

American Chemistry Council – Chemistry Industry Association of Canada
Responsible Care® Certification/Verification Model

Report of
“Other Responsible Care® Commitments”

Submitted by **Maureen Pockocke** to CIAC
BSI Management Systems

As part of the **2019 RC14001®** audit of
LANXESS Canada Co./Cie, Elmira & West Hill, ON

A - Description of Company, Audited Facilities, Process and Scope of Audit

LANXESS Canada Co./Cie (LANXESS) is a wholly owned subsidiary of LANXESS Corporation, headquartered in Pittsburgh, Pennsylvania, USA. Globally, LANXESS, based in Cologne, Germany, is a leading specialty chemicals company with sales of EUR 7.2 billion in 2018. The company currently has about 15,400 employees in 33 countries and is represented at 60 production sites worldwide.

The Canadian company headquarters, principal operating facility and research pilot plant are located in Elmira Ontario. A second manufacturing facility is located in West Hill (Scarborough) Ontario. The company also maintains a leased warehouse in Elmira, 1.5 km from the plant site.

There are approximately 250 employees in Canada. The company manufactures and formulates petroleum additives, anti-oxidants, UV stabilizers and up until April 30 of this year, seed protectant fungicides at the Elmira site, and petroleum additives at the West Hill location. For additional information please consult the LANXESS corporate website: www.lanxess.com and the LANXESS Canada website: www.lanxess.ca.

LANXESS Canada is currently certified under the ACC's RC14001-2015 Technical Specification. The three LANXESS Canada facilities are included in the group certificate number RC 666014 which expires on June 14, 2020. The Elmira plant and leased warehouse were last audited by BSI in April 2018. This verification was completed as part of the RC14001 audit conducted at the West Hill facility from April 29 to May 3, 2019.

B - Summary of the evidence relating to:

The capability of the management system to meet applicable requirements and expected outcomes.

- a) Review of Responsible Care Principles and Ethics and position on sustainability and corporate responsibility.

RCI Science and Sustainability presentation included CIAC RC Principles & Ethics on sustainability and corporate responsibility

- b) Promoting Responsible Care by name:

Responsible Care requirements are posted in the lunch rooms, included in a slide deck presented to the Elmira district secondary school 4-23-2018 and RCI Science and

Sustainability presentation included CIAC RC Principles & Ethics. Both sites participate in CAP committees. Elmira CAP have a TAG and RAC committees that concentrate on historical contamination issues. They are looking to form a CAP with a limited number of members to concentrate on current issues such as traffic and noise issues along with operational and outreach activities. West Hill's CAP communicates through a Facebook page. They have participated in outreach activities such as the Police Picnic May 2018 and Doors Open Ontario April 2018 at the water treatment plant. Through these activities, they were able to provide 3000 neighbors information about Shelter in Place.

C - Summary of the evidence relating to:

1. ***The capability of the Other Responsible Care Requirements and commitment to Responsible Care Ethics and Principles to meet applicable requirements and expected outcomes.***

Helder Botelho (Head of Operations, Canada) is a member of the Board of Directors for the Chemistry Industry Association Canada (CIAC) and is on their Business & Economics committee. The Canadian sites are members of the Ontario West Leadership Group which has representation at the meetings throughout the year. Minutes from a recent meeting was reviewed. (Dated Oct 4, 2018). They participate in the Plastic Charter (6-10-2018); SHARE: collected and reported H & S data (5 incidents in 2018 were reported) D. Stott is on the committee, Process Safety incidents were shared on the PRIM committee 2017 Tier 1 and Tier 2 incidents. D. Stott is attending the Process Safety Committee meeting for CIAC. Product Stewardship does not have a committee however LANXESS does follow this code with corporate support. The auditor reviewed the Annual Recommitment letter which was signed on 2-25-2019 in response to the email sent on Feb 4, 2019.

The sites participate in TransCAER® activities when they are in their regions. They attended a Ontario Region TransCAER® committee meeting Sept 12, 2018. TransCAER® event on 6-9-2016 was conducted with the Elmira fire dept, QM Environment and Elmira internal Fire Brigade. Pictures were in the local newspaper.

Data Collection for KPI and CIAC is completed in October. National Pollutant Release Inventory reports were submitted by Elmira 5-30-2017 and West Hills 5-23-2017. National Emissions Reduction Mater Plan was sent June 26, 2018 by West Hills and 5-31-2017 by Elmira. (Emissions have been steadily going down over the last 20 years.) The facilities are now using Browz to manage evaluation tools for subcontractors. This system provides a consistent pre-approval process. 3 years of safety statistics and an annual update to the statistics is required. This process started in 2018 and implementation is continuing.

2. ***Observations on public engagement and communication of the Worst Case Scenario.***

Worst case scenario summary dated 9-26-2017 for Elmira involved effects from anhydrous ammonia. Production has just recently completed using this chemical so new worst case scenario for Elmira is pending. Off-site impacts will change as a result of this change in production.

Worst case scenario for Bonnie Crescent warehouse dated 9-22, 2016 was determined to be a fire event.

Worst case scenario for West Hill dated 8-31-2010 would involve Oleum. This study needs to be

assessed for possible updates to the area around West Hills. Potential for impact needs review.

3. *Summary and observations of off-site meeting with Community Representatives.*

a) West Hill Community Advisory Panel (CAP):

Members of the West Hill CAP stated they do not discuss Responsible Care and they do not know what Responsible Care stands for.

They would like feedback on the verification report.

They mentioned participation in the Police Picnic and the Shelter in Place give-aways as well as the beekeeping activities on the LANXESSs property. LANXESS is very community oriented.

They would like to see a further reach into the community with participation with the school, law enforcement and participation in municipal representation on the CAP.

Recent concerns are changes in the rail service with regards to the track service and the waterfront trail with possible Shelter in Place considerations.

Items to address:

The minutes kept from the last two meetings have been poor and need improvement.

Suggested bylaw changes have brought forward but there has been no action to address these changes.

It was recommended that there be an on-boarding process for new CAP members.

b) Elmira Technical Advisory Group (TAG)

Changes at the Elmira site have led to a much better situation in the community.

Last five years the site is much cleaner. There is a respectful attitude toward the community folks as evidenced with Elmira's fair and honest communication. Elmira personnel also keep their commitments to meet with them, share data, ask for input, and respectfully manage technical dialogue differences. The TAG was invited to the site to tour the facilities and ask questions. The 2018 reportable incidents were discussed including root cause and corrective actions to address the issues. There is great appreciation for allowing access to the Corporate Remediation experts and well as the local remediation personnel. They support having a separate CAP in the Elmira area so community efforts can focus beyond remediation. General public receives information from the TAG at Township Council and TAG meetings. Meeting minutes are posted publicly twice a year. The last 3 years activities are moving forward more swiftly on the TAG committee. They are glad that there is an external party auditing. Expectations are high for what can be accomplished.

4. *Successful (excellent/best) Practices to be shared.*

None specifically noted.

5. Opportunities for Improvement identified.

- Worst case scenario for West Hill dated 8-31-2010 would involve Oleum. This study needs to be assessed for possible updates to the area around West Hills. Potential for impact needs review.
- The minutes kept from the last two West Hill CAP meetings have been poor and need improvement.
- Suggested West Hill CAP bylaw changes have brought forward but there has been no action to address these changes.
- It was recommended that there be an on-boarding process for new West Hill CAP members.

D - Summary of the evidence relating to the capability of the Indigenous Code Elements (beginning in 2020) to meet applicable requirements and expected outcomes.

Not applicable for this verification.

Auditor Conclusion Statement:

This report is deemed to fulfill the requirement to develop a report suitable for communication to CIAC and other relevant stakeholders and posting on CIAC website.

Auditor(s): Maureen Pockocke, BSI Management Systems

Date: April 23 to May 3, 2019

INTERVIEW LISTS

A. Company personnel contacted during the verification process

Name	Position	Location
Dwight Este	Xact (HSE) Senior Expert	Corporate support for Elmira and West Hill
Jeannette Waples	EHSS Manager	West Hill
Jamie Petznick	HSE Manager	Elmira

B. External stakeholders contacted during the verification process

Name	Affiliation	Location
Jim Wakefield	Resident	West Hill
Nadia Heyd	East Scarborough Store Front	West Hill
Tiffany Svensson	Chair of TAG	Elmira
Linda Dickson	Citizen (TAG)	Elmira
Susan Bryant	Resident (TAG)	Elmira