BorsodChem is a leading European producer of MDI, TDI and PVC resins as well as base and specialty chemicals. We supply high quality raw materials for all kinds of goods in a wide range of industries including: appliances, automotive, beverage, building and construction, clothing and footwear, electric and electronics, furniture and bedding, packaging, paints and coatings, pharmaceuticals and rubber.

Our portfolio of products and solutions is constantly expanding, and our market position grows stronger every day.

The BorsodChem story now spans several generations, each presenting its own challenges and successes. We are very proud of our achievements; yet they are never a reason for complacency. As we look back on our progress, we also evaluate our present status. The knowledge we have gained helps us to continue creating what we like to call "the right chemistry" and to define our plans and ambitions for the future.

The following pages will introduce you to our journey. You will learn what is important to us and how we intend to preserve and build upon what we have learned for the generations still to come.
BorsodChem grew out of a complex of local chemical works called Borsodi Vegyi Kombinát operating in the county of Borsod-Abaúj-Zemplén in the North of Hungary. By the 1950s the company’s portfolio consisted mainly of synthetic fertilisers.

In 1963, following a series of mergers, we established our PVC plant – the first one in Hungary. This led to rapid expansion and BorsodChem really ‘came of age’ in the early nineties when our MDI plant was completed. It was then that we began isocyanate production and the company officially became known as BorsodChem.

Ten years later, TDI was added to our product portfolio. In the years in between, we invested heavily in our environmental performance, established a waste water treatment plant and implemented the ISO 14001 Environmental Management System as well as the ISO 9002 Quality Assurance System. Our technologies and facilities have continued to grow in line with rapidly increasing demand.

In an industry that is expanding more and more rapidly, we pride ourselves on our ability to adapt to the needs of society in general and the communities around us.
1949 Establishment of Borsodi Vegyi Kombinát (BVK)

1954 Beginning of fertiliser production (ammonium, nitrate, urea)

1963 Start of PVC production

1991 • Transformation of BVK into BorsodChem
    • Start of MDI production
2000
Acquisition of MCHZ (Aniline) in Ostrava, Czech Republic

2001
Start of TDI production

2005
Acquisition of Petrachemia Blachownia (Benzene, Toluene, Xylene) in Kędzierzyn-Koźle, Poland

2009 - 2010
Expansion of MDI production

2010
Cooperation with Wanhua Industrial Corp., P.R. China

2011
- Expansion of TDI production
- Start of nitric acid production in Hungary

2001
- Expansion of TDI production
- Start of nitric acid production in Hungary
BorsodChem products are everywhere! They may not be immediately visible, but the end results of our work can literally be found in every area of life and are used by people of all ages. As you get dressed, drive your car, play a game of tennis or squash, pick up some food from the supermarket or lie down to sleep, there is a good chance that you will use something that started with a BorsodChem product.

Over the last nine years, we have received nine innovation awards. Five of these are for development of MDI and TDI technologies. Four are for environmental innovation. One of the largest industrial companies in Hungary, we are now leading the Central and Eastern European market in production of PVC resins, TDI and MDI. Our manufacturing facilities in Poland, Czech Republic and Hungary have earned an enviable reputation for high quality base and specialty chemicals. We are growing steadily throughout Europe and have gained a confident foothold from which to extend our operations further.
BorsodChem facts:

» Group headquarters: Kazincbarcika, Hungary
» Net sales (2009): €627 million
» Capex (2009): €74 million
» Employees (December 2009): 3,126

We have subsidiaries and branch offices in 7 countries:

» Hungary
» Czech Republic
» Poland
» Belgium
» Croatia
» Italy
» United Kingdom

Main products

Our products are used as raw materials for a range of applications within the chemical industry. However, they are primarily used in two major segments:
Main locations

- Brussels Office
- London Office
- Ostrava
  - Aniline, CHA, Specialty Amines production
- Katowice Office
  - Benzene, Toluene and Xylene refining
- Kazincbarcika
  - Group Headquarters & Major Production Site (Vinyls, TDI, MDI production)
- Gödöllő
  - Technical Centre
- Milan Office
- Zagreb Office
- Budapest Office

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We have arrived at this point through the application of strong ethics and values over the years. During that time, our products and solutions have been instrumental in improving the lives of thousands of people.

We intend to contribute positively to a long and pleasant future for our planet. We foster strong community relations and support training and educational projects. We strive to provide our employees with safe and appealing surroundings in which to work. Lastly, we constantly monitor and reduce our impact on the environment and continue to invest in clean, sustainable technologies.

The word “chemistry” in our tagline has an extra meaning. We are more than just a company that makes chemicals. By being a hard-working, approachable and caring company, we create positive interaction and good feelings: between people, within different societies, between ourselves and our neighbourhoods. We have been building “the right chemistry” for generations. We are building it now, and will continue to do so.

And with the right chemistry...
Four clear priorities have supported our growth over the years. We work hard to continuously improve these areas. This is what we call “the right chemistry” – an optimal combination of excellent basic ingredients. The resulting solutions not only unite people and improve the world we are living in, but also create a successful and constantly evolving business.
Operational excellence
We achieve **top performance** through:
- integrated plants and material flows
- optimised logistics and inventory management
- 'economy of scale' – reduced consumption and increased yields
and adhere to **top standards** such as:
- the best available technologies
- continuous improvement of production and business processes
- ISO 9001 certification

Care for our customers
Our focus on **value** for our customers is continuously renewed through:
- strategies carefully aimed at creating, capturing and delivering customer value
- tighter integration of people, processes and data exchange
- faster, more effective manufacturing, marketing and distribution
- investment in development and testing facilities such as our Technical Centre in Gödöllő (Hungary)

Care for our employees
We demonstrate that **we care** by:
- complying with all European and Hungarian regulations
- applying ‘Responsible Care’ principles in our daily operations
- completing the Occupational Health & Safety Certification (OHSAS 18001)
- participating in the work of trade organisations such as ISOPA, PU Europe, III (International Isocyanates Institute), EVCM and EuroChlor

Care for our environment
We support **a healthy environment**:
- by applying all European and Hungarian regulations
- through voluntary initiatives such as applying emissions standards that are tighter than required by law

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BorsodChem values

**We believe in:**

Excellence
We never rest in our quest for better processes, products and relationships. In a fast-growing industry, we know that constant innovation in these areas is essential to our success. We do not compromise on occupational health and safety and act in an environmentally responsible manner.

Respect
We respect everyone who is involved in or affected by our operations. That includes people of all cultures, societies and capabilities. By showing consideration, we ensure that we in turn are respected by the individuals and communities around us.

Open communication
We communicate openly, transparently and proactively. We provide clear information on all our activities while respecting the confidentiality of our stakeholders.

Teamwork
We want our employees to be proud of their work and to work together towards common goals. We listen to each other, encourage new ideas and support each other’s ambitions.

**We conduct all our business on the grounds of ethical behaviour. Any violation of legal or ethical standards is immediately addressed with zero tolerance.**

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**BorsodChem uses environmentally friendly technologies and owns IPCC (Integrated Pollution Prevention and Control) licences. Our processes conform to BAT (Best Available Techniques) standards, including ISO 14001, for:**
- waste water treatment
- air protection and monitoring
- environmental noise protection
This is an exciting time for BorsodChem. As society, technologies and demands change ever faster, the end-products of the chemical industry become increasingly diverse. At the same time, the raw materials they are produced from need to become more and more sophisticated, more efficient and more sustainable. We are at the forefront of this development, particularly in the highly competitive PU and PVC sectors. In order to grow further, we need to be fully prepared.

Within the framework of the proven principles that have guided us so far: caring for our customers, communities, employees and environment, we have made detailed plans for the future.
Ambitious targets and solid growth strategies

We aim:
• to be the PU market leader in CEE, the heartland of European growth
• to have the best-in-class MDI and TDI production technology
• to be the leading TDI supplier in Europe and the overall no. 3 in isocyanates

We will achieve this through:
• continuation of a major investment program
• enlarging production capacities in line with market growth
We aim:
• to become a PVC market leader in CEE
• to continuously improve our position in the market relative to our competitors

We will achieve this through:
• integration between PVC and isocyanate production, which optimises potential for future growth
• strong participation in the economic recovery which will positively impact PVC demand, particularly in the CEE region
• continuous improvement of our position in strategic markets in CEE and the development of new profitable market opportunities across Europe

Our direction is clear and our potential is strong. The BorsodChem story has just begun!

For more information, visit our new website at: www.borsodchem-group.com