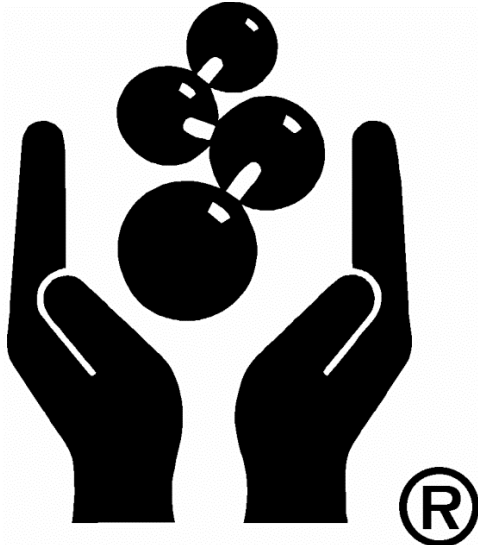


Canadian Chemical Producers' Association



Responsible Care® Re-verification 2002 – 2005

for

BLACHFORD
(October 4th & 5th 2004)

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DISCLAIMER


This document has been produced by a team convened by the Canadian Chemical Producers' Association (CCPA) to provide guidance to the above company, as a member or partner of the association, in meeting its obligations under Responsible Care. The material in it reflects the team's best judgement in light of the information available to it at the time of preparation. It is the responsibility of the CCPA member or partner company which is the subject of this report to interpret and act on the findings and recommendations in this guidance document 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 CCPA members and partners are expected to share the results of this guidance document with interested parties, the association, its member and partner 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.

EXECUTIVE SUMMARY AND TEAM CONCLUSIONS

At the conclusion of the two day visit the team were unanimous in the approval that BLACHFORD has been, and continues to be in compliance with the guidelines, general principles and codes of practice of Responsible Care.

There were no significant findings but some areas and opportunities for improvement can be found in the body of this report. The team does not see a need to re-visit Blachford as we are confident those matters will be dealt with quickly.

The team recommends that the CCPA officially recognize this re-verification

Signed  Team Leader December 15, 2004

For more information on this or a previous re-verification or on the company's original report for re-verification 1 or Responsible Care-in-Place, please contact your local company site or the company's overall Responsible Care coordinator:

Mr. John Kraft. Plant Manager. Mississauga Facility. 905-823-3200

1. INTRODUCTION AND OVERVIEW

1a) The Company

This is the report by the verification team on those operations of Blachford Canada Inc. which are covered by the company's commitment to the Responsible Care initiative of the Canadian Chemical Producers' Association

H.L. Blachford is a Canadian owned corporation with operations in Mississauga, and Montreal, to which the parameters of the CCPA responsible Care initiative apply. A full description of the company and its products can be found in appendix A.

1b) Responsible Care

Responsible Care is an initiative of the Canadian Chemical Producers' Association (CCPA) by which the association's members and partners commit to be, and to be seen as, responsible companies within Canadian society. It is based on an ethical approach to the safe and environmentally sound management of chemicals – an approach which started in Canada but has since spread to over 45 countries around the world.

The Responsible Care Ethic:

We are committed to do the right thing and be seen to do the right thing. We are guided towards environmental, societal, and economic sustainability by the following principles:

- We are stewards of our products and services during their life cycles in order to protect people and the environment.
- We are accountable to the public, who have the right to understand the risks and benefits of what we do and to have their input heard.
- We respect all people.
- We work together to improve continuously.
- We work for effective laws and standards, and will meet or exceed them in letter and spirit.
- We inspire others to commit themselves to the principles of Responsible Care.

The ethic is supported in Canada by six codes of practice covering relations with the communities where members' facilities are located and also responsible management throughout the product life cycle. Information on these codes of practice and related activities is available from company personnel listed in Appendix 2 of this report, or via the CCPA web site www.ccpa.ca (click on the "Who we are" tab for Responsible Care).

1c) Expectations of CCPA members and partners

Each CCPA member or partner company must formally commit to the ethic, principles and codes of practice of Responsible Care as a condition of membership in the association.

Progress in implementing these obligations must then be reported to CCPA, both to peers at special networking meetings and also via a formal reporting system to the association. Three years is the typical time allowed to new members for implementation. The association monitors progress and follows up by arranging for assistance where necessary to ensure that each company eventually meets its commitment.

When a company considers that its management processes are sufficiently comprehensive that they meet each of the 151 individual code requirements, it advises the association that implementation is complete to the stage of "Responsible Care-in-Place". Completion in this sense does not imply that nothing further needs to be done, but that a key milestone has been reached in a process of continuous improvement.

1d) Verification

A company's declaration that the expectations of Responsible Care are being met is an important first step in the verification process, which leads to confirmation and recognition of this by a team of industry and public representatives. Verification is conducted to strict protocols, developed by the association's members and others including several critics of the chemical industry and its operations. The first verification takes place when the company first states that its performance meets the expected level (*Responsible Care-in-Place*). This verification is designed to confirm, for the company's peers in CCPA and the public, the existence of a company wide ethic and management systems which ensure that the principles and codes of practice of Responsible Care are not only in place but are also practised and continuously improved within the organisation.

Subsequent verifications are also conducted using a different protocol, approximately every three years after formal acceptance of the first verification, to ensure that the ethic and management systems of Responsible Care are firmly rooted in all the company's operations. This is known as *ongoing re-verification*.

Each 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 CCPA's national advisory panel) and
- one or more representatives of the local communities where the company's facilities are located.

1e) Verification of Responsible Care-in-Place

For the purposes of this examination, a portion of the 151 code requirements is sampled in depth. These items are grouped into seventeen management systems, each of which is examined using a series of questions. Some of the questions are sent to the company in advance of the verification visit, so that supporting documentation, etc. can be available for prompt examination if desired. Additional questions are asked at the discretion of the team during the visit.

The approach is “top-down” rather than the “bottom-up” used in conventional audits, and the style of questions is intentionally open-ended, so that the answer cannot be a simple yes/no but calls for explanation. The questioning process starts with the executive responsible for chemical operations in Canada, and works down through the organisation to examine the senior level intent and the corresponding support by action at the operating level.

Questions are generally of the following nature:

- does the organisation have an effective management system in place to ensure understanding of Responsible Care?
- what is the process to determine and communicate the acceptable level of performance?
- what is the process for assessing the performance of the system and effecting follow-up to meet or exceed the acceptable level of performance?
- what is the process for ensuring up-to-date documentation?
- do sufficient resources appear to be, or are thought by employees to be, in place?

The findings are summarized in a report which highlights:

- actions required by the team before they consider the company meets the expectations of Responsible Care;
- opportunities for improvement, which are recommended but not mandatory;
- recognition of any exemplary practices of the company which could be a model for other CCPA members.

The report is given to the company and CCPA, and the company is expected to share the report with interested persons in its communities as part of its dialogue process. If the team considers that actions are required before sign-off, they will arrange for follow-up to confirm that these are complete, and advise the company and CCPA in writing when these have been met to their satisfaction.

1f) ii) Re-verification

Date of re-verification 1 (visit) November 14th & 15th 2000

Locations visited: Mississauga Site

Approximately every three years after team acceptance of Responsible Care-in-Place, the CCPA schedules further verifications using a modified approach. The team is similar to that for the original verification, with at least one team member from the previous verification but a different leader.

In re-verification the team probes more deeply to examine how well the ethical basis of Responsible Care is understood and adopted within the company, and also how effective are the company's management systems in applying the ethical principles throughout the company's operations. This involves not only whether the company intends to do the right things, but also how it monitors activities and results and takes corrective action when deviations occur (often referred to as the Plan-Do-Check-Act parts of the management system).

For re-verification the company is given a more comprehensive list of documentation the team will need to see. Part of this must be sent to the team so they can study it in advance. The questioning process is also more open, in that the team does not have to cover every topic in depth but can probe where they feel it is most relevant for that individual company, plus any areas where the company itself would like feedback on its performance.

After studying the information the team meets with the company to plan the visit stage of the verification, at which a schedule is agreed covering people the team wishes to interview in depth during the subsequent visit stage of the verification process. Most of these will be company personnel, but some will be representatives of organizations with which the company has business relationships – customers, transporters, etc. – and of local communities where plants, etc. are located.

The team examines to determine how strongly the Responsible Care ethic appears to be part of the company's way of doing business, including awareness of Responsible Care and its implications among the company's employees. The examination then progresses into a broad-ranging review of the company's management systems for Responsible Care, with a special investigation into certain topics highlighted by CCPA in the verification protocol.

The team looks at how effectively the company's management systems ensure that Responsible Care principles and code obligations continue to be met, as established in the initial Responsible Care-in-place verification. In subsequent verifications, however, the questioning process also considers how the company tracks and improves its performance regarding these obligations, including how performance measures are established and targets met (what is measured, what are the goals and how are they achieved). Actions taken on concerns, suggestions and recommendations raised in the last verification report are examined, as are significant issues and incidents that have arisen since the previous verification. The team then looks at how the company shared the results of this verification with the local community, and examines how robust the ongoing process of community dialogue appears to be and how issues and concerns are being identified and addressed.

The highlighted topics of special focus are ones where the feedback from the verification process and from the association's members has suggested the value of a closer examination of the general membership performance and comparison with the intent of the codes of practice. This does not necessarily imply that any given company is not performing well, but reveals the range of performance and identifies both cases where some improvement is recommended and also examples from which others can learn.

The highlighted topics include community dialogue, process safety management, site emergency preparedness and response, security regarding malicious threats that could impact public safety or well-being, health effects of products and plant emissions, product stewardship and "TransCAER" outreach. Also examined are emissions of greenhouse gases, and how companies with emissions of volatile organic compounds are meeting the intent of a CCPA agreement on this topic with the federal and provincial governments and environmental groups. Although CCPA has no defined performance expectations for broader social responsibility, the team also looks at how the company sees and fulfills its role in this area. The team may also comment on other specific topics where the company has requested feedback.

The report below presents the findings of the team from this re-verification of Blachford. The report does not address all aspects of Responsible Care, as this was covered by the report of the original Responsible Care-in-Place verification. Instead, it focuses more on the items where the team felt there was an opportunity or need for improvement, plus any improvements or practices which are so significant that they should be shared with other CCPA members and partners as possible examples.

For more context or explanation of any of the items below, please get in touch with the contact at the company from whom you accessed this report.

In the following sections of this report, **findings requiring action are shown in bold face**. *Opportunities for improvement (recommended but not considered mandatory) are shown in italics*, while "extra miles" and best practices are shown underlined.

2. GENERAL FINDINGS OF THE TEAM

2a) **Statement on the Responsible Care Ethic**

Throughout the interview process the team checked for evidence that the Responsible Care ethic was visible and at work in the company, guiding the company's judgement, decisions and actions.

TEAM COMMENT

The ethic itself is well understood and guides the actions and decisions of the site management and the involvement of Mr. John Blachford, President & CEO.

In discussions with Executive Contact John Blachford he advised the team that he fully understood the ethic and directed his staff accordingly. Mr Blachford advised that he was a strong supporter of Responsible Care and referred the team to several articles he had written and had published in this regard. An active participant for many years in the CCPA Board of directors, a continuing participant in the Responsible Care Leadership Groups, Mr Blachford was at ease commenting on Responsible Care and the direction he has given in having the initiative implemented across the full Blachford operations.

The team reviewed the in-place commitment of the CEO with Mr. Blachford and were satisfied all aspects were not only met, but exceeded.

2b) **Employee Awareness**

Here the team considered how much the employees interviewed are aware of Responsible Care and understand how the ethic underpins the company's and employees' own actions and decision-making. Also taken into account was the visible evidence of Responsible Care and the ethic.

TEAM COMMENT

A site tour and discussion with office staff at the Mississauga site satisfied the team that Responsible was both known and practiced at Blachford. The team did not visit the Montreal site but were assured by site representative Mr. Derek Wisdom, the same level of understanding and implementation was at that site.

The team were able to interview several staff employees as well as the Chief Union Steward and a member of the Joint Health and Safety Committee. Knowledge and understanding of Responsible Care was quite good.

2c) **Overall Responsible Care Management System**

It is a requirement of Responsible Care that companies have documented, sound management systems capable of ensuring that all operations of the company across all business units, functions and sites meet the ethic, codes of practice and other expectations of Responsible Care on an ongoing basis. A sound management system drives continuous improvement, and has the following attributes:

- | | |
|------|-------------------------------|
| Plan | - review code requirements |
| | - benchmark best practices |
| | - get input from stakeholders |
| | - decide on best approach |
| | - set targets for performance |
| | - assign responsibility |

- Do
 - document
 - train people
 - assign resources
 - carry out activities
- Check
 - audit
 - measure performance of system
 - measure performance from system
 - obtain stakeholders' feedback
 - assess employees' performance
- Act
 - follow-up on audit findings
 - communicate performance, get feedback
 - reward or correct employees
 - repeat *Plan* steps

There must be such management systems both for the overall management of the company and for each code element. This section 2 covers the team's findings with respect to this overall management system, and section 3 below covers the specific code elements that were reviewed in the re-verification.

TEAM COMMENT

The management system used by Blachford is two-fold. There is the local input into the goals and objectives of the operation, but the main direction comes from the C.E.O although it is obvious the senior staff are involved with the process.

There are administrative systems in place such as job descriptions, performance reviews, vision statements, activity standards for health and safety, incident reporting systems, risk assessments and other such management systems. ISO is also in place and certified.

2d) **Follow-up on Findings in Last Verification Report**

The team reviewed how the company addressed the findings requiring action and opportunities for improvement cited by the previous verification team in their report to the company. Certain follow-up items are covered in the specific topics below.

TEAM COMMENT

There were two findings in the last team visit in 2000 that were addressed by Blachford in 2001 and accepted as complete. There were numerous (we counted 29 from pages 7 through 13 of the 2000 report) "opportunities for improvement" Blachford management team had addressed these items one by one.

Of the twenty nine listed by the previous team, nineteen (19) have been completed.

Of the remaining 10 "opportunities", each was discussed with the Blachford management team. Some explanations given were acceptable but there were several that we once again requested Blachford to re-visit.

Recognizing that these "opportunities" are exactly that, and not obligatory, little more was said.

2e) **Response to Incidents and Concerns since the last Verification**

Since the way in which unplanned situations are handled shows the influence of the Responsible Care ethic and responsiveness of the management system, the team looked at the issues, incidents and concerns that have

arisen since the last verification and how the company has handled them. Some of these may be covered under individual topics below, as noted.

TEAM COMMENT

Blachford has an effective documented Incident Cause and Review Process. Incidents are few, and all are subject to enquiry. This applies to all incidents involving property damage near misses with the potential for serious damage or employee injuries, or incidents where outside agencies are involved.

Accidents and Incidents are investigated by department supervisor using the form included with the SOP. All Accident and Incident Investigation forms are submitted to the Joint Health and Safety Committee for follow-up. Recommendations made by the JHS & E are assigned to an individual for completion. Outstanding issues are covered in the PC Committee and, if required, the Senior Management and QSC Committees.

- Contractors are trained to report incidents or accidents to a Blachford supervisor.
- Health and Safety Audits are conducted yearly by a member of another Blachford facility to provide new perspective of plant safety operations.
- Workplace inspections are conducted at least every 6 months by members of the H S & E Committee. Regulatory Affairs completes annual TIM (Transportation Incident Measurement) survey. Carriers are selected from the list of approved carriers (Based on CVOR and MCMIS registration numbers).
- Blachford maintains a spill containment kit to aid in response to external chemical spills.
- On-site spills are covered in SOP 30.31.30.05 and 30.31.31.01
- Salesmen visit customers and report any evidence of non-compliance with Responsible Care (Safe, Legal, Environmentally acceptable and Waste Minimization – SLEW) on visit reports.

The Blachford shipping department will not load a truck that is deemed to be not in compliance with SOP 1.2.3.1.003 . This is to ensure that chemicals and chemical products are handled and shipped in a responsible manner.

2f) Performance measures

The 'check' step of a management system is the part that shows the effectiveness of the system, and a key question is: "What does the company check as its indicator of performance?" For a few items – emissions & wastes, occupational safety & health, incidents related to transportation or process operations – CCPA specifies measures for reporting under Responsible Care. Most other areas are left to the discretion of each member or partner. The team was asked to review and comment on the measures used by the company to track and improve performance. Some of these are covered under specific sections below, but general comments are given here.

TEAM COMMENT

Blachford follow all reporting systems of the CCPA in health, safety, environment, transportation, accident frequencies and etc On a comparative summation Blachford performance in these categories is exemplary. They have zero incidents in all categories.

The list for performance measurements for H.L. Blachford Ltd. (Mississauga) includes:

- NERM
- TIM
- SHARE
- PRIM
- Community concerns from 6c.
- Environmental incidents
- Product stewardship
- Community involvement
- Security breaches, thefts
- First aid calls
- Near misses: injuries, potentially serious incidents
- Buffer zone policy

NERM (Emissions & Waste)

Data for the Mississauga facility is collected and sent to the Regulatory Affairs Officer in Montreal where it is combined with that of Montreal plant and sent to the CCPA. See attached documents.

TIM (Transportation Incidents)

Incident reports are filled out whenever a problem occurs with a carrier and a copy is sent to the Manufacturing Manager. Data is sent to the Regulatory Affairs Officer in Montreal where it is combined with that of Montreal plant and sent to the CCPA. See attached documents.

SHARE

H.L. Blachford Ltd. conducts a Hazard Analysis of all of its operations and procedures on a regular basis to try to eliminate or modify any process, which could conceivably cause an accident or illness. The Health & Safety coordinator submits a list of accidents with restricted work, accidents with medical treatment, illnesses with lost time, illness with restricted work and illness with medical treatment twice per year to the Regulatory Affairs Officer in Montreal. Data for Montreal and Mississauga are combined and sent in to the CCPA. See attached documents.

PRIM

H.L. Blachford has an Environmental Committee that meets on a regular basis to address environmental issues and discuss methods to reduce, reuse and recycle. Process related incidents are reported yearly to the Regulatory Affairs Officer in Montreal where it is combined with that of Montreal plant and sent to the CCPA. See attached documents.

3. TEAM FINDINGS FOR SPECIFIC CODE MANAGEMENT SYSTEMS

3a) Security

The team looked at how the company assesses and manages potential security threats, including those to facilities and/or personnel, transportation and offsite storage of materials and diversion of materials for illicit activities such as use as or in production of chemical weapons, explosives or narcotics.

TEAM COMMENT

1. OPPORTUNITY FOR IMPROVEMENT

The security of the Blachford manufacturing facilities, both in Mississauga and Montreal should be reviewed. The team recognizes that the Blachford facilities appear minimum risk, but would recommend even the basic security systems be reviewed. This would include gates & fences, employee and visitor entry, transportation procedures, computer and information access security. The recent security guidelines from the CCPA, coupled with various security bulletins from the CCPA and the US ACC should be reviewed and various suggestions implemented.

3b) Process safety management

The team looked at how the hazards and risks from potential episodic ('sudden') incidents are identified and controlled at the company's sites, including awareness and understanding of the methods used for assessment and the techniques for hazard control, and how these are applied and kept current, including comparison with the *Site Self-Assessment Tool* of the Canadian Society for Chemical Engineering.

TEAM COMMENT

The most recent H.L. Blachford PSM survey was done in 2000. Blachford adopted the methodology of using site-specific risk assessment which are re-issued tri-annually, with the next up-date in 2004. All processes and equipment are reviewed for hazards. Every time a change is made to a piece of equipment, there is a review of the hazards and risks.

Hazard Analysis

- All new equipment undergoes a Hazard Analysis by the Plant Managers before installation
- All new products are examined for hazards as Product Brief and Design
- Review System by R&D managers and sales Managers and team feasibility meetings.
- All Hazard Analyses are reviewed every 3 years or when any significant changes are made

Project Start-up

Standard operating procedure requires all new equipment to undergo a project start-up. The procedure allows for the evaluation of quality, safety and performance objectives of completed projects.

- Warehouse
- Acoustics – Plant

- Acoustics – Barn
- Liquid Department
- Tank Farm
- Quality Control
- C.S. / North Extension
- Powder Department South, Plant Grounds and Buildings
- compliance with laws and regulations (eg. % audited, % in compliance, etc) including program to comply with section 4 of the Ontario Fire Code are on-going and mostly complete.

A Responsible Care audit is carried out annually.

Workplace Inspections are carried out every six months and E,H&S audits every three years. (See Attachments 513 & 514)

3c) Greenhouse Gas Emissions

The team looked at the company's history, projections and plans for reducing greenhouse gas emissions, both through reductions in direct emissions from sites and through energy efficiency /intensity improvements.

TEAM COMMENT

NERM data has been provided in Section 5 of the re-verification protocol. A specific overall emissions survey by the CH2MHILL group has also been commissioned.

- NERM information for each of the last 3 years has been submitted to the CCPA. There are no emissions on the NPRI list.
- Estimate carbon dioxide emissions for each of the next 5 years will be 650 metric tons.
- Blachford advises their emissions are small. There are no specific capital projects for major reductions at this time.

3d) Memorandum of understanding (MOU) between CCPA and governments

TEAM COMMENT

Blachford has no MOU commitments with the CCPA.

3e) Site emergency response

The team looked at the company's management system for ensuring appropriate preparedness and response by the site and neighbouring community, both for emergencies caused by the site and those occurring off-site, including involvement in local CAER groups and other mutual aid processes.

TEAM COMMENT

The team were well satisfied by H.L. Blachford emergency response. On site emergency response information is covered in the corporate SHEER manual under heading 30.3 Emergency Response. Off-site emergency response is detailed in Section 30.31.30.10 of the corporate responsible care manual.

1. The H.L. Blachford Ltd. policy on CAER is section 1.0 of the corporate Responsible Care Policy Manual. SOP's for Dealing with Dislocated Persons (SOP 30.31.30.11), and for External Emergency Response (SOP 30.31.30.10) are also found in this corporate manual.

2. Internal emergencies are handled according to the following SOP's which are in the SHEER manual. Emergency SOP's are:

Fire Response and Emergency Evacuations	SOP 30.31.30.02
Fire / Explosions / Evacuation Procedure	SOP 30.31.30.02L
Response to Internal Chemical Emergency	SOP 30.31.30.05
Isolation of Services in an Emergency	SOP 30.31.30.08
Off-hours Internal Emergency Response	SOP 30.31.32.01
Laneway Spill Recovery	SOP 30.31.31.01

3f) TransCAER Outreach

TransCAER is the CCPA program for Transportation Community Awareness and Emergency Response. It involves the company's approach to preventing transportation incidents, its transportation emergency response plan, and also outreach to communities through which chemicals are transported, the communities being selected and assigned to each company by regional TransCAER committees formed from the members and partners in each region. The team looked at how the company has participated in TransCAER outreach and how it has handled the work thus assigned.

TEAM COMMENT

The team was able to review minutes and charts distributed by the CCPA that showed that Blachford continue to be a key part of TRANSCAER outreach. However there appeared to be some confusion on the Blachford specific role if any. The team suggested that Blachford contact Graham Creedy at the CCPA to update as to the current TRANSCAER requirements and agreements.

3g) Product stewardship – second parties

The team looked at how the company manages the hazards and risks associated with its products, including criteria and processes used to select and assess customers, distributors, suppliers, carriers, storage facility operators, etc.

TEAM COMMENT

There is no doubt that H.L. Blachford is doing much in product stewardship and has been for many years. Discussions with the Sales Director showed a good understanding of the Responsible Care guiding principles especially as related to the Transportation and Distribution codes of practice. In warehousing, as a member of the CCCD and the NACD many surveys and audits have been completed.

Opportunity for improvement

A correlation by Blachford of the CCPA Product Stewardship Guidelines and compliance criteria with the current activity being carried out at H.L. Blachford is necessary prior to the next re-verification, if Blachford wishes full compliance here.

3h) **Health effects of products**

The team looked at how the company assesses human exposure to its products throughout the product life cycle and the health implications of those exposures, together with the way information is communicated to those potentially affected and actions are taken to prevent health impacts.

TEAM COMMENT

Blachford has an Industrial health program that is in its safety & health process. Over the years some area monitoring has been done and to date no known exposures of consequence have been reported either by employees or the general public. During our general plant tour there were areas of dust that allowed inhalation by the mouth. The team were advised that this was a stearate and the levels in the plant were well below the allowable limits. Stearate is a moderate health concern, particularly in high exposure volumes.

The guiding principles and detailed methodologies for addressing these areas are covered in the Blachford Tier III QS 9000 Manual under 4. Design Control, Section 6 and also in the H.L. Blachford Ltd. Responsible Care Manual under the R&D Code.

Exposures of people to emissions from our Montreal plant could conceivably be by air (dusts), by sewer (waste water), and by waste disposal (floor sweepings, dusts, powders and bags). See attached list of wastes and amounts generated by Montreal plant in 2003.

Evolution of dust is controlled by the use of dust bags of optimal porosity; as part of our Preventative Maintenance program, the integrity of these bags is tested by the use of colored tracers. Waste water is treated for pH and for solids content

Opportunity for Improvement.

Although Blachford claims that dust exposure is minimum the re-verification team would like to see a 7 day minimum exposure loading audit carried out in the plant areas where dust exposure is prevalent. We believe this would be in Blachford's interest to have an update on employee exposure. This information would then be shared with the Joint Health & Safety Committee and other employees.

Health effects of plant emissions

The team looked at how the company assesses human exposure to emissions from its facilities and the health implications of those exposures, together with the way information is communicated to those potentially affected and actions are taken to prevent health impacts.

TEAM COMMENT

Blachford Canada is in the process of a thorough review to determine that they are correctly identifying, and characterising and evaluating all emissions.

The wastewater discharges from the Blachford facility are monitored on a continual basis to ensure that they meet MOE and Environment Canada requirements. The MOE and Environment Canada requirements have not been exceeded in recent years.

Solid waste off site is managed by forwarding to Ontario regulated handlers. It is also noted that solid waste has been vastly reduced over recent years.

All of the Montreal plant wastes go to Clean Harbours and, depending on their nature, are ultimately either incinerated at Ville Mercier or landfilled at Sarnia.

3j) Social Responsibility

In this area the team was not looking for evidence that the company's performance met certain expectations, but rather for information on how the company sees and fulfills its role in areas of social responsibility.

TEAM COMMENT

H.L. Blachford Ltd. Advises it is firmly committed to supporting a wide range of programs, through charitable donations that directly affect the overall well being of the community, in a broad numbers of areas. These include support of charities, research programs and universities. List of these with applicable \$ amount donated were provided to the team. The team were well satisfied that Blachford gives a great deal of community support.

3k) Dialogue Process with Communities

The team looked at how the company's process for dialogue with its communities has been working since the Responsible Care re-verification, including the identification of stakeholders, community issues and concerns, how concerns were addressed and the choice of dialogue methods. They looked at the effectiveness of the management system in ensuring the company is planning, implementing, evaluating and continuously improving its relationship with the community.

TEAM COMMENT

Little has changed as far as the Blachford facility is concerned, although the Royal Windsor Drive area of Mississauga continues to be a very busy industrial/commercial 4 lane traffic throwaway.

Chemical products handled at Blachford are low risk and finished products are all non-hazardous. There is recognition of a worst case but the impact area has been defined as 250 m around our plant. Smoke from a fire would probably extend this to 500m or more until dispersion.

Blachford makes contact with their neighbours on an annual basis. This defines a Blachford management employee to visit surrounding neighbours to discuss potential incidents from the plant, advise them of any changes in processes and advise on emergency actions to take. Company literature is also distributed at this time.

One noise complaint in the 2002 visits is the only concern that has been raised. and Blachford has addressed this to the satisfaction of the complainant.

In addition Blachford mail a letter to the wider community on a regular basis advising them of the nature of the business, significant changes and the hazards that the operations represent. Blachford asks for any concerns or clarification and invites plant visits. No response is common. Verification Team Member Andre Mansour was able to visit several neighbours who confirmed the Blachford outreach.

The interests and concerns of the non-local community and its stakeholders are identified through participation in the CCPA, its Leadership Group and other committees such as TransCAER. Because of H.L Blachford Ltd.'s lack of a recognized corporate image or logo and that the products produced are low risk, and non-hazardous, it is difficult for us to elicit any interest from the general public, so our main dialogue is with other CCPA members, our customers and our suppliers.

J. Blachford regularly attends the CCPA Leadership discussions. D.J. Wisdom and M. van der Vlist and R. Montreuil attend the CCPA TRANSCAER meetings. D.J. Wisdom is a member of the Transportation of Dangerous goods Advisory Panel and also a member of the CSA Standards Group.

All Senior Managers are members of various trade organizations. John Blachford receives CCPA updates on E-mail and have ensured that all employees are trained as required on TDG regulations.

H.L. Blachford Ltd. also has ISO 9001 and QS 9000 Certification which, as well as bringing a disciplined approach to doing business, includes the audits of various suppliers. This allows Blachford to recommend safety practices to these suppliers, and also allows a learning process from those who have discovered a better approach in handling of chemicals.

3l) **Areas of Focus Requested by the Company**

Community Feedback.

Blachford requested the verification team input on their concern regarding difficulty getting feedback from neighbours even though they ensure that communications are delivered to their doors.

Customer Response.

"It is much more difficult to get customers to respond to Responsible Care agreements compared to suppliers. If we hassle our customers too much they will turn to a supplier who is less demanding and less conscientious regarding the Responsible Care ethics"

TEAM COMMENT

Community Feedback. The concerns in Community Feedback are shared by many other CCPA members. As the risk from Blachford is defined as low, community interest in what you do will be minimum. However, the neighbour with the noise complaint may never have drawn this to your attention had it not been for the outreach activity, and would probably have made negative comments to others. In addition, Responsible Care asks that you share risk information with your neighbours, what they should do in the event of an incident, and allow an avenue for them to respond. Blachford has done this and other than continuing to update neighbours are meeting the code requirements.

Customer Response. The concerns on customer response to Responsible Care are also commonplace. The requirement here is to ensure yourselves that a customer you are supplying is putting your product to proper use from the receiving process through manufacturing, blending or shipping and ultimate disposal of any waste or unused product. The "Customer" self assessment for is a tool provided by the CCPA to assist in reaching this assurance. However, customer visits by salespeople or technical assistance with a process can also provide the required information.

4. CONCLUSION

As stated throughout the report, the team were satisfied that the H.L. Blachford management and employees, led by CEO John Blachford continue to have a keen desire to ensure all activities are through the Responsible Care ethic. The team has no hesitation in recognizing Re-Verification 2 as being complete.

Telephone follow-ups were made with customers, suppliers, local emergency officials and neighbours. No areas of concern arose from these contacts.

5. COMPANY COMMENTS

APPENDIX 1: COMPANY DESCRIPTION

Description of company and operations covered by the verification.

H.L. Blachford Ltd. is small, with sales of only about \$30 million. Most of its products, and it has many, are made via simple mixing without any chemical reactions occurring. No low flash solvents are handled in production, only in the labs. No highly toxic chemicals are handled. The Company voluntarily ceased to manufacture or sell lead and cadmium compounds several years ago. No reactions are carried out under pressure. The Company does not have its own trucks, but instead uses a large number of trucking firms, some of which are small. Almost all its products help the customer's process their materials, and, consequently they are consumed by the customer. Generally they end up as a very small component in the customer's products. Sometimes they end up by being destroyed by the final process used by the customer. For example, the customer eventually burns off a lubricant used in the processing of powdered metal. All customers are industrial firms, often large, which on the whole, are conscientious with regard to meeting health, safety and environmental regulations.

H. L. Blachford Ltd. has two plants in Canada. Blachford Enterprises Inc. owns the three Blachford plants in the U.S.A., which is not a subsidiary of H.L. Blachford Ltd., although the Blachford family owns it. Many of the elements of Responsible Care have been implemented in the American plants, especially the one in Frankfort IL which manufactures wire drawing lubricants via chemical reactions. Blachford Enterprises is not a member of the ACC or of SOCMA.

The Montreal plant has been sold to the Quebec government, which is undecided as to what it wants to do with the building. We are, however, leasing the building back and using is just as much as before, and continue to treat it with regard to Responsible Care and all other matters as though it still belongs to us.

A very small Ontario company called FRS (Fluid Recycling Services) was purchased three years ago. This company specializes in recycling at the customer's plant i.e. cleaning up, used metal working liquids, especially machining and grinding fluids.

The manufacture of our noise reducing materials is excluded.

The Mississauga plant fabricates, by die cutting sheets, small quantities of noise reducing materials. These sheets are composed of urethane foam or laminates of heavy plastic attached to foam or plastic film. No chemical reactions are carried out during the fabrication, and the raw materials and finished products are non-toxic As

previously mentioned, the Montreal plant has been sold to the Quebec government, from whom it is being leased. The same products and processes are being dealt with in this plant as during the last re-verification.

Several changes have occurred, however, in the Mississauga plant. A new grinding line has been installed to replace a much smaller line. With this new line we are grinding calcium and zinc stearates much faster and also finer. We have ceased to sulphurize anything, and so no longer store sulphur. Our Class 1 Room has been completely rebuilt so that it now meets the latest regulations. This had to be done in order to obtain permits to install a new, large reactor to make hydraulic oils. This reactor replaces one a third its size. With this new reactor our emissions to the atmosphere are far lower, and no longer are any odours detected outside the plant.

APPENDIX 2: TEAM AND CONTACTS

1. The Verification Team

The verification team consisted of the following:

Name	Affiliation	Representing
Gordon Crooks	Consultant CCPA	Industry (team leader)
Dr. Robert Scott	Consultant CCPA	Industry
Kristina Lee	CCPA Public Consultant	Public
Andre Monsour	None	Community Member

Team members assigned by CCPA are shown by an asterisk (*).

2. Persons contacted at the company

Name	Position
John Blachford	CEO/Owner. Executive Contact CCPA
John Kraft	Mississauga Plant Manager
Derek Wisdom	Regulatory Affairs Coord - Montreal Plant
Mathew Parthun	Manager. Research & Development
Geoff George	Sales & Product Manager
Aldo Pighin	Product Manager - Stearates.
Howard G Gunn	Sales Manager
Fiona Nisbet	Quality Control Supervisor
Rick White	Union Steward & JH&S co-chair