

Responsible Care[®] Verification Report

Procor Ltd

December 3 – 4, 2025



**CHEMISTRY INDUSTRY
ASSOCIATION OF CANADA**



RESPONSIBLE CARE[®]
Driving Safety & 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 considering 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 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 the independent verification team tasked with conducting a Responsible Care Verification of Procor/PROX. The verification was undertaken on December 3rd and 4th, 2025 and included team visits to Sarnia, Ontario. The planning and orientation meeting was held virtually October 16th, 2025. As a Responsible Care Partner in the transportation sector, the company does require all of the functions under the Responsible Care Commitments. The team reviewed the 157 code elements in advance with the company to seek consensus. Team members toured the site with the community rep prior to the verification on November 12, 2025 as the community rep attended the verification virtually. The verification team also conducted interviews with company personnel in Edmonton and external stakeholders in person and virtually. This was the seventh Responsible Care verification completed for Procor/PROX. The last verification was completed on September 28th and 29th, 2022. In 2025 there was a company name change to PROX. This report will use the name Procor in this report as the verification timeline is mostly under the former name.

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:

- the expansion of the repair shop at the Sarnia site
- Business Continuity Plan with respect to company changes
- Emergency Management including Worst Case Scenario
- Communication and Dialogue with Site Communities

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 to the range of Findings Requiring Action identified during the verification - summarized below and discussed in detail in the report. The verification is complete and no further involvement is required by the verification team.

Signed:

Date: December 22, 2025



Kristina Lee
Verification Team Leader

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:

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SUMMARY OF VERIFICATION TEAM OBSERVATIONS EXECUTIVE SUMMARY

Findings Requiring Action

1. That the Company review the Emergency Management Plan to ensure it is current, operational, and fully functional to address the requirements of Codes OP31-40 as well as those of the municipality. Operational means that a section of the plan has revised Worst Case scenarios, both credible and imaginable, which are aligned and in consultation with the municipal fire department and shared at a prescribed frequency.
2. implement ongoing community awareness and dialogue processes in line with AC125-136. There should be specific attention to communication of worst case scenario to the community (AC129) and response to community questions, concerns etc. (AC130).
3. That the Company develop an Indigenous Communities Policy with consideration of Codes AC153-157

Improvement Opportunities

1. That the senior executive contact who has the oversight and authority for all Canadian Responsible Care commitments in the Organizational Chart to sign the attestation. (CIAC Definition CEO Commitment p.40, Executive Contact p63)
2. To add examples of how Procor fulfills the 8 Principles of Sustainability as the webpage scrolls the list.
3. To enhance the RC slide in the Visitor, Contractor Orientation to discuss the ethic of RC.
4. To close the Plan/Do/Check/Act loop for PSPW-077 regarding community complaints. In Sarnia, under DO, the company has not trained the supervisor on de-escalation strategies with documentation and, under CHECK, followed up adequately with complaints to resolve ongoing issues with neighbours (ACT)
5. To add a preamble about the purpose of the September 2025 ESDM on the website and whether these will be uploaded at a prescribed frequency.
6. To leverage collaboration with BASES. For example, activation of the Everbridge Sarnia Alert, participation in events that highlight Procor in the community and promotion of Responsible Care.
7. That the next Responsible Care external review exercise examines the resilience of the Business Continuity Plan and its alignment with Codes OP49- 55. This plan should encompass disruption where it has and/or does not have control in areas under products (e.g. raw materials and tools needed for repairs), operations (e.g. rail line blockages/protests, tariffs, urban encroachment) and people (e.g. pandemics, labour disruptions, loss of reputation, staff assistance). (OP49 – 55)
Reference: *CIAC Business Continuity/Critical Infrastructure Implementation Aid*

Successful Practices

1. The team considers the “Rail University” as a Successful Practice. It provides a stream-lined portal to ensure each employee is properly trained in all aspects of their occupation.
2. Employee engagement for task and safety improvement e.g. ergonomic in-house design of the hoist for work on valves is considered Successful Practice.
3. Voluntary annual reports by the company to NPRI despite having amounts below the threshold for reporting is Successful Practice.

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 Procor 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, Procor 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). Procor 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 at:

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1.2 About Procor Ltd.

Procor Limited (PROX) is the Canadian affiliate of Union Tank Car Company (UTLX) which has its headquarters in Chicago Illinois. Procor Limited head office is located in Oakville, ON. Both companies are owned by Marmon Holdings, Inc., a Berkshire Hathaway company. Marmon is a global diversified industrial organization consisting of over 120 companies and more than 30,000 employees. PROX focuses on rail car leasing and repairs, as a full-service company managing the largest tank car fleet in Canada, with more than 31,000 conventional and special purpose tank and freight cars. The current rail car repair network includes four repair shops that work closely with our sister companies

(UTLX and Transco) for US shops and North American mobile field services. All locations are registered with the Association of American Railroads (AAR) and Transport Canada (TC).

The network provides a full range of services including rebuilding damaged/wreck cars, routine preventive maintenance, recertification, emergency repairs, retrofit work and special conversion programs. Procor also has direct access to their US affiliates (UTC and McKenzie Valve) for the construction of new rail cars and parts.

Procor and UTLX continue to further integrate the management of their key common business activities (leasing and repairs) to improve their operations effectiveness and customer services under the Marmon Rail umbrella. As a result, there have been several senior management position changes since the last RC verification in 2022. Both Procor and UTLX are Responsible Care members and are guided by the Responsible Care Ethic and principles.

Additional information is available on the Procor Limited web site (<https://www.procor.com>) or the Marmon Holdings, Inc. website (<https://www.marmon.com>).

1.3 About This Verification

The verification of Procor was conducted on December 3 and 4, 2025 and included team visit to the repair site in Sarnia, Ontario. The verification team also conducted interviews both in person and virtually with a range of company personnel and external stakeholders at locations the team was unable to visit. A questionnaire was sent to the Oakville and Edmonton site managers. The Edmonton Site manager was interviewed virtually under operation activities, maintenance, tracking of injury, security and emergency preparedness. As the Sarnia site had a vacancy for the site manager function, the team interviewed interim staff with the assistance of the corporate director of HSE from Edmonton and the Responsible Care co-ordinator.

The team found three (3) Findings Requiring Action, seven (7) Improvement Opportunities and three (3) Successful Practices.

Appendix 2 contains a list of those individuals interviewed and their affiliations.

This is the seventh verification exercise completed for Procor. The last verification was completed on September 28 and 29, 2025.

The verification team was comprised of the following individuals.

Name	Affiliation	Representing
Kristina Lee	CIAC	<i>Team Leader/Public-At-Large Verifier</i>
Alain Cyr	CIAC	<i>Industry verifier</i>
Debbie Krukowski	Local resident	<i>Community Representative</i>

This verification was focused on company changes since the 2022 verification. Up until 2025, Procor had been operating under their own leadership team and although expertise was shared with UTLX, the companies were managed separately. In 2025, organizational changes aligned Procor (now PROX) and UTLX as a single entity under the leadership of President Neil Finn. Functional areas (Health & Safety, Finance, Operations, Quality, HR) are now managed on a North American basis. The company

described how 2025 has been a transitional year to harmonize processes and procedures. Key positions remain to ensure business activities are guided by the Responsible Care principles. The adherence to Responsible Care was evidenced by the fact that personnel who operated under Procor in Canada in key Responsible Care positions have now been appointed to lead North American operations, sales and finance.

Procor Field Services, including mobile units and foreign car repairs, will be rebranded as a Transco company and are not part of this verification.

2. Team Observations Concerning the Responsible Care Commitments (Codes, Benchmarks and Collective Expectations)

During the verification of Procor, 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 expansion of the repair shop at the Sarnia site
- Business Continuity Plan with respect to company changes
- Emergency Management including Worst Case Scenario
- Communication Plan impacting the adjacent community.

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. **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.
3. **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 alternative 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

As a Transportation Partner, Procor has a strong management system within its tank car repair functions. Policies and procedures within the framework is well developed focusing on worker safety and reliability for customer service. The team concurs that Procor is meeting the expectations contained in Responsible Care Commitments and where there are gaps, specifically in Emergency Management, Business Continuity and Accountability Code, the company has the capacity to self-correct those areas as outlined below.

2.1.1. Design and Construction of Facilities and Equipment

The newly constructed expansion of the Sarnia site paint shop was done using engineering best accepted practices. The site followed the corporate project management guidelines and used a comparable process to a stage gate project implementation process. As a result, the site was able to be revised by relocating the new paint shop expansion to better align with neighbours' concerns.

2.1.2 Operations Activities

Maintenance activities are controlled by software programs which controls work orders, fixed scheduling of critical equipment and tracking of completion on a weekly basis. There is also a new PLC and software being implemented for flares which will also provide text messages to ensure any deviation is promptly dealt with.

2.1.3 Safety and Security

(Occupational Health & Safety, Security, Emergency Management & Malicious Intent)

Procor uses an online learning management system called “Rail University”, which houses all training content and tracks employee qualifications. EHS Insight is a safety management system that tracks all safety incidents. Procor sends workers to BASES (Bluewater Association for Safety Environment and Sustainability) for training in JHSC and Supervisory courses. Employees are encouraged to suggest work place improvements through CI initiatives such as ergonomics. A few ergonomic examples include hoist assists for work on valves and other equipment, transfer table, and chain valve

During the visit, the team observed a worker group warm up of everyone at the shop floor.

Improvement Opportunity

Enhance the RC slide in the Visitor and Contractor Orientation to include discussion of the ethic of RC.

Successful Practices

The team considers the Rail University as a Successful Practise

Employee engagement for task and safety improvement e.g. ergonomic in house design of the hoist for work on valves is considered a Successful Practice

Security

The company has a very detailed security program in terms of Information Technology (IT). The team reviewed other security features which are covered in other sections of the report.

Emergency Management

References: CCPA Guidelines for Risk Site Communication

Procor Environment, Health & Safety Standard Emergency Response Plan PSP-W-077-01

Procor Responsible Care Standard for TRANSCAER® Activities PSP-R-14

Worst Case Scenario (2005) presentation

The Sarnia site participated in the TRANSCAER Safety Train this year as part of the industry integrated exercise hosted by CN and GFL.

The team reviewed the company worst case scenario, PSP-W-077-01 and PSP-R-14 and determined that there were omissions and gaps in terms of actionable items. What will be needed will be a more detailed procedural review (deep dive) of the different sections using the "what if" method e.g. how to handle incoming messages, staff on-call during off hours and how neighbouring properties can impact the company. The different scenarios need to be tested, monitored and simulated at a frequency commensurate to the risks. A key element of Emergency Management is integration with the community and its first responders which has not been completed by Procor.

Finding Requiring Action

- That the company review the Emergency Management Plan to ensure it is current, operational, and fully functional to address the requirements of Codes OP31-40 as well as the municipality. Operational means that a section of the plan has revised scenarios, both credible and imaginable, which are aligned and in consultation with the municipal fire department at a prescribed frequency.

Business Continuity/Malicious Intent

The team reviewed a *Marmon Core Technology for Immediate Use Business Continuity Check List* and the *Table of Contents* for the *Business Continuity Plan*. The Business Continuity Plan was not available for review during the visit.

Once a disruptive event is triggered, the company described 3 phases of an action plan. This type of flexibility is a regular function of the Scheduling Team. The company understands the importance of multiple vendors to address vulnerability in the supply chain. For emergencies involving global impacts, IT services would operate in alternative locations to allow employees to work from mobile locations.

The team observed gaps in the Emergency and Communication plan which can also overlap in a Business

Continuity Plan based on the following situations. A disruptive event may lead to triggering of the company's business continuity plan only; or triggering of its emergency management / response plan only; or both.

According to the CIAC guidance document referenced below, business continuity planning should be done as a separate step, after the emergency planning has been completed. For established policies and procedures, they need to work in parallel while understanding where they intersect. Reference: *CIAC Business Continuity/Critical Infrastructure Implementation Aid*

This topic is covered later in more detail in the report under **Team Observations on the Company Management System**.

Improvement Opportunity

To update WCS in repair facilities to include the expansion. (AC129)

- That the next Responsible Care external review exercise examines the resilience of the Business Continuity Plan and its alignment with the Emergency Plan. This plan should encompass disruption where it has and/or does not have control in areas under products (e.g. raw materials and tools needed for repairs), operations (e.g. rail line blockages/protests, tariffs, urban encroachment) and people (e.g. pandemics, labour disruptions, loss of reputation, staff assistance). (OP49 – 55) Reference: *CIAC Business Continuity/Critical Infrastructure Implementation Aid*

2.1.4 Environmental Protection

The company subscribes to the requirements under Responsible Care. A pilot water treatment project reduces the volume of waste to be shipped to waste handlers. For example, the company has a new gas analyser to optimize water use (water reduction initiative) and thus create less waste for disposal.

Successful Practice

- Voluntary annual reports by the company to NPRI despite having amounts below the threshold for reporting.

2.1.5. Resource Conservation

Examples: Insulation in roofing, piping and doors,

- flare stack projects to move to all natural gas, move to LED lighting,
- better efficiency by use of steam analyzer technology as well as efficiency additions to bake furnace and compressors.

2.1.6 Promotion of Responsible Care

The company meets the requirements for the promotion of Responsible Care.

2.2 Team Observations Concerning Stewardship Code

2.2.1 Expectations of Companies

Not Applicable

2.2.2 Expectations with Respect to Other Parties

There is an expectation that although a separate business unit, Transco (the newly formed mobile company) will continue as a contractor when their services are required for Procor equipment in Canada. (AC151, 152)

2.3. Team Observations Concerning Accountability Code

2.3.1 Operating Site Communities

A quote from the previous report, the verifiers in 2022 wrote under PSP-R-14:

“...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;” requires consideration to Codes AC125 - AC152.

The verification team is of the opinion that the company should develop a proactive effort when considering communication with their community. We note that the PSP-R-14 procedure has a focus on Community Advisory Panels (CAP) and worst-case scenarios. We believe that while CAPs are very useful structures, they are not always the best answer. It is perhaps better to think of the process that would be optimal in terms of community dialogue and what is necessary to achieve the stated Principles for Sustainability.” (Procor Verification Report 2022)

The Company is required to have an ongoing community awareness and dialogue process to share Worst Case Scenarios with stakeholders and respond to community concerns. Procor has a management system for Community Dialogue (PSP-R-14). The procedure provides guidance to fixed facilities as to when actions are required. It is based on worst-case scenario communication, which is too limited in its scope, and does not fully address the public’s right-to-know.

Consideration for Codes AC153-AC157 has not been developed. It is a finding requiring action that Procor establish an Indigenous Community Policy.

The team acknowledges Procor’s proactive consideration of its near neighbours in the use of lights instead of alarms on the transfer table, thus reducing noise pollution. They have been very proactive in following zoning and Official Plan modifications to prevent incompatible land use in near proximity to the site. The expansion project was revised by relocating the new paint shop expansion due to neighbours’ concerns.

Findings Requiring Action

- It is a Finding Requiring Action that the Company implement ongoing community awareness and dialogue processes in line with AC125-136. There should be specific attention to communication of worst-case scenario to the community (AC129) and response to community questions, concerns etc. (AC130).
- It is a finding requiring action that the Company develop an Indigenous Communities Policy with consideration of Codes AC153-157.

The team reviewed the webpage and had the following suggestions:

Improvement Opportunity

- To add a preamble about the purpose of the September 2025 ESDM on the website and whether these will be uploaded at a prescribed frequency.
- To add examples of how Procor fulfills the 8 Principles of Sustainability as the webpage scrolls the list.

2.3.2 Other Stakeholders

The team interviewed Sarnia Bluewater Association for Safety, Environment and Sustainability (BASES) about Procor's activities with their industrial peers. Although, as a member, Procor has the ability to access the Everbridge Sarnia Alert system for industrial incident notification, the account has not been set up. The company utilizes BASES training programs with IEC; it has not participated in other areas.

Improvement Opportunity

- To leverage collaboration with BASES. For example, activation of the Everbridge Sarnia Alert, participation in events that highlight Procor in the community and promotion of Responsible Care.

The team interviewed community members listed in the end of the report.

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 Procor's 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 to the company management system(s) are as follows:

Marmon's Mission Statement, "...*maintaining highest ethical standards and operating in an environmentally and socially responsible way*", clearly defines the top-down expectations for all aspects of the company. The team noted that this mission statement is aligned with the ethic of Responsible Care "*do the right thing and be seen to do the right thing*".

Business needs are determined on a yearly cycle by Marmon Executive, Steering Committee, departmental leads and input from UTLX. Ongoing updates are discussed at Repair Executive meetings by the Steering Team. Monthly Business Review requires each shop manager to review with senior leadership, their KPI results vs their budget with action plans where applicable.

The team reviewed the Organizational Chart for Procor North America. It was noted that in the company transition, the Responsible Care co-ordinator function will also have the signing function for the annual attestation within the new amalgamation. It is important that the attestation be signed by a senior executive who has the most sphere of influence to make decisions for all Canadian Responsible Care commitments. The Responsible Care co-ordinator is responsible for gathering the evidence and data so that the person in charge of the final decisions for the Canadian operations has the necessary documentation to make an informed decision on behalf of every department under their jurisdiction.

While the signing officer may have responsibilities for all North America, it should not supersede or limit Canadian Responsible Care oversight for attestation function.

CIAC definition of Executive Contact page 63:

"The CEO or the senior executive of every member of CIAC who commits to implementing the ethic and codes of Responsible Care...."

Improvement Opportunity

- The senior executive contact who has the final oversight for all Canadian Responsible Care commitments in the Organizational Chart to sign the attestation.

(CIAC Definition CEO Commitment p.40, Executive Contact p63)

The team observed some gaps with respect to the Management System under the Operations Code (Business Continuity, Emergency Management) and under the Accountability Code (AC125 to 157). The next section describes the observations and how they are connected.

It was observed that the WCS presented to the team was based on a map in 2005, did not include the expansion, recent current events in the area or the new subdivision across the road. Recently, in 2020 there was an incident of CN railcar derailment carrying flammable materials in Sarnia rail yard, which illustrates potential for impacts from adjacent sites. In the past year, the company has been meeting with the city on zoning and urban encroachment issues. All these recent events along with an examination of the impacts from the expansion should be taken into consideration using a company who specializes in risk analysis and WCS's.

These plans should clearly define the role of a management system which encompasses disruption where the company has and/or does not have control in areas under products (e.g. raw materials and tools needed for repairs), operations (e.g. rail line blockages/protests, urban encroachment) and people (e.g. pandemics, labour disruptions, loss of reputation). Under these 3 areas there should be clear delineation of where an event/incident may impact the company and vice versa with respect to Emergency Management, Business Continuity or Communication with neighbours.

Under a PLAN/DO/CHECK/ACT framework the company should examine:

1. Viability of its operations, both from hazards within the property and those external to the property, such as the rail yard impacts operated by its neighbour (OP31- 40)
2. 3rd party up to date Worst Credible Case Scenario which includes current status of impacts and aspects of the expansion and other hazardous materials on site. (AC129)
3. Communication for adjacent neighbours who may directly or indirectly be impacted (or perceived to be impacted) by events originating from the company (AC125-136, AC153-157))
4. Dislocation policy that demonstrates proactive leadership to address the community in need of immediate assistance (OP38)

Finding Requiring Action

As related to the Management System:

- That the Company review the Emergency Management Plan to ensure it is current, operational, and fully functional to address the requirements of Codes OP31-40 as well as those of the municipality. Operational means that a section of the plan has revised worst case scenarios, both credible and imaginable, which are aligned and in consultation with the municipal fire department and shared at a prescribed frequency.

Opportunity for Improvement

- Improvement Opportunity under Business Continuity: That the next external Responsible Care process review the company's management system for Business Continuity Plan with Codes OP49- 55. *Reference: CCPA Guidelines for Risk Site Communication*
CIAC Business Continuity/Critical Infrastructure Implementation Aid

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 Procor's management system, the verification team observed the following:

The North American Rail Industry is highly regulated in terms of its PLAN stage of the management system. Regulatory input is determined by Transport Canada, US Federal Railroad Association and provincial legislations not covered by federal jurisdictions. The company and regulatory requirements determine any aspects of car design. The cars are built in Louisiana, TX. However, Procor may do modifications on those cars where necessary pending regulatory or customer requirements.

Under the confines of the regulatory framework, Procor has developed its own PLAN/DO/CHECK/ACT system of continuous improvement. Goals and objectives within the top management team are guided by Procor/UTLX core principles and its People First culture, as outlined in the Yearly Budget Process of Excellence: **Own It, Safety Always, Show Pride, and Earn Trust**. Operating from this foundation, senior management—led by Senior Vice Presidents of Sales & Marketing, Operations, and Finance & Repair, along with the Director of Repair Planning & Network Operations and the Director of Safety, Health & Environment—provides oversight and direction to their respective departments.

In looking outward, the goals are achieved through networking of best practices via CIAC, TRANSCAER, Leadership Group meetings, Alberta's Manufacturer's Health & Safety Association, WCB Certificate of Recognition and industry associations such as Chlorine Institute & customers.

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.

Procor has a comprehensive schedule of recording, tracking and communicating within all levels of organizations from management to hourly workers. These include orientation and training programs and mentoring of new employees which can last for several years, monthly manager and shop safety meetings and tracking of peer to peer task observations. These are all recorded into the company digital SharePoint dashboard, EHS Insights

There is a gap in *PSPW-077 Environmental Complaints or Concerns From Neighbours, External Agencies or Procor Employees*. Complaints should not be restricted to "environmental" which is very narrow in scope. The standard clearly defines responsibilities, documentation, tracking and follow up. The team found gaps in each of the stages outlined in the standard.

Opportunity for Improvement

- To enhance the RC slide in the Visitor, Contractor Orientation to discuss the ethic of RC.
- To close the Plan/Do/Check/Act loop for PSPW-077 regarding community complaints. In Sarnia, under DO, the company has not trained the supervisor on de-escalation strategies with documentation and, under CHECK, followed up adequately with complaints to resolve ongoing issues with neighbours (ACT)

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 Procor management system, the team discussed the following: Task observations are performed by workers and management. Internal audits from H&S and Responsible Care are reviewed and addressed.

Training of content as well as the tracking of training hours and performance is under Rail University (LMS).

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 or corrected, etc.

In considering the Act Step of Procor's management system, the verification team observed the following:

The annual attestation process is an ongoing review of performance throughout the year with monthly, weekly and daily meetings/engagements, as opposed to a once a year event. It is validated by members of the Steering Committee prior to the verification based on the outcomes from the CHECK process.

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 Procor'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 company's website has created a continuously rotating slide deck of the 8 principles of sustainability. There would be added value to insert examples either in word or picture form to the slides of the 8 principles.

Opportunity for Improvement

- To add examples of how Procor fulfills the 8 Principles of Sustainability. The webpage outlines each of the Principles as they scroll past and Procor could easily add to the Principles as to how they meet each of these goals.

The verification team's related observations on the company's application of the *Responsible Care Ethic and Principles for Sustainability* are as follows:

Work for the improvement of people's lives and the environment, while striving to do no harm;

Example – family day at the shop, volunteer work, upgrading EAP and benefits offered (i.e.. Including mental health support), yearly employee survey, energy efficiency projects.

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;

TRANSCAER participation (Sarnia safety train event), Railcar 101 events at Oakville and Edmonton, Responsible Care section of website with previous reports and contact information, updated emissions detail for Sarnia on the website

Take preventative action to protect health and the environment;

Example – banning paints causing skin irritation, using water-based paints, solvent recycling, PPE requirements (i.e. sealed eyewear), ergonomic improvements

Innovate for safer products and processes that conserve resources and provide enhanced value;

Example – use of LED lighting, introduction of robotics to get employees out of the railcar (Raptor, SpongeJet), compressor upgrades, VR internal coating and blasting, R&D newsletter

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 team believes that the company is capable of responding to the range of Findings Requiring Action identified during the verification, as summarized in the Executive Summary and discussed in detail in the report. The verification is complete and no further involvement is required by the verification team.

APPENDIX 1

Company Response to Verification Report

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

Procor Limited is committed to being transparent with our CIAC peers and stakeholders, including the communities in which we operate. The results of the verification process will be shared with all and posted on our website.

We were grateful to finally meet with the verification team after a long Covid layoff and will consider the Improvement Opportunities that were presented. Procor continuously looks for ways to advance our business practices, and the verification team has given us some excellent suggestions. We will also be happy to assist the CIAC in communicating and sharing any of the identified Successful Practices to other CIAC members.

SIGNED BY: Wade Osborne

TITLE: Director, Repair Planning & Network Optimization

DATE: December 23, 2025

INTERVIEW LISTS

Company Personnel Contacted During Verification Process

Name	Position	Location
Wade Osborne	Director, Repair Planning & Network Optimization	Oakville, ON
John VanderMeulen	Director Health, Safety and Environment	Sherwood Park, AB
Tara Kindel	JH&SC	Sarnia, ON
Abby Poland	JH&SC	Sarnia, ON
Jody Mathers	SHE Manager	Sarnia, ON
Neel Patel	Plant Engineering	Sarnia, ON
Rob Wyton	Site manager	Edmonton, Alberta

External Stakeholders

Name	Company/Organization	Position	Location
James Kostuk	Sarnia Fire Department	Deputy Fire Chief & Emergency Manager	Sarnia, ON
Penny Shewfelt	Community		Sarnia, ON
Jason Vaillant	BASES	Manager	Sarnia, ON



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