



RESPONSIBLE CARE® Verification Report

Evonik Oil Additives Canada Inc.

June 13 - 14, 2017



Chemistry Industry
Association of Canada



Responsible Care®
Our commitment to sustainability.

Disclaimer

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

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EXECUTIVE SUMMARY

This report documents the observations and conclusions of the independent verification team tasked with conducting a Responsible Care Verification of Evonik Oil Additives Canada Inc. (EOA). The verification was undertaken on June 13 and 14, 2017 and included a team visit to the company manufacturing site, Morrisburg, Ontario. This was the seventh Responsible Care verification completed for Evonik Oil Additives. The last verification was completed in July of 2014.

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 Responsible Care Commitments, the three codes (Operations, Stewardship and Accountability), the 152 code elements, the 28 benchmark and collective expectations and the Ethic and Principles for Sustainability
- Determining the impact (if any) of significant changes since the last verification
- Community outreach and communications
- Promotion of Responsible Care by name.

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: _____
Gerry Moss
Verification Team Leader

Date: September 30, 2017

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

Findings Requiring Action:

1. There is a Finding Requiring Action to review the cross-reference mapping document for the Responsible Care Code elements and the management system elements to ensure the intent and expectations of the Responsible Care Code elements are supported.
2. It is a Finding requiring Action to review the management system to ensure that alternate transportation routes for inbound and outbound goods are reviewed for risk minimization. (OP14)
3. It is a Finding Requiring Action that there is not a formal management system in place to promote Responsible Care by name. (OP7, ST100 – 102, AC133, 140, 143, 152)
4. It is a finding requiring action to review the management system to ensure it supports integrating the company emergency management plan into a community emergency management plan. (OP35)
5. It is a Finding Requiring Action to develop a management system to ensure all contractors receive the CIAC (or equivalent) on-line Responsible Care training and periodic reviews. (OP81)

Works in Progress:

1. It is a Work In Progress that site security be strengthened and that the proposed more stringent site security plans are implemented. (OP48)
2. It is a Work In Progress to develop a system to ensure suppliers and contractors who do not meet the company's RC expectations are documented. (OP83)

Improvement Opportunities

1. It is an Improvement Opportunity to ensure that all carriers, including marine supplying the Morrisburg facility are approved and audited. It is encouraged that copies of audits be retained on site. (OP13)
2. It is an Improvement Opportunity to obtain copies of completed audit reports for Emergency Response Contractors. (OP47)
3. It is an Improvement Opportunity to create a metric to demonstrate gains made in water consumption reduction because of installation of the condensate recovery system. (OP77)
4. It is an Improvement Opportunity to establish benchmarks and reductions of non-hazardous waste. (OP63)
5. It is an Improvement Opportunity to establish application of the RC Codes as a contractual obligation, where possible. (ST115)
6. It is an Improvement Opportunity to review the stakeholder list with a view to expansion to go beyond emergency response, i.e. media, First Nations, down-river communities. (AC126)
7. Revitalize the dialogue with the CAP members by creating more member driven agendas and discussions. (AC130)
8. It is an Improvement Opportunity to ensure the necessary resources be provided to fulfill the planned Responsible Care Goals. Under the RC Management System expectations, the DO step, the necessary resources be provided to achieve the planned goals.

Successful Practices:

1. It is a successful practise that Evonik Oil holds a safety day twice annually, wherein they close the whole plant to have 100% employee participation. This is a fun way of demonstrating safe practices, e.g. Amazing Safety Race.
2. It is a successful practice that Evonik Oil has achieved 10 years of no lost time injuries.
3. It is a successful practice that Evonik Oil maintain exceptional housekeeping within the plant.
4. It is a successful practice that Evonik Oil has established their global Focused Improvement Teams (FIT) to share best practices and operational activities.
5. It is a successful practice that Evonik Oil has tied their financial rewards to active participation in the safety program.

About Responsible Care Verification

As a member of the Chemistry Industry Association of Canada (CIAC), the most senior executive responsible for EOA's 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, EOA 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). EOA 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 Gilles Laurin, Director, Responsible Care at glaurin@canadianchemistry.ca or (613) 237-6215 extension 233.

About Evonik Oil Additives Inc.

Evonik Oil Additives Canada Inc. is an Evonik Oil Additives subsidiary of Evonik Industries which is headquartered in Germany. The North American regional office and technology center is located at Evonik USA in Horsham, PA, USA. There is one sister manufacturing facility in the region, located in Deer Park, TX, USA. The Canadian manufacturing facility is a relatively small facility located along the St. Lawrence River near Morrisburg Ontario. It employs 30 people. The company manufactures fuel oil additives as prescribed by the customer. This facility is not directly involved with warehouses, terminals, toll operators or distribution facilities in that the oil additives it produces are shipped directly to customers or, on occasion, to Evonik USA warehouses.

The following website provides additional information about the company:
<http://oil-additives.Evonik.com/product/oil-additives/en/Pages/default.aspx>

About This Verification

The verification of Evonik Oil Additives Canada Inc. (EOA) was conducted on June 13th and 14th, 2017 and included a team visit to the company's Canadian manufacturing site in Morrisburg, Ontario. During the course of the verification, the team had the opportunity to interact with a range of company personnel, as well as community members associated with the company's Community Advisory Panel. Attachment 2 contains a list of those individuals interviewed and their affiliations. This was the seventh verification exercise completed for EOA. The last verification was completed in July 2014.

The verification team was comprised of the following individuals.

Name	Affiliation	Representing
Gerry Moss	CIAC	<i>Team Leader</i>
Debbie Krukowski	CIAC	<i>Public-At-Large Verifier</i>
Trevor Tolley	Private Contractor	<i>Community Representative</i>

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

During the verification of EOA, the verification team looked for evidence that the company was addressing the expectations documented in the Responsible Care Commitments. A sampling of the 152 code elements, a review of the 28 benchmark and collective expectations and the company response to the Ethic and Principles for Sustainability was undertaken. While considering all aspects of the Responsible Care Commitments during the verification, the team placed an emphasis on conducting a more in-depth examination of certain company aspects identified by the company or the team. These were related to specific aspects of the company's community initiatives and Responsible Care branding.

The Evonik Oil Additives company has in place a comprehensive management system (see Team Observations on Company Management System).

Overall, the team was impressed by the dedication and commitment of the site management team to the ethic and principles of Responsible Care and their application to all aspects of the company operations.

TEAM OBSERVATIONS CONCERNING OPERATIONS CODE

The team is of the opinion that the company meets Responsible Care expectations for all reviewed Operations Code elements. There were several Findings Requiring Action and Works in Progress in this section and the listed below Opportunities for Improvement are presented for the company's consideration.

Design and Construction of Facilities and Equipment (OP1-6)

A new Management of Change (MOC) database and updated procedure, as well as a new permit system are in place, which enhances EHS reviews and hazard analysis. The MOC review meetings are open to all employees. Risk assessments and hazard analysis carried out every 5 years; outcome of to do's is prioritized, highest risk first, then what can be done based on financial availability. The hazard analysis uses the Layers of Protection Analysis (LOPA) system, which works on a finer detail than "opinion" of engineer.

Use of the variance report system ensures that any indicators are seen early. Any adverse effects on the environment during plant operating and upon decommissioning are incorporated into the design, that it is not going to have a hazard to humans, then working to improve environmental performance. Decommissioning is carried out using the MOC process; example of removal of old storage tanks and taking precautions assuming the worst case when information was not available.

For the codes that were reviewed all expectations for Responsible Care implementation have been met.

Findings Requiring Action:

None.

Works in Progress:

None.

Improvement Opportunities:

None.

Successful Practices:

None.

Operations Activities (OP7-21)

In considering the four subsections of the Operations Activities area the team agrees that the company sufficiently meets Responsible Care code implementation expectations. All operations activities including operating procedures, laboratory practices, transportation activities and plant maintenance are well documented and implemented.

i. General Considerations (OP7)

There is in place a document management system available electronically, with a recommended 3-year review cycle. It includes electronic workflow; a revision process required and logs all changes. All process and maintenance procedures are reviewed on a 3-year cycle.

The ongoing review of this facility is partly based on its 'aspects database', an ISO 14001 Environmental Management System requirement. The aspects database ranks risks. The MOC process documents the review required. The training system has a complete list of training requirements by job classification.

ii. Laboratory Practice (OP8-11)

Generally, no research and development work is done in Canada, and laboratory activities are confined to plant support roles, such as quality control, and analytical work.

Laboratory employees are actively engaged in environment, health and safety initiatives, and expectations are clearly defined. Waste management has evidence of good oversight, training, and record keeping. Documenting and reporting of results; data is entered into a Quality Information System (QIS), integrated with SAP, which issues Certificates of Approval (CofA) for customers. The variance system is used for tests that fail to meet standards; the system is set up so that if there are substandard results it will not allow a CofA.

iii. Transportation and Physical Distribution (OP12-16)

All outgoing products are not regulated by the Transportation of Dangerous Goods. Carrier evaluation program is in place. The shippers use a loading check list. The company has established standards for bulk and package storage, including building code, fire code, and insurance standards.

iv. Maintenance (OP17-21)

Maintenance procedures are well integrated into operating processes and preventive maintenance is routine. Standards and tools are in place for frequency of inspections. The integrity of all critical systems, facilities and equipment is managed via the Process Safety Management (PSM) process. The company has implemented a Mechanical Integrity (MI) program. To mitigate risk, Process Hazard Analysis (PHA) are completed, and reviewed on a 5-year cycle. A Preventative Maintenance (PM) system is in place and managed through SAP. Maintenance of non-critical systems, facilities and equipment done through the PM system.

For the relatively new Management of Change (MOC) process; anyone at the site can identify an improvement opportunity, enter into the variance system to start a MOC process.

Protection of employees and contractor employees includes contractor training indoctrination, a permitting procedure for most maintenance activities, advanced training for job specific tasks such as confined space entry, and a final sign off after completion.

Findings Requiring Action:

It is a Finding requiring Action to review the management system to ensure that alternate transportation routes for inbound and outbound goods are reviewed for risk minimization. (OP14)

Works in Progress:

None.

Improvement Opportunities:

It is an Improvement Opportunity to ensure that all carriers, including marine, supplying the Morrisburg facility are approved and audited. It is encouraged that copies of audits be retained on site. (OP13)

Successful Practices:

None.

Safety and Security (OP22-57)

The company has health and safety standards in place to provide employees and all other involved personnel with the necessary knowledge and tools to recognize potential safety, health and environmental hazards. Their goal is zero incidents (their current rate results are excellent). The team reviewed all six subsections in this area and concluded that Responsible Care code expectations are being met.

i. Occupational Health and Safety (OP22-27)

Overall occupational health and safety requirements are well managed. Health and safety hazards are identified through the MOC process. For example, Safety Data Sheets (SDS) are forwarded to Germany for review, and notified of any changes, regular training is done, near misses are reported in variance system, and reviewed daily. These are also reviewed by the Joint Health and Safety Committee (JHSC), at its quarterly safety meetings. The JHSC carries out workplace inspections, on a regular schedule with site wide active participation in safety to earn bonus. The company developed a procedure standard document with precautions and limitations, and trained employees to make sure it is understood. Strong employee participation and behaviour based safety is integral to the safety system.

Contractor management includes training indoctrination, redone annually, verified by a hard hat sticker, and a sign-off on a form that they accept. Actions of contractors are controlled by the permitting process; the permit issuer would be required to make sure that they know the specific procedures.

Medical monitoring; new hires complete physical exam, including bloodwork, chest XRAY, ECG, auditory and pulmonary test. For employees annually, there is an optional auditory exam, plus a 10-15 pages questionnaire required to be filled out annually; testing for pulmonary function and ECG are optional. Every 3 years the company offers a complete physical. There is an EAP (Employee Assistance Program) in place, as well as a corporate wellness program; stress and suicide training are mandated. Other program resources include physical fitness, nutrition, smoking cessation, substance abuse, work/life balance, healthy eating, hygiene. Also included is a health incentive program, with quarterly bonus payment.

The company has completed ten years without a lost time injury. This is a great achievement for a small, ageing facility with a corresponding ageing workforce.

ii. Process Safety Management (PSM)(OP28-30)

Process safety is mandated by Evonik corporate standards; the company follows Corporate MOC and Pre-Startup Safety Review (PSSR) programs. Mechanical Integrity (MI) program identifies high risk equipment, and integrates into PM plans, and quality critical identifiers, equipment that is identified in the PHA then it becomes part of the MI program. There is also a process to trigger a process safety review when an operation is modified, through the MOC system, anytime that the process is changed, it must go through the MOC process, and a new PHA is completed. Identification of any gaps in the PSM program; regularly go through every step and identify all processes.

iii. Emergency Management (OP31-47)

The company's emergency plans are well documented and tested, shared with the CAP, local fire department, and municipal, county and township emergency planners. Process for testing and updating the emergency plan includes evacuation drills twice a year and table top exercise once a year, plus fire drills.

The company has a Transportation Emergency Plan; for all shipments the company retains an emergency response contractor to respond on its behalf. This contractor is corporately audited.

There is limited potential public exposure to on-site incidents, but the company has a long-standing history of interactions with local first responders and of efforts to communicate with the public about its operations.

iv. Malicious Intent (OP48)

Evidence of security systems in place was seen except as noted below. Security Vulnerability Assessments (SVA) are done periodically to maintain EOA's C-TPAT (Customs-Trade Partnership Against Terrorism) certification. Employee training on such topics as active shooters, cyber-crime, was also reviewed.

v. Critical Infrastructure/ Business Continuity (OP49-55)

Identification of critical infrastructure done by various data means, including IT, employee, financial, accounting, payroll, invoicing systems. Programs are in place to cover specific aspects of Business Continuity Plan and Pandemic Preparedness Planning.

vi. Incident Reporting and Investigation (OP56-57)

Demonstrated excellent performance with various health and safety measurements. Procedure for incident investigation, using flow charts, determine need for root cause analysis, resources, etc., results entered into variance system, implemented, and reported to JH&SC, and communicated to all employees. Employee training to report incidents, including near misses, reporting roles and responsibilities, deadlines in place.

Findings Requiring Action:

It is a finding requiring action to review the management system to ensure it supports integrating the company emergency management plan into a community emergency management plan. (OP35)

Works in Progress:

It is a Work In Progress that site security be strengthened and that the proposed more stringent site security plans are implemented. (OP48)

Improvement Opportunities:

It is an Improvement Opportunity to obtain copies of completed audit reports for Emergency Response Contractors. (OP47)

Successful Practices:

It is a successful practise that EOA holds a safety day twice annually, wherein they close the whole plant to have 100% employee participation. This is a fun way of demonstrating safe practices, using innovative ideas like an Amazing Safety Race.

It is a successful practice that EOA has achieved 10 years of no lost time injuries.

It is a successful practice that EOA maintains exceptional housekeeping within the plant.

Environmental Protection (OP58-75)

Except for the noted improvement opportunity, this area fully meets our expectations on the implementation of Responsible Care.

i. Emissions and Waste Reduction (OP59-63)

Work processes are in place for decommissioning, demolishing, site cleaning, up to and including repurposing equipment and remediation. EOA has been dismantling a lot of equipment and the metal has gone for recycling, electronic waste has been recycled, furniture donated to Habitat for Humanity, office furniture sold to employees, hazardous waste sent for incineration, and construction waste goes to landfill.

Storage tanks have high level alarms / interlocks, vents have preventative maintenance, no vapour emissions, spill kits are on hand during any transfer. Plan to redo storm water assessment this year, due to removal of old building, make sure that grades allow for drainage to API (oil) – water separator pit.

ii. Handling, Treatment and Disposal of Wastes (OP64-75)

The facility manages wastes and wastewater to minimize adverse environmental impact and meet applicable government requirements. Management of waste includes handling, storage, analysis or characterization of waste streams, and employee and contractor hazard communication program maintained through hazard awareness, and safety data sheets. Selection and audit of waste contractor facilities including waste haulers and the appropriate permits, are controlled and audited by corporate.

Findings Requiring Action:

None.

Works in Progress:

None.

Improvement Opportunities:

It is an Improvement Opportunity to establish benchmarks and reductions of non-hazardous waste. (OP63)

Successful Practices:

None.

Resource Conservation (OP76-80)

The company has a commitment to reduce water consumption, greenhouse gases and energy consumption, and continually monitors its energy and utility data seeking improvement opportunities. This includes examples such as the LED light replacement project to reduce energy, and the water condensate recovery system. Plans are underway to have ISO 50001 Energy Management System implemented by year end 2017. The management systems supporting continual improvement in reducing the footprint of its operation are in place and meet expectations for Responsible Care.

Findings Requiring Action:

None.

Works in Progress:

None.

Improvement Opportunities:

It is an Improvement Opportunity to create a metric to demonstrate gains made in water consumption reduction because of installation of the condensate recovery system. (OP77)

Successful Practices:

None.

Promotion of Responsible Care By Name (OP81-84)

The company internally promotes Responsible Care through flags, banners, Responsible Care initial and refresher training and a newsletter. The company needs to expand the promotion of Responsible Care with its suppliers and contractors. In its review of the activities undertaken by the company the team is of the opinion that Responsible Care implementation expectations are being met, with the exception of the items noted below.

Findings Requiring Action:

It is a Finding Requiring Action to develop a management system to ensure all contractors receive the CIAC (or equivalent) on-line Responsible Care training and periodic reviews. (OP81)

Works in Progress:

It is a Work In Progress to develop a system to ensure suppliers and contractors who do not meet the company's RC expectations are documented. (OP83)

Improvement Opportunities:

None.

Successful Practices:

None.

TEAM OBSERVATIONS CONCERNING STEWARDSHIP CODE

The Stewardship Code addresses all company raw materials, products and services and defines expectations for the care and control of same throughout their life cycle. The team is of the opinion that the company meets Responsible Care expectations for all reviewed Stewardship Code elements.

Expectations of Companies (ST85-114)

i. Research and Development (R&D) Expectations (ST85-92)

No research is carried out at the Morrisburg site. The company's parent and sister companies perform research activities using a strict stage-gate process. If a transfer to production is required, then the facility's MOC process guides the activities.

Findings Requiring Action:

None.

Works in Progress:

None.

Improvement Opportunities:

None.

Successful Practices:

None.

ii. Expectations Beyond Research and Development (R&D) (ST93-114)

The team reviewed various aspects of the codes related to the five areas of this code section and is of the opinion that Responsible Care code expectations are being met.

a. Raw Materials, Products and Services Characterization and Evaluation (ST93-99)

A manufacturer of engine oil additives, they improve resource efficiency for customers, extend engine life, and reduce carbon footprint. All raw materials and products are reviewed on a 4 or 5-year basis respectively, focusing on use and exposure.

b. Promotion of Responsible Care by Name (ST100-102)

See the previous section on this subject for more details.

c. Security (ST103)

The order-shipping SAP transaction process prevents sale of products to parties and countries of concern.

d. Communication Through the Value Chain (ST104-110)

Nothing to report here.

e. Historical Hazardous Waste Practices (ST111-114)

Good record keeping is in place and EOA has a good handle on historical waste.

Findings Requiring Action:

None.

Works in Progress:

None.

Improvement Opportunities:

None.

Successful Practices:

None.

Expectations of Companies With Respect to Other Parties (ST115-124)

The company has procedures in place for the selection, evaluation and management of third party products and service providers, has Responsible Care contractual language in place, and performance evaluations are an important part of the process. Contractors; there is an approved contractor list in place, and contractors can be terminated if not in compliance. Where EOA is directly involved with certain service providers (carriers, waste handlers and contract labs), in these cases it provides input into the performance evaluation and participates in on-site visits.

Findings Requiring Action:

None.

Works in Progress:

None.

Improvement Opportunities:

It is an Improvement Opportunity to establish application of the RC Codes as a contractual obligation, where possible. (ST115)

Successful Practices:

None.

TEAM OBSERVATIONS CONCERNING ACCOUNTABILITY CODE

The Accountability Code defines expectations for communication and dialogue with communities local to company manufacturing and distribution operations and transportation corridors, as well as other stakeholders with an interest in company activities. The team is of the opinion that the company meets Responsible Care expectations for all reviewed Accountability Code elements.

Operating Site Communities (AC125-136)

With the exception of the following, code expectations have been implemented to meet Responsible Care expectations. The company has a clear definition of community, ie the direct neighbours to their facilities. Stakeholder that the company interacts with include direct neighbours and those who they would have a direct effect on, the neighbours employees and family members, customers, suppliers, first responders. This list is maintained and updated periodically. From interviews with Community Advisory Panel (CAP) members the team believes more interaction/dialogue with CAP members will lead to improved effectiveness.

Findings Requiring Action:

None.

Works in Progress:

None.

Improvement Opportunities:

It is an Improvement Opportunity to review the stakeholder list with a view to expansion to go beyond the existing, and include for example media, First Nations, down-river communities. (AC126)

Revitalize the dialogue with the CAP members by creating more member driven agendas and discussions. (AC130)

Successful Practices:

None.

Other Stakeholders (AC137)

In general, the company meets Responsible Care implementation expectations for all seven sub categories in this section.

i. Public Policy (AC138-140)

Advancement of the Responsible Care ethic with municipal and provincial elected officials, was evident at the site level. Examples include periodic hosting of local Chamber of Commerce meetings.

ii. Finance (AC141-143).

The team has no specific information about this topic.

iii. Consumers (AC144)

Omitted; no direct consumer contact.

iv. Transportation Corridor (AC145)

The company is an active participant in the local TransCAER committees and activities.

v. General Public (AC146)

Complaints are handled locally and managed depending on severity.

vi. Non-Governmental Organizations (AC147-150)

Interactions with public interest groups are identified through relevant associations, community groups, and they are engaged and also monitored.

vii. Business (AC151-152)

The team has no specific information about this topic.

Findings Requiring Action:

None.

Works in Progress:

None.

Improvement Opportunities:

None.

Successful Practices:

None.

APPENDICES TO CODES: SOCIAL RESPONSIBILITY

This is relatively well understood and practiced throughout EOA. All employees are trained in business conduct and ethics. To improve local communities' social well-being, EOA contributes to local programs and projects, and uses these opportunities to publicize EOA when donations are made. The employees at the site level participate in various charity campaigns, such as United Way.

Findings Requiring Action:

None.

Works in Progress:

None.

Improvement Opportunities:

None.

Successful Practices:

None.

APPENDICES TO CODES: INVOLVEMENT IN PUBLIC POLICY PROCESS

See above under Other Stakeholders, *i. Public Policy*.

Findings Requiring Action:

None.

Works in Progress:

None.

Improvement Opportunities:

None.

Successful Practices:

None.

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 the EOA management system and compared and contrasted the attributes of that system 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: the company's management system for Responsible Care is complete and comprehensive. The company uses the combined requirements of the standards of ISO 9001, ISO 14001 and Responsible Care to make a comprehensive management system.

Findings Requiring Action:

There is a Finding Requiring Action to review the cross-reference mapping document for the Responsible Care Code elements and the management system elements to ensure the intent and expectations of the Responsible Care Code elements are supported.

Works in Progress:

None.

Improvement Opportunities:

None.

Successful Practices:

None.

Observations on the PLAN Step

In considering the PLAN Step of the EOA management system, the verification team observed that staff actively seeks input from various sources, such as Responsible Care Commitments, stakeholders, business imperatives including various goals and objectives, laws and regulations, standards and benchmarks, that are then used in planning activities.

The team agrees that the PLAN part of the company's management system meets all implementation expectations for Responsible Care.

Findings Requiring Action:

None.

Works in Progress:

None.

Improvement Opportunities:

None.

Successful Practices:

None.

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. The team observed that the company has implemented an effective organizational structure, has assigned responsibilities to appropriate personnel, supplies sufficient training and resources to execute planned actions and has developed and documented standards, procedures and programs generally covering all aspects of Responsible Care.

The team agrees that with the exception of the action items below, the DO part of the company's management system meets all implementation expectations for Responsible Care.

Findings Requiring Action:

None.

Works in Progress:

None.

Improvement Opportunities:

It is an Improvement Opportunity to ensure the necessary resources be provided to fulfill the planned Responsible Care Goals. Under the RC Management System expectations, the DO step, the necessary resources be provided to achieve the planned goals.

Successful Practices:

None.

Observations on the CHECK Step

In considering the CHECK Step of the EOA management system, the verification team observed the following: key performance indicators are routinely monitored for alignment with expectations. Regular internal and external audits are conducted to ensure compliance with regulations, standards, company policies and procedures. The incident investigation process addresses requirements for root cause analysis. As part of this system, a management review is scheduled for twice per year.

The team agrees that the CHECK part of the company's management system meets all implementation expectations for Responsible Care.

Findings Requiring Action:

None.

Works in Progress:

None.

Improvement Opportunities:

None.

Successful Practices:

None.

Observations on the ACT Step

In considering the ACT Step of the EOA management system, the verification team observed the following: the company performs a range of activities on a routine and regular basis satisfying this part of their management system. The activities are comprehensive and tie the CHECK step with the PLAN step.

The team agrees that the ACT part of the company's management system meets all implementation expectations for Responsible Care.

Findings Requiring Action:

None.

Works in Progress:

None.

Improvement Opportunities:

None.

Successful Practices:

None.

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 are 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 the EOA 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 team is of the opinion that the Responsible Care Ethic and Principles for Sustainability are guiding company decisions and actions, and that the company aligns very well with all eight Principles for Sustainability and EOA is encouraged to continue making progress in all areas.

The company was seen to be guided by the *Responsible Care Ethic and Principles for Sustainability* in the following aspects:

WORK FOR THE IMPROVEMENT OF PEOPLE’S LIVES AND THE ENVIRONMENT, WHILE STRIVING TO DO NO HARM:

- Products reduce carbon footprint by reducing fuel consumption, extend the life of equipment and enable operation in adverse conditions
- Stable, safe employer (10 years without a lost time incident)
- Good environmental performer
- Every project goes through a management of change (MOC) review

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:

- The company has a CAP which meets four times per year in order to maintain a dialogue with the community, even though there are no chemicals on site that would cause off-site impacts.
- Reporting near misses to the CAP.
- Interactions with local emergency responders

TAKE PREVENTATIVE ACTION TO PROTECT HEALTH AND THE ENVIRONMENT:

- Wellness programs – including information concerning Stress Reduction, Work/Life Balance, diabetes, back-care, ergonomics,
- EAP (Employee Assistance Program) is promoted
- Voluntary medicals with the Company medical practitioner, (St Lawrence Medical Clinic), are promoted on a tri-annual basis including; bloodwork, pulmonary function testing, physical exam and electrocardiograms.
- Hearing testing is offered annually to all personnel.
- Reduce waste disposal by recycle our off-specification product into our process wherever possible. Our average disposal rate for off-specification product is less than 1%.
- Off-specification waste that is sent for disposal is used for fuel blending and incineration for energy recovery.
- Preventative maintenance plans, inspections and our Variance system ensure that sources of material release are managed effectively.

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

- Corporate directives provide framework for plant to make improvements in this area – primarily water and energy conservation.

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

- To the extent influenced by the plant, (e.g. motor carriers, waste disposal companies).
- Corporate deals with most of the others and its vetting process is quite comprehensive.

UNDERSTAND AND MEET EXPECTATIONS FOR SOCIAL RESPONSIBILITY:

- Good employer (wages, benefits)
- Extensive list of community donations

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:

- Work within CIAC to support advocacy endeavours

PROMOTE RESPONSIBLE CARE® AND INSPIRE OTHERS TO COMMIT TO THESE PRINCIPLES:

- Have undertaken efforts with the CAP
- Provides opportunities for staff to incorporate Responsible Care into their workplace activities

VERIFICATION TEAM CONCLUSION

This report documents the observations and conclusions of the independent verification team tasked with conducting a Responsible Care Verification of Evonik Oil Additives Canada Inc. The verification was undertaken on June 13 and 14, 2017, at the plant site in Morrisburg, Ontario. This was the XX Responsible Care verification completed for the corporation.

During the verification of EOA, 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). The team considered all aspects of the Responsible Care Commitments during the verification.

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 Evonik Oil Additives Canada Inc., I would like to thank the CIAC and Community Verification team members for their time, guidance, review and objective feedback in support of making this Responsible Care® Verification a positive and successful experience, ultimately confirming our commitment to Responsible Care® and its ethic.

Evonik Oil Additives Canada Inc. will communicate the results of the verification exercise with its CIAC peers at their next meeting, and will discuss the verification results with our stakeholders, including those representing communities near our operating sites.

We will give consideration to the Improvement Opportunities identified by verification team and will assist the CIAC in communicating and sharing the identified Successful Practices to other CIAC members. Plans will be developed and implemented to respond to the Findings Requiring Action identified by the verification team. Our progress in implementing those plans will be discussed when preparing our Annual Statement of Re-Commitment to Responsible Care and communicated to the verification team at the time of our next verification.

Owen Caves
President, Plant Manager
Evonik Oil Additives Canada Inc.
December 4, 2017

APPENDIX 2: INTERVIEW LISTS

A: Company Personnel Contacted During Verification Process

NAME	POSITION	LOCATION
Dr. Andrew Swann	President, Plant Manager	Morrisburg, ON
Catriona Hunter	HSQ Manager	Morrisburg, ON
Blain Moran	Plant Engineer	Morrisburg, ON
Ryan Dumouchel	Technical Manager	Morrisburg, ON
Jeanette Morton	Lab/Environmental Manager	Morrisburg, ON
Darrin Mullen	Warehouse Coordinator	Morrisburg, ON
Laurie Dillabough	Admin & Logistics Manager	Morrisburg, ON

B: External Stakeholders Contacted During Verification Process

NAME	POSITION	LOCATION



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