



RESPONSIBLE CARE[®] Verification Report

Rhodia Canada Inc.
October 30 - 31, 2013

Disclaimer

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EXECUTIVE SUMMARY

This report documents the observations and conclusions of the independent verification team tasked with conducting a Responsible Care Verification of Rhodia Canada Inc. The verification was undertaken on May 7th 2013 and was conducted at the Marriott Courtyard on Creek Bank Drive in Mississauga. This was the sixth Responsible Care verification completed for Rhodia Canada Inc. The last verification was completed on October 4th and 5th 2011.

While considering all aspects of the Responsible Care Commitments during this verification the team placed an emphasis on conducting an in-depth examination of company aspects related to how the Responsible Care[®] Ethic and Commitments for Sustainability are applied to the Canadian company while operational responsibility for Responsible Care[®] resides in United States

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 team believes that the company is capable of responding, with additional time, to the Finding Requiring Action identified during the verification which is summarized below and discussed in detail in the report. However as a caveat to this verification the verification can not be complete until the cross reference document that demonstrates the connection between the CIAC Responsible Care[®] Codes and the Rhodia Inc. management systems is completed. The Rhodia Canada Executive Contact will send the completed gap analysis to the verification team by October 31st. 2013 and the Company and verification team will reconvene in November 2013 to review the document and complete the verification.

REPORT ADDENDUM February 13, 2014: As of October 31st 2013 the cross referencing process had been completed in Canada with gaps identified that required input from various corporate based managers. A meeting was held at corporate headquarters on January 8th 2014 to accomplish this task which resulted in the identification of gaps where specific Canadian management systems will be required. The alignment of the previous Rhodia management systems with the new Solvay management systems and the implementation of the new American Chemistry Council Product Stewardship Code will also need to be part of the cross referencing and gap closure process As a result the team listed one Finding Requiring Action to address this situation.



Verification Team Leader June 3, 2013

For more information on this or a previous Responsible Care Verification Report, please contact your local company site or the company's overall Responsible Care coordinator: Terrance Persad

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SUMMARY OF VERIFICATION TEAM OBSERVATIONS

Findings Requiring Action

1. It is a finding requiring action that the gap analysis and the Management System Cross reference document required by the Responsible Care® Code Implementation Management System have not been completed. Where the corporate management system does not, in whole or in part, address the expectations of a Canadian RC code element, a Canadian supplement to the corporate management system needs to be defined (these expectation gaps have been identified in team comments on the Rhodia Gap Analysis dated November 14, 2013). Two particular examples are:
 - i) The Stewardship Code management system does not comply with the requirements of Stewardship Code element ST #116 pertaining to the expectations of third party service providers with respect to community outreach based on the site risk profile.
 - ii) The Rhodia Inc. Product Stewardship Management System does not have a component to promote Responsible Care® “by name”.

Works in Progress

1. As part of the Rhodia Canada Inc. support of the Operations Code TransCAER commitments the Canadian Executive Contact will participate in a regional TransCAER event and then promote the annual attendance of the United States based Emergency Response coordinator in the future. Reference AC#145
2. A process has been implemented to identify which corporate managers or departments at Rhodia Inc. are responsible for administration of each of C.I.A.C related Responsible Care® codes and add this information to the cross reference document.
3. During the 2011 verification a review of the application of ST#115 included a discussion on how Rhodia SA was utilizing “The Rhodia Way” corporate social responsibility initiative as an encouragement with larger suppliers to apply key elements of the philosophy such as compliance with environmental, health and safety regulations. The application of the Ethic began with customers and the plan is to apply this process to business relationships and other support opportunities with all six identified stakeholders in ‘The Rhodia Way’ management system. The process was continuing in 2013.
4. A process has been implemented to identify how Rhodia SA and Rhodia Inc. address the requirements of Accountability Codes AC# 141-143 with an objective to include this information in the cross reference document.
5. The Canadian Executive Contact will determine if the findings, improvement opportunities and works in progress will be added to the Rhodia Inc. Manufacturing Solutions action tracking system.

Improvement Opportunities

1. There is an improvement opportunity to review the revised 2012 CIAC Stewardship Guide to determine if there additional activities required of Rhodia Canada Inc. in the application of their Product Stewardship management system.
2. There is an improvement opportunity to develop a relationship with a consumer advocacy group, either directly, or through a consumer product business association. Reference AC#147-150.
3. There is an improvement opportunity to initiate a discussion with Rhodia Inc. Product Stewardship managers on opportunities to apply the requirements of AC#144.
4. There is an improvement opportunity to complete the requirements of ST#111-114 regarding historical waste sites associated with closed facilities and implement a tracking system for wastes disposed off-site when the Canadian legacy sites were active.
5. There is an improvement opportunity to determine how (or if) the expectations of Stewardship Code elements ST#109-110 are addressed in ‘The Rhodia Way’ management system and include supporting documentation in the Responsible Care® Code cross-reference document.

Successful Practices

1. Rhodia Canada Inc. is managed through the parent company Rhodia SA. Rhodia SA has developed a nine-part business ethic entitled “The Rhodia Way”. This ethic is implemented in every part of the company and supports the principles of Responsible Care® and sustainability. This results in a very comprehensive management system that is structured and ingrained in a way that ensures robust application across the globe.
2. In support of the management systems described above is the “BILAN” data and indicator reporting system that enables Rhodia SA to track and judge the company’s performance in Responsible Care®, sustainability and social responsibility across the globe.

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 Rhodia Canada Inc. operations in Canada 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, Rhodia Canada inc. 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 experts 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). Rhodia Canada Inc. 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 CIAC Responsible Care Manager at glaurin@canadianchemistry.ca or (613) 227-6215 extension 233.

1.2 About Rhodia Canada Inc., a member of the Solvay Group

Rhodia Canada Inc. is a wholly owned subsidiary of Rhodia S.A. based in Lyon, France. Rhodia S.A. was purchased by Solvay Group, which is based in Brussels Belgium, in 2011. At the time of this verification, integration of the businesses is still ongoing and the Solvay brand is being incorporated into Rhodia systems. However, legal company entities in Solvay North America have not yet been assigned so Rhodia Canada Inc. is operating in its present form including all Responsible Care® and sustainability commitments at a global and national level of the company. Rhodia Canada Inc. does not have facilities or a corporate presence in Canada and is managed at the functional level by Rhodia Inc. based in Cranbury New Jersey USA, also still operating in their present form. The previous Rhodia manufacturing site in Mississauga continues to function as a toll contractor but Rhodia has exited the third party ware house which was formerly utilized to stage Rhodia products that are manufactured worldwide and sold in Canada. Instead, they are using a system of direct and indirect (distributors) shipments of products in Canada. Rhodia Canada Inc. has nine full time employees in Canada, most based in the Mississauga ON and surrounding area. Because of the structure of the company the verification focused largely on the Stewardship Code relevant elements from the Operations and Accountability codes, as well as, elements applicable to the operations of the toll contractor.

The challenge for the company is and will be to develop an annual Responsible Care® attestation process that ensures all Responsible Care® support functions based at North American corporate offices are aware of and manage the CIAC Responsible Care® Commitments code elements. For additional information please access the corporate website at www.solvay.com.

1.3 About This Verification

The verification of Rhodia Canada Inc. was conducted on May 7th 2013. Because of extensive company reorganization activities just prior to the 2011 verification that resulted in assets being sold and the number of employees being reduced to nine, the 2013 verification is viewed as a follow-up of the 2011 verification. As a result the team met with the Rhodia Canada Inc. Executive Contact to review the status of findings and opportunities from the previous report and to verify that the policies and procedures of the United States based parent company (Rhodia Inc.) sufficiently supported the Canadian Responsible Care® Ethic and Commitment to Sustainability.

This is the sixth verification exercise completed for Rhodia Canada Inc. The last verification was completed on October 4th and 5th 2011.

The verification team was comprised of the following individuals.

Name	Affiliation	Representing
Cameron Dillabough	CIAC	Team Leader
David Powell	CIAC	Public-At-Large Verifier

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

During the verification of Rhodia Canada Inc., the verification team looked for evidence that the company was addressing the expectations documented in the Responsible Care Commitments (152 code elements plus 28 benchmark and collective expectations). While considering all aspects of the Responsible Care Commitments, the team placed an emphasis on conducting a more in-depth examination of certain company aspects identified by the company or the team related to the Stewardship and Accountability Codes as a result of Rhodia Canada Inc. not having physical assets in Canada and applying the CIAC Responsible Care® codes through their United States corporate offices.

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

Due to the business profile of Rhodia Canada Inc. not all Operations Code elements were considered during the verification.

2.1.1 Design and Construction of Facilities and Equipment

Not applicable.

2.1.2 Operations Activities

The components of this section that pertain to Rhodia Canada Inc. operations such as Transportation and Physical Distribution and Emergency Management were reviewed and each area was supported by

comprehensive corporate management systems. The team has identified a work in progress in the area of future TransCAER support in Canada.

2.1.3 Safety and Security.

Not applicable. An exception being the small force (9) of Canadian employees where work place safety is managed through the Human Resources department of Rhodia Inc. One example of this management system is quarterly safety training modules for non-facility personnel.

2.1.4 Environmental Protection

Not applicable.

2.1.5 Resource Conservation

Not applicable.

2.1.6 Promotion of Responsible Care by Name

Rhodia Inc. does in fact through business documents, the website and contractual agreements promote the concept of Responsible Care®. The conflict with the CIAC code commitments is that Rhodia Inc. promotes Responsible Care® under the umbrella of the “Rhodia Way” and does not have an identifiable management system to promote the name “Responsible Care®”. The team has listed this management system gap as an example of a Canadian Responsible Care® Commitment not covered by the present management system.

2.2 Team Observations Concerning Stewardship Code

The Stewardship Code was the central focus of the verification process in 2011. Rhodia SA has a very comprehensive management system for Product Stewardship underpinned by a Corporate Philosophy that supports various international Responsible Care® related agreements such as ; signing the Responsible Care® Global Charter, supporting the European Community initiative concerning the Registration, Evaluation, authorization and restriction of Chemical substances (REACH) and as a member of the International Council of Chemical Manufacturers participating in the Global Product Strategy (GPS) where the goal is to promote and enhance product stewardship best practices world wide. The 2013 verification focused on following up on findings and improvement opportunities from the 2011 verification that related to the Stewardship Code. The team also followed-up on an initiative related to “The Rhodia Way” social responsibility management system where by the philosophy of “The Rhodia Way” is being moved up and down the various value chains. This process supports the expectations of ST#115 and was continuing in 2013 as noted in the work in progress notation number three.

2.2.1 Expectations of Companies

All Responsible Care® expectations for this section are being met and in some instances exceed the expectations of the Responsible Care® Commitments code elements. The Responsible Care® Commitments now require a management system approach to promoting Responsible Care® by name throughout the value chain. At present, from a product stewardship perspective, Rhodia Inc. presently promotes the Ethic and concepts of Responsible Care® as “The Rhodia Way” through contractual agreements, customer training and corporate websites.

Rhodia Canada Inc. owns three legacy sites that are managed by Rhodia Inc. These sites had been remediated by other parties prior to their acquisition by Rhodia Canada Inc. as part of the acquisition process of other companies. A corporate management system is in place monitor and /or dispose of these properties. The team has identified an improvement opportunity in relation to ST#111 which involves a tracking process for wastes disposed off-site when these legacy sites were active.

2.2.2 Expectations with Respect to Other Parties

All Responsible Care® expectations in this section are being met with the exception of the application of code element ST#116. This code element references meeting Responsible Care® expectations through the management of toll contractors and third party warehouses in relation to community dialogue and risk communication. The team has listed this management system gap as an example of a Canadian Responsible Care® Commitment not covered by the present management system.

2.3 Team Observations Concerning Accountability Code

2.3.1 Operating Site Communities

This section is not applicable with the exception of the applicable community dialogue and risk communication expectations for third party locations. The team has linked these requirements with section 2.2.2 above.

2.3.2 Other Stakeholders

In the evolution of Rhodia Canada Inc. this code requirement could be challenging with corporate resources focused in The United States and Europe but the Canadian group and their corporate support groups have demonstrated a high level of commitment to Responsible Care® and the team is confident a process will be developed to address the requirements of this section. Since the 2011 verification the company has addressed a part of each of previous improvement opportunities. An improvement opportunity still exist around AC#144, the principle addressing the “right to understand” in relation to consumers, and there is a work in progress which is addressing the Rhodia Inc. commitment to TransCAER.

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 Rhodia Canada Inc. management system(s) and compared and contrasted the attributes of that system(s) to those of a self-healing overall management system as discussed in the CIAC Management System Guide. The verification team's related observations with respect to the company management system(s) are as follows:

In October 2012 the Responsible Care® Management System of Rhodia Inc. (The United States based division that encompasses Rhodia Canada Inc.) was recertified to ISO Technical Standard RCMS-2008. The certification company was Bureau Veritas Certification based in Houston Texas.

As previously reported Rhodia Canada Inc. is a division of Rhodia Inc. which in turn is a division of Rhodia SA. As a method to ensure that all areas of the global company comply with the requirements of "The Rhodia Way" Responsible Care® and Sustainability Management Systems Rhodia SA has implemented a global Responsible Care® data and indicator reporting system under the acronym "BILAN". The requirement for a metrics performance tracking system for Responsible Care® to all areas of the company including third party providers and any joint venture in which Rhodia holds an interest in excess of fifty percent.

3.1 Observations on the PLAN Step

During the PLAN Step of the management system, the company decides 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 considering the PLAN Step of Rhodia Canada Inc. management system, the verification team observed the following:

There is a comprehensive planning process at the corporate level both in Europe and the United States. Corporate values such as sustainability and eco-friendly products and processes are part of the annual planning process. In addition the corporate Responsible Care® philosophy entitled "The Rhodia Way" guides the corporate strategic orientation and management practices planning process. These management practices, which reflect the Ethic and values of Responsible Care®, have a wide area of focus from employees and the environment to investors, customers and suppliers and engagement with local communities. As with most multi-national companies it is the expectation that the local goals and objectives, including personnel performance, will support the corporate focus.

For Rhodia Canada Inc. the team did not see sufficient evidence that the CIAC Responsible Care® Commitments were fully integrated with the "Plan" step of the management system. In that vein the team has listed a finding requiring action concerning completing a gap analysis between the CIAC Responsible Care® Commitments and applicable corporate management systems and addressing any identified gaps with changes or additions to the corporate management systems. In addition, the team has listed five improvement opportunities that are linked to the planning process as related to the restructuring of Rhodia Canada Inc. as well as a work in progress to identify corporate managers or departments within Rhodia Inc. that are responsible for the administration of the CIAC Responsible Care® Codes.

3.2 Observations on the DO Step

During the Do Step in the management system, the company converts the decisions of the PLAN Step into action and ensures 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 considering the DO Step of Rhodia Canada Inc. management system, the verification team observed the following:

The main driver for the “DO” step in the management system is the corporate commitment to “The Rhodia Way”. Specific defined commitments and objectives are developed in such areas as water use reduction, energy efficiency, reduction in air emissions, employee and process safety and employee training hours. Each specified business group within the company is expected to assess their progress, on a 1-4 numerical scale, in supporting and attaining the Rhodia Way goals and objectives as defined by the corporation. The final step is implementation with an underlying goal of continuous improvement. The team did list a finding requiring action related to the “Do” step of the management system and that is related to the completion of the management system gap analysis and the cross reference document. This document is required to complete the verification but priority work associated with the purchase of Rhodia SA by Solvay Group has slowed the process. There is one improvement opportunity pertaining to the promotion of the value of company products through the value chain.

3.3 Observations on the CHECK Step

During the CHECK Step in the management system, actions carried out in the DO Step are 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 will be reviewed along with employee competences for assigned responsibilities, internal and external audits will be undertaken, incidents will be assessed to identify root causes, and performance measurement will be conducted and reviewed.

In considering the Check Step of Rhodia Canada Inc. management system, the verification team observed the following:

Rhodia Inc. utilizes an action tracking system entitled “manufacturing Solutions” as a methodology to track progress of various audits that support the “Checking” function of the corporate management system. On a quarterly basis various business teams assess progress, and initiate any required changes, in the progression toward achieving annual goals and adherence to the principles of the “Rhodia Way”. As of yet Rhodia Canada Inc. has not determined if verification action plans can be adapted to the Manufacturing Solutions system and the team will note this as an opportunity for improvement.

The Responsible Care® gap analysis and cross-reference document will be dynamic and will measure the performance of Rhodia Canada Inc. against the expectations of the CIAC Responsible Care® Commitments and Ethic. It will also be the basis for the Executive Contacts annual attestation to the CIAC that all Responsible Care® Commitments are being met.

3.4 Observations on the ACT Step

During the ACT Step in the management system, the company translates 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 include whether and how: audit and review findings are

responded to; performance is communicated internally and externally; employee and contractor performance is rewarded and corrected, etc.

In considering the Act Step of Rhodia Canada Inc. management system, the verification team observed the following:

All components of a comprehensive management system are in place including those supporting the “Act” function. After annual goals and targets are set there are quarterly reviews of results and a revision of action plans are implemented as required. Managers and employees world wide are made aware, on an on-going basis, of numerical performance indicators of company and business team performance in the quest of The Rhodia Way.

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 Rhodia Canada Inc’s. 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:

To report on this section the team has referenced Rhodia SA and the umbrella philosophy entitled “The Rhodia Way” as this philosophy embraces all the elements described in the CIAC Responsible Care® Ethic and Principles of Sustainability. Since the 2011 verification Rhodia SA has been acquired by Solvay Group. At the time of the verification integration of the two companies was in progress but there were not any expected changes in the approach to Responsible Care® championed by Rhodia SA.

Rhodia SA, is also a signatory to the Responsible Care® Global Charter and a champion of sustainable development. The entity that is Rhodia Canada Inc. is a small wholly-owned subsidiary of Rhodia Inc. (U.S.) and thusly the Ethic and Principles are applied indirectly.

As a corporation Rhodia is very strong in its commitment to do the right thing, improving people’s lives, taking preventative action to protect health and the environment, engaging business partners to ensure the stewardship of products and raw materials and meeting the expectations for social responsibility. From the perspective of Rhodia Canada Inc. the areas of being accountable and responsive to local communities, working with stakeholders for public policy and standards that enhance sustainability can no longer be fully supported as a result of recent changes in physical presence and a reduction in human resources. Promotion of Responsible Care® by name is not and will not always be apparent because the term Responsible Care® is not explicitly included in “The Rhodia Way”. A more detailed description of how Rhodia SA addresses the Principles can be found in Appendix “1” below.

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. This 2013 verification was effectively a continuation of the 2011 verification completed in November 2012. The Company has demonstrated a self-healing management system but issues pertaining to the purchase of Rhodia SA by Solvay Group have prevented the gap analysis and cross reference document of management systems from being completed. Since this document is a critical to the annual attestation process the verification team and the Company have agreed to reconvene in October 2013 to review the completed cross reference document.

COMPANY RESPONSE TO VERIFICATION TEAM REPORT

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

Rhodia Canada inc. 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 sites.

We will give consideration to the Improvement Opportunities identified by 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 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.

Terrance Persad
Sr. Regulatory Specialist
Rhodia Canada Inc
July 12, 2013

THE RESPONSIBLE CARE ETHIC AND PRINCIPLES FOR SUSTAINABILITY

- WORK FOR THE IMPROVEMENT OF PEOPLE’S LIVES AND THE ENVIRONMENT, WHILE STRIVING TO DO NO HARM.
[STEWARDSHIP CODE](#)
 A corporate Responsible Care® management system with the acronym “BILAN” requires all management groups from each site develop metrics as a method of tracking progress in sustainable areas ranging from resource consumption to product stewardship.
- BE ACCOUNTABLE AND RESPONSIVE TO THE PUBLIC, ESPECIALLY OUR LOCAL COMMUNITIES, WHO HAVE THE RIGHT TO KNOW THE RISKS AND BENEFITS OF WHAT WE DO.
[ACCOUNTABILITY CODE](#)
 There is an open report finding in this area pertaining to the community dialogue requirement of third party toll operations.
- TAKE PREVENTATIVE ACTION TO PROTECT HEALTH AND THE ENVIRONMENT.
[STEWARDSHIP CODE](#)
 This commitment is achieved through “The Rhodia Way” Responsible Care® and sustainability management system.
- INNOVATE FOR SAFER PRODUCTS AND PROCESSES THAT CONSERVE RESOURCES AND PROVIDE ENHANCED VALUE.
[OPERATIONS CODE](#)
[STEWARDSHIP CODE](#)
 The development of non petroleum based solvents in response to customer needs for greener chemistry.
- ENGAGE WITH OUR BUSINESS PARTNERS TO ENSURE THE STEWARDSHIP AND SECURITY OF OUR PRODUCTS, SERVICES AND RAW MATERIALS THROUGHOUT THEIR LIFE CYCLES.
[STEWARDSHIP CODE](#)
 The Product Stewardship management system is based on “The Rhodia Way” concepts which address the concepts outlined in this commitment.
- UNDERSTAND AND MEET EXPECTATIONS FOR SOCIAL RESPONSIBILITY.
[STEWARDSHIP CODE](#)
 As a company philosophy social responsibility continues to be a principle that underpins every aspect of their operations. Rhodia SA has received numerable awards and recognition for their commitment to social responsibility from groups as diverse as The Forum for Responsible Investment, The Dow Jones Sustainability index and the International Federation of Chemical, energy, mine and General Workers Union.
- 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.
[ACCOUNTABILITY CODE](#)
 Based on information provided during the verification there is a robust management system in place within both Rhodia SA and Rhodia Inc. that enables and promotes the various company business groups to be very active in the expectation of this code. There are limited opportunities to apply this commitment in Canada due to the relative size of Rhodia Canada Inc. The Canadian Executive Contact does interface with CEPA-ICG process.
- PROMOTE AWARENESS OF RESPONSIBLE CARE, AND INSPIRE OTHERS TO COMMIT TO THESE PRINCIPLES.
[STEWARDSHIP CODE \(ALL\)](#)
 This commitment is generally addressed through the Product Stewardship customer service group. Responsible Care® is promoted through “The Rhodia Way” which does not explicitly refer to Responsible Care® “by name”



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