



RESPONSIBLE CARE[®] Verification Report

Cytec Canada Inc.

September 22, 23, 2014



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.

Responsible Care[®] is a registered trademark of the Chemistry Industry Association of Canada.

EXECUTIVE SUMMARY

This report documents the observations and conclusions of the independent verification team tasked with conducting a Responsible Care® verification of Cytec Canada Inc. The verification was conducted on September 22nd and 23rd 2014 and included a team visit to the Niagara Falls Ontario Canadian head office and manufacturing facility. This site is commonly referred to within the corporation as “The Welland Site”. This was the sixth verification completed for Cytec Canada Inc. (Cytec) with the previous verification completed on August 8th 2011. This report is based on a review of company documents, internal and external RC14001 audits, site interviews with key personnel and communication with corporate personnel and community stakeholders by telephone and e-mail. This verification was a beta test of the proposed CIAC Integrated Verification Protocol.

As a result of the process described above this report will highlight the Cytec Canada Inc. Responsible Care® management systems. The report will list one Finding Requiring Action, ten improvement opportunities and six successful practices.

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:



Date: October 7th 2014

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:

Gary Sommer, CSP, CRSP
Safety, Health and Environmental manager
Tel: 905 356 9000
E-mail: gary.sommer@cytec.com

SUMMARY OF VERIFICATION TEAM OBSERVATIONS

As per the verification protocol; Findings Requiring Action must be addressed within three years unless otherwise noted. Improvement Opportunities must be reviewed and addressed. Justification is required for rejected improvement opportunities. Works in progress will be reviewed during the next verification. Successful Practices are potential improvement areas for other member companies.

Findings Requiring Action:

1. There is a finding requiring action to amend the Risk Communication Management system to require community risk dialogue if pilot plant project risk assessments reveal any potential for off-site impacts.

Works in Progress:

There were not any Works in Progress noted during the verification.

Improvement Opportunities

1. There is an improvement opportunity to modify the Process Safety Management System to require annual communication to employees concerning the potential health effects related to a worst case scenario event at the neighbouring Oxy Vinyl facility and what protective measures should be taken by each employee should a worst case scenario even occur.
2. There is an improvement opportunity for the company to promote, within the Niagara CAER group and the community, the installation of an automated community alert system similar to those in place in Sarnia and Saskatoon.
3. There is an improvement opportunity to develop a management system for the promotion of Responsible Care® “by name”.
4. There is an improvement opportunity to include a Responsible Care® message in the visitor safety training video.
5. There is an improvement opportunity to assess the potential benefits to Cytex Canada Inc. from utilizing various forms of social media to communicate with various stakeholders and promotes the Ethic of Responsible Care®.
6. There is an improvement opportunity to enhance the site emergency response management system by developing a facility-wide schematic diagram depicting the locations of spill response stations, first aid resources, safety showers, sumps, drains and catch basins and other critical infrastructure that require quick access during unplanned events.
7. There is an improvement opportunity to amend the Waste Tracking Management system to require a record of the waste disposal methodology and location utilized by each waste disposal contractor for site waste streams.

8. There is an improvement opportunity related to the Resource Conservation Management System to utilize the CIAC. Water Use Metric Guidance Document in the present effort at the site to reduce water consumption.

9. There is an improvement opportunity to assess the Community Dialogue Management System to determine if the site's community dialogue objectives are being met in a timely and efficient manner. Reference: CIAC System for Community Outreach Planning and Evaluation (SCOPE) document.

10. There is an improvement opportunity to revisit the company response to Improvement Opportunity #14 from the 2011 report and ensure there are documented management systems in place to meet the requirements of Accountability Code elements AC125 through AC132.

Successful Practices:

The team judges the following company initiatives as Successful Practices:

1. The utilization of natural gas as a backup fuel for the site emergency power generation system.
2. The continual proactive efforts by site Management to develop and maintain the site buffer zone with the local municipality.
3. The routing of process emissions through a thermal oxidizer and employing thermal oxidizers as an alternative to flaring.
4. The documented management system to inspect for the continual inspection of site effluent holding pond integrity.
5. A documented training management system for all employees in the Principles of sustainability.
6. The use of a third party approved contractor screening company called PICS. (Pre- Investigative Contractor Screening) The Welland site has extended this screening process to yard and road maintenance contractors and a local handyman employed by the site.

INTRODUCTION

About Responsible Care Verification

As a member of the Chemistry Industry Association of Canada (CIAC), the most senior executive responsible for Cytec 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, Cytec 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). Cytec 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 at glaurin@canadianchemistry.ca or (613) 237-6215 extension 233.

The verification team was comprised of the following individuals.

Name	Affiliation	Representing
Cameron Dillabough	CIAC	<i>Team Leader</i>
Ron Ormson	CIAC	<i>The community at large</i>
Mabel Biggar	CAP Representative	<i>Niagara Falls</i>

About Cytec Canada Inc.:

Cytec Canada Inc. is situated on a one thousand acre site located at 9061 Garner Road in Niagara Falls Ontario. The site was initially developed in 1940 to manufacture armaments. While several product lines were manufactured post 1945 the prime focus was ammonia-based fertilizers. Following a reorganization of the parent company and several product rationalization reviews most of the site had been decommissioned and remediated and only one phosphine-based manufacturing process remained. In 2014 the United States based parent Cytec, embarked on an expansion of the site’s manufacturing capabilities and today the facility known as the “Welland site” is the world’s largest producer of phosphine and phosphine derivatives.

About This Verification:

The 2014 Responsible Care verification of the Welland facility was conducted as a beta test for the Canadian Chemistry Association’s initiative to develop an integrated verification process that takes into account a company’s successful certification of a Responsible Care Management System based on technical standards such as RC14001.

A pre-verification planning meeting was held on August 27th 2014 and the verification visit took place on September 22nd and 23rd 2014. Information was gathered by reviewing company documents, interviewing, in person, site managers and employees. Corporate Product Stewardship Senior Managers and Niagara Falls and Welland Community Stakeholders were interviewed by telephone and e-mail.

This verification of Cytec Canada Inc. was conducted under the Integrated Verification Protocol. As such the Cytec corporate RC14001 and OHSAS 18001 management systems were credited as being viable management systems to support the three CIAC Responsible Care® Codes (Operations, Stewardship & Accountability) Responsible Care® Management System components unique to the CIAC are listed below and were the focus of this verification.

The site RC14001:2013 and OHSAS18001:2007 certification audits were completed by SAI Global On April 28th, 29th and 30th 2014. Aspects of Responsible Care® Management not addressed by the above audit are addressed in the following section.

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

Operations Code:

The team reviewed the successful RC14001 and OHSAS18001 certification process conducted in April 2014. It is the team consensus that the CIAC Responsible Care® Operations Code expectations are being met by Cytec Canada Inc. The team noted four Successful Practices pertaining to the Operations Code. The routing of process emissions through a thermal oxidizer and employing thermal oxidizers as an alternative to flaring, the selection of natural gas as a backup fuel for emergency power generation and a documented management system for the continual inspection of site effluent holding pond integrity and the use of a third party contractor screening company. The verification team has listed four Improvement Opportunities (#1, 2, 4, and 6) in relation to the Operations Code.

Stewardship Code:

A planning meeting review suggested that the RC14001 and OHSAS18001 certification process placed a limited emphasis on the Code Elements of the CIAC Stewardship Code. As a result the verification team examined the management systems related to the following Code Elements. The team has listed two Improvement Opportunities (#8, 9) for the Stewardship Code.

b) Stewardship Code Expectations Beyond R&D

The parent company Cytec Industries Inc. and thus Cytec Canada Inc. has in place a very comprehensive and robust Product Stewardship Management System that fully complies with the expectations of section 2, part ii) of the Canadian Product Stewardship Code. This Management System is supported by the documented Practical Sustainability Model which is a component of the Cytec Strategic Commitment to Sustainability. (See the Cytec Industries Inc 2013 Sustainability Report) <https://www.cytec.com>

c) Resource Conservation

The Cytec global parent has a documented Strategic Commitment to Sustainable Practices. As part of this commitment they have developed a management system entitled a “Practical Sustainability Model”. One of the sub-sets of this model is a focus on “Reducing Resource Intensity” thus based on a process of cascading goals and objectives the Cytec Canadian site has developed improvement objectives that support these corporate commitments.

The team has listed as an improvement opportunity (#9) the utilization of the CIAC Water Use Metric Guideline Document in the quest to reduce site water consumption

d) Historical Waste Practices

There is a management system in-place to manage the storage and disposal of site waste streams. Historical disposal documentation has been maintained and includes waste streams generated at a decommissioned off- site location in the city of Niagara Falls and disposal sites on the present Garner Road location.

The verification team has listed an improvement opportunity (#8) to amend the Waste Tracking Management System to require a record of waste disposal methodology and location employed by each waste disposal contractor.

Accountability Code:

Consistent with the benchmarking exercise conducted by the CIAC, the verification team confirmed that several key aspects of the Accountability Code and related Appendices were not addressed by the formal RC14001 and OHSAS18001 certification process. As a result, the verification team spent the majority of its time focused on key issues related to this code. Through the verification process the team found reached the following conclusions.

Leadership Expectations:

The Cytec Welland Site leadership group is active supporters of the CIAC and Responsible Care®. The Executive Contact participates in CIAC Leadership group meetings, actively supports the Niagara CAER group, is active in the Niagara Falls business community and maintains contact with Municipal, Provincial and Federal politicians. The Safety, Health and Environment Manager is active in CIAC subcommittees such as the SHARE Committee and in the community emergency response training programs of Ontario region TRANSCAER committee. The recently appointed site Logistics Manager is also a regional TRANSCAER committee participant.

Application of the Responsible Care® Principles and Ethic:

See appendix "A"

Transparency and Public Involvement in the verification/ Certification Process:

Cytec Canada Inc. has a robust management system to achieve public inclusion and operational transparency in the day to day operations of the site, future planning, public awareness of Responsible Care® and a local social responsibility focus. Examples include: Visibility of senior management in the community, active membership in the Niagara CAER group, maintaining a Community Advisory Panel and facilitating public access to site safety, health and environmental performance.

Engagement at Site Communities:

Empowered by a Corporate Philosophy, the site Safety, Health, Environmental and Responsible Care® Policy and RC14001 Standards there is a Management System in place for the engagement of the operating site community. A Community Advisory Panel is in place and meets on a biannual basis with

special interest meetings arranged as required. Site personnel are engaged in the community and site management are active supporters of the Niagara CAER Group and regional TRANSCAER.

Site management is also involved in the community planning process at both the municipal and regional levels. The site Executive Contact was also instrumental in working with the CIAC and other member companies to successfully lobby the Ontario Government to amend zoning regulations to take into account the need for sufficient buffer zones between the community and chemical manufacturing facilities. The team noted as a Successful Practice the continual proactive efforts by Welland site Management to develop and maintain the site buffer zone with the local community.

The verification team has listed one Finding Requiring Action (#1) and three Improvement Opportunities (# 5, 10, 11) relating to the management system for Engagement at Site Communities.

Sustainability Management Systems:

Cytec Industries Inc. has a very comprehensive Sustainability focus with documented performance goals and supporting management systems. The goals include environmental, health and safety performance, stakeholder engagement, sustainable product development and employee training in the principles of sustainability. A documented goal of employee training in the principles of sustainability is somewhat unique and often overlooked in sustainability initiatives. The team has listed employee training in the principles of sustainability as a Successful Practice. As with other corporate level initiatives promotion of a sustainability culture is the expectation for the Canadian Entity. Supporting Canadian site goals and objectives are captured in a document entitled "Welland 2014 Key X's". The team noted as a successful practice the corporate sponsored employee training in the "Principles of Sustainability".

Corporate Social Responsibility Initiatives:

Corporate Social Responsibility initiatives are described throughout the Corporate Sustainability report which can be viewed on-line at <https://www.cytec.com>. This report describes the Corporate Social Responsibility philosophy and how that philosophy interfaces with various stakeholders from employees and customers to the individual communities where various manufacturing sites are located. During the verification interviews with stakeholders, ranging from employees to the greater Niagara Falls community, it was evident that Cytec commitment to Social Responsibility is flourishing.

Promotion of Responsible Care by Name:

The 2011 report contained an improvement opportunity regarding the promotion of the Responsible Care® brand both internally and externally. The Company did improve in this area but since the 2011 verification the expectation of the CIAC is that each member company will have a management system where the sole focus would be promoting Responsible Care® "by name" through customer product stewardship initiatives, supply chain contracts, contractor and third party interface. The team has listed an improvement opportunity (#3) in relation to promoting Responsible Care® "by name". To date the site has trained seventy six employees and managers and one verification community representative on the CIAC Responsible Care® training modules. The verification team listed one (#3) Improvement Opportunity related to promoting Responsible Care® "by name".

CIAC. Benchmarks and Collective Expectations:

a) TRANSCAER Participation

The 2011 report listed an improvement opportunity to improve the attendance and debriefing process by the United States based corporate representative attending regional TRANSCAER meetings. As a result of increased plant volumes a site based Logistics and Distribution Manager now fulfills this function. Cytec more than fulfills their commitment to TRANSCAER by supporting regional community emergency responder training exercises, participating in local community field testing exercises and staging a joint company and community field test of the Cytec emergency response system.

Appendices to Codes: Social Responsibility

Corporate Social Responsibility initiatives are described throughout the Corporate Sustainability report which can be viewed on-line at <https://www.cytec.com>. This report describes the Corporate Social Responsibility philosophy and how that philosophy interfaces with various stakeholders from employees and customers to the individual communities where manufacturing sites are located. As a result of interviews with stakeholders that ranged from site employees and managers to the greater community, it was evident that Cytec's corporate commitment to the principles of Social Responsibility is being supported by the Canadian entity.

Appendices to Codes: Involvement in Public Policy Process

Site management is involved in the community planning process at both the municipal and regional levels. The site Executive Contact was instrumental in working with the CIAC and other member companies to successfully lobby the Ontario Government for amendments to zoning bylaws that take into account the need for sufficient buffer zones between the community and chemical manufacturing facilities.

Team Observations on the Company Management System:

As previously related in this report Cytec Industries Inc. and the Canadian entity Cytec Canada Inc. utilize the ISO technical management system standards RC14001:2013 and OHSAS18001:2007. These management systems are based on the Plan, Do, Check and Act continual improvement philosophy. Corporate goals and objectives, including those that support or emulate the CIAC Responsible Care® Ethic and Principles for Sustainability are in place. These management systems are externally audited by SAI Global a third party standards compliance company. Additional Management Systems related to Responsible Care® in Canada are verified tri-annually by the CIAC.

Observations on the PLAN Step:

From a corporate perspective, the annual planning process is based on the documented Strategic Commitment for Sustainability focus areas and the objectives of each individual business group. Each business group develops objectives to support the corporate Sustainability Commitment and the business goals and objectives pertinent to that business group. This involves the use of a well documented management system that culminates in the development of local site goals and objectives entitled the "Welland 2014 Key X's". Key X's designate specific actions required while Key Y's designate the measurable metric goal for each specific action. Real-time tracking and management of this process is through the Corporate "DAKOTA" software.

Observations on the DO Step:

The “Welland Key X’s” improvement goals fall into five categories, Safety, Health and Environmental management, Quality Improvement, Employee Empowerment and Accountability, Operational Improvement, (Process Safety Management) and Innovation & Business Growth. These categories are the focus areas for the development of individual manager’s personal goals and objectives as well those for their areas of responsibility. Support activities for these goals and objectives include human and financial resource allocation, employee training and empowering individual employees to contribute to the overall success of the Niagara Falls manufacturing site. There is a comprehensive interactive, intranet Employee Training Management System that includes a tracking function and prompts for delinquent training requirements. At the time of the verification 50% of employees had completed the CIAC Responsible Care® Training Modules on this system.

Observations on the CHECK Step:

There are documented improvement metrics for both the corporate parent and for the Welland site. As an example the corporate sustainability metrics are listed in the 2013 Sustainability Report and the Welland site metrics called “Key Y’s” are posted on the intranet and at strategic locations throughout the plant. There are comprehensive audit management systems associated with both RC 14001 and OHSAS 18001. The management system includes both internal and external audits with the internal audits having a “third party” audit component as they are conducted by an autonomous corporate group.

The Verification Team has listed as an improvement opportunity (#10) the utilization of the CIAC System for Community Outreach Planning & Evaluation to evaluate the effectiveness of the Welland site Community Dialogue Management System.

Observations on the ACT Step:

There is a comprehensive intranet based management system for logging all audit findings and improvement opportunities called “Plant Corrective Action Tracking” system which is an interactive dashboard to track progress of action item closures verses agreed targets. This process can be monitored by various levels of management and can include electronic “prompts” should the situation warrant. There is also in place a Management Operating Scorecard that actively tracks monthly actual performance results verses annual targets. These systems are supported by state of the art software such as MAXIMO.

Fifteen of the seventeen improvement opportunities from the 2011 report were addressed and two improvement opportunities remained open and were included in this report.

Application of the Responsible Care® Principles and Ethic:

TEAM OBSERVATIONS ON 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.

In relation to this Principle the Cytec Strategic Commitment to Sustainability statement highlights the focus areas for the company.

Strategic Commitment

Cytec focuses our sustainability strategy on three elements:

- Developing innovative and environmentally-sustainable products;
- Achieving the highest standards of safety, health and environmental stewardship and operational excellence and
- Being responsible to our stakeholders.

An additional example from the Welland site is the collaboration with Brock University, Niagara College and the universities of Guelph and Waterloo in the study of aquatic environments on and around the Welland site.

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.

Cytec has an excellent, though not yet fully documented, Community Dialogue Management System. The process involves biannual community advisory panel meetings, hand delivered risk communication to those in the worst case scenario (WCS) impingement area and interfacing with community associations concerning community and plant site compatibility. The WCS was also reviewed with the Niagara CAER group. The Company held a community open house and information sessions prior to and after completion of the recent site expansion. In 2013 and 2014 the Company was a major participant in or sponsored community integrated mock disaster drills. The Welland site sponsors one annual public meeting to review site data related to the CIAC. National Emissions Reduction Master plan. (NERM)

TAKE PREVENTATIVE ACTION TO PROTECT HEALTH AND THE ENVIRONMENT.

Precautionary Product-Related Activities, a component of the corporate Strategic Commitment to Sustainability, is an example of a corporate initiative that demonstrates a commitment to this Responsible Care® Principle. This is a proactive management system that continually analyzes the company product line to identify chemical substances that may be banned or restricted because of health and or environmental concerns. At the site level the company has been proactive in process safety management applications related to the recent expansion. Some examples are:

- constructing a new employee “safe room” at train two,
- the routing of all process air emissions through thermal oxidizers to eliminate or greatly reduce the emissions and

- a documented management system to monitor the integrity of site effluent holding ponds on a continual basis.

INNOVATE FOR SAFER PRODUCTS AND PROCESSES THAT CONSERVE RESOURCES AND PROVIDE ENHANCED VALUE.

The Corporate Strategic Commitment for Sustainability has as a component termed “Precautionary Product Related Activities”. This is a proactive management system that highlights substances and or company products that present a potential high risk to people and the environment. An additional Strategic Commitment is entitled “Operational Excellence” and is focused on reducing “waste” and improving energy efficiency. The Niagara Falls site utilizes natural gas as a back-up generator power source rather than the traditional use of diesel fuel.

The site is investigating process improvements that would use less cooling water. The site is attempting to engage Class 1 rail carriers in discussions to change their internal regulations and accept Cytec products for shipment. Rail shipments would be safer and reduce the company’s carbon footprint. All exterior lighting for the new Train 2 process was designed and constructed with low energy LED technology.

ENGAGE WITH OUR BUSINESS PARTNERS TO ENSURE THE STEWARDSHIP AND SECURITY OF OUR PRODUCTS, SERVICES AND RAW MATERIALS THROUGHOUT THEIR LIFE CYCLES.

Cytec Industries Inc. has in place a very comprehensive Product Stewardship Management System that addresses this Responsible Care® Principle. Sub Management Systems include New Product Introduction, New Customer Qualification, Customer audits Product Security and the use of defined motor carriers.

UNDERSTAND AND MEET EXPECTATIONS FOR SOCIAL RESPONSIBILITY.

“Supporting Our Communities” is another strategic commitment to sustainability. The planned supporting actions in the following statement are from the 2013 Cytec Industries Inc. Sustainability Report. “Cytec believes caring for our communities directly benefits our employees, our customers, our neighbors and our shareholders. Our global network of employees supports a variety of community activities, including:

- Mentoring students, participating in career fairs and hosting plant tours;
- Promoting employee and family health and wellness;
- Hosting environmental awareness events, including energy conservation and recycling activities;
- Sharing emergency-preparedness expertise and techniques with local communities;
- Participating in neighborhood beautification projects;
- Awarding college scholarship programs; and,
- Supporting fundraising events through volunteerism and donations.”

During the verification interviews several site community examples were presented that supported this corporate initiative.

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.

It is evident that Cytec Welland site management is quite active in relation to this Principle. Cooperative work with the regional, provincial and federal levels of government was an underpinning of the successful efforts to construct a new facility on-site. The Executive Contact is quite active in the CIAC initiatives to converse with elected officials at both the provincial and federal level. Locally site management has been very diligent in promoting buffer zones with the community and has established a cooperative working relationship with the provincial Ministry of the Environment.

PROMOTE AWARENESS OF RESPONSIBLE CARE, AND INSPIRE OTHERS TO COMMIT TO THESE PRINCIPLES.

The Cytec Canada Inc. Welland site is an active supporter of the CIAC. Responsible Care® Ethic and philosophy. External Responsible Care® awareness and promotion begins with their membership in the Niagara CAER Group where they are one of two CIAC members in a group of seven companies. In the CARE Group environment the company is diligent in promoting the advantages of both CIAC membership and conducting manufacturing and business affairs according to the Codes and Ethic of Responsible Care®. The Company promotes Responsible Care® on the contractor site safety training video and has utilized the CIAC Responsible Care® training video for the verification team community representative and one CAER group non association member representative.

VERIFICATION TEAM CONCLUSION

It is the conclusion of the Verification team that Cytec Canada Inc. has in-place the appropriate management systems to support the Company's commitment to the codes and Ethic of Responsible Care®. With the issue and acceptance of this report the 2014 verification process is complete.

COMPANY RESPONSE TO VERIFICATION REPORT

To the Verification team:

The management team of Cytec Canada Inc. has reviewed the draft findings as part of our internal quarterly management review process. We have found the finding and opportunities for improvement to be factual and reflective of areas where overall improvement and strengthening of our internal Responsible Care process can be undertaken.

In reference to the overall verification “lite” process we can offer the following input:

- 1) Stream lining the visit to a 1.2 – 2.5 day time period as experienced is a positive.
- 2) The focus for future audits should be to challenge and engage the employees. We took this verification process as an opportunity to re-visit and re-vitalize the employee focus with respect to living RC. The on-line training tool was a great starting point.
- 3) The focus for these audits should be 25-30% spot checking of the system and the balance on engagement and feedback from the workforce. Audits are powerful training and re-enforcement opportunities.
- 4) A strong focus needs to be on engagement with external stakeholders. At this current verification we had taken initial steps to utilize an external industry rep to be a third set of eyes and challenge us on key points and practices. Unfortunately, he was unable to attend the day of the audit. Our CAP representative attended but became ill shortly into the process. For future verifications I would make it almost mandatory that external observers are sought early and utilized in the process.
- 5) It might be of interest to review the score card of member sites – How many SHARE meetings attended, How many CAER, meetings, Cap meetings held, How many leadership meetings, TRANSCAER participation, etc.. I think this would then create a good basis for the site to be measured against with respect to active involvement. Just because sites are verified and they check off the box, what is the real pulse of the RC process.

A: Company Personnel Contacted During Verification Process

NAME	POSITION	LOCATION
Rene Lemay	Operations Technology Director	Niagara Falls
Gary Sommer	Safety, Health & Environment Manager	Niagara Falls
Michael Moser	Research & Development Group Leader	Niagara falls
Mike Duggan	Operations Manager	Niagara Falls
Dean Mason	Quality Assurance Manager	Niagara Falls
Jim Blain	Safety & Industrial Hygiene coordinator	Niagara Falls
Paul Vermue	Commissioning Engineering Leader	Niagara Falls
Marc Patenaude	Maintenance Manager	Niagara Falls
Mark Mesaros	Customer Service, Logistics & Distribution Manager	Niagara Falls
Amy Essinfeld	Senior Manager, Global Product Stewards	Niagara falls
Terry McColl	Manager, Product Stewardship and Regulatory Affairs	Niagara falls
Kelly Mischuk	Environmental Technician	Niagara falls
Nicole Willits	Environmental Technician	Niagara Falls
Tom Hyres	Joint Health & Safety Committee	Niagara Falls
Alex Doan	Joint Health & Safety Committee	Niagara Falls
Jackie Colman	Environmental Committee	Niagara Falls
Jason Kolbuc	Environmental Committee	Niagara Falls
Ron Butler	Environmental Committee	Niagara Falls

B: External Stakeholders Contacted During Verification Process

NAME	POSITION	LOCATION
Helmut Remple	CAP member	Niagara Falls
Peter Collee	Niagara CAER group	Niagara Falls



CHEMISTRY INDUSTRY ASSOCIATION OF CANADA

Suite 805, 350 Sparks Street

Ottawa (ON) K1R 7S8

T: 613 237-6215 F: 613 237-4061

www.canadianchemistry.ca