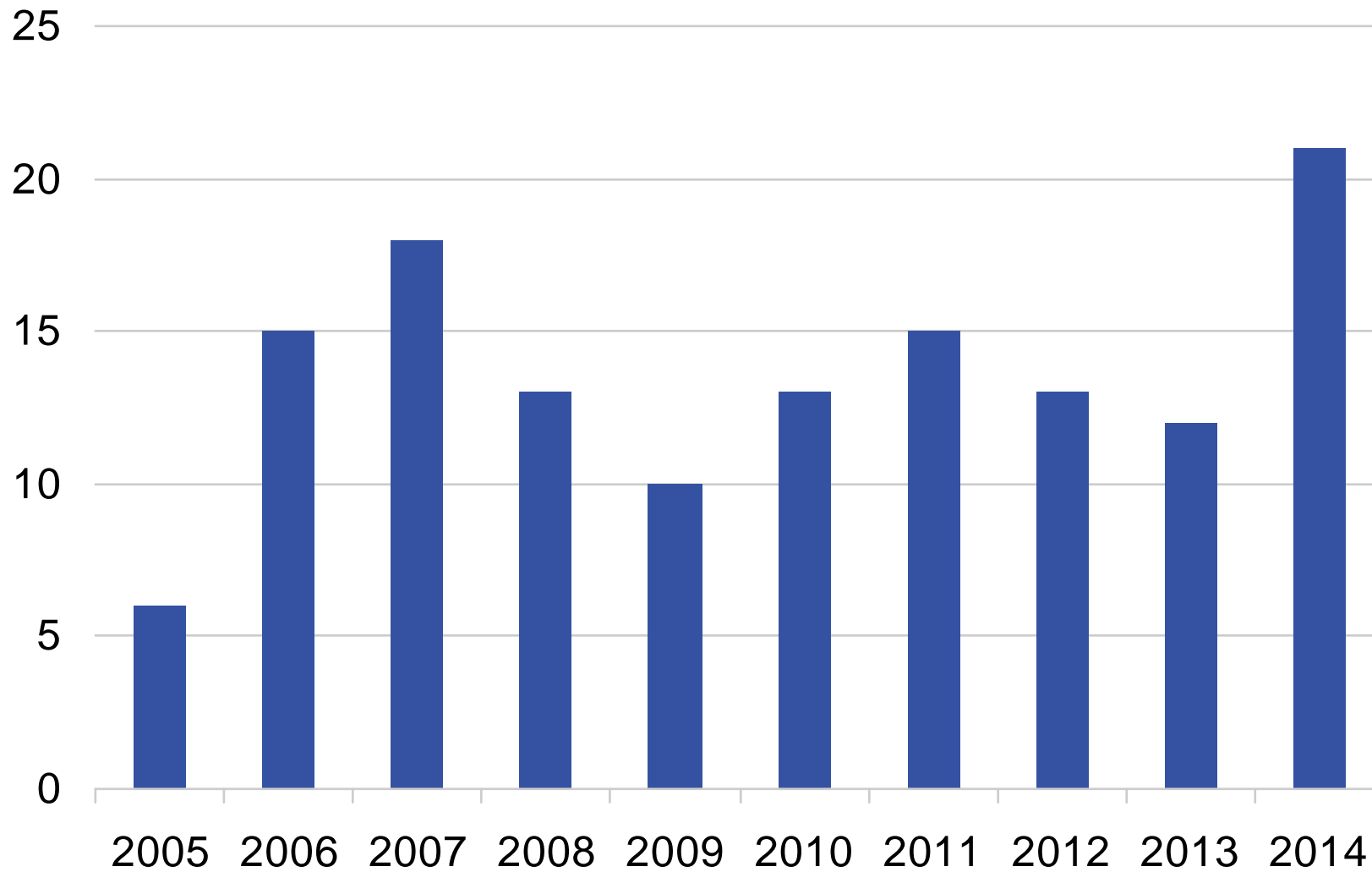
Competitive Landscape

Structure Global Lubricants Industry*



Competitive Landscape

M&A Deals Global Lubricants Sector

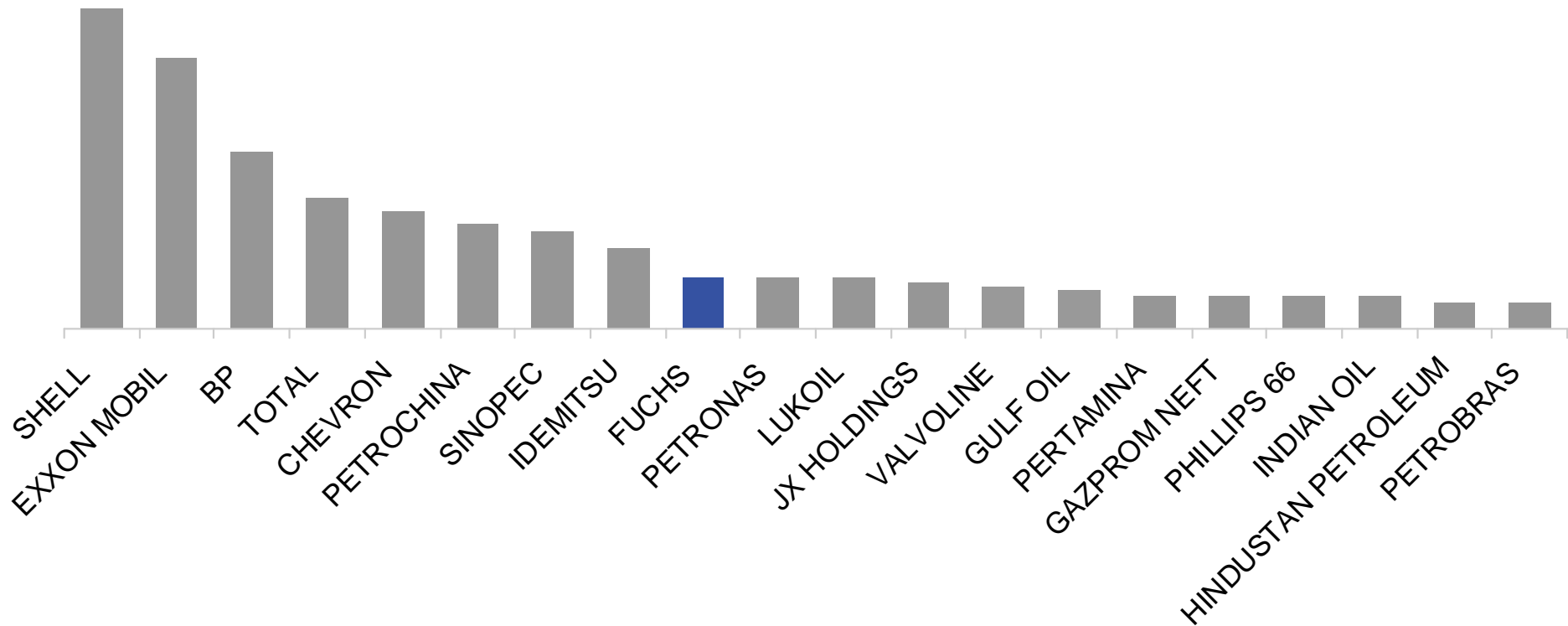


Competitive Landscape

Ranking Top 20 Lubricants Manufacturers*

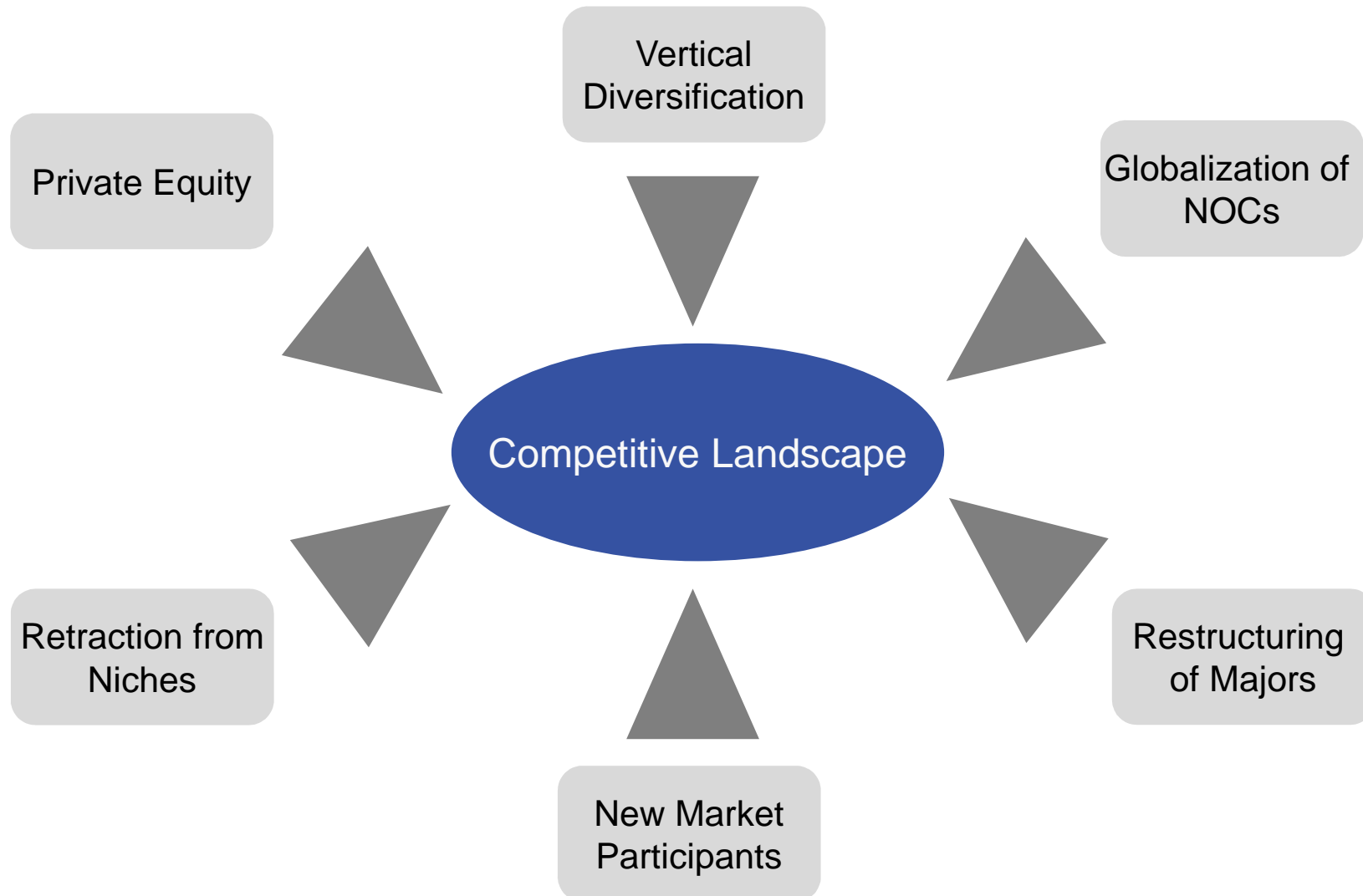


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Competitive Landscape

Driving Forces



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Global & European Lubricants Market

Competitive Landscape

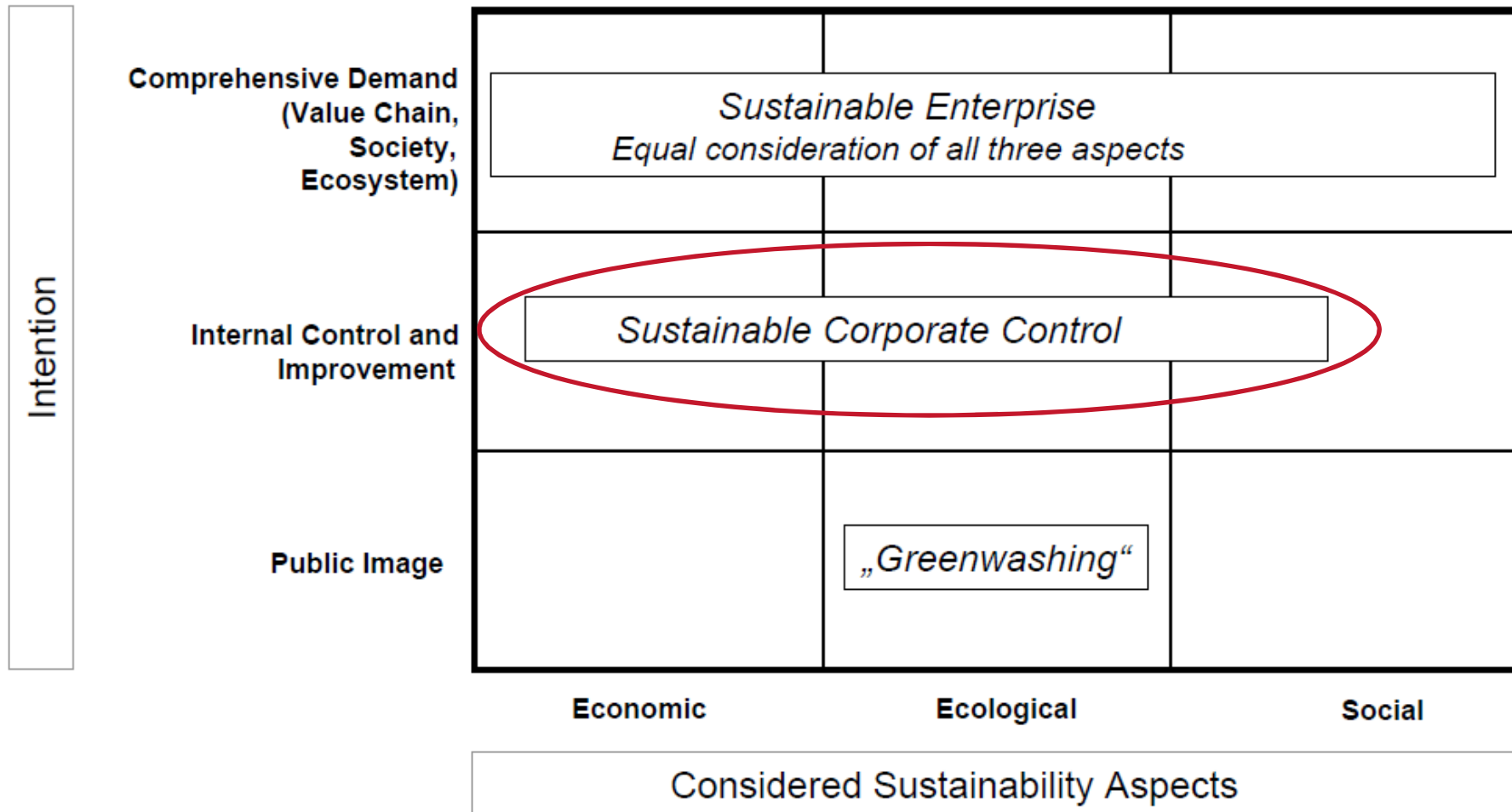
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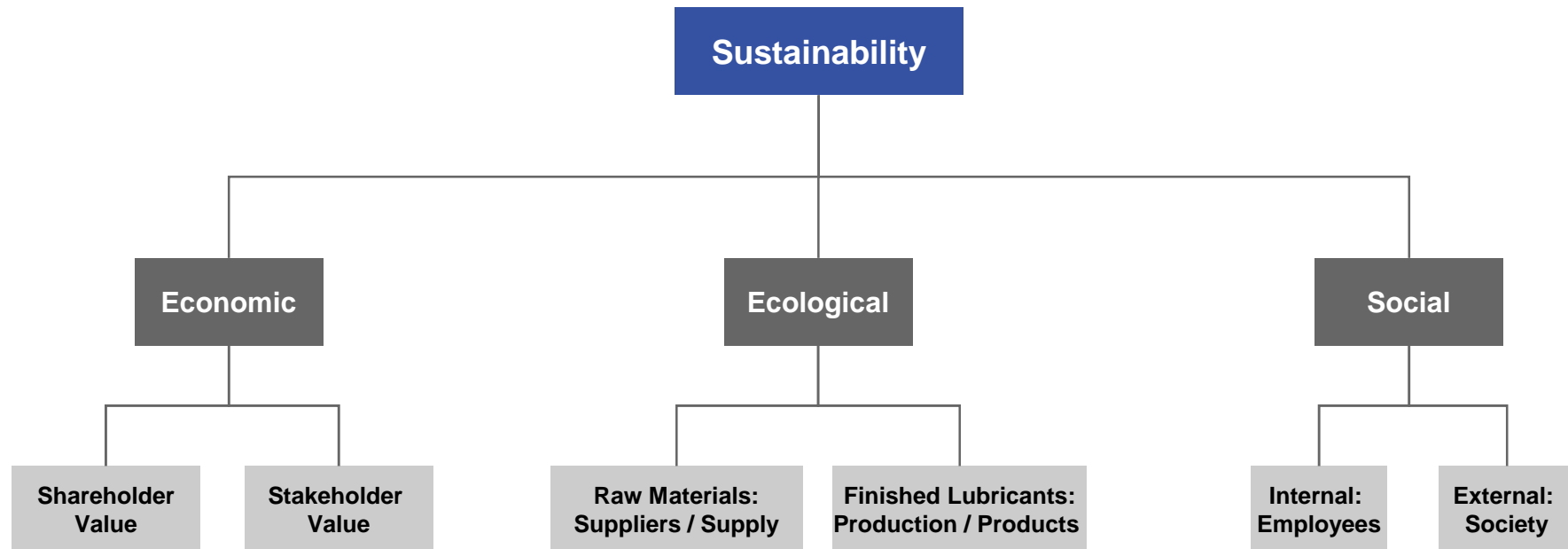
Internal Drivers

- Mission Statement
- Competitiveness
- Credibility
- Employee Loyalty
- Efficiency Enhancement
- Capital Access
- Employer Branding
- Quality Improvement

External Drivers

- Code of Responsible Conduct
- Shareholders
- Customers
- Suppliers
- Society
- Government / NGOs
- Media
- Future Generations





External Availability:

- Declaration of Corporate Governance
- Compliance Management System
- Code of Conduct
- Global Diversity Guideline
- Anti Corruption Guideline
- Antitrust Law Guideline
- Health & Safety Guideline

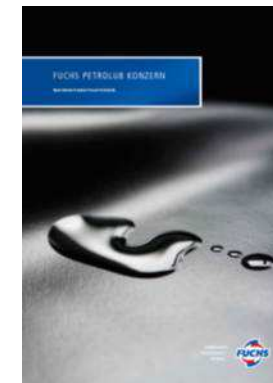


Sustainability Guideline



Reasons:

- Internal communication of sustainability topics in the FUCHS Group
- Simplified answering to external questionnaires of customers, etc.



Supply

- Do you incorporate sustainable procurement into your supply chain?

Wessex Water / December 2010

FUCHS PETROLUB AG



- In a first step our Key Suppliers across the globe were approached in writing to comply with the FUCHS Code of Conduct and the FUCHS Sustainability Guideline (2013) ✓
- We received a 100% response rate from them, mostly referring to their own codes/guidelines, in some cases even signing to ours (2014) ✓
- In a next step we started to get the same from our centrally managed and important local suppliers ↻
- We also established a Guideline for evaluation of new suppliers ✓



Production: Energy & Carbon

- Did you reduce energy consumption in the last years?
- Do you have energy reduction targets?
- Do you calculate the carbon footprint associated with the production of goods?

Wessex Water / December 2010

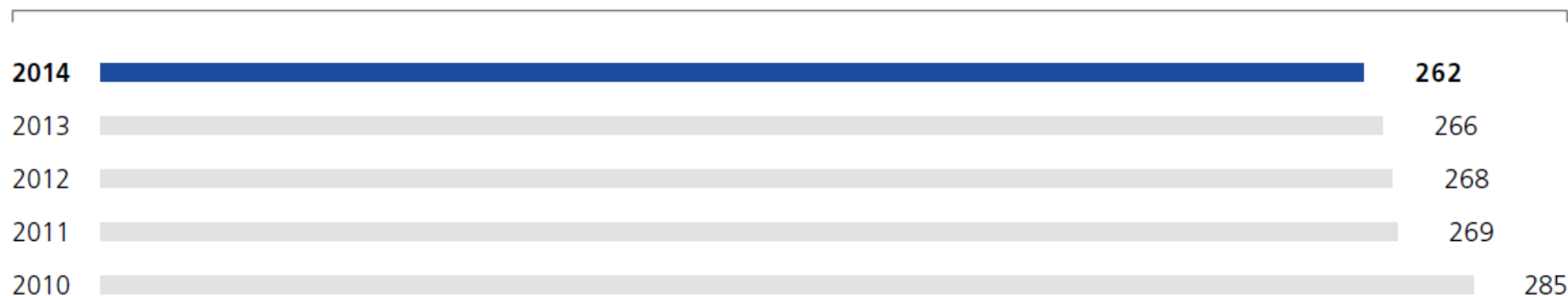
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DEVELOPMENT OF ENERGY CONSUMPTION

(in kilowatt hours per ton produced)



ECOLOGICAL INDICATORS

	2014	2013	2012	2011	2010
Energy consumption in kilowatt hours per ton produced	262	266	268	269	285
Water consumption in liters per ton produced	467	507	440	450	454
Waste generated in kilograms per ton produced	35	30	30	31	31
CO ₂ Emissions Scope 1 in kilograms per ton produced*	40	39	42	42	44
CO ₂ Emissions Scope 2 in kilograms per ton produced	54	56	53	53	56

Basis: FUCHS production locations.

* Without company owned vehicles.

CCF = Company Carbon Footprint

Greenhouse Gas Protocol (GHG Protocol) distinguishes between the following emissions scopes



Scope 1

Direct emissions
(boilers, vehicle fleets,
process emissions)



Scope 2

Indirect emissions for
energy provision
(electricity, district heat)



Scope 3

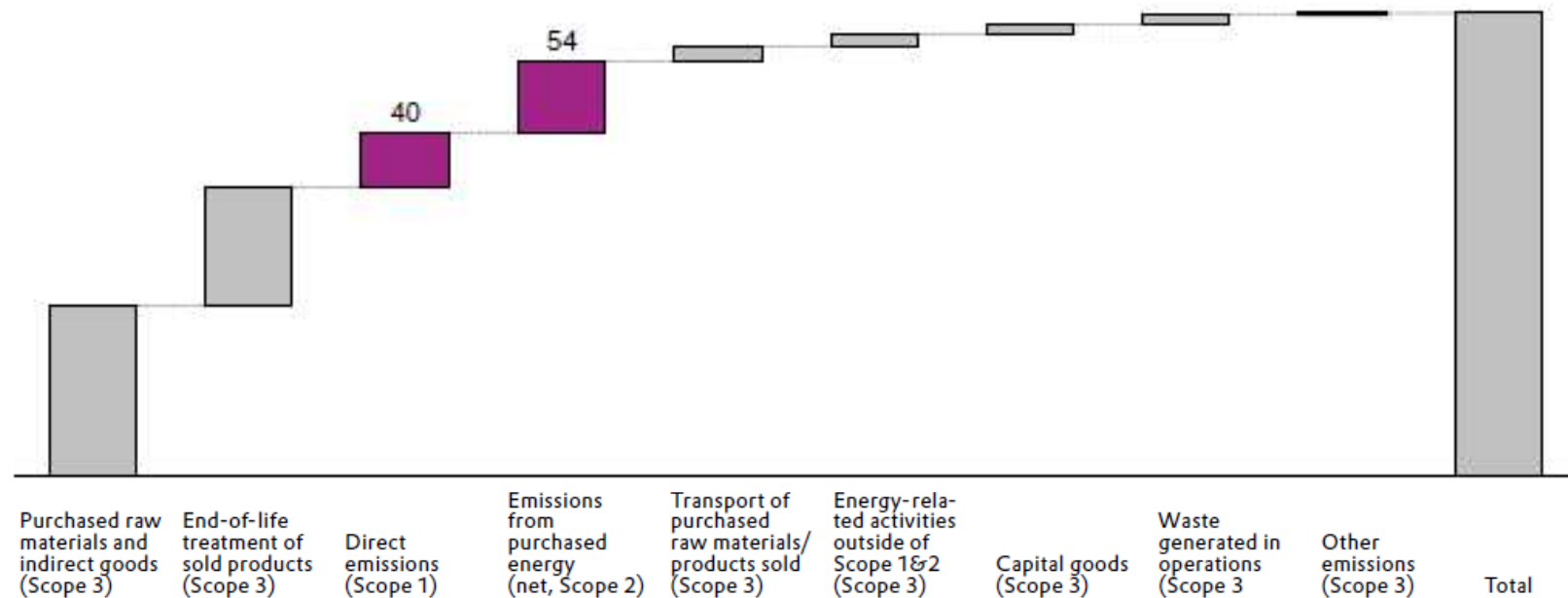
Other emissions
(services, raw
materials, paper
consumption,
garbage, etc.)



So far, Fuchs Corporate Carbon Footprint covers Scope 1 and Scope 2 emissions



Specific Carbon Footprint 2014 [kg CO₂/ton] *



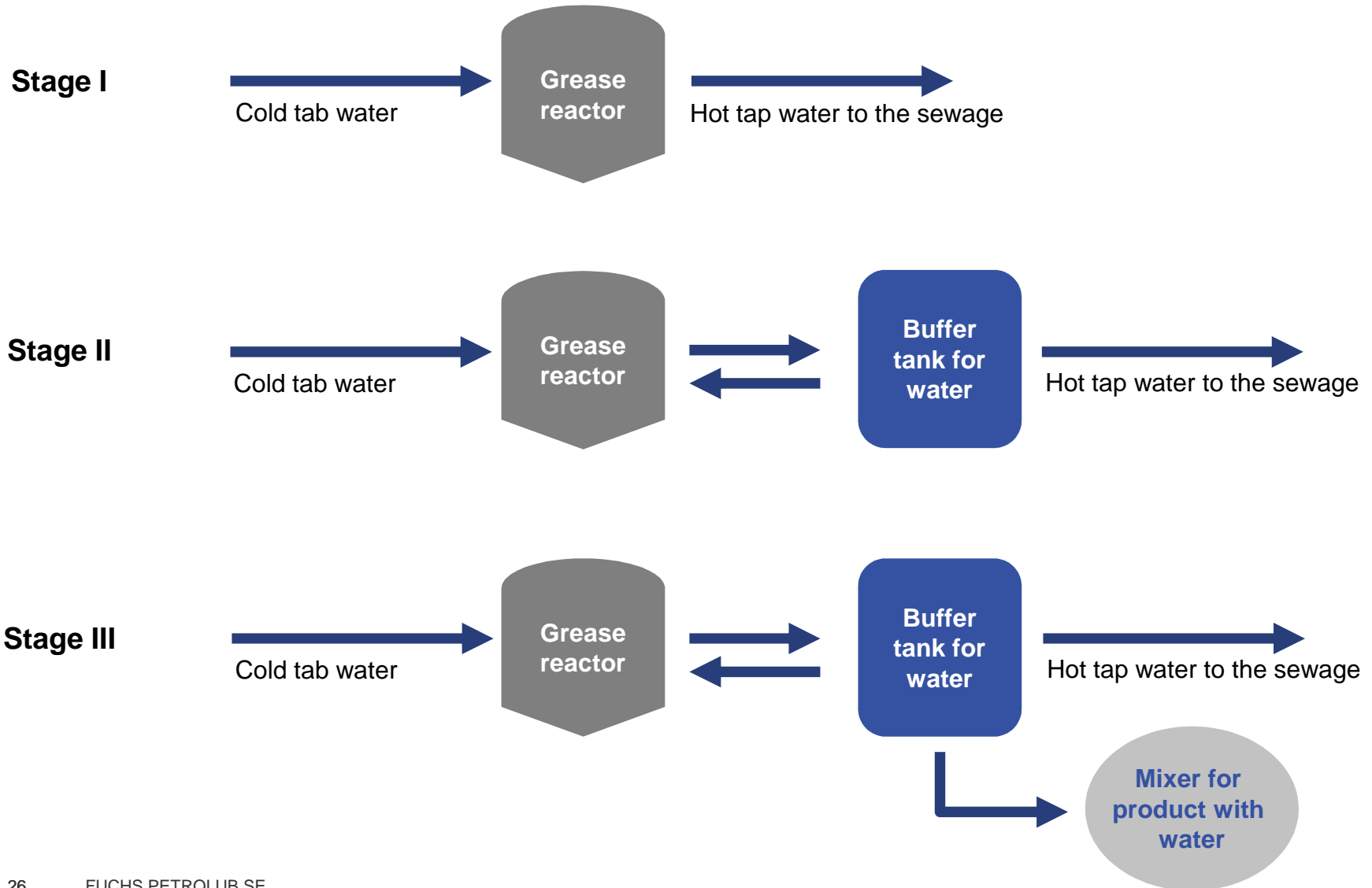
Production: Water & Waste

- Do you have water reduction features installed in your facilities and/or buildings?
- Do you have any initiatives in place to reduce the amount of waste you produce?

Wessex Water / December 2010

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Waste reduction – Tank cleaning with compressed air

- Manufacturing and storage tanks characterized by: plain interior surface, external heating coils, cone bottom for better flow of oil
- Inlying loop, which descends automatically after drain and cleans the tank wall using compressed air



Employees

- Was your staff turnover less than 10% in the past 12 months?
- During the last months, were there any industrial accidents?

*Wessex Water / December 2010
Fiat / January 2014*

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SOCIAL INDICATORS

	2014	2013	2012	2011	2010
Average age of employees in years	43	43	43	43	43
Age structure of employees in %					
<30 years	15	14	15	14	13
31–40 years	27	27	27	29	30
41–50 years	30	32	32	31	32
>50 years	28	27	26	26	25
Average length of service of employees in years	11	11	11	11	11
Employee turnover rate ¹ in %	4.1	3.2	3.5	4.2	3.8
Work-related accidents ² per 1,000 employees	16	16	16	18	18
Days lost due to sickness per employee	7	7	7	7	7
Proportion of women in management positions in %	20	20	20	19	19
Average further training and education per employee in hours	18	17	16	12	9

Basis: FUCHS production locations (Group representativeness: 90%).

¹ Proportion of employees that voluntarily leave the company.

² Number of accidents requiring more than three days off work.

Society

- Are you committed in community initiatives?

Fiat / January 2014

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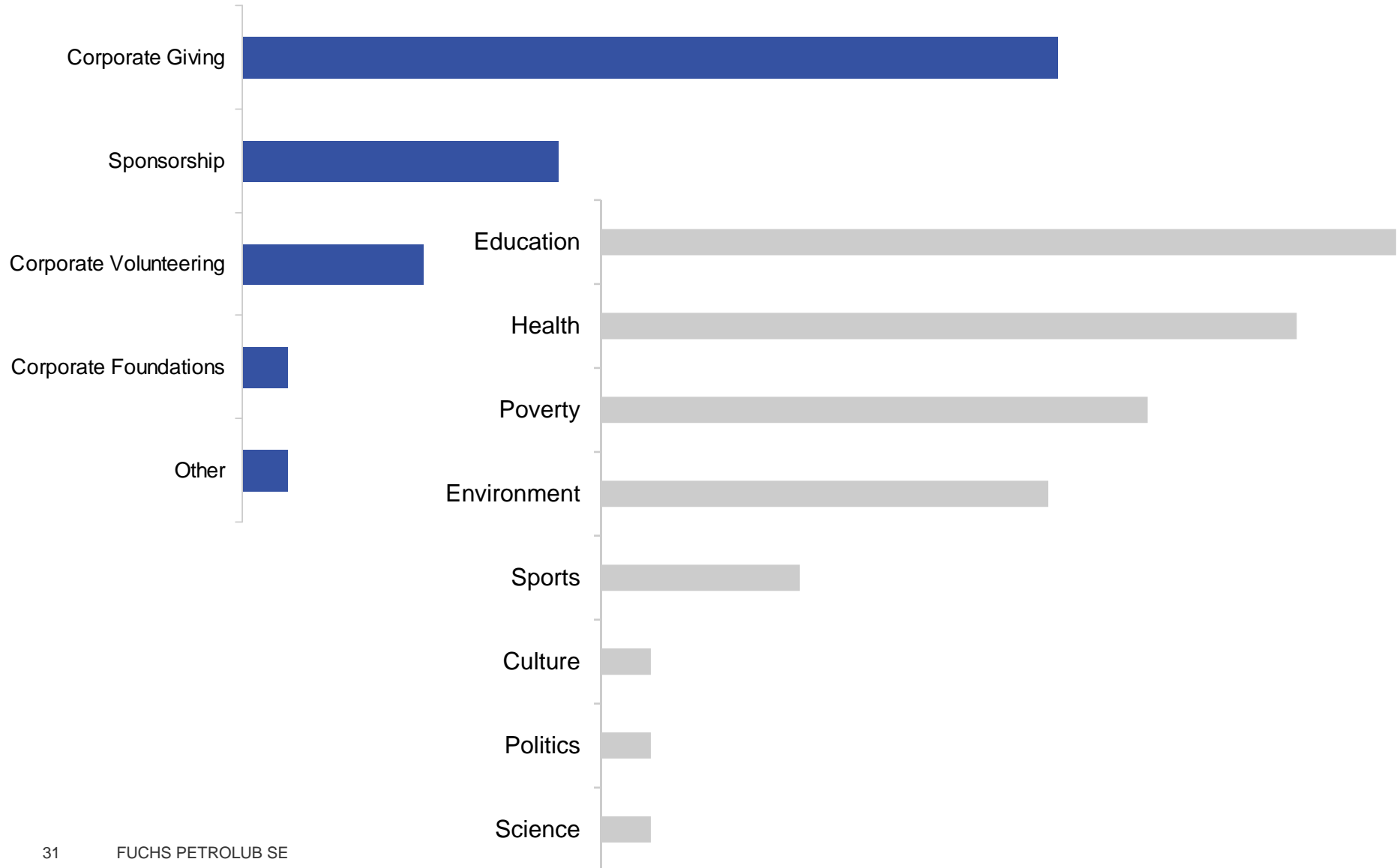


Sustainability

FUCHS Corporate Citizenship



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THE INTERNATIONAL COUNCIL OF CHEMICAL ASSOCIATIONS

Responsible Care[®] Global Charter

Responsible Care is the global chemical industry's unifying commitment to the safe management of chemicals throughout their life cycle, while promoting their role in improving quality of life and contributing to sustainable development.

As a signatory to the Responsible Care Global Charter my company will actively strengthen the Responsible Care initiative worldwide and is committed to:

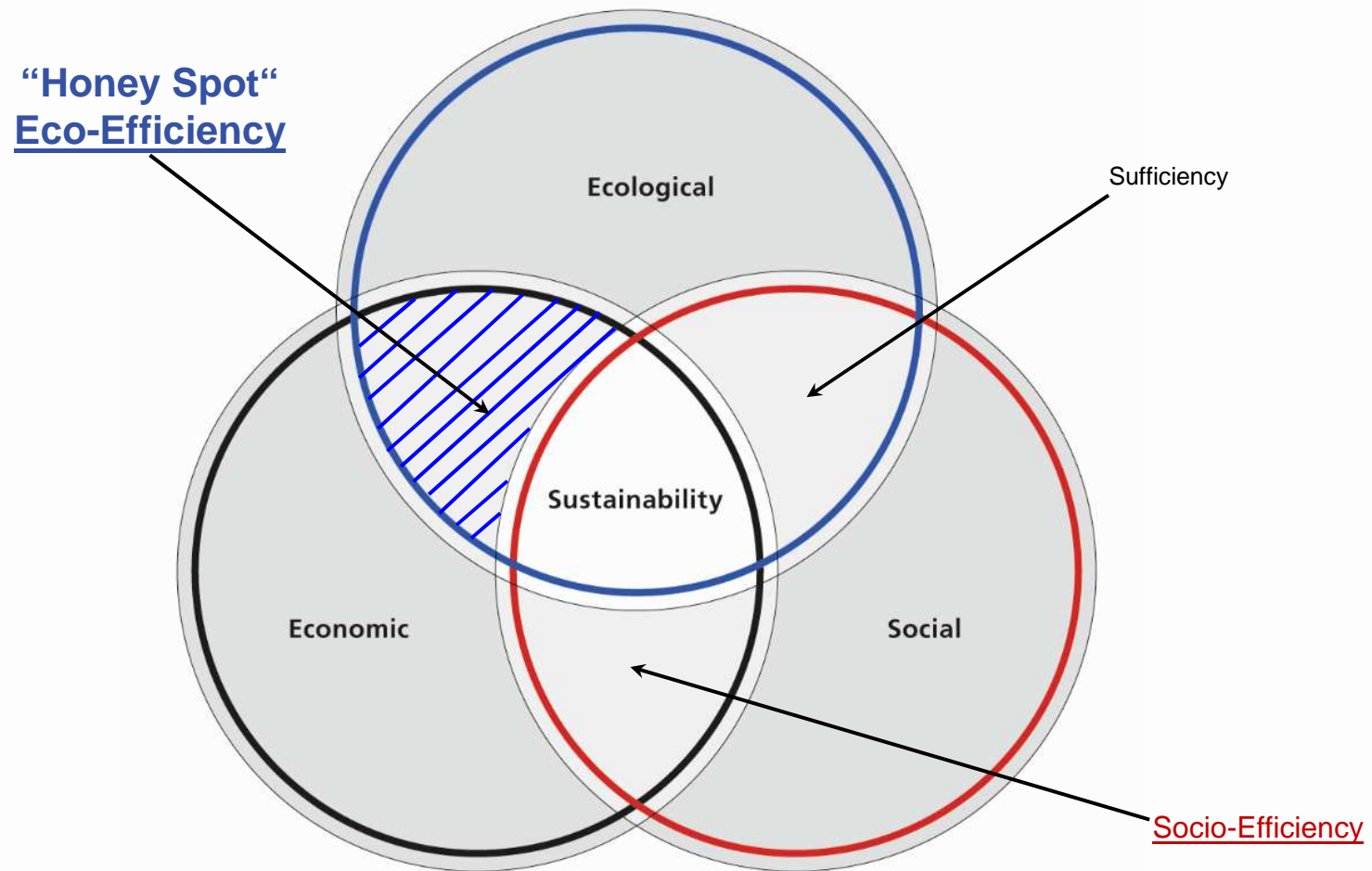
- 1 A Corporate Leadership Culture** that proactively supports safe chemicals management through the global Responsible Care initiative
- 2 Safeguarding People and the Environment** by continuously improving our environmental, health and safety performance; the security of our facilities, processes and technologies; and by driving continuous improvement in chemical product safety and stewardship throughout the supply chain
- 3 Strengthening Chemicals Management Systems** by participating in the development and implementation of lifecycle-oriented, sound-science and risk-based chemical safety legislation and best practices
- 4 Influencing Business Partners** to promote the safe management of chemicals within their own operations
- 5 Engaging Stakeholders**, understanding and responding to their concerns and expectations for safer operations and products and communicating openly on our performance and products
- 6 Contributing to Sustainability** through improved performance, expanded economic opportunities and the development of innovative technologies and other solutions to societal challenges

FUCHS PETROLUB SE
Company

 21/01/2015
CEO Signature Date

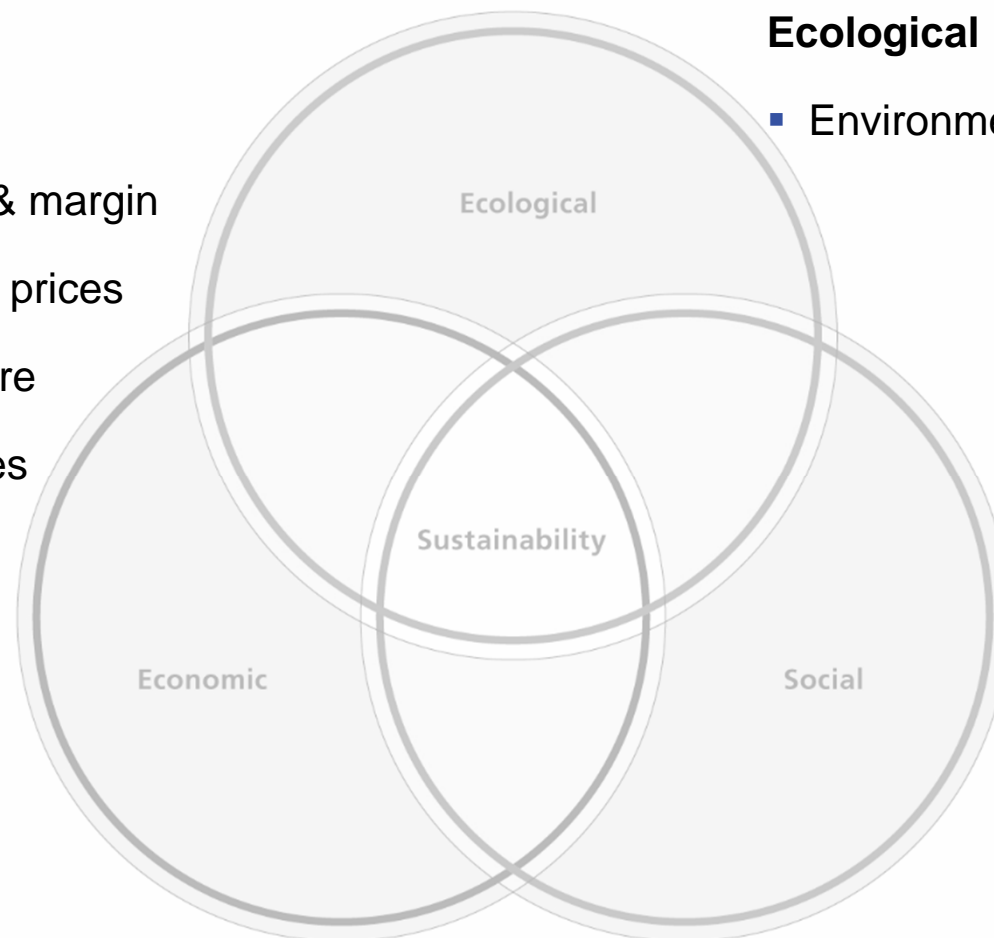

 Approved by the ICA Board of Directors, May 29, 2014
 
 INTERNATIONAL COUNCIL OF CHEMICAL ASSOCIATIONS

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Economic Impact

- Reduced turnover & margin
- Pressure to reduce prices
- Loss of market share
- Liability for damages
- Investigation costs
- Legal costs



Ecological Impact

- Environmental damage

Social Impact

- Loss of employment
- Health & Safety

