

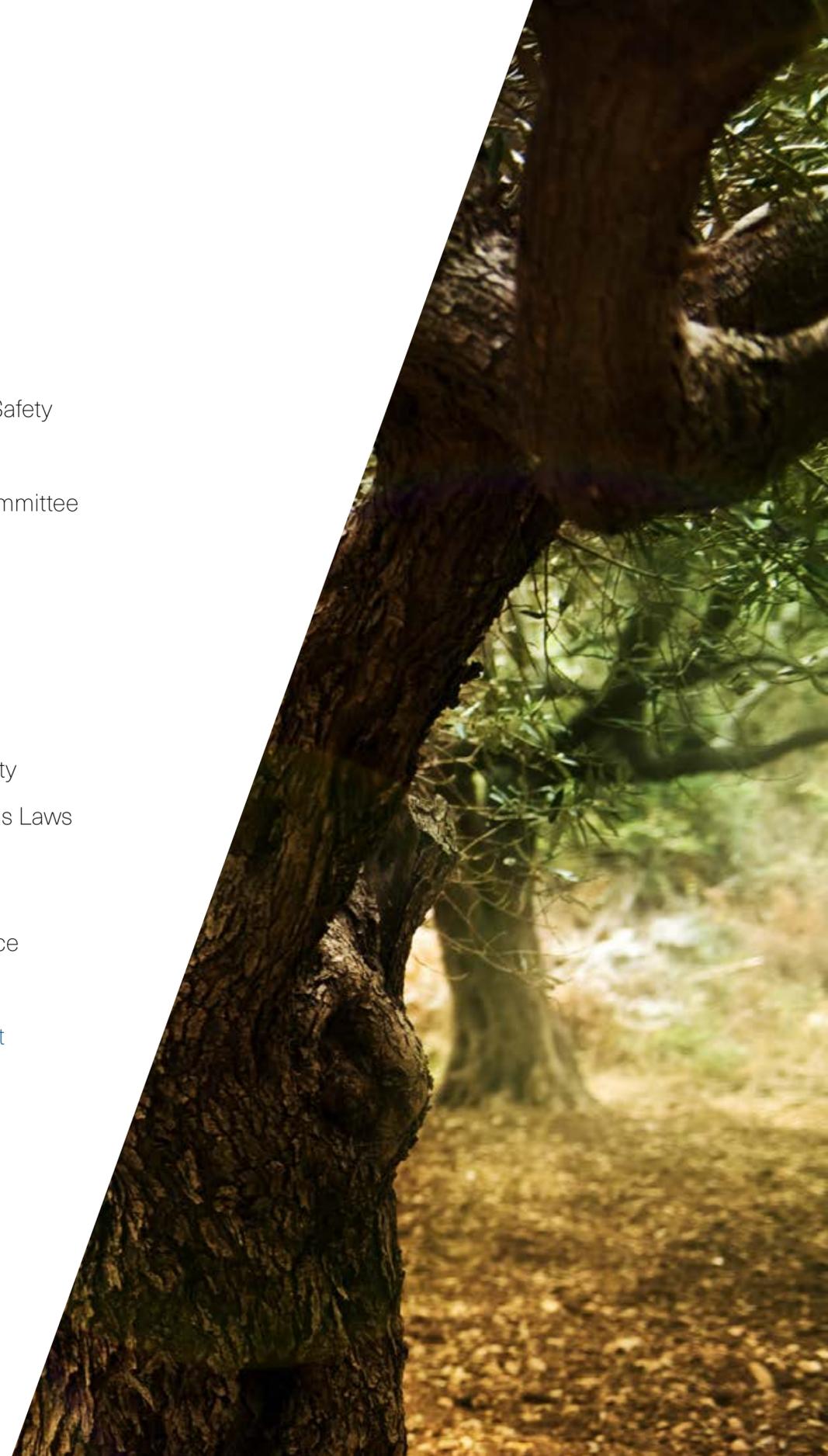


Sustainability Report 2020



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President's Statement

» [102-14](#)

Greetings,

I am pleased to present Quadra's ninth annual sustainability report and our second communication of progress as a signatory member of the United Nations Global Compact.

Sustainability at Quadra took all its meaning of resilience and longevity in 2020 with the Covid-19 pandemic and its local and global aftermath we are still experiencing today. Always driven first by our concern for our employee's safety, we immediately reacted by migrating all non-essential staff to work from home and we applied strict, science based sanitary protocols in all our operations.

I am so proud to share that our Quadra family rallied as one, and every employee and department worked tirelessly to ensure we remained connected with our customers, suppliers, and more importantly as a team.

From our Information Technology team carrying out a very rapid deployment of tools for remote work, enabled by their successful digital transformation, to our Logistics team that faces everyday supply chain challenges with grit and creativity, supported by high performing Account Management, Product Management, Procurement Specialist, and Customer Service Teams, we continued to deliver specialized and effective solutions to our customers.

Safety, Mental Health and Diversity were the central concern of our Human Resources department during this year of confinement and social upheaval. We remain a strong, united and caring organization thanks to our Human Resources team initiatives: webinars on work-life balance, weekly well-being surveys, social virtual events and fundraisers, as well as adding 2 additional company-wide paid days off. Furthermore, we established a permanent Diversity and Inclusion committee consisting of employees from all departments to ensure engagement with our core values continues to translate into our rich and diverse team.

The journey continues to be enriching and despite this last year's challenge, we remain committed to the Sustainable Development Goals we contribute to each year.

Anne Marie Infilise
President



CEO's Statement

» 102-14

To Our Valued Stakeholders,

2020 was my first year as acting CEO, and I am so pleased to share that we successfully weathered the Covid-19 storm by relying on the solid foundation our core values fostered, namely by our employees.

Long-term sustainability is in the DNA of our family business, and as a result, we prioritized long-term over short-term goals, leading to a clear vision and appreciation that people's safety comes first, industries have a life cycle, that sustainability means change, and that there is a need to embrace new industries, new technologies, and new practices with each new generation.

Continuing our commitment to the United Nations Global Compact principles and the 2030 Sustainable Development Goals, in 2020 we pursued new business ventures in the United States, deployed new digital tools while embracing remote work, and found new ways to nurture our employee's well-being and ensure their safety. We contributed to First Nations' capacity building and economic development through shared benefits agreement in our resource's projects.

In the summer of 2020, for the first time in our history, we publicly commented on the many senseless acts of violence worldwide, and to take a stand against racism and discrimination. We established a permanent diversity and inclusion committee to formalize the commitment we made when we founded Quadra.

In the coming year we are developing our 2025 strategic plan and revising our sustainability policies and objectives to align with the 2030 Sustainable Development Goals (SDG) and continue the work we have started for a more sustainable, resilient and diverse organization.

I hope you enjoy this report and share our enthusiasm for all the progress we are making on our sustainability journey.

Philip Infilise
CEO



About Quadra

» 102-1 to 102-10 & 102-45

Established in 1976, Quadra Chemicals Ltd. is a privately-owned company incorporated in Canada and is a leading provider of specialty and commodity chemicals, ingredients, and services across Canada. Quadra offers coast-to-coast Canadian market coverage with 7 distribution facilities and over 40 additional stocking locations. Quadra services the following industries: Energy / Oil & Gas, Mining, Industrial Process Industries, Chemical Manufacturers, Food Ingredients, Pharmaceutical & Supplements, Cosmetics & Personal Care. We are proud to be ranked 9th on the Top 100 Chemicals Distributors in North America. We are also very pleased to retain our Platinum Status as one of Canada's Best Managed Companies since 2003, as well as again being recognized as one of Canada's Great Workplaces by Great Place to Work® Canada.

Established in 2016, Quadra Chemicals Inc. is a privately-owned company incorporated in the United States and is a leading provider of specialty and commodity chemicals services. We offer over 1600 products to the industries we service in the markets across the United States, from fourteen third-party stocking locations. Quadra services the industries of Oil & Gas, Mining, and Pulp & Paper.

In 2019, Quadra acquired PlusPharma in Vista California, enabling the establishment of Quadra Ingredients in the United States to service from our Vista warehouse and six third-party stocking locations across the country. Industries serviced are Food Ingredients, Pharmaceutical & Supplements, Cosmetics & Personal Care.

Quadra Chemicals Ltd
Head Office
3901 F.X. Tessier
Vaudreuil-Dorion, Québec
Canada J7V 5V5

Quadra facilities are located in North America with an office located in Shanghai, China.



About Quadra

Quadra distributes to manufacturers, industrial operators, and institutions from multiple market segments across North America, including the following:

Chemical

- » Case and Carton Sealing / Labelling
- » Chemical Manufacturing
- » Cleaning and Formulating
- » CASE (Coatings, Adhesives, Sealants, Elastomers)
- » Construction
- » Flexible Packaging
- » Chemical Manufacturing
- » Gas Processing
- » Household, Industrial, and Institutional Cleaning
- » Major Chemicals
- » Metal Treatment and Galvanizing
- » Mining and Smelting

- » Oil and Natural Gas Production
- » Oilfield Chemicals
- » Packaging Adhesives
- » Petrochemical Processes
- » Pool and Spa
- » Protective Coating Solutions
- » Product Assembly
- » Pulp and Paper
- » Refining and Upgrading
- » Rubber – Industrial and Automotive
- » Soil Remediation
- » Soluble Fertilizer and Agriculture
- » Water Treatment

Ingredients

- » Animal Nutrition / Pet Nutrition
- » Bakery
- » Bars and Cereals
- » Beverages
- » Blending
- » Confectionary
- » Dairy
- » Meat, Poultry, and Seafood
- » Nutritional Supplements
- » Prepared Foods
- » Personal Care and Cosmetics
- » Pharmaceutical
- » Sports Nutrition

As of September 30th, 2020, Quadra employed 430 people in its North American operations and 4 at a regional office in Shanghai, China.

Quadra employs 200 women and 234 men.

There is no collective bargaining agreement for our employees.



About This Report

» (102-50 to 102-56)

This is the ninth consecutive year that we have issued the Global Reporting Initiative (GRI) Report. This report has been prepared in accordance with the GRI Standards: Core Option and covers the period between October 1st, 2019 to September 30th, 2020.

It includes a GRI Content index, referencing the UNGC principles as well as alignment with the 2030 Sustainable Development Goals (SDGs).

Throughout the report, GRI Standards Disclosure Numbers are identified directly above the relevant text, with applicable UNGC and SDG references. In some cases, responses are incorporated by reference and linked directly from the content index. External assurance was not obtained for this report.

This year's Sustainability Report integrates our second Communication on Progress (COP) as part of Quadra's participation in the UN Global Compact.

Quadra has policies and internal practices to enhance and provide assurance about the accuracy of the report. For instance, internal and second-party audits are conducted on many of Quadra key activities including safety, health, and environmental performance, financial accounting and compliance with the Quadra Code of Business Ethics.

Should you have any questions regarding our Sustainability Report or its contents, please do not hesitate to contact Ian Turpin, Sustainability Manager at sustainability@quadra.ca

Key Impacts Risks, and Opportunities

» 102-15

Quadra's sustainability policy encapsulates our overall vision and strategy as it relates to the material aspects that affect us and our society in terms of economic, social and environmental impacts. It is as follows:

Quadra aims to achieve the highest possible standards of sustainability through our operational activities and outreach to the broader community. To reach this objective, Quadra will continue to assess and improve the environmental impact of our operations, our supply chain, social and employment practices.

Environmental Impact

Quadra strives to reduce the environmental footprint of operations using the following measures:

- » Minimize risk by strict observance to the Responsible Distribution® Canada and NACD protocols
- » Continuous compliance with all applicable environmental regulations
- » Reducing energy consumption by increasing efficiency of energy use
- » Lowering waste generation through recycling and waste reduction initiatives
- » Decreasing greenhouse gas footprint through carbon reduction initiatives
- » Continuing to improve on green purchasing practices

Supply Chain

Quadra will continue to develop a more sustainable supply chain through the following actions:

- » Making sustainability programs a key part of our supplier assessment
- » Deploying our Supplier Code of Conduct to the supply chain to help manage risk of human rights abuse, corruption and environmental degradation in our supply chain
- » Updating and expanding Green Products and Better Choice product offerings and promote sustainable chemistry
- » Assessment and ranking of carriers based on established sustainability criteria; choosing greener carriers whenever possible

Social Responsibility

Quadra will continue to be involved with community, industry organizations and charitable projects. This involvement may include, but is not limited to:

- » Ongoing support for charitable organizations
- » Maintaining an active and participatory role in Responsible Distribution® Canada (previously known as Canadian Association of Chemical Distributors); following the Principles of Responsible Distribution® Code of Practice
- » Building strong relationships with other individuals, organizations and communities that share our values

Employment Practices

Fully engaged employees are very important to implementation of sustainability initiatives. Quadra will continue to create an atmosphere conducive to an open dialogue about health and safety:

- » Regular publication of company sustainability newsletter
- » Recognition of use of sustainable means of transportation, such as cycling, public transit, and carpooling
- » Reimbursing employees enrolled in fitness and weight management programs through the Wellness Plan

UN Global Compact



Sustainable Development Goals



Commitments to External Initiatives

» 102-12

Quadra subscribes and endorses the following Charters:

Responsible Distribution® Canada

We are a major contributor to the articulation of Responsible Distribution® Canada Code of Practice, which is the Canadian chemical distribution industry's voluntary initiative through which companies, through their national associations, work together to continuously improve their health, safety and environmental performance and to communicate with stakeholders about their products and processes.



The Responsible Distribution® Canada ethic helps industries to operate safely, profitably and with due care for future generations.

United Nations Global Compact (UNGC)

In 2019, Quadra became a member of the United Nations Global Compact (UNGC) to further its commitment to sustainable practices. We already adopted the 10 principles of the UNGC to develop our Supplier Code of Conduct. Our sustainability initiatives are driven by the material areas affecting our organization and its stakeholders. We are now articulating the progress of our initiatives along the lines of their contribution to the 17 Sustainable Development Goals.

National Association of Chemical Distributors (NACD)

The National Association of Chemical Distributors (NACD), established in 1971, is an international association of chemical distributors and their supply-chain partners. Member companies process, formulate, blend, re-package, warehouse, transport, and market chemical products for over 750,000 customers.



A member-voted condition of membership in the Association is a signed commitment to NACD Responsible Distribution®, which celebrated its 25th anniversary in 2016. Responsible distribution requires members to continuously improve performance in protecting health, safety, security, and the environment. All member companies are committed to product stewardship and responsible distribution in every phase of chemical storage, handling, transportation, and disposal.



UN Global Compact



Sustainable Development Goals



10 Principles of the United Nations Global Compact for Our Supplier Code of Conduct

WE SUPPORT



- » **Principle 1** Businesses should support and respect the protection of internationally proclaimed human rights
- » **Principle 2** Make sure that they are not complicit in human rights abuses
- » **Principle 3** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining
- » **Principle 4** The elimination of all forms of forced and compulsory labour
- » **Principle 5** The effective abolition of child labour
- » **Principle 6** The elimination of discrimination in respect of employment and occupation
- » **Principle 7** Businesses should support a precautionary approach to environmental challenges
- » **Principle 8** Undertake initiatives to promote greater environmental responsibility
- » **Principle 9** Encourage the development and diffusion of environmentally friendly technologies
- » **Principle 10** Businesses should work against corruption in all its forms, including extortion and bribery



HUMAN RIGHTS
Principles 1, 2



LABOUR
Principles 3-6



ENVIRONMENT
Principles 7-9



ANTI-CORRUPTION
Principle 10

 **SUSTAINABLE DEVELOPMENT GOALS**



1
NO POVERTY



2
ZERO HUNGER



3
GOOD HEALTH
AND WELL BEING



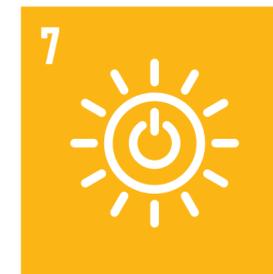
4
QUALITY
EDUCATION



5
GENDER
EQUALITY



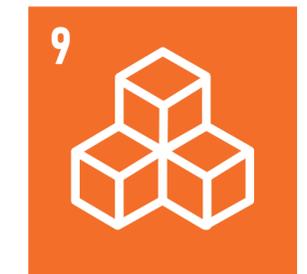
6
CLEAN WATER
AND SANITATION



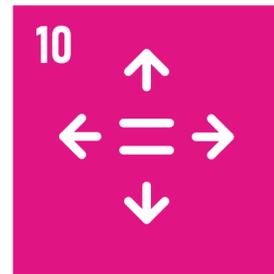
7
AFFORDABLE AND
CLEAN ENERGY



8
DECENT WORK AND
ECONOMIC CONDITIONS



9
INDUSTRY, INNOVATION
AND INFRASTRUCTURE



10
REDUCED
INEQUALITIES



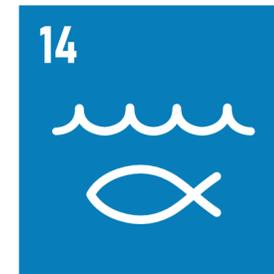
11
SUSTAINABLE CITIES
AND COMMUNITIES



12
RESPONSIBLE
CONSUMPTION
AND PRODUCTION



13
CLIMATE ACTION



14
LIFE BELOW
WATER



15
LIFE ON LAND



16
PEACE, JUSTICE
AND STRONG
INSTITUTIONS



17
PARTNERSHIPS
FOR THE GOALS



12 Principles of Green Chemistry

In 2015, Quadra adopted the 12 principles of Green Chemistry as the framework to assess attributes and validate claims of sustainable chemicals and ingredients.

| | | |
|-----------------------------------|---|--|
| 01 Waste Prevention | 02 Atom Economy | 03 Less Hazardous Chemical Synthesis |
| 04 Designing Safer Chemicals | 05 Safer Solvents and Auxiliaries | 06 Design for Energy Efficiency |
| 07 Use of Renewable Feedstocks | 08 Reduce Derivatives | 09 Catalysis |
| 10 Design for Degradation | 11 Real-time analysis for Pollution Prevention | 12 Inherently Safer Chemistry for Accident Prevention |

GREEN CHEMISTRY: THEORY AND PRACTICE by Anastas and Warner (1998) "Fig.4.1" Twelve Principles of Green Chemistry p.30
© Paul T. Anastas and John C. Warner, 1998. By permission of Oxford University Press

Membership Associations

» 102-13

We are active members of various industry associations including:

- » **RDC** Responsible Distribution® Canada (formerly CACD)
- » **CAC** Cosmetics Alliance Canada (formerly CCTFA)
- » **CIFST** Canadian Institute of Food Science and Technology
- » **CIM** Canadian Institute of Mining
- » **ACS** American Chemical Society
- » **RSPO** Roundtable on Sustainable Palm Oil
- » **MAC** Mining Association of Canada
- » **NACD** National Association of Chemical Distributors (USA)
- » **DCAT** Drug Chemical & Associated Technologies
- » **CCAB** Canadian Council for Aboriginal Business

UN Global Compact



ENVIRONMENT
Principles 7-9

Sustainable Development Goals



17
PARTNERSHIPS
FOR THE GOALS



Defining Report Content and Topic Boundaries

» 102-46

Our sustainability program is guided by the materiality analysis we carried out. The areas covered were not sorted as per the GRI materiality drivers but rather as per stakeholders' input on subjects to address.

They are as follows:

- » Biodiversity
- » Customer Health & Safety
- » Diversity & Gender Parity
- » Employee Engagement
- » Energy & GHG Emissions
- » Ethics & Values
- » Greener Chemistry
- » Human Rights, Child & Forced Labour
- » Indigenous Rights
- » Local Community Outreach
- » Nanotechnology
- » Occupational Health & Safety
- » Product Stewardship
- » Regulatory Compliance
- » Responsible Supply Chain
- » Training & Education
- » Waste & Effluents
- » Water

Restatement of Information; Changes in Reporting

» 102-48 and 102-49

This year Quadra is disclosing for both its United States and Canadian Operations.



List of Materials Topics

» 102-47

Our material areas are as follows:

Material Analysis



Explanation of Material Topics and its Boundaries

» 103-1 to 103-3

The scope of this report covers all fully managed operations for the duration of the reporting period. The boundary assessment concluded that most material aspects are only material within the organization. The material aspects Quadra addresses are now linked to the UNGC principle they support, as described on this table.

| Aspects | Material Area | UNGC Principles |
|--------------------------------|------------------------------|-----------------------|
| Economic | Responsible Supply Chain | 1 to 10 |
| Environment | Green Chemistry | 9 |
| | Water | 8 |
| | Energy & Greenhouse Gases | 8 |
| | Waste & Effluents | 7 |
| | Human Rights | Child & Forced Labour |
| Labour Practices & Decent Work | Diversity & Parity | 1, 6 |
| | Occupational Health & Safety | 1 |
| | Ethics & Values | 1-2 |
| | Employee Engagement | 6 |
| | Training & Education | 1 |
| Product Stewardship | Regulatory Compliance | 7, 8 |
| | Customer Health & Safety | 8 |
| Society | Society Community Outreach | 1, 2 |

UN Global Compact



HUMAN RIGHTS
Principles 1, 2



LABOUR
Principles 3-6



ENVIRONMENT
Principles 7-9



ANTI-CORRUPTION
Principle 10



Stakeholder Engagement

Stakeholder Groups; Identifying and Selecting Stakeholders, and Approaches to Stakeholder Engagement

» 102-40 and 102-42 to 102-43

Partial Reporting

We have consulted our stakeholders: customers, suppliers, employees, industry associations, and communities where we operate.

Key stakeholder engagement areas are:

- » We work closely with our customers to address their current and future needs
- » We have ongoing long term and close relations with suppliers, so we can deliver high performance products
- » We have regular engagement with our employees on performance, policies and issues relating to meeting personal and business needs
- » We engage with neighbours close to all our operations about safety as required by the Responsible Distribution® Canada code of practice
- » We continuously engage with external organizations and interest groups to improve our understanding of the issues and opportunities stemming from sustainability
- » In 2018 we conducted a stakeholder survey with our employees, customers, suppliers and local communities, which focused on the issues addressed in our sustainability program. The outcome of the survey was used to determine the relevance and priorities of our Material Areas and update our Materiality Matrix

Additional stakeholder engagement activities in 2020 included:

- » Employees: Feedback on Diversity and Inclusion aspects through a new permanent Diversity and Inclusion Committee
- » Customers: On an ongoing basis, we communicate Quadra's information and opportunities as it relates to sustainable chemistry
- » Suppliers: Each year, assessments are carried out for all new suppliers and on an ad hoc basis for existing suppliers as per guidelines
- » Continued deployment of Supplier Code of Conduct to all pillar suppliers
- » Local communities: ongoing engagement with community outreach and charities
- » Employees: ongoing and planned communications
- » Employee Health & Wellness program
- » Governments and regulatory bodies: ad hoc and planned regulatory assessment and reporting
- » Industry associations: contributing to the advancement of sustainable business practices
- » Academia: supporting the development and marketing of green chemistry

Sustainable Development Goals



PARTNERSHIPS
FOR THE GOALS

Key Topics and Concerns That Have Been Raised Through Stakeholder Engagement

» 102-44

Key highlights of our latest stakeholder assessment are:

- » Occupational Health and Safety remains the number one concern to all stakeholders
- » Regulatory Compliance as our industry is highly regulated
- » Ethics and Values, as well as Human Rights are given more importance
- » Product Stewardship to ensure proper handling, usage and disposal as dictated by the Responsible Distribution® Canada Code of Practice
- » Sustainable Supply Chain to manage the triple bottom line
- » Waste and Recycling to minimize our environmental impact
- » Employee Engagement is our most important resource

UN Global Compact



HUMAN RIGHTS
Principles 1, 2



ENVIRONMENT
Principles 7-9



ANTI-CORRUPTION
Principle 10

Sustainable Development Goals



8
DECENT WORK AND
ECONOMIC CONDITIONS



10
REDUCED
INEQUALITIES



12
RESPONSIBLE
CONSUMPTION
AND PRODUCTION



16
PEACE, JUSTICE
AND STRONG
INSTITUTIONS

Corporate Governance

Governance Structure

» 102-18

Quadra is governed by an Executive Committee, which is responsible for setting company strategy. This team consists of 30% women and 70% men. Four (4) members of the Executive Committee sits on the Board of Infilise Holdings Inc., which is the parent company. The company also has a Leadership Team, consisting of senior management representatives from across the various departments and business units. There are also several committees assigned for specific tasks, such as :

- » Risk Management
- » Wellness
- » Health and Safety
- » Sustainability
- » Diversity and Inclusion

Values, Principles and Standards

» 102-16

Quadra Mission, Values, and supporting policies are as follows:

Quadra's Mission Statement:

We are acknowledged as the Best Distributor in our selected markets in Canada and the United States, leading the market in innovative business solutions which improve the profitability of our customers and key suppliers.

UN Global Compact



Sustainable Development Goals





Through partnership, teamwork and innovative business practices, we provide:

- » Superior value for our target customers by understanding their needs, applying our unique expertise and dedication to outstanding services.
- » Distinctive representation for our suppliers by aligning our capabilities to meet their objectives through our superior market knowledge, strong customer relationships, and national distribution infrastructure.
- » Growth opportunities for our employees and shareholders through sustained profitability.

Core Values

- » Safety
- » Integrity
- » Connected to our Customers, Suppliers, and Employees
- » Caring
- » Innovative
- » Entrepreneurial
- » Quick on our Feet
- » Having Fun

Quadra continues to ensure all employees adhere to the Code of Business Ethics. This Code reflects company values and outlines practices which employees are expected to follow.

The Code focuses on:

- » Zero tolerance policy concerning bribery and corruption;
- » Commitment to regulatory compliance;
- » Quadra's status of an equal opportunity employer and the discrimination policy;
- » Respect for human rights;
- » Conduct activities in a manner that considers the environment and the community;
- » Non-disclosure of confidential business information;
- » Refraining from dealing with or supporting anyone who engages in forced or child labour;
- » Maintaining a secure working environment;
- » Substance abuse policy;
- » Anti-corruption.

All employees are expected to act in accordance with the Code.

Diversity and Inclusion Policy

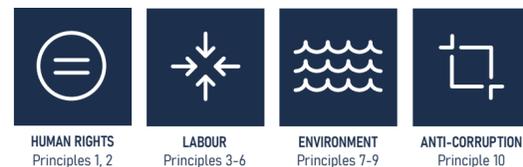
- » Quadra was founded on and is committed to our Core Values and a philosophy which embraces and nurtures an inclusive culture and mindset. Our employees come from diverse communities and backgrounds and we are committed to offer all of our team a safe place to grow, be valued, and treated with respect and integrity. We hire the best candidate irrespective of gender, culture, ethnicity, religion, age or sexual orientation because we believe diversity is the source of innovation and creativity that fuels our competitive advantage.

We also abide to the Responsible Distribution® Canada Code of Practice where the guiding principles are:

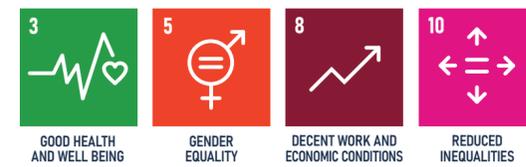
- » Distribute chemicals, chemical products and provide services in a safe and secure manner which protects people and the environment
- » Provide information about the hazards and associated risks of chemicals, chemical products and services distributed to customers, enabling them to use and dispose of these chemicals and chemical products in a responsible manner

- » Provide information about the hazards and associated risk of distribution activities to employees, contractors, transporters, visitors, sub-distributors and resellers, interested members of the community and emergency first responders
- » Make responsible distribution an early and integral part of the planning process leading to the introduction of new products
- » Apply this code to existing, modified and new chemicals, chemical products, services and facilities
- » Comply with all legal requirements, which affect its operations and products
- » Be responsive and sensitive to community concerns
- » Require, with due diligence, that sub-distributors meet the standards of this Code of Practice

UN Global Compact



Sustainable Development Goals



Our Core Values

Explanation of Whether and How the Precautionary Approach or Principle is Addressed by the Organization

» 102-11

At Quadra, the risk management (RM) process provides a broad approach to risk. It encompasses a program to continuously address all the organization's risk, including but not limited to, safety, hazards, operations, systems, and environment.

Communication and Training on Anti-Corruption Policies and Procedures

» 205-2

Quadra continues to ensure all employees adhere to the Code of Business Ethics. This Code reflects company values and outlines practices which employees are expected to follow. The Code focuses on:

- » Zero tolerance policy concerning bribery and corruption;
- » Commitment to regulatory compliance;
- » Quadra's status of an equal opportunity employer and the discrimination policy;

Respect for human rights:

- » Conduct activities in a manner that considers the environment and the community;
- » Non-disclosure of confidential business information;
- » Refraining from dealing with or supporting anyone who engages in forced or child labour;
- » Maintaining a secure working environment;
- » Substance abuse policy;

All employees are expected to act in accordance with the Code.

UN Global Compact



Sustainable Development Goals





Economic



Management Approach

Sustainable Supply Chain

Our approach to supply chain management is designed to support our company core values, meet our customers' expectations, and to be consistent with our precautionary approach to managing business risk. We perform risk assessments of our supply chain, investigate potential high risks, and engage those suppliers identified as high risk to reduce the risk, or potentially remove the supplier.

Since 2017 we have had a Supplier Code of Conduct, aligned with the best practices of the 10 principles of the United Nations Global Compact.

Direct economic value generated and distributed including revenues, operating costs, employee compensation, donations and other community investments, retained earnings and payments to capital providers and governments Revenues

» **201-1**

We are a private company and choose not to disclose our financial information.

Financial Implications and Other Risks and Opportunities for the Organization's Activities due to Climate Change

» **201-2**

The opportunities for Quadra due to climate change are of a commercial nature, where some of the products in our Green & Better portfolio enable carbon footprint reduction.

Management Approach

Financial Assistance Received from Government

» 201-4

Our Quadra United States operations benefited from the Paycheck Protection Program established by the CARES Act, and implemented by the Small Business Administration with support from the United States Department of Treasury. This program provided small businesses with funds to pay up to 8 weeks of payroll costs including benefits.

Proportion of Senior Management Hired from the Local Community

» 202-2

100%.

Portion of Spending on Local Suppliers at Significant Locations of Operation

» 204-1

Local procurement is always encouraged and constitutes a significant portion of our business.

UN Global Compact



LABOUR
Principles 3-6

Sustainable Development Goals



DECENT WORK AND
ECONOMIC CONDITIONS

Sustainable Development Goals



RESPONSIBLE
CONSUMPTION
AND PRODUCTION



Environment

Management Approach

Waste and Recycling

Waste and recycling were identified by Quadra's stakeholders as being one of the most important aspects of the organization's sustainability program.

Expired or damaged food products were previously disposed of as chemical waste. In 2012 partnerships were formed with pork producers which allowed Quadra to divert a portion of food waste for animal feed manufacturing. Quadra will continue to use these and other best practices to reduce environmental impact on landfills.

Overall, the amount of waste as a percentage of total products handled continues to remain very low at 0.053% in 2020, because of efficient inventory management initiatives and thus fewer expired products.

Quadra's recycling practices have been maintained at the same high level, with some recyclable materials being reused (such as stretch wrap, wood pallets, office paper, and electronics).

Quadra also continues to maintain a drum and tote reconditioning program.

Greenhouse Gas Emissions

The reduction of corporate greenhouse gas (GHG) emissions is one of Quadra's top priorities. Because of the Covid-19 pandemic, our total emissions have decreased in 2020 due to work from home initiatives and travel restrictions for the majority of our employees. Our 2020 carbon emission data will not be considered for our energy reduction calculations.

The only source of direct energy at Quadra is natural gas used to heat the facilities; electricity is the only source of indirect energy consumption. The following sites, owned and operated by Quadra, are included below:

- » Vaudreuil-Dorion, Quebec
- » Burlington, Ontario
- » Delta, British Columbia
- » Clairmont, Alberta
- » Edmonton, Alberta (4 locations)
- » Oakville, Ontario
- » Vista, California



Logistic Initiatives

Quadra's Logistics team continues to work at reducing the carbon footprint from transportation. Whenever possible, we move product by the most efficient means possible, look to maximize our payloads to reduce the number of shipments, and are continuously re-evaluating our dedicated truck delivery zones to make them more efficient.

We encourage our carrier partners to reduce the environmental footprint of operations by supporting the use of fuel-efficient vehicles, sustainable fuels and other fuel reducing measures such as:

- » Auxiliary power units
- » Aerodynamic devices
- » Engine upgrades/engine shutdown devices
- » Long Combination Vehicle (LCV)
- » Single wide based tires
- » Alternate fuels

Quadra continues to encourage its carriers to participate in the SmartWay® Transport Partnership, an innovative collaboration between public and private stakeholders with the shared goal of conserving fuel and reducing GHG emissions from the freight transportation supply chain.

Energy

» 302-1 to 302-4

Energy Consumption

| | 2017 | 2018 | 2018 | 2020 |
|-----------------------------|--------|--------|--------|--------|
| Natural Gas Consumption, GJ | 30,499 | 30,426 | 31,122 | 30,755 |
| Electricity Consumption, GJ | 9,302 | 9,467 | 9,959 | 8,894 |

We do not share our energy Intensity because as a private company, we do not disclose our financial data.

UN Global Compact



ENVIRONMENT
Principles 7-9

Sustainable Development Goals



12
RESPONSIBLE
CONSUMPTION
AND PRODUCTION



13
CLIMATE ACTION

Water

» 303-3

Water Consumption

| | 2017 | 2018 | 2019 | 2020 |
|-----------------------|-------|-------|-------|-------|
| Water Withdrawal (M³) | 4,120 | 4,253 | 4,231 | 2,253 |

Partial Reporting

We use water in our operations for regular office usage, warehouse cleaning and product blending. We do not track our discharge vs. usage.

UN Global Compact



ENVIRONMENT
Principles 7-9

Sustainable Development Goals



6
CLEAN WATER
AND SANITATION

12
RESPONSIBLE
CONSUMPTION
AND PRODUCTION

14
LIFE BELOW
WATER

Emissions

» 305-1 to 305-5

Operational Footprint Scope 1

| | 2017 | 2018 | 2019 | 2020 |
|---|-------|-------|-------|-------|
| Total Greenhouse Gas Emissions* (Metric Tons CO ₂ e) | 1,587 | 1,687 | 1,764 | 1,480 |

Operational Footprint Scope 2

| | 2017 | 2018 | 2019 | 2020 |
|--|------|------|------|------|
| Total Indirect Greenhouse Gas Emissions* (Metric Tons CO ₂ e) | 561 | 566 | 594 | 587 |

*GHG emissions from energy use were calculated using the 2016 conversion values for each province provided by Environment Canada's Electricity Intensity Tables & Includes energy data from Oakville addition

Operational Footprint Scope 3

| | 2017 | 2018 | 2019 | 2020 |
|---|------|------|------|------|
| Employee Vehicle Travel (Metric Tons CO ₂ e) | 693 | 776 | 811 | 487 |
| Air Travel (Metric Tons CO ₂ e) | 769 | 798 | 802 | 472 |

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ENVIRONMENT
Principles 7-9

Sustainable Development Goals



12
RESPONSIBLE
CONSUMPTION
AND PRODUCTION

13
CLIMATE ACTION



Effluents and Waste

» 306-2 to 306-4

Partial reporting

Throughout our operations, we disposed of in 2020:

- » 358 tons of product waste disposed in full accordance to legal requirements
- » 141 tons of food waste of which 5.5 tons were diverted from landfills for other applications

We had 2 reportable spills in 2020.

Compliance

» 307-1

Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with environmental laws and regulations

For 2020, 0\$

UN Global Compact



ENVIRONMENT
Principles 7-9

Sustainable Development Goals



6
CLEAN WATER
AND SANITATION

14
LIFE BELOW
WATER

15
LIFE ON LAND



Social

Management Approach

At Quadra approximately 1 in 5 employees currently participate in either the local Joint Health and Safety Committees or the National Safety Steering Committee.

Occupational Health and Safety

» 403-1 to 403-8

In 2020, we are reporting two (2) lost time incidents, a great improvement showing the progress of implementing our H&S protocols and policies in our new Oakville operation.

Quadra aims to have a proactive safety culture. There is a strong focus on near miss reporting at each of Quadra's facilities. Quadra employees are encouraged to report near misses under Quadra's 'no blame culture'. This enables Quadra to take preventive action before the issues escalate to incidents or accidents. Quadra also measures other proactive leading indicators of health and safety performance.

Occupational health and safety are consistently identified by all of Quadra's stakeholders as the single most important priority for the organization. Quadra has active Joint Health and Safety Committees at every facility, as well as a National Safety Steering Committee. Local committees meet each month to review health and safety activities at their local branch. The National Safety Steering Committee meets quarterly to share best practices and provide a forum for information to be shared across the organization.

Approximately 20% of Quadra employees touch some aspect of the formulation of our strategy of safety. We take a collaborative and participatory approach to achieve the maximum buy-in we can from our employees. Representation from hourly operations, supervisory, office, and on-the-road staff as well as senior and middle management work within our team-based committees, including the Joint Health and Safety Committee. All employees have aspects of the EHS system in their personal goals which are formally reviewed at regular intervals throughout the year. Employees are incented to complete their personal safety goals as well as those of the overall company performance.

A series of activities have been organized to inform employees of health and safety topics specific to the Quadra workplace. Examples include presentations on ergonomics, stress management, safe driving, transport of dangerous goods, identifying near misses in the workplace, and safe use of fire extinguishers. Quadra also celebrates an Annual National Safety Day to recognize and celebrate safety excellence.

At Quadra, approximately 1 in 5 employees currently participate in either the local Joint Health and Safety Committees or the National Safety Steering Committee. These employees are directly involved in determining the safety procedures and policies in the company. The Joint Health and Safety Committee at each branch regularly organize Safety 'Lunch and Learns' for staff. They are also involved in the incident/accident investigation process. Employees receive external safety training and are encouraged to attend safety conferences and tradeshows. Employees have access to online safety webinars and online training. This training is readily accessible to all staff based on interest and their role in the safety management within the company. Quadra's safety culture encourages all employees to actively participate in the company's safety effort.

UN Global Compact



HUMAN RIGHTS
Principles 1, 2



LABOUR
Principles 3-6

Sustainable Development Goals



3
GOOD HEALTH
AND WELL BEING



8
DECENT WORK AND
ECONOMIC CONDITIONS



12
RESPONSIBLE
CONSUMPTION
AND PRODUCTION





Safety is the first topic discussed in presentations with Quadra customers and suppliers.

Safety messages and reminders are regularly communicated with employees. The Regional Operations Managers at each Quadra facility sends emails concerning specific safety topics to all employees on a regular basis. In addition, the operations staff participate in a 'Toolbox Talks' series that aims to discuss and resolve operational safety issues affecting each branch. Safety performance is directly linked to the employee's annual goals. Furthermore, employees are sent a summary of Quadra Environmental Health and Safety statistics for each facility on a quarterly basis by the Health & Safety Advisor. Each Leadership Team update, Regional update, and National Sales Meeting presentation opens with communicating Quadra's safety statistics and emphasizes Safety as one of Quadra's core values. Safety is the first topic discussed in presentations with Quadra customers and suppliers.

Quadra's Leadership Team (LT) gives very high priority to ensuring safety standards are measured, met, reported on, and maintained. LT Members sponsor the National Safety Steering Committee and play a key role in designing the overall safety strategy. Quadra has developed a Safety Vision 2021 with input of various stakeholders within the organization and the endorsement of the LT members. Safety Vision 2021 is a roadmap of all functions that need to be conducted to further elevate and develop Quadra's health & safety program. The Leadership Team is made aware of all incidents and accidents which occur at each Quadra branch immediately via our Service Level Improvement Program (SLIP). Senior management ensures each incident is effectively resolved and measures are taken to prevent similar incidents in the future. We have achieved significant progress in learning by sharing best practices and incident details nationally.

The Leadership Team at Quadra directly participates in various Health and Safety inspections and procedures. Quadra's safety culture adopts the principle "Safety is Everyone's Responsibility". Upper management is directly involved in championing the National Safety Steering Committee programs. The President conducts annual visits to each of the Quadra sites. The Leadership Team regularly reviews the

company safety incident reports. This includes a quarterly review of the total incident/accidents for each facility which is shared nationally via Leadership Team Updates.

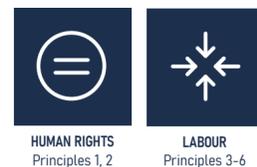
Quadra has established a detailed training matrix to ensure each employee receives adequate training to work safely. Employees are trained in their core competencies and receive mentoring and support to ensure they can carry out their role. The competency of each employee is regularly monitored through Quadra's job competency procedure, in addition to numerous third-party audits.

A detailed job description created by the Human Resources, Operations, and Risk Management Teams ensures the activities and responsibilities of each candidate is properly outlined. This serves as a guideline for the training required for each employee and their role. An initial orientation plan introduces each employee to the overall safety policies of the company. During this orientation process, employees are made aware of Quadra's in-depth safety policies and procedures. This helps communicate to new candidates the importance and the role of health and safety within the organization. In addition, all employees receive Workplace Hazardous Materials Information System (WHMIS) and Transportation of Dangerous Goods (TDG) awareness training or full WHMIS

and TDG training program depending on their role and compliance requirements.

Initially, an employee is provided training based on their specific job requirements. For instance, an operational team member would receive training on TDG, WHMIS, and forklift operation and safety. As the responsibilities in a position change, training is provided accordingly. All training is initially determined by the Risk Management Team along with the employee's supervisor. The training received by an employee is documented and updated according to Quadra and government regulations. The training of each employee is reviewed regularly as part of their performance planning by managers within each department. Due to the serious nature of some products handled, employees are required to annually review all the procedures related to their specific role as well as review the corporate governance suite of procedures and policies. When the procedure has been reviewed an electronic signature is provided by the employee and a training record entered in the database. There are approximately 300 procedures at Quadra, with a significant portion related to effective training and safety in the workplace.

UN Global Compact



Sustainable Development Goals



Labour Practices

Employee Engagement

Employees are given an opportunity to provide their feedback to Quadra on a regular basis through surveys conducted as part of the Great Place to Work® program as well as through Leadership Team presentations and other engagement exercises. During the pandemic, we launched an internal pulse survey with open questions to the Executive Team during corporate video conference calls and regional "watercooler" sessions, a more casual context to strengthen social ties in the team.

Diversity & Inclusion

Diversity

Quadra embraces and supports our employees' differences in age, ethnicity, gender, gender identity or expression, language differences, nationality or national origin, family or marital status, physical, mental and development abilities, race, religion or belief, sexual orientation, skin color, social or economic class, education, work and behavioral styles, political affiliation, military service, caste, and other characteristics that make our employees unique.

Our Commitment

Our commitment to diversity and inclusion aligns with our core values and is reflected in our Business Code of Ethics. Diversity and inclusion are sponsored at the highest levels in the company and initiatives are applicable (but not limited to) our practices and policies on mobility, recruitment and selection; compensation and benefits; professional development and training; promotions; transfers; social and recreational programs; layoffs; terminations; and the ongoing development of a work environment built on the premise of equity that ensures:

- » Diversity is recognized as a business interest, with every level of the organization holding responsibility.
- » A permanent committee for Diversity and Inclusion was enacted to ensure Quadra's values continue to be embraced and translated into the best employment practices.
- » Communication is respectful between all employees regardless of title or level.
- » Insights of diverse groups are sought and welcomed; employees are not alienated or excluded because they don't fit into a set of cultural norms.

- » An environment where employees feel that their background and lifestyle do not affect perceptions of them as a professional or affect their opportunities for development and promotion.
- » Flexible working practices are available where appropriate, as there is an appreciation that not everyone can and will work the same hours or in the same way. This removes disadvantage and discrimination to participation in work.
- » The diversity of our workforce is visible at every level of the organization and in every business area.
- » Employees are aware of their own unconscious and conscious bias, attend diversity and inclusion awareness training and know how to ensure this does not manifest itself at work.
- » Internal fairness and pay equity process and certification.
- » An independent speak-up line to raise ethical noncompliances.

In respecting and valuing the diversity among our employees, and all those with whom we do business, managers and employees are expected to ensure that there is a work environment free of all forms of discrimination and harassment.





When asked to serve as the first Chairperson of Quadra's Diversity and Inclusion Committee, I was quite hesitant. The diffidence was despite the roiling emotions I had at the time, amidst a global pandemic that disproportionately affected diverse populations and global protests bias that had festered for far too long. I prided myself through my career as being forward-looking and trying to move beyond the past.

Moving beyond the past, though, is not forgetting it or suppressing it or politely avoiding it in conversation and deed. Respectfully confronting inequity, lack of historical knowledge, indifference and outdated practices—internally and externally, and guided by our Core Values—this helps us progress.

Realism and optimism: A clear-eyed view of the challenges we face today and hope for the future—these are shared by diversity, inclusion, and sustainability overall. To acknowledge the struggles of diverse populations—those who were enslaved, driven off their ancestral lands, marginalized, ignored, underestimated, persuaded to march and fearlessly stared down injustice—these struggles are not just realistic truths but the spark of new ideas, opportunities, and a beautiful, diverse future.

I find myself thinking that my daily efforts, including serving an amazing future-forward committee and participating in a company like Quadra that cares and acts—should honour my own forebearers. Our ancestors persevered so that down the line, we (people they would never know) would achieve greater things and would leave the world slightly better with each generation.

A common calling for all of us is to be good ancestors. And isn't that what sustainability is all about?

Kevin Pritchett

Chairman, Diversity Committee



Labour Practices

Wellness

Quadra has established a comprehensive wellness plan. The plan encourages all Quadra employees to pursue an active and healthy lifestyle.

Quadra's wellness program is a leadership driven initiative. The Wellness Committee is comprised of members from each of the local branches and is chaired by a member of the Leadership Team. The members are chosen annually and new enrollment each year is strongly encouraged. The committee chooses a specific health topic to be discussed and highlighted for each month of the year. Monthly meetings are held between the members to decide the activities and themes. Different initiatives are organized in the workplace based on these themes. Some examples of the initiatives organized by the committee include seminars on nutrition labels and healthy eating, a wellness photo contest showing employees engaged in various physical activities, as well as an inter-branch activity challenge. This year, we did a company-wide "steps challenge for charity" to have healthy fun while competing for a good cause. As a group we walked over

55,000,000 steps during a month-long period, and donated \$7500 to charity as a result of reaching this milestone.

The committee also aims to educate employees of the various health assessment tools and services available through Quadra's benefits plan. This includes how to use our EAP/Wellness tools such as the Health Risk Assessment Tool. In addition, the committee has organized various initiatives that allow employees to remain active while at work. This includes on-site fitness classes during lunch hour, as well as running, cycling and walking groups. Each employee has a yearly \$600 spending account for wellness and sports gear.

Outside of the workplace, employees participate in various charitable activities in groups and teams. Webinars are being offered on different topics on a regular basis (how to improve balance, sleep tips, how to recognize and prevent burnout etc.). Since the Covid-19 pandemic confinement, we do a weekly "Wednesday Wellness Tip" broadcast, sharing best practices for a healthy and balanced life.

These initiatives ensure all employees have access to key information to promote the importance of leading a healthy lifestyle.

Quadra has been certified as a "Best Workplaces™" by Great Place to Work® Canada. A component of receiving this award includes assessing how employees perceive their company's wellness plan. The Wellness Committee, with the aid of the Leadership Team strives to continually improve the quality of the policy.

Training and Education

Quadra carries out internal training through its Quadra University classes, developed in collaboration with Quadra senior management. The total number of hours of training in 2020 is 1,450 down from 6,359. This is due to the Covid-19 confinement and work from home, where training was mostly focused on key health and safety procedures for our Operations Teams.

For the Business Services unit, predominantly male warehouse employees receive more training than office staff due to the potential hazards of their jobs which requires extensive safety awareness training. Customer Service employees are trained mainly "on-the-job" and this category of training is not formally tracked. For the Commercial unit, Procurement Specialists are also mainly trained "on-the-job" and is a predominantly female group. Technical

Service Engineers and Technical Account Managers, a predominantly male group, also attend various training courses and seminars throughout the year.

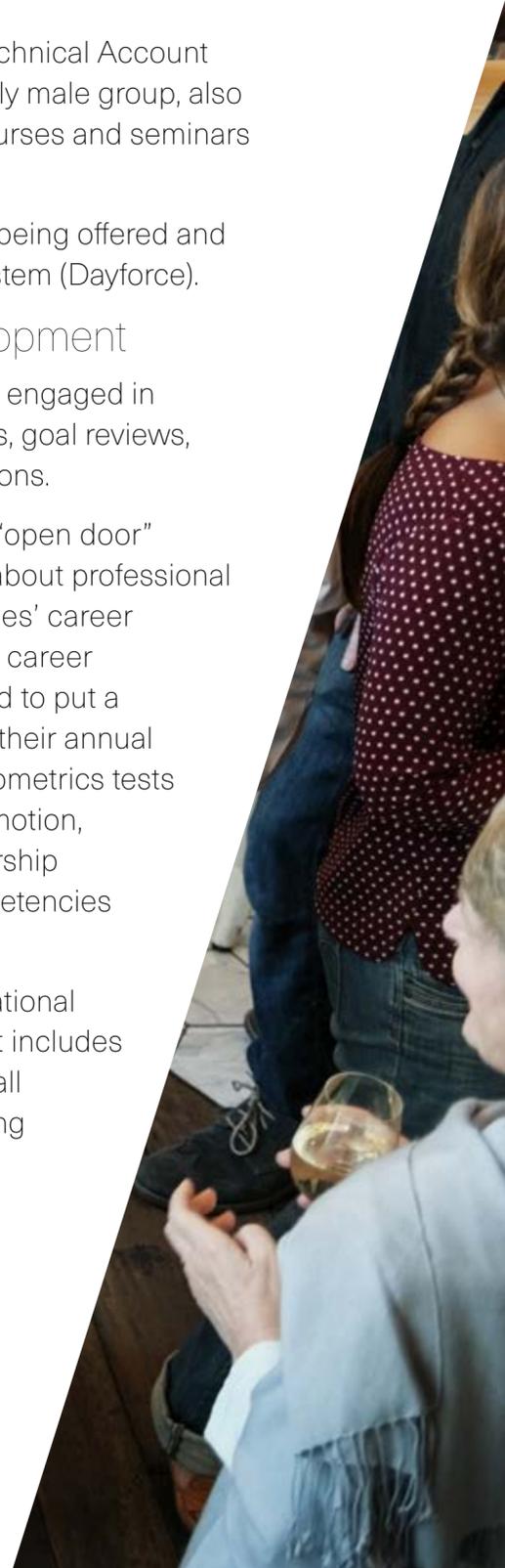
Many of our trainings are being offered and tracked in our new HR system (Dayforce).

Professional Development

All Quadra employees are engaged in regular career discussions, goal reviews, and performance evaluations.

Managers encourage an "open door" approach to discussions about professional goals to support employees' career progression and promote career development. All are asked to put a development objective in their annual objectives. We use psychometrics tests +360 for onboarding, promotion, succession etc.). A Leadership curriculum with key competencies has been established.

Quadra also has an educational reimbursement policy that includes 100% reimbursement for all approved training, including books, software, and other materials.



Employment

» 401-1 to 401-3

Total number and rate of employee turnover by age group, gender, and region

For Canada, rate of turnover under management control is 8.24%, consisting of 40% women and 60% men. The age group for our turnover is split as follows:

- » 18-35 20.23%
- » 36-45 29.07%
- » 46+ 50.70%

Benefits provided to full-time employees that are not provided to temporary or part-time employees

Employees working less than 22 hours per week.

Return to work and retention rates after parental leave, by gender

100% for all genders

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LABOUR
Principles 3-6

Sustainable Development Goals



GENDER
EQUALITY

DECENT WORK AND
ECONOMIC CONDITIONS

Occupational Health and Safety

» 403-9 to 403-10

Overview of Incidents and Accidents

| | 2017 | 2018 | 2019 | 2020 |
|---|------|-------|------|------|
| Lost Time Injuries | 1 | 3 | 5 | 2 |
| Lost Time Frequency | 0 | 0 | 1.48 | 0.59 |
| Lost Days (Beyond the date of the incident) | 0 | 0 | 16.5 | 6 |
| First Aid Incidents | 6 | 15 | 13 | 10 |
| Vehicle Incident Rate (Frequency per million km driven) | 1.2 | 1.875 | 0.96 | 1.59 |

UN Global Compact



HUMAN RIGHTS
Principles 1, 2

LABOUR
Principles 3-6

Sustainable Development Goals



GOOD HEALTH
AND WELL BEING

DECENT WORK AND
ECONOMIC CONDITIONS

RESPONSIBLE
CONSUMPTION
AND PRODUCTION

Training and Education

» 404-01 and 404-3

Average Training Hours, by Department

| Gender | Department | |
|--------|--|---|
| | Commercial Team (Average training hours*) | Business Services Unit (Average training hours*) |
| Male | 2.55 | 3.71 |
| Female | 4.04 | 2.99 |

*The average hours have been estimated in accordance with the GRI Indicator Protocols

Diversity and Equal Opportunity

» 405-2

The ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation, is in accordance with the Pay Equity Act (Section 76).

Quadra Chemicals Ltd. supports and abides by the Act.

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LABOUR
Principles 3-6

Sustainable Development Goals



DECENT WORK AND
ECONOMIC CONDITIONS

UN Global Compact



LABOUR
Principles 3-6

Sustainable Development Goals



GENDER
EQUALITY

DECENT WORK AND
ECONOMIC CONDITIONS

REDUCED
INEQUALITIES

Human Rights

Procurement Practices

Quadra has a formal assessment process to evaluate all new product and service suppliers. Part of the audit includes completing a sustainability form identifying environmental practices and human rights protocols in place.

Furthermore, Quadra developed and enacted a Supplier Code of Conduct that we launched at the beginning of 2017. Our supplier code of conduct is aligned with the 10 principles of the United Nations 2019 Global Compact and is mandatory to our entire supply chain.

Child Labour

» 408-1

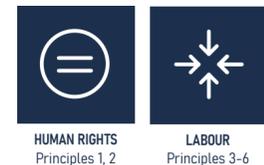
Operations and suppliers identified as having significant risk for incidents of child labour and measures have been taken to contribute to the effective abolition of child labour. Quadra conducts supplier risk assessments and does not engage in business with suppliers who do employ or are at a significant risk of employing child labour.

Forced or Compulsory Labour

» 409-1

Operations and suppliers identified as having significant risk for incidents of forced or compulsory labour and measures have been taken to contribute to the elimination of forced or compulsory labour. Quadra conducts supplier risk assessments and does not engage in business with suppliers who do employ or are at a significant risk of employing forced or compulsory labour.

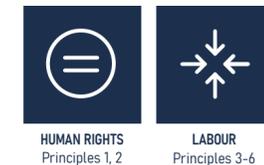
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Sustainable Development Goals



UN Global Compact



Sustainable Development Goals



Supplier Social Assessment

» 414-1

Quadra carries out supplier risk assessments with all its new suppliers and has them sign our Supplier Code of Conduct, aligned with the 10 principles of the United Nations Global Compact.

The table below demonstrates the percentage of Quadra’s suppliers who have established sustainability procedures:

| | Environmental Procedures ¹ | Human Rights Procedures ² | Implemented Sustainability Program ³ |
|-----|---------------------------------------|--------------------------------------|---|
| Yes | 93.4% | 94.3% | 71.4% |
| No | 6.6% | 5.7% | 28.6% |

1. Referring to corporate policies and procedures in place to identify and control chemical releases to the environment.
2. Referring to a process in place to ensure that the company is meeting or exceeding the requirements of local laws and “best practice” standards concerning labour rights, health, safety and basic human rights of all employees.
3. Referring to a formal corporate sustainability program implemented within the company.

In addition, all suppliers are evaluated annually based on their performance in the given calendar year. This evaluation is incident-driven and depends on the frequency and the severity of non-conformances, if any.

UN Global Compact

HUMAN RIGHTS
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Principle 10

Sustainable Development Goals

8
DECENT WORK AND ECONOMIC CONDITIONS
12
RESPONSIBLE CONSUMPTION AND PRODUCTION
16
PEACE, JUSTICE AND STRONG INSTITUTIONS

Local Communities

» 413-1

Community Involvement

At Quadra, we are proud of our community investment initiatives. In line with our Core Values, Quadra actively sponsors various initiatives to support many worthwhile causes within our local communities. Quadra employees are encouraged to make a difference and their initiatives are supported. In addition to corporate donations, each Quadra facility has a committee that is empowered to make donations locally which will benefit the charitable organizations in their region.



In 2020, the pandemic had our Employee Volunteer Program changed to individual/family activities to support namely food insecurity from the economic impacts of confinements.

The main event was our employees putting together care packages for the truck drivers delivering to our warehouses across Canada, so they had something to eat and drink while food services, rest stops, restaurants, and cafés were closed during lockdown.

- » Number of employee volunteer events: 175
- » Number of employees involved: 110
- » Total hours of work: 525 hours of work
- » Donations: \$64,000

Responsible Distribution

Quadra holds environmental, health and safety management to be among our highest priorities. Through our participation in the 2020 initiative, we are committed to the safe, secure and efficient operation of our facilities, the health and safety of our employees and minimizing the environmental impact of our activities. Quadra aims to promote awareness of the chemical industry to the community, reduce the risk of emergency situations and promote safety by the sharing of best practices.



You Be the Chemist®

Quadra is dedicated to promoting education and aims to engage the youth in sciences. Quadra proudly sponsors the 'You Be The Chemist®' program, a complimentary curriculum-mapped program. This program was developed by the United States based Chemical Education Foundation and is administered in Canada by RDC—Responsible Distribution® Canada (previously CACD). You Be The Chemist® aims to promote science education by providing educators with a bilingual, free online resource. The intention is to stimulate the minds of young generations and encourage them to consider a career path in the chemical industry.

Furthering Post-Secondary Education

Quadra supports an endowment scholarship in chemistry at Simon Fraser University, as well as the MBA medal scholarship at Concordia University, which focuses on science driven MBA students.



Regional Initiatives

In addition to corporate donations, each Quadra facility has a committee that is empowered to make donations locally which will benefit the charitable organizations in their region. Regional initiatives are conscious decisions carried out by each location's Donations Committee to bring significant changes to targeted causes in communities across the country, engage employees, and promote good citizenship. Quadra's corporate donations mainly concentrate on causes which aid in health, education, well-being, and economic empowerment. Overall, Quadra supported a total of approximately 40 charitable donations across Canada in 2020.

Quadra Ontario

The Burlington facility has been sponsoring [Halton Women's Place](#) for several years and is proud to be a "Safe Shelter Sponsor". Many Burlington employees also dedicate their own time to volunteer at the shelter and participate in events and fundraisers benefiting the shelter. Halton Women's Place is a safe house which aids women and children who are victims of abuse.

In 2020, we added the [Eva Rothwell Center](#) to our supported causes. Their mission is to reduce the barriers felt by the community by providing social, educational, recreational, mental health and nutritional programming and services. Located in the heart of Hamilton's North End, Eva Rothwell Centre strives to provide the resources, support, and the tools needed for the betterment of the lives of the community.

Our Burlington and Oakville employees also join twice a year to carry out volunteer days at the [Food for Life](#) and [Food 4 KIDS](#) foundations.

Quadra Alberta

For the last ten years, our Edmonton facility staff has been volunteering with the [Salvation Army](#). Along with the annual donation allocated by the Edmonton Donation Committee, personal donations are also given by the staff through gifts purchased and time committed to the Salvation Army Christmas Gift event.

The Alberta team also supports the Multiple Sclerosis walk and the [Uncles and Aunts at Large](#), a mentor program for children. There is also Employee volunteer days at the [Children's Cottage Society](#).

Quadra Quebec

Since 1927, [Tyndale St-Georges Community Centre](#) has offered empowering, supportive programs and services to the community of Little Burgundy in South-West Montreal. Quadra has supported Tyndale for many years and is actively involved with this organization that is making a difference in the community.

Another major initiative that Quadra supports locally in Quebec is the [Foundation de l'Hôpital du Suroît](#). The foundation received a commitment from Quadra to donate over a five-year period, with all the funds going towards projects that are aimed at improving the quality and accessibility of care at the hospital.

Quadra United States

The [Montgomery County Food Bank \(MCFB\)](#) collects and distributes food and resources to those in need in our community. Our Houston team supports the MCFB through donations and volunteering at the Foodbank, packing food for distribution in the community.

Quadra British Columbia

Quadra has partnered with [Yo Bro Yo Girl](#), a Vancouver based youth initiative that was started in 2009 as an outreach program for youth at risk of involvement in drugs, violence and gangs. Yo Bro Yo Girl's unique strength-based programs are designed to motivate and equip youth with the tools and resiliency to avoid drugs and violence, pursue education, and set positive goals for the future. Since 2018 we are the main sponsor of the first Yo Bro Yo Girl chapter in a First Nations Community: the Tsawwassen First Nations in Delta (BC).

Operations with Implemented Local Community Engagement, Impact Assessment; Impact and Development Programs

» 413-1

100%

UN Global Compact



HUMAN RIGHTS
Principles 1, 2

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ZERO HUNGER

GOOD HEALTH AND WELL BEING

QUALITY EDUCATION



GENDER EQUALITY

PARTNERSHIPS FOR THE GOALS

Product Stewardship

Sustainable Products and Services

Quadra's green chemistry portfolio consists of two product categories: Green Products and Better Choice Products. Both Green and Better Choice product assessments are based on globally recognized standards of Sustainability and the 12 principles of Green Chemistry.

Regulatory Compliance and Quality Management

Quadra assures regulatory compliance through a dedicated in-house Regulatory Affairs department. All new products go through a rigorous regulatory approval process, with appropriate documentation and labels created as necessary. This ensures that products follow relevant environmental, product safety, transportation safety regulations and more specific Canadian and United States product application regulations such as food, personal care, and pharmaceutical requirements. Compliance for existing products is assured by on-going monitoring of relevant Canadian and United States legislation.

Quadra also closely follows various government initiatives to ensure ongoing regulatory compliance. In 2020, Quadra was not issued any fines or other non-monetary sanctions relating to noncompliance concerning the acquiring or use of its products. Furthermore, Quadra had no sanctions, of either monetary value or otherwise, brought against them for environmental, social, or any other impacts with regards to laws and regulations concerning Quadra's business practices.

Adherence to the Responsible Distribution® and NACD Codes of Practice is extremely important to Quadra. All Quadra facilities continue to be certified to these standards that cover Operations, Environment, Health and Safety practices. All Quadra distribution locations, except Clairmont (Alberta) and Oakville (Ontario), are ISO 9001 certified. Additionally, the Burlington and Vaudreuil are Good Distribution Practices (GDP) certified, with the Gold Standard rating.

Quadra completed its British Retail Consortium (BRC) Global Certification for our Vaudreuil, Burlington and Oakville facilities. BRC is an internationally recognized Standard which provides a report/certification that covers

a comprehensive scope in the areas of quality, hygiene and food safety.

Several key customers had requested Quadra undergo third-party sustainability assessments. As a result, Quadra is currently registered with two companies that monitor supplier sustainability performance: Sedex and EcoVadis.

Sedex (Supplier Ethical Data Exchange) is focused on the organization's responsible and ethical business practices, whereas EcoVadis emphasizes the company's quality programs and environmental record. EcoVadis also ranks all suppliers; Quadra has maintained the Gold status it reached in 2014.

Customer Satisfaction

Quadra's superior customer service is key to our business. Quadra employs a Service Level Improvement Program (SLIP) to formally track, document, analyze and resolve any customer issues. All SLIPs are monitored by the National Customer Service Manager and the Director of Quality. A SLIP is only closed once the corrective or preventive actions have been identified and completed.

UN Global Compact



ENVIRONMENT
Principles 7-9

Sustainable Development Goals



CLEAN WATER AND SANITATION

RESPONSIBLE CONSUMPTION AND PRODUCTION

LIFE BELOW WATER

LIFE ON LAND



Customer Health and Safety

Product Service and Labelling, Marketing Communications, Customer Privacy and Compliance

» **416-2**

Total number of incidents of noncompliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.

For 2020, none.

Marketing Communications Laws and Standards

» **417-3**

Total number of incidents of noncompliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.

For 2020, none.

Customer Privacy

» **418-1**

Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.

For 2020, none.

Socioeconomic Compliance

» **419-1**

Monetary value of significant fines for noncompliance with laws and regulations concerning the provision and use of products and services.

For 2020 none.

UN Global Compact



ANTI-CORRUPTION
Principle 10

Sustainable Development Goals



RESPONSIBLE
CONSUMPTION
AND PRODUCTION

UN Global Compact



ANTI-CORRUPTION
Principle 10

UN Global Compact



ANTI-CORRUPTION
Principle 10

Sustainable Development Goals



PEACE, JUSTICE
AND STRONG
INSTITUTIONS



PARTNERSHIPS
FOR THE GOALS

UN Global Compact

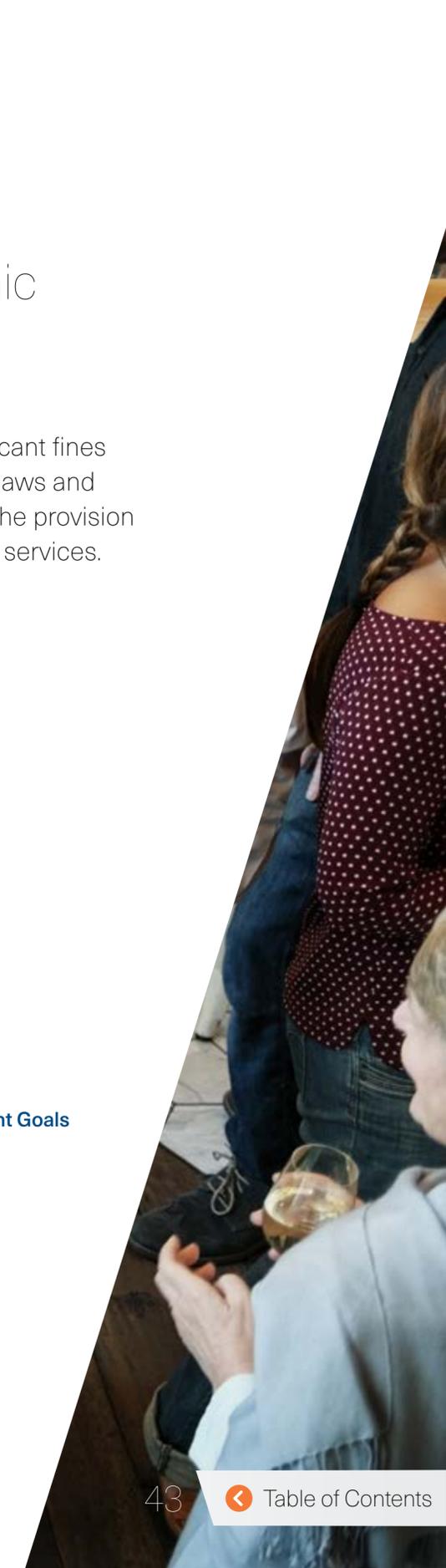


ANTI-CORRUPTION
Principle 10

Sustainable Development Goals



PEACE, JUSTICE
AND STRONG
INSTITUTIONS



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United Nations Global Compact COP 2020

As a new member of the UN Global Compact, Quadra commits to annually disclose information on activities and results related to the ten principles for human rights, labour, the environment and anti-corruption. In 2015 Quadra established its 2020 sustainability objectives. They are organized around four pillars, stemming from our materiality assessment: Responsible Operations, Responsible Supply Chain, Green Chemistry and Ingredients Portfolio, and Community Outreach. The actions to meet these objectives support the 10 Global Compact principles, as illustrated in the activities covered in our 2020 GRI Sustainability Report.

Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

UN Global Compact



HUMAN RIGHTS
Principles 1, 2



LABOUR
Principles 3-6



ENVIRONMENT
Principles 7-9



ANTI-CORRUPTION
Principle 10

Anti-corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Responsible Operations

Principle 1—Our objective for 2020 is to have no one injured year over year. Occupational Health and Safety is our primary Sustainability objective, and rightly designated as a fundamental human right. Our robust Health and Safety management system as described in this report resulted in many years with zero lost time incidents across our operations, however the last few years have seen an increase in incidents. This is due to our merger with CIC in 2017, a manufacturing operation, and the journey to onboard its team into Quadra Health and Safety culture. We are pleased to report the success of our efforts, having a reduction of more than 60% vs previous year, to two (2) lost time incidents for our entire operations in 2020.

Responsible Supply Chain Partners

Principles 1 to 10—To further our Supplier Assessment process in 2018 we enacted a Supplier Code of Conduct aligned with the 10 principles of UNGC. Along with our Business Code of Ethics, the Supplier Code of Conduct serve as the ethical foundation of Quadra’s business. Our objective is to have all our strategic suppliers sign our code or demonstrate equivalent policies. In 2020, we met 82% of that objective.

Green Chemistry and Ingredients Portfolio

Principle 9—Since 2011 Quadra is offering sustainable chemical and ingredient solutions to all sectors it services. Our early adoption of the 12 principles of Green Chemistry allowed us to bring rigor into the assessment of products sustainability attributes. Our 2020 objective is to have 15% of our total sales from Green Chemistry, however the pandemic’s impact has delayed meeting this objective and will now be pushed to 2021.

Community Outreach

Principle 1—Our objective is to have a significant impact in the local communities where we operate. This objective has no time limit. Each office has a community outreach donation budget, and each employee has a paid day every year to engage in charitable activities. Our action centre mostly along article 25.1 of the Declaration of Human Rights, and our theme is “Everyone has the right to a standard of living adequate for the health and wellbeing of themselves and their family, including clothing, housing, medical care, necessary social services, and the right to security in the event of lack of livelihood beyond their control.”

UNGC and SDG

Our actions within these 4 material areas have impacts of varying degrees on the 2030 Sustainable Development Goals (SDG). We mapped them out as follows for we are currently developing our 2025 objectives along the lines of SDG metrics.

| Material Area | Global Compact | Sustainable Development Goals | | | | | | | | | | | | | |
|--------------------------|---------------------------------|-------------------------------|---------------------------------|------------------------|----------------------|---------------------------------|--|----------------------------|--|----------------------|------------------------|--------------------|--|----------------------------------|--|
| | | 2 ZERO HUNGER | 3 GOOD HEALTH AND WELL BEING | 4 QUALITY EDUCATION | 5 GENDER EQUALITY | 6 CLEAN WATER AND SANITATION | 8 DECENT WORK AND ECONOMIC CONDITIONS | 10 REDUCED INEQUALITIES | 12 RESPONSIBLE CONSUMPTION AND PRODUCTION | 13 CLIMATE ACTION | 14 LIFE BELOW WATER | 15 LIFE ON LAND | 16 PEACE, JUSTICE AND STRONG INSTITUTIONS | 17 PARTNERSHIPS FOR THE GOALS | |
| Green Chemistry | Principle 9 | | 3.9 | | | 6.3 | | | 12.4 12.6 | | 14.1 | 15.1 | | | |
| Responsible Operations | Principles 1, 2, 4, 5, 6, 7, 10 | | 3.4 3.6 3.8 3.9 | 4.7 | 5.1 5.5 5.6c | 6.3 | 8.5 8.7 | 10.2 | 12.4 12.6 12.8 | 13.2 | | | | | |
| Responsible Supply Chain | Principles 7, 8, 9 | | 3.9 | 4.7 | 5.1 | 6.3 | 8.5 8.7 | 10.3 | 12.4 12.5 12.6 | | | | | | |
| Community Outreach | Principles 3, 8, 9 | 2.1 | 3.5 | 4.7 | 5.1 | 6.6b | | | 12.8 | | 14.2 | 15.2 | | 17.16 17.17 | |



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