

Responsible Care® Verification Report

United Initiators Canada Ltd.

March 15 - 18, 2021



CHEMISTRY INDUSTRY
ASSOCIATION OF CANADA



Responsible Care®
Our commitment to sustainability.

Disclaimer

This report has been produced by a team, convened by the Chemistry Industry Association of Canada (CIAC), to provide advice to the member-company and assist it in meeting its Responsible Care[®] commitments. The material in this report reflects the team's best judgment in light of the information available to it at the time of preparation. It is the responsibility of the CIAC member-company that is the subject of this report to interpret and act on the report's findings and recommendations as it sees fit. Any use which a third party makes of this document, or any reliance on the document or decisions made based upon it, are the responsibility of such third parties. Although CIAC members are expected to share the results of this guidance document with interested parties, the Association, its member-companies, their employees, consultants and other participants involved in preparing the document accept no responsibility whatsoever for damages, if any, suffered by a third party as a result of decisions made or actions based on this report.

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EXECUTIVE SUMMARY

This report documents the observations and conclusions of an independent verification team tasked with conducting a Responsible Care Verification of United Initiators Canada Ltd., Prince George, British Columbia facility. Following an initial virtual Orientation and Planning meeting on January 27, 2021, the verification was undertaken virtually on March 15, 16, 17, 18, 2021. This was the first Responsible Care verification completed for United Initiators Canada Ltd at this location. Two previous verifications have been carried out under the previous owner PeroxyChem Canada Limited. Prior to PeroxyChem, four additional verifications were carried out under the original owner FMC of Canada Ltd.

While considering all aspects of the Responsible Care Commitments during this verification, at the request of the company, the team placed some focus on opportunities for overall systems improvements.

As a result of the examination conducted, the verification team is of the opinion that the Responsible Care Ethic and Principles for Sustainability are guiding company decisions and actions, and that a self-healing management system is in place to drive continual improvement. The verification is complete, and no further involvement is required by the verification team.



Signed:
David D Mack
Verification Team Leader

April 26, 2021

For more information on this or a previous Responsible Care Verification Report, please contact your local company site representative:

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SUMMARY OF VERIFICATION TEAM OBSERVATIONS

Findings Requiring Action

The following relate to instances where the current status is at variance with the requirements of CIAC Responsible Care Commitments.

- i. Establish a process to keep abreast of new personal occupational exposure limits as defined by current regulations and also related emerging science. [OP26]
- ii. Establish and document an overall management system based on the plan-do-check-act continual performance improvement cycle for the operating site community and other applicable stakeholder awareness, dialogue, and social responsibility (i.e., repeat finding from previous verification) [AC125 – 157].

Works in Progress

The following relate to self-initiated actions in support of continual performance improvement.

- i. Reviewing the scope and effectiveness of the current employee occupational health surveillance program.
- ii. Planning for a post pandemic site emergency simulation exercise.
- iii. Updating the current business continuity program to address the full range of related exposures (ref. CIAC Business Continuity/Critical Infrastructure Implementation Aid) including cybersecurity and epidemics.
- iv. On-going work in planning and achieving resource conservation objectives (e.g., energy and water)
- v. Continuing to address gaps in community outreach at the Hebertville, Quebec product trans-loading terminal.

Improvement Opportunities

The following relate to suggested actions that would enhance the effectiveness of current programs.

- i. Establish a decision-making guide for the selection of which process hazard analysis technique to be used for various management of change scenarios.
- ii. Review available long term health effects information for all potentially related occupational exposures and enhance the industrial hygiene program as appropriate, including attention to newer considerations, such as reproductive and other endocrine system effects (repeat OFI from previous verification).
- iii. Insert a notation on the existing site worst case scenario development document (dated 1995) to confirm when it was last reviewed and that it remains current.
- iv. Benchmark the Site Emergency Response Plan against Canadian Standard CAN/CSA-Z731-03 – Emergency Preparedness and Response.
- v. Finalize the current draft Shelter in Place process and insert into the Site Emergency Response Plan.
- vi. Review and update, as appropriate, the current Security Vulnerability Assessment which was completed in 2014.
- vii. Add into the Transport Emergency Response Manual, a description of the process used to communicate with persons impacted by an emergency and how they will be provided with assistance if displaced as a result.
- viii. Share the Energy and Waste Survey document with the Community Advisory Panel.
- ix. Establish a process for auditing Responsible Care related performance at waste management contractor facilities and their transportation operations.
- x. Place some emphasis on establishing additional initiatives that promote Responsible Care by name.
- xi. Formalize the current process for customer Responsible Care related performance monitoring, by establishing documented procedures and records.
- xii. Share the site's current worst-case scenario with the Community Advisory Panel.
- xiii. Consult with the Community Advisory Panel on how to address and continually improve on aspects of the Accountability Code that the panel and company believe would be the most useful and appropriate.
- xiv. Add a description of the Prince George product manufacturing and distributing operations into the United Initiators web site, including information that it adheres to Responsible Care.

- xv. Maintain a current list of key persons responsible for local public policy for two-way dialogue, as appropriate.
- xvi. Given the importance of day-to-day management being done through the cross functional networks, review the process for communication and follow-up of issues and concerns identified within and between networks, to ensure all are being effectively tracked and closed.

Successful Practices

The following relate to actions that strongly support sustained excellence in performance.

- i. The company's Contractor Program document that provides an overview for Responsible Care related selection and performance monitoring of "Other Parties", which includes an exposure matrix for high and low risk contractors and other service providers.
- ii. A well-defined Responsible Care related Management System and Gap Analysis
- iii. The entire system for managing Responsible Care related documentation with access to all who need to know.

1. INTRODUCTION

1.1 About Responsible Care Verification

As a member of the Chemistry Industry Association of Canada (CIAC), the most senior executive responsible for United Initiators Canada Ltd. operations attests annually to CIAC and its peers that the company's operations conform to the expectations contained in the Responsible Care Commitments and are guided by *Responsible Care Ethic and Principles for Sustainability*.

The Responsible Care® Ethic and Principles for Sustainability

We are committed to do the right thing, and be seen to do the right thing.

We dedicate ourselves, our technology and our business practices to sustainability - the betterment of society, the environment and the economy. The principles of Responsible Care® are key to our business success, and compel us to:

- work for the improvement of people's lives and the environment, while striving to do no harm;
- be accountable and responsive to the public, especially our local communities, who have the right to understand the risks and benefits of what we do;
- take preventative action to protect health and the environment;
- innovate for safer products and processes that conserve resources and provide enhanced value;
- engage with our business partners to ensure the stewardship and security of our products, services and raw materials throughout their life-cycles;
- understand and meet expectations for social responsibility;
- work with all stakeholders for public policy and standards that enhance sustainability, act to advance legal requirements and meet or exceed their letter and spirit;
- promote awareness of Responsible Care and inspire others to commit to these principles.

As an element of this commitment to Responsible Care, United Initiators Canada Ltd., must, every three years, participate in an external verification intended to:

1. Provide the Executive Contact with an external perspective when assessing if the company is indeed meeting the intent of the Responsible Care Commitments, along with advice on areas that may require attention;
2. Identify opportunities for assisting the company when benchmarking its own practices and performance against those of its peers, thus supporting continual improvement;
3. Contribute to the credibility of Responsible Care amongst company personnel and stakeholders, as well as the stakeholders of the broader industry;
4. Identify successful company practices that can be promoted to peers in the CIAC membership; and
5. Support the identification of areas of common weakness so that collective tools and guidance can be developed to improve performance in those areas across the CIAC membership.

Verification is conducted according to a common protocol, developed by the association's members and others, including several critics of the chemical industry. The verification is conducted by a team consisting of:

- Knowledgeable industry expert(s) with experience in Responsible Care;
- A representative of the public at large (usually with a public interest background and with experience in Responsible Care gained from serving on the CIAC's National Advisory Panel) and
- One or more representatives of the local communities where the company's facilities are located.

Once completed, the Verification Report is made publicly available through the CIAC website (www.canadianchemistry.ca). United Initiators Canada Ltd. is also expected to share the report with interested persons in its communities and other stakeholders as part of its ongoing dialogue processes.

Additional information on Responsible Care and / or the verification process can be found at the CIAC website www.canadianchemistry.ca or by contacting the Director, Responsible Care glaurin@canadianchemistry.ca or 613 237 6215 extension 233.

1.2 About United Initiators Canada Ltd.

United Initiators Canada Limited is a subsidiary of United Initiators GmbH, a specialty chemical manufacturer and distributor based in Pullach, Germany. United Initiators manufactures, develops and distributes peroxides and other products worldwide. The company is the leading global provider of organic peroxides and persulfates. The site in Prince George, British Columbia is United Initiator's only Canadian hydrogen peroxide manufacturing plant. Product distribution is handled through bulk terminals in Edmonton, Alberta, Hebertville, Quebec and Nanaimo, British Columbia.

1.3 About This Verification

Following an initial Orientation and Planning meeting on January 27, 2021, the verification was undertaken on March 15, 16, 17, 18, 2021. During this time, a series of half day sessions were conducted virtually, using GoToMeeting audio visual technology.

During the course of the verification, the team had the opportunity to interact with a wide range of company personnel, as well as stakeholders external to the company. Attachment 2 contains a list of those individuals interviewed and their affiliations.

This was the first Responsible Care verification completed for United Initiators Canada Ltd at this location. Two previous verifications have been carried out under the previous owner, PeroxyChem Canada Limited. Prior to PeroxyChem, four additional verifications were carried out under the original owner, FMC of Canada Ltd.

The verification team was comprised of the following individuals.

Name	Affiliation	Representing
Dave Mack	CIAC	Team Leader
Phil Byer	CIAC	Public-At-Large Verifier
Ron Williams	Local Resident	Community Representative

2. TEAM OBSERVATIONS CONCERNING THE RESPONSIBLE CARE COMMITMENTS (CODES AND BENCHMARK AND COLLECTIVE EXPECTATIONS)

During the verification of United Initiators Canada Ltd., the verification team looked for evidence that the company was addressing the expectations documented in the Responsible Care Commitments (157 code elements plus 28 benchmark and collective expectations). While considering all aspects of the Responsible Care Commitments during this verification, at the request of the company, the team placed some focus on opportunities for overall systems improvements.

In communicating its observations, the verification team will make repeated reference to the following categories of observations:

1. **Findings Requiring Action;** document instances where the verification team observes specific company actions (or the absence of company actions) which are inconsistent with the detailed codes and benchmark and collective expectations contained in the Responsible Care Commitments. Where possible, the team will communicate, based on their experience and judgment, why it is inconsistent and how the observation

relates back to a possible gap in the expected management system and / or the ethic and principles underpinning company actions. The team may also provide advice on how the situation might be responded to.

2. **Works in Progress;** document instances where the team has observed the company self-initiating actions in response to identified gaps and deficiency arising from other internal or external audit and review activities, or where the company has self-initiated important improvement opportunities.
3. **Successful Practices;** document instances where the team believes the company has taken actions that strongly support sustained excellence in performance, and which should be communicated throughout the CIAC membership.
4. **Improvement Opportunities;** identify instances where the team has observed company actions and decision making as being largely consistent with the expectations detailed in the Responsible Care Commitments, but for which the team is of the opinion that the company could support further improvement by considering alternate or additional benchmarks when undertaking its planning and decision making.

The verification team's observations of how the company has addressed the Responsible Care Commitments are as follows:

2.1 Team Observations Concerning Operations Code

The Operations Code defines environment, health and safety expectations regarding all company operational aspects including product manufacturing, transportation and distribution.

2.1.1 Design and Construction of Facilities and Equipment

There is a capital project management and project safety review process in place. This includes process hazard assessment and a detailed management of change process to ensure that new unacceptable risks are not being introduced into the operation, as a result of modification or additions to the plant.

Improvement opportunity

- i) Establish a decision-making guide for the selection of which process hazard analysis technique to be used for various management of change scenarios.

2.1.2 Operations Activities

There are mandatory safety standards in place. Process operating procedures are in place with established control limits. Procedures are in place for laboratory operations. The afore mentioned management of change process is applied to any procedural changes. There are distribution mandatory safety standards in place. Product transportation is by road and rail (approximately 70%), both operated in accordance with regulatory requirements. Road tankers are company owned and operated, with rail cars mostly owned and some leased, all operated by contracted railroads. Recognized industry standards are used for road tanker inspection and maintenance. Railcars are inspected and maintained to regulations by specialized industry service providers. All truck drivers are trained on product handling and driving safety procedures. Trans-loading facilities are sited in accordance with the above distribution mandatory safety standards. For manufacturing facilities there is a documented equipment integrity and reliability program in place, as well as preventive maintenance and repair procedures.

2.1.3 Safety and Security

There is a documented occupational health and safety program manual in place which includes general safety rules, personal protective equipment requirements and safe work procedures. There is also a defined

contractor safety program in place. Fundamentals of occupational hygiene are documented, and exposure hazard monitoring is routinely carried out using recognized occupational hygiene processes. There is also an employee health surveillance program in place. Day to day health and safety monitoring is done through a defined behavior-based safety observation program in which all employees are expected to participate. There also is a regular plant conditions inspection program in place. For manufacturing operations, process hazard potential is addressed through a five-year review of each process area. The facility's most credible worst case incident scenario has been defined as a process fire and established that this would have no off-site impact. The technical analysis for the worst-case scenario was completed in 1995. This has been recently reviewed and confirmed as relevant to current site conditions. Elements of a typical process safety program have been defined. Manufacturing facility emergency preparedness and response is addressed through a documented plan. The local municipal fire department is the primary emergency responder to the site and department personnel have been given process orientation. The company is also a member of an organization referred to as the Prince George Industrial Mutual Aid Committee. Transportation emergency preparedness and response is also addressed through a documented plan. Transportation emergency response equipment is available on site, and the company has contracted with a recognized service provider for product distribution system wide response capability. Regular manufacturing site and transportation emergency drills are carried out. In the event of a large-scale emergency, a business continuity overview has been prepared. A site security vulnerability analysis was completed in 2014, and a documented security standard is in place. Incident reporting and investigation is addressed through a defined process. Follow-up actions from incident investigations are tracked and assigned to individuals with target completion dates.

Finding Requiring Action

- i) Establish a process to keep abreast of new personal occupational exposure limits as defined by current regulations and also related emerging science. [OP26]

Works in Progress

- i) Reviewing the scope and effectiveness of the current employee occupational health surveillance program.
- ii) Planning for a post pandemic site emergency simulation exercise.
- iii) Updating the current business continuity program to address the full range of related exposures (ref. CIAC Business Continuity/Critical Infrastructure Implementation Aid) including cybersecurity and epidemics.

Improvement Opportunities

- i) Review available long term health effects information for all potentially related occupational exposures and enhance the industrial hygiene program as appropriate, including attention to newer considerations, such as reproductive and other endocrine system effects (repeat OFI from previous verification).
- ii) Insert a notation on the existing site worst case scenario development document (dated 1995) to confirm when it was last reviewed and that it remains current.
- iii) Benchmark the Site Emergency Response Plan against Canadian Standard CAN/CSA-Z731-03 – Emergency Preparedness and Response.
- iv) Finalize the current draft Shelter in Place process and insert into the Site Emergency Response Plan.
- v) Review and update, as appropriate, the current Security Vulnerability Assessment which was completed in 2014.
- vi) Add into the Transport Emergency Response Manual, a description of the process used to communicate with persons impacted by an emergency and how they will be provided with assistance if displaced as a result.

2.1.4 Environmental Protection

The company is certified under the International Organization for Standardization Environmental Management Systems standard (ISO 14001). Emissions and discharges are monitored. Goals are developed from a process that identifies and ranks the site's significant environmental aspects. Greenhouse gases are tracked and reported per British Columbia provincial regulations. Wastes are minimal, and transportation and disposal are handled by a recognized service provider. Selection and monitoring of waste management contractors is addressed through the company's contractor program. There is a process in place to track wastes.

Improvement Opportunities

- i) Share the Energy and Waste Survey document with the Community Advisory Panel.
- ii) Establish a process for auditing Responsible Care related performance at waste management contractor facilities and their transportation operations.

2.1.5 Resource Conservation

Resource usage is routinely monitored. Annual goals are developed from the afore mentioned site significant environmental aspects. The current focus is on water use and energy reduction.

Work in Progress

- i) On-going work in planning and achieving resource conservation objectives (e.g., energy and water)

2.1.6 Promotion of Responsible Care by Name

The Responsible Care logo is displayed on transportation trucks, stationary, business cards, E-mail signature templates, etc. The company's Community Advisory Panel is also familiar with and kept aware of the initiative. Responsible Care is also promoted at regular community outreach activities.

Improvement Opportunity

- i) Place some emphasis on establishing additional initiatives that promote Responsible Care by name.

2.2 Team Observations Concerning Stewardship Code

The Stewardship Code addresses all company raw materials, products and services and defines expectations for the care and control of same throughout their life cycle.

2.2.1 Expectations of Companies

The company produces one commodity chemical. Any new or modified product introduction to the site is addressed through the afore mentioned management of change process which includes questions regarding effects on personnel, environment, process risks and training. Product risk characterization has been done and is current. Product sale and security measures are in place throughout the life cycle, as appropriate to the potential for theft and misuse. Product hazard information is made available to users through the company's Safety Data Sheet. With regard to historical waste practices, information is available on file as part of the regulated hazardous waste manifesting system.

2.2.2 Expectations with Respect to Other Parties

In this section, other parties related to company operations include bulk product trans-loaders, chemical suppliers, contract laboratories, site contractors and customers. Contract carriers and hazardous waste contractors are addressed in the Operations Code. The company's Distribution Mandatory Safety Standards are applied in the selection of new trans-loaders and ongoing performance monitoring. A defined process covering Responsible Care related performance is applied to the selection of chemical suppliers. Selection and monitoring of site contractors and contract laboratories is addressed through the company's contractor program. An approval process is applied to new customers and routine follow-up visits occur to monitor Responsible Care related performance.

Work in Progress

- i) Continuing to address gaps in community outreach at the Hebertville, Quebec product trans-loading terminal.

Improvement Opportunity

- i) Formalize the current process for customer Responsible Care related performance monitoring, by establishing documented procedures and records.

Successful Practice

- i) The company's Contractor Program document that provides an overview for Responsible Care related selection and performance monitoring of "Other Parties", which includes an exposure matrix for high and low risk contractors and other service providers.

2.3 Team Observations Concerning Accountability Code

The Accountability Code defines expectations for communication and dialogue with communities local to company manufacturing and distribution operations and transportation corridors, as well as other stakeholders with an interest in company activities.

2.3.1 Operating Site Communities

A draft community dialogue process has been developed with sections addressing a charter for the existing Community Advisory Panel, membership in the Prince George Mutual Aid Committee and Chamber of Commerce, Charitable Donations, Tours, supporting Education/Experience, Effectiveness of Community Dialogue Process, Community Dialogue for New Facilities, and Review/Update Frequency. There are also Guidelines for Community Giving and the company documents summaries of its community outreach activities each year. A business process map has been developed which can be used as a communications aid, addressing operations, resource management, leadership, measurement/analysis and related links. These improvements provide important initial steps for establishing a complete Plan-Do-Check-Act management system for addressing each of the code elements as appropriate for the site.

Finding Requiring Action

- i) Establish and document an overall management system based on the plan-do-check-act continual performance improvement cycle for the operating site community and other applicable stakeholder awareness, dialogue, and social responsibility (i.e., repeat finding from previous verification) [AC125 – 157].

Improvement Opportunities

- i) Share the site's current worst-case scenario with the Community Advisory Panel.
- ii) Consult with the Community Advisory Panel on how to address and continually improve on aspects of the Accountability Code that the panel and company believe would be the most useful and appropriate.
- iii) Add a description of the Prince George product manufacturing and distributing operations into the United Initiators web site, including information that it adheres to Responsible Care.

2.3.2 Other Stakeholders

Engagement with public policy makers, financial organizations, the general public, non-government organizations, other non-related businesses in the area and, indigenous communities occur on an as needed basis appropriate to the site location, operations and, impacts. A defined business code of conduct policy is in place which must be signed by those in leadership positions. All product is supplied to other industrial users, and there is no direct line to the consumer market. The facility is represented on the CIAC regional

transportation community awareness and emergency response committee (TRANSCAER) and participates in related community events.

Finding Requiring Action

- i) See Finding Requiring Action in Section 2.3.1 above

Improvement Opportunity

- i) Maintain a current list of key persons responsible for local public policy for two-way dialogue, as appropriate.

3. TEAM OBSERVATIONS ON THE COMPANY MANAGEMENT SYSTEM

It is a requirement of Responsible Care that companies have a documented, self-healing management system or systems capable of identifying and responding to deficiencies and otherwise supporting continual improvement across all company business units, functions, and sites and as a framework for implementing the Responsible Care Commitments.

The verification team studied United Initiators Canada Limited management systems and compared and contrasted the attributes of those systems to that of a self-healing overall management system as discussed in the CIAC Management System Guide. It was established that, while some United Initiators corporate policies and arrangements may be expected, the former PeroxyChem management system and supporting programs will continue to apply. The verification team's observations related to the company management systems are as follows:

3.1 Observations on the PLAN Step

During the 'PLAN' Step of the management system, the company is required to decide what the goals of the company are and how they will be met. In determining those goals, it is expected the company will look inward, across its operations, but will also look outward, considering the expectations of stakeholders; regulatory requirements; relevant CIAC Responsible Care Commitments and supporting tools; and other industry benchmarks.

In reviewing the 'PLAN' Step, the following was noted:

Policies are in place to address health, safety and environment. Annual objectives are developed by the site management group. Inputs to objectives include audit results, process hazard analyses, incident reviews, feedback from employees, the Community Advisory Panel and other stakeholders as appropriate. All health, safety and environmental initiatives are co-ordinated through a cross functional committee referred to as the HS&E Network, which develops an annual plan. There is a declared target of zero for health, safety and environmental incidents. Employee competency needs have been defined.

3.2 Observations on the DO Step

During the 'DO' Step in the management system, the company is required to convert the decisions of the 'PLAN' Step into action and ensure awareness and understanding by all involved. It is expected that the company will implement an organizational structure, assign responsibilities to appropriate personnel, supply sufficient training and resources to execute planned actions and develop and document standards, procedures and programs, as applicable.

In reviewing the 'DO' step, the following was noted:

The facility management group is clearly defined and is supported by a series of cross functional employee networks to address day to day operations, including Responsible Care related requirements. There are comprehensively documented standards, practices and procedures in place which address a wide range of Responsible Care related requirements. There is a new employee orientation process in place and an ongoing

training matrix which defines related requirements for all positions. The management system and its components are documented, and Responsible Care code expectations are cross referenced and documented to relevant facility standards, processes and procedures.

Improvement Opportunities

- i) Given the importance of day-to-day management being done through the cross functional networks, review the process for communication and follow-up of issues and concerns identified within and between networks, to ensure all are being effectively tracked and closed.

Successful Practices

- i) A well-defined Responsible Care related Management System and Gap Analysis
- ii) The entire system for managing Responsible Care related documentation with access to all who need to know.

3.3 Observations on the CHECK Step

During the 'CHECK' Step in the management system, actions carried out in the 'DO' Step are required to be assessed to determine if they are actually being carried out according to plan, and whether they are achieving the desired outcomes and delivering continual improvement. Here, the overall management system and components should be reviewed along with employee competences for assigned responsibilities, internal and external audits should be undertaken, incidents should be assessed to identify root causes, and performance measurement should be conducted and reviewed.

In reviewing the 'CHECK' Step, the following was noted:

Responsible Care related performance monitoring includes daily reviews of all parameters at a routine meeting involving production, maintenance and technical personnel. The HS&E Network also tracks progress with a subcommittee referred to as Who's Watching the Plan. Comprehensive environmental management system and corporate safety standards audits are also in place to verify conformance with related requirements. Follow-up actions from audits are assigned to individuals with target completion dates. The software system referred to as Master Control is used to track findings. Incident investigation is addressed in the Operation Code. Employee performance is addressed through a documented review process.

3.4 Observations on the ACT Step

During the 'ACT' Step in the management system, the company is required to translate the results of the 'CHECK' Step into corrective actions for improvement. This includes revisiting the 'PLAN' Step to decide whether changes are need to the company's stated goals or action plans, policies and procedures for achieving those goals. Considerations when examining the 'ACT' Step should include whether and how: audit and review findings are responded to; performance is communicated internally and externally; employee and contractor performance is rewarded or corrected, etc.

In reviewing the 'ACT' Step, the following was noted:

The results of performance assessments are reviewed, and changes are made to the management system for continual improvement where necessary. This includes ensuring that the learnings from incident investigations, and audits, etc. are effectively implemented. Employees receive a performance sharing award each quarter if safety, health and environmental performance metrics are met. Results of the above review are communicated to the Community Advisory Panel and other stakeholders as appropriate.

4. TEAM OBSERVATIONS ON THE RESPONSIBLE CARE ETHIC AND PRINCIPLES FOR SUSTAINABILITY

Each CIAC member company is formally committed to the ethic of *"Doing the right thing and being seen to do the right thing."* This ethic, along with the principles for sustainability is expected to guide the company's decision making and practices. In conducting the verification, the team is looking to understand how well the

ethic is understood and adopted within the company, and the degree to which the principles inform the manner in which the company does its business.

The verification team carefully observed United Initiators Canada Limited decision-making processes and actions and compared and contrasted the attributes of those with the attributes of a company guided by the Responsible Care Ethic and Principles for Sustainability as discussed in the Responsible Care Commitments (Appendix E). The verification team's related observations on the company's application of the *Responsible Care Ethic and Principles for Sustainability* are as follows:

Through observation and analysis, and subject to effectively dealing with the 'findings requiring action' and completion of the 'works in progress' as identified in this report, the company was seen to be appropriately aligned with the following elements of the *Responsible Care Ethic and Principles for Sustainability*. Refer to the explanatory notes following each element:

- *Work for the improvement of people's lives and the environment, while striving to do no harm;*
[Supported by a clear commitment to Responsible Care.]
- *Be accountable and responsive to the public especially the local communities, who have the right to know the risks and benefits of what they do;*
[Supported by commendable community outreach efforts, however, effectiveness could be enhanced by having a defined management system for community awareness and dialogue.]
- *Take preventive action to protect health and the environment;*
[Supported by a slate of environment, health and safety processes and procedures. Could be improved by having a process to stay abreast of new occupational exposure limits and related emerging science.]
- *Innovate for safer products and processes that conserve resources and provide enhanced value;*
[The facility manufactures a single commodity product using a proven process. Research and development is managed by the company's corporate ownership entity, however there appears to be limited opportunities in this area.]
- *Engage with their business partners to ensure the stewardship and security of company products, services and raw materials throughout their life cycles;*
[Supported by processes to select and monitor the Responsible Care related performance of "Other Parties".]
- *Understand and meet expectations for social responsibility;*
[Supported by commendable efforts in this area, however effectiveness could be enhanced by having a defined management system with reference to Appendix A of the Responsible Care Commitments.]
- *Work with all stakeholders for public policy and standards that enhance sustainability, act to advance legal requirement and meet or exceed their letter and spirit;*
[Some interface with stakeholders other than the operating site community. Effectiveness could be enhanced by having a defined management system in this area.]
- *Promote awareness of Responsible Care and inspire others to commit to the principles.*
[Some efforts in this area with local organizations and business partners. Continue to capitalize on opportunities presented.]

5. VERIFICATION TEAM CONCLUSION

As a result of the examination conducted, and in consideration of the observations communicated within this report, the verification team is of the opinion that the Responsible Care Ethic and Principles for Sustainability are guiding company decisions and actions, and that a self-healing management system is in place to drive continual improvement. The verification is complete, and no further involvement is required by the verification team.

COMPANY RESPONSE TO VERIFICATION TEAM REPORT

On behalf of United Initiators Canada Ltd., I have reviewed this verification report. The observations and conclusions contained in the report have been discussed with the verification team.

The virtual verification was completed successfully with the virtual tools available.

United Initiators Canada Ltd. will communicate the results of the verification exercise with its CIAC peers at their next meeting, and will discuss the verification results with our stakeholders, including those representing communities near our operating and distribution sites.

We will give consideration to the Improvement Opportunities identified by the verification team and will assist the CIAC in communicating and sharing the identified Successful Practices to other CIAC members. Plans will be developed and implemented to respond to the Findings Requiring Action and those Works in Progress where completion of such is action required to close gaps with respect to requirements, as identified by the verification team. Our progress in implementing those plans will be discussed when preparing our Annual Statement of Re-Commitment to Responsible Care and communicated to the verification team at the time of our next verification.

Colin Schenk
Plant Manager
United Initiators Canada Ltd
April 13, 2021

INTERVIEW LISTS

A: Company Personnel

Name	Position	Location
Colin Schenk	Plant Manager	Prince George, British Columbia
Cori Laurin	Controller	Prince George, British Columbia
Dave Willis	Sales Account Manager	Vancouver, British Columbia
Doris Meredith	Laboratory Co-ordinator	Prince George, British Columbia
Shane Hibberd	Maintenance Manager	Prince George British Columbia
Tyson Russell	HS&E Network Member	Prince George, British Columbia
Jaspreet Chahal	Junior Process Engineer	Prince George, British Columbia
Ken Ryan	Distribution Manager	Prince George, British Columbia
Aman Parmar	Sales Account Manager	Vancouver, British Columbia
Michelle De Vere	Technical Manager	Prince George, British Columbia
Wasim Yasin	Production Manager	Prince George, British Columbia
Dan Abbs	Production Co-ordinator	Prince George, British Columbia
Gary Bartlett	Business Manager Canada	Prince George, British Columbia

B: External Stakeholders

Name	Company / Organization	Position	Location
Ron Williams	Community Advisory Panel	Member	Prince George, British Columbia
Cathy McKay	Community Advisory Panel	Member	Prince George, British Columbia
Ray Noonan	Community Advisory Panel	Member	Prince George, British Columbia
Brent Morgan	Community Advisory Panel	Member	Prince George, British Columbia
Suzanne Douglas	Community Advisory Panel	Member	Prince George, British Columbia
Stephen Parris	Community Advisory Panel	Member	Prince George, British Columbia



Responsible Care®
Our commitment to sustainability.

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