



CHEMISTRY INDUSTRY
ASSOCIATION OF CANADA

ASSOCIATION CANADIENNE DE
L'INDUSTRIE DE LA CHIMIE

Chemistry Industry Association of Canada

National Advisory Panel

October 13 and 16, 2020, 1:00-4:30 pm EDT; via GoToMeeting

Day One

National Advisory Panel

Alex Von Knobloch
Beverly Osazuwa
Christopher Hilken
Jane Lister
Nadine Gudz
Richard Janda
Ron Ormson
Pat McLean

CIAC Staff

Bob Masterson
Danielle Morrison
Elena Mantagaris
Gilles Laurin
Isabelle Des Chênes
Shannon Watt
Shawna Bruce (Facilitator)

1. Welcome Remarks

Members of the National Advisory Panel and CIAC staff were invited to provide a brief self-introduction in a roundtable welcome. Panel members highlighted their diverse roles and locations within Canada, representing students and academia, environmental organizations, community affairs, and environmental engineering, from Quebec to British Columbia. Bob Masterson welcomed the newest member of the panel, Beverly Osazuwa, who worked for CIAC for over two years and recently completed her master's degree at Queen's University, where she was involved in research related to African studies and access to Indigenous rights. Bob also provided his own personal welcome to the Panel, emphasizing the role of this group to provide feedback and criticism to the chemistry and plastics industries in Canada, ensuring that the association remains on the right track.

As Francis was unable to attend this meeting, Gilles Laurin provided an update on CIAC's contribution to him in honour of his time with the Panel. CIAC has presented Francis with a Skoda pen to commemorate his notetaking, along with a letter of appreciation. Bob encouraged the Panel to send their own personal messages to Francis as well. To honour John Vincett, Bob proposed entering into a five-year, \$50,000 donation program (\$10,000/year) to Women Building Futures. This organization primarily works with Indigenous women to bring them into skilled trades, education programs, and apprenticeships. Given



John's instrumental role in incorporating Indigenous engagement into the Responsible Care® codes, the Panel agreed that this would resonate well with the many contributions John made to Responsible Care over his 35 years with the Association.

Finally, Bob took a moment to remember David Podruzny, who retired from CIAC 18 months ago and tragically died of a heart attack while jogging in Edmonton this summer, highlighting that it has been a very tough year for the CIAC team. A piece of good news was also shared, as Cefic has offered CIAC's own Jean Belanger a Lifetime Achievement Award for his work founding Responsible Care.

2. Open Meeting

Shawna Bruce provided a Responsible Care (RC) moment, discussing how Rio Tinto, along with the mining sector, has experienced significant challenges with tailing ponds and community engagement in the past. As a result, they are in the process of introducing a global industry standard on tailings management for the mining sector. In meetings with executives from Rio Tinto, they have indicated that they are 30 years behind the chemistry industry as they are just now creating a framework on safety. Shawna has been involved in conversations with Rio Tinto to offer guidance on community engagement, which goes to show how important CIAC's work under the Accountability code is.

Approval of minutes: Pat McLean motioned to accept the May 2020 National Advisory Panel minutes as presented. Beverley seconded this motion.

Approval of minutes: Noting the absence of the Sarnia presenter on Day 2, Richard Janda motioned to accept the agenda for the October 2020 National Advisory Panel meeting. Christopher Hilkene seconded this motion.

3. CIAC President

Bob provided an update on members and the state of their businesses, CIAC staff, and the CIAC Plastics Division.

The Business of Chemistry

COVID-19 is very challenging to everyone, including the chemistry industry, and the impact to this industry has been incredibly uneven. It has certainly been a difficult year for companies in the business of selling resins and materials to the automotive industry or chemicals to the energy industry. On the other hand, the demand for plastics is up to record levels and speciality products like disinfectants and isopropyl alcohol for hand sanitizer are in very high demand.

As of last week, the North American chemistry industry was looking at an 8-12 per cent decline in the shipment of chemicals. CIAC is probably at the lower end with about 7-8 per cent decline. CIAC is hopeful that the situation will not get worse; however, this depends on how serious the second wave of lockdowns are, and how long they last.

CIAC has spoken to nearly all member companies leading up to the October Board meeting, and they are managing the best they can. There has not been news of widespread layoffs, in fact it is the opposite, as some staff nearing retirement are considering early retirement as they work from home. Some larger companies have indicated that there will be some efficiency programs, however the implications for Canadian sites are unclear.

The deadline for membership renewal has now passed, and no members have resigned. In fact, members have indicated that they see tremendous value from the Association during this crisis and they remain firmly committed to CIAC. CIAC wishes to sustain the current membership and hopefully return to growth in the near future.

The Association

Staff are doing well, staying in close communication, and maintaining connections. The Association is very focused on personal well-being and mental health during this time. CIAC provided staff with a full week of wellness time in May and provided an extra wellness day this past Friday to create a four-day Thanksgiving weekend. Staff are encouraged to recharge in their time off from work and avoid calls and emails outside of work hours.

The Plastics Division

CIAC is pleased to report that the Plastics Division was established on July 1st, and Elena Mantagaris joined as Vice-President on August 1st.

Questions/Comments

Q: What updates do you have on your initiatives related to Equity, Diversity, and Inclusion (EDI)?

A: Bob highlighted the events of this summer, and how they affected him, especially as he is part of a mixed-race family. After some reflection with his family and the CIAC executive team, a three-pronged approach was developed:

- 1) Review CIAC's internal EDI policies, which currently only address gender equity. A new policy on diversity and inclusion is now in development, which incorporates best practices from member companies and other organizations leading in this field.
- 2) Turn the conversation over to CIAC's business colleagues, who regularly talk about government policies, rail issues, etc., to discuss best practices and policies and to hear from a number of leading groups, including the Black North initiative.
- 3) As part of CIAC's Strategic Plan, propose incorporating diversity and inclusion in the Responsible Care codes, which currently only address Indigenous communities.

The Panel highlighted the importance of sharing best practices and lessons learned during these experiences and proposed a follow-up discussion for a future Panel meeting. Bob supported this, especially as CIAC's internal policy involves a commitment to ongoing dialogue, engagement, and education with staff. Bob shared one learning so far: "don't be afraid to make mistakes – it's a matter of continual improvement". Another Panel member proposed incorporating vulnerable populations within this discussion.

4. CIAC Plastics Division Update

Elena introduced herself as the Vice President of the Plastics Division and provided an overview of the Division's priorities and activities to date.

Plastics Division Structure and Priorities

The Division has a variety of members that bring unique perspectives on how to address issues related to the plastics sector. Specifically, there are 120 members across the country that represent various parts of

the Canadian plastics value-chain, making for dynamic and robust discussions. The formal governance structure for the Division was established on September 11th, which set out the work and budget for 2021. A committee structure was also identified, including: (1) the Officer's Committee (monthly touch-points to supplement triennial Leadership Council meetings), (2) Strategic Planning, Public Affairs and Communications, (3) Sustainability Projects, (4) Operation Clean Sweep, and (5) Governance and Nominations.

From the onset of the Division, the focus was on developing a circular economy for plastics. This agenda will be pushed forward, both in engagement with members and advocacy efforts with governments (federal and provincial). The Division is also focused on Public Affairs, Communication, and Government Advocacy as plastics are part of a public debate, and there is a need to ensure that accurate information on plastics is available and communicated effectively. Finally, the Division is focused on promoting Canada's competitive advantage and putting in place the best conditions that will allow this sector to grow.

In terms of industry commitments, Division members have committed to: (1) 100 per cent of plastics packaging being recyclable or recoverable by 2030, (2) 100 per cent of plastics being reused, recycled or recovered by 2040, and (3) Operation Clean Sweep (OCS) – an international stewardship program aimed at achieving zero pellet, flake, and powder loss which is a condition to Plastics Division membership. Shannon Watt clarified that OCS is not a backdoor to CIAC membership. Chemistry members are expected to commit to Responsible Care, while Plastics Division members must commit to OCS.

Plastics Issue Update

On October 7th 2020, Federal Minister Wilkinson (ECCC) held a news conference and announced the release of the final *Science Assessment of Plastic Pollution*; the Discussion Paper – *A Proposed Integrated Management Approach to Plastic Products to Prevent Waste and Pollution* (proposes bans on six single-use plastic items—bags, straws, cutlery, stir sticks, 6-pack rings, food-ware, national performance and recycled content requirements, national framework for extended producer responsibility); and a notice on October 10th in the Canada Gazette Part I to add “plastic manufactured items” to the CEPA Schedule 1 List of Toxic Substances. It was expected that there would be a 60-day consultation period for the Discussion Paper before the Canada Gazette notice, however these are actually occurring simultaneously.

In responding to these publications, CIAC plans to:

- 1) acknowledge the problem of plastic waste internationally and in Canada, and communicate industry commitments and goals;
- 2) respect the federal role, while stating CEPA and bans are the wrong tools;
- 3) accept industry's responsibility to lead with solutions;
- 4) increase awareness of economic importance of plastics in Canada and potential harm to investment prospects;
- 5) be aware and responsive to ENGO activities and opportunities for engagement; and
- 6) actively and positively engage in public discourse on plastics (i.e. gettingplasticsright.ca/leplastiquededemain.ca).

The Plastics Division is looking to advance their positions and priorities through one-on-one meetings, CIAC's annual Hill Day (virtual this year), and MP constituency meetings with members. The Division will be responding to each of the three submissions announced on October 7th and 10th and will file a notice of objection to inquire into the nature and extent of the danger posed by plastic items. The Division will continue to participate in federal consultations and federal and provincial processes like the Canadian Council of Ministers of the Environment (CCME).

To date, the Plastics Division has collaborated with a great number of associations. The Plastics Sustainability Coalition includes a group of associations with a common interest in aligning their approach to the plastics issue. Also, Bob will be involved in outreach to the Chambers of Commerce and Boards of Trade, and there is a North American Plastics Alliance, which helps align efforts, commitments, and trade among Canada, the U.S., and Mexico. Finally, there is an international Plastics Leadership Group led by the International Council of Chemical Associations (ICCA) as well as the two-billion-dollar funded effort at the Alliance to End Plastic Waste that CIAC members are involved in.

Questions/Comments

Q: What will membership look like for Plastics Division members in terms of their commitment to OCS?

A: Elena stated that right now, CIAC is learning from other jurisdictions that have been rolling out OCS (particularly in the U.S.). There are two OCS programs – OCS as well as OCS Blue. OCS Blue is the higher level that applies to resin manufacturers where there is a reporting requirement. CIAC's contacts in the U.S. shared that they regretted creating this distinction as they felt the reporting elements should apply from the beginning. As a result, the Division has learned that it may be best to integrate the program as a whole.

Q: What percentage of overall plastic waste does packaging represent? Is the government focused on recycling more or eliminating packaging? What percentage of plastic waste is single-use plastics? If the Association meet its targets for packaging should they see this same amount of reduction for plastic waste (i.e. 40 per cent)?

A: Isabelle stated that packaging represents about 40 per cent of plastic waste and that the government has been looking at a more holistic approach to managing plastics. Work on single-use plastics can be put into effect more quickly, but the government has also been looking at repair and re-use policies for things like appliances or construction waste. Single-use plastics represent 40 per cent of plastic waste as well. Elena stated that there would not be a 40 per cent reduction in plastic waste as there are only six items being proposed for bans, and the definition of single-use plastics is ambiguous.

Q: Is it possible to focus on timelines and implementation, and what it will take to ramp this regulation up adequately (i.e. substitutions), rather than positioning against bans?

A: Isabelle stated that CIAC's position has always been that the List of Toxic Substances is reserved for chemical substances, and not members' products. CIAC's specific focus is on the designation of plastics as toxic, as the potential of calling members' products toxic affects investment/economic recovery. In the future, with CEPA modernization, the government has signalled a willingness to change the name of this list. Bans may be inevitable, however, almost all CIAC members make one of those six products, so CIAC must advocate against bans, focusing instead on the circular economy and putting in place the correct infrastructure and technologies to advance that. Elena added a story about a member that was unable to recycle their black plastic in Toronto and had to send it to the U.S. for recycling instead. There is dissonance in this approach, as these products can easily be recycled close by, but are getting caught up in the restrictions of existing systems.

Q: What is the percentage of the plastic that is being banned compared to overall output of plastic?

A: Isabelle and Elena stated that they do not have that number yet because they do not have information or details about the specific products being banned (i.e. shopping bag weight, straw composition, etc.).

Q: Has there been any change in Canada with respect to the amount of plastic that is able to be recycled?

A: Elena stated that B.C. is a great example where, when they introduced their harmonized recycling system across the province, they had a select number of items in the blue box that were plastic. They announced the expansion of this recently in order to include more products. This stepwise approach has been quite successful and CIAC would like to see this replicated across the country. This is a producer-paid and producer-managed system. In Ontario and Quebec, there is a recognition that the numerous recycling systems in place between municipalities are not sustainable. Both provinces are going through Blue Box modernization and looking at introducing extended producer responsibility.

Q: From the federal government perspective, is consumer affairs involved on the labelling side?

A: Elena stated that there is a great deal of confusion for customers, and a consistent approach would solve this. By having the recycling label on the product, it means it is recyclable, but not necessarily recycled, which is why systems like B.C.'s are less confusing to consumers.

5. CIAC Executive Vice President Update

Isabelle Des Chênes provided an update on CIAC's advocacy work and engagement with various government officials.

Advocacy Work

Parliament was prorogued this summer to do a "reset" and set up a roadmap for post-pandemic recovery. On September 23rd, the federal government delivered the Speech from the Throne through the Governor General. Most of the speech had already been covered in the government's previous Speech from the Throne in 2019. The areas that were new were focused on funding supports and post-pandemic supports related to employment insurance and supporting Canadians during the crisis. Of key interest to CIAC was the ban on harmful plastics, CEPA modernization, exceeding 2030 Paris climate commitments, and net-zero emissions by 2050. The Clean Fuel Standard was not mentioned specifically. With respect to federal advocacy, CIAC is continuing to focus on four key areas.

- 1) **Plastics:** The government released their discussion paper on plastics on October 7th. Their hope is to have a regulation in place by 2021, ensuring the ban comes into effect by the end of December 2021. The CEPA toxic designation is the primary focus for CIAC, and the government has signaled some willingness to change the language of Schedule 1.
- 2) **Competitiveness:** CIAC is focused on how the chemistry and plastics sectors can support Canada's post-pandemic economic recovery. There are tremendous opportunities for investment attraction to help build and create a resurgence within Canada's manufacturing base, as significant weaknesses within that manufacturing capacity have been exposed during the pandemic. Rail is another focus for CIAC, as it is an essential service, and it has seen a number of challenges in advance of the pandemic, including the CN strike and rail blockades.
- 3) **Climate Change:** The Clean Fuel Standard has received some attention in the news recently. A number of other organizations, including the Canadian Chamber of Commerce, are quite concerned about the potential impact of the additional costs this regulation would add to companies. In CIAC's case, companies that trade extensively will be unable to pass costs along to customers. In the case of small to medium size enterprises that have already been stricken by the pandemic, there will be additional costs to them in terms of hidden costs and costs for production. CIAC has also been tracking net-zero emissions by 2050 and has developed a set of

principles. The Association will be working with government to better understand this framework and provide support to shape their policies.

- 4) Chemicals Management: In terms of CEPA reform, CIAC had hoped the government might take a lighter touch in terms of modernization, but recent signals might see something more substantive. It is certainly an area that is critical to CIAC, particularly the Chemicals Management Plan and post-2020. CIAC is not asking the government to open CEPA up at this time, however if it is opened, we are prepared to respond.

Government Engagement

CIAC has met with over 80 individuals to date in terms of advocacy meetings, including: ministers, parliamentary secretaries, and committee members. The Association has also reached out to opposition MPs (Conservatives, NDP, Greens), Deputy Ministers and Assistant Deputy Ministers and both elected and unelected officials in a number of provincial governments. Next week, CIAC will be hosting an advocacy day on the Hill, with a focus on chemistry and plastics being essential to post-pandemic recovery. CIAC is targeting 20 meetings and has 27 members registered.

6. Review of Responsible Care and CIAC History

Shawna introduced the session, highlighting the purpose of this update to provide a general education and understand of the principles and ethic of Responsible Care, to demonstrate how the codes of practice are integrated into CIAC members' management systems, and to provide context around the proposal to move to a hybrid of the American Chemistry Council's (ACC) RCMS or RC14001 audit system and the Accountability Code from our verification process.

RC Roots

Shannon provided details about the roots of Responsible Care, indicating that the Canadian version is the heart and soul of the initiative, as it was founded in Canada in 1985 and is now practiced in over 70 countries. Referencing the 1979 Mississauga train derailment and the 1984 Bhopal incident, Shannon explained that these events led to the creation of Responsible Care at a time when industry was losing public confidence. In essence, Responsible Care really comes down to doing the right thing and CIAC holds members accountable through the Codes of Practice. Responsible Care is a condition of membership in which members commit themselves, their technology, and their business practices to sustainability – the betterment of society, the environment, and the economy.

RC Today

Gilles Laurin provided an update on where Responsible Care is today, discussing the new commitments that were issued in 2010 to give a total of 157 comprehensive requirements falling under the Operations, Stewardship, or Accountability codes. To sustain the ethic, every member CEO must re-commit on an annual basis. Performance data is also collected from members annually, and verifications continue to be done.

Every three years, verification teams consisting of advocates, industry experts and neighbours visit members to ensure that the ethic and management systems are in place, members are compliant with the intent of the codes, and that performance is continuously improving to meet peer and public expectations. The teams' Verification Reports are publicly shared by the companies and are posted on CIAC's public website.

CIAC measures member performance by collecting the following pieces of data:

- all the aspects of health, safety, environmental and social performance that are important to the public;
- chemical emissions and wastes, with three-year projections;
- employee injuries and illnesses;
- process-related incidents (e.g. spills, fires);
- community engagement to sustain our social license to operate; and
- transportation incidents.

The foundational program has also been leveraged and adopted in part by other industries including the mining sector who recently released the Global Industry Standard on Tailings Management (the Standard). This is the first global standard on tailings management that can be applied to existing and future tailings facilities, wherever they are and whoever operates them. Responsible Distribution Canada has also developed Responsible Care-specific elements and verification protocols for their members

Sustaining RC into Tomorrow and Beyond

Shannon explained that under Responsible Care, there is the Canadian verification as well as the U.S. audit, making it difficult to accommodate global companies who do not want to pay for both. As a result, a Memorandum of Understanding (MOU) between ACC and CIAC was created to recognize RCMS and RC14001 as becoming a global standard for Responsible Care. RCMS/RC14001 auditing in Canada would conform to the technical specification, with CIAC-designated “other compliance obligations”/ “Responsible Care-related requirements” to be reviewed on audits of Canadian facilities.

Shannon shared that CIAC will be creating a new strategic plan for Responsible Care once CIAC’s current strategic plan is brought to the Board. So, this is a time to ponder if CIAC members are seeing less public accountability, if members are living their own ethic and principles for Responsible Care, if some companies are surpassing CIAC’s requirements on the sustainability front, etc. There is also the question of “are we benefiting from Verifications on the Operations and Stewardship Codes?” or are they are better served with the global ISO 140001 audit and a hybrid of the Accountability Code that is done with a public verification team, and the addition of measurable outcomes?

Questions/Comments

Q: The common criticism with ISO 14001 is that its procedural. A hybridized system is essential. An audit standard that looks at supply chains is where other industries are innovating. Incorporating aspirational targets on performance versus just the procedural side and linking to UN Sustainable Development Goals (SDGs) will position industry well among other sectors.

A: Shannon indicated that CIAC has proposed a refresh to their data collection, incorporating the SDGs as a fundamental part of data collection, as part of CIAC’s strategic plan, so this is an area that CIAC is looking at.

Q: One members suggested that the Panel should write a challenge letter to the Board in time for the strategic plan to re-emphasize the fact that Responsible Care, and in particular the Accountability Code, is one of the key value propositions that the Association presents to its members. Another member strongly supported the Accountability Code and the need to continuously improve and implement it.

A: Shawna indicated that there is definitely an opportunity to come together with some thoughts and concerns to send as a challenge letter to the Board. Shawna also indicated that the Accountability Code has been left very vague, so perhaps there is a need for a toolkit or elements of measurement to help companies meet the Code. Shannon highlighted that ACC is putting together examples on how to engage

communities and developing toolkits (will be shared after going through their Board). This is an opportunity for us to learn from them and take it even further as part of the Responsible Care strategic plan.

Q: Have you reached out to the larger companies and asked why they would prefer the audit versus the verification, assuming the reason is not cost-based? What is the difference in price?

A: Gilles indicated that cost is a factor, but it is also time consuming for the companies to prepare for the verification or an audit of any kind. They go through internal audits as well, so it is a combination of cost and resources. There is not much of a difference in price between the verification and audit, it is more the fact that they have to pay twice. Shawna also indicated that for some companies, it is about return on investment (ROI). Some see ROI on the Accountability Code, but not on the Stewardship or Operational side.

Q: Perhaps a visioning exercise to re-affirm the importance of the Accountability aspect of RC would be worthwhile, recognizing that the program must evolve.

A: Shannon indicated that this is where CIAC wants to go.

Day Two

National Advisory Panel

Alex Von Knobloch
 Beverly Osazuwa
 Christopher Hilken
 Jacob Westfall
 Jane Lister
 Nadine Blaney
 Richard Janda
 Ron Ormson
 Pat McLean

CIAC Staff

Bob Masterson
 Danielle Morrison
 Gilles Laurin
 Isabelle Des Chênes
 Shannon Watt
 Shawna Bruce (Facilitator)

7. Opening Remarks

Shawna welcomed any carried over business from day one for discussion. One Panel member had a question about plastics and the impacts from overseas, and whether or not Canadian manufacturers would be in a position to continue manufacturing restricted plastics on an international market. Isabelle indicated that CIAC is still gathering information from their business and economics contacts, however depending on how the regulation is formulate it is hoped that it would not impact manufacturers ability to produce products for customers in international markets where there are no restrictions or bans.

The Panel also discussed a research report by Deloitte, commissioned by Environment and Climate Change Canada (ECCC) in 2018, which set up the efforts for the CCME and additional work by ECCC around extended producer responsibility and their most recent Discussion Paper on plastics. While Bob and Isabelle indicated that the Deloitte report was fair and accurate, it was largely written for the federal

government who has no experience, resources, or capacities to act in this area, and insufficiently referenced the good work that has been done elsewhere, like in B.C. The report discusses the need to create markets, however it could be argued that Canada has too many markets (each municipality continues to manage and recycle their own waste). One Panel member also commented on the lack of real data in this report, as it is mostly based on modelling.

Another Panel member discussed the amount of “junk science” there is on plastics. For example, the energy required to produce one reusable shopping bag is greater than the requirement for single-use plastic bags. Compared to single use, the difference in greenhouse gas emissions is astronomical for reusable products. Also, single-use plastic bags are not single-use in many cases, as they can be reused for things like kitchen garbage containers, which contain much less “poly” than actual garbage bags. The science needs to be put in context with the energy required to produce these products. There are also practical barriers with recycling at the municipal level as they use a lot of water, produce a lot of wastewater, and municipalities generally do not want to host these types of facilities.

8. CIAC Strategic Plan Discussion

Shawna opened the discussion by summarizing the feedback received from the panel to date, highlighting the key themes of Responsible Care and governance as top priorities for the panel. Shawna also indicated that some panel members felt that the focus points were more like operational imperatives rather than strategic priorities. The group then went into a discussion of the strategic plan focus points, point by point, to help narrow down three top priorities.

1. By 2023, the new CIAC Plastics Division will be fully operational in a manner consistent with CIAC policies, culture, and member expectations.

One member indicated that there will be a culture shift with the Plastics Division, and these members will require a lot of attention to get fully integrated and committed. They felt that only at the end of 2023 will it be reasonable to review the value of this partnership and identify future potential partners (referencing point 7). Bob indicated that there is a lot of work to do, however there is value in having one voice on these very important issues. The question is, will all members stay? The answer is probably no, as CIAC has a very different culture, and the culture is non-negotiable. Plastics Division members must reapply for membership each year and document and sign their commitments to implement OCS requirements. CIAC is hopeful that new members will join over time.

2. By 2023, CIAC Governance will be reformed to: integrate best practices and continual improvement, improve member engagement, and support increased diversity.

This point was near the top of the list as many members felt that it was overdue. Bob indicated that current the governance is not poor, but rather dated. There is also a challenge in addressing diversity as CIAC’s bylaws indicate that only the executive contact or senior-most person appointed to the company may sit on CIAC’s board. CIAC essentially wants to take their well-performing Board and turn it into a “best-in-class” Board. One member emphasized the importance of structuring the governance models from top-down, especially as new divisions are being developed, to make for a cohesive and impactful Association. Reflecting on this, Shawna welcomed Panel members to provide feedback on her work as

facilitator and how she can improve. Another Panel member suggested including an independent member of the Board to support the idea of “best-in-class”.

One member asked about the current recruitment process for Board members, to which Bob responded that there is none, it is all ad hoc. It is typically the President’s prerogative to suggest individuals for the Board, and this must then be recommended by the Executive Committee and approved by the Board. CIAC has a large Board of about 23, and this is somewhat seen as a success as companies are eager to be on the Board, which was not the case in the past.

3. By 2023, for the next ‘cycle’, CIAC will fully adopt the ACC-based RCMS/RC14001 approach to Responsible Care implementation and certification – with the additional “Canada-specific” elements included.

Following up on comments from agenda item 6, the Panel had suggested writing a challenge letter on this recommendation. Shawna asked the Panel if there was a need for a working group or a task force (rolling diversity and inclusion in as well) to help with this and highlighted that this was a top priority for many Panel members, with concerns around timelines, the Accountability piece, and lack of public verification. One member agreed that there seems to be a shift away from public involvement, with the dissolution of a number of community advisory panels. Perhaps since industry has done such a good job over the past few years, there is a bit of complacency now. Another member indicated that they could support using the ACC-based approach as long as the Canadian elements of Accountability, as currently written be expanded and included. Another member shared that more action must be taken to discuss what these Canadian-specific elements are, and how the spirit of Responsible Care can be maintained with this new model. The importance of Accountability (including a review/update to the Code), specific elements around community engagement (perhaps learning from other associations and their best practices), and the need to maintain a social licence to operate was a major focus point and priority for most Panel members.

With the question of timelines, Bob clarified that the “by 2023” statement references the next three-year cycle, which ends on December 31st, 2025. So, what it really says is that by 2025, that is the end of CIAC Responsible Care verification.

Shawna asked about the challenge of finding verifiers and if this is an issue of feeling comfortable verifying against the Operations and Stewardship codes more than the Accountability code. Bob responded that it is not about comfort level, but about the time and place of verifiers in their careers, and the pull to settle into full retirement. This is one of the benefits of having auditors rather than verifiers (as a secondary consideration).

It was decided that a challenge letter might be better timed for the February Board meeting, and this feedback from the panel will be shared at a high level at the upcoming October Board meeting.

4. By 2023, CIAC will have a Succession and Development Plan in place and underway for all senior management roles.

This was not a high priority for panel members; however, it is something that should be done, perhaps in smaller steps over time. One Panel member stated that looking at the seven points, it is not realistic to do all of them, so perhaps this should be reserved for 2023-2025 to allow for proper Board governance first.

Another Panel member indicated that this should be common practice for most associations. Isabelle responded that there is a general understanding of succession and development, but no formalized plan.

5. By 2023, CIAC will update its Responsible Care commitments to explicitly incorporate code elements related to diversity and inclusion.

Shawna suggested combining this point with focus point 3. Isabelle supported this, also as part of a potential challenge letter related to point 3, as CIAC has turned a lot of attention to this since the summer and will be moving forward on integrating approaches around diversity and inclusion within the organization. CIAC has also been finding ways to influence Canadian policy around this, so it makes sense to make this an extension of Responsible Care. One member indicated that the way it is written, it is almost dressing down the Association's work in this area, and affirmed their support for the Association's efforts to address this issue.

6. By 2023, CIAC will reinvigorate our performance data and establish goals and publicly report on a broader range of sustainability metrics tied to the UN Sustainable Development Goals (as per ACC, CEFIC, and some member companies).

Isabelle highlighted that CIAC has reported on the SDGs over the last few years as part of their annual Responsible Care reports and wants to take a more proactive approach incorporating the SDGs in their work. This could involve reformulating their data packages to demonstrate CIAC's commitment and alignment to the SDGs that are most relevant to the chemistry industry. Isabelle also stated that this would require sufficient time and resources, so might be better suited as a priority for 2025.

One member indicated that these are important metrics that many other companies are incorporating as part of their own strategic plans, so there is no harm in following suit. Another member emphasized the overarching timeline for the SDGs, and the inherent link to Responsible Care, hoping that there will be some effort to bring these SGs to meaningful fruition by 2030. Another member flagged the importance of staying relevant and keeping sights on international targets, stating that this must be on CIAC's radar. Members also questioned the amount of effort that would be required, calling for an assessment of needs and a development plan. With this in mind, some members recommended pausing this priority until 2023-2025.

7. By 2023, CIAC will explore an additional value chain integration opportunity with a complimentary organization.

There were comments about the number of priorities that the Association has at the moment, and how much of a priority this point is at this time. Isabelle indicated that other members have expressed the same comments, wondering if CIAC should actively be looking for additional value chain organizations to merge or partner with, or wait for the next two years, or do it on a more reactive basis. For a number of stakeholders, it has been pushed down as a priority. One member said that the partnership with the plastics industry is positive in many ways but needs a full review after two years to see how it went and the learning opportunities before taking on another "transaction". Another panel member emphasized the benefit of partnerships in terms of global value chains.

9. CIAC Responsible Care Update

Virtual Verifications

Gilles provided an update on the status of virtual verifications, stating that this is not new for CIAC and has been done successfully in the past. With COVID-19, some members were forced to stop or postpone their verification process and feared that they would not meet the Responsible Care commitments and obligations for a certain period of time, so verification was moved to a completely virtual setting. Gilles also noted that this option is not available for first-time verifications.

With virtual verification, planning and document sharing has not been an issue and has remained confidential; however, plant tours are not possible. Community representatives can be an “eagle eye” for the team, assuming no health risks. Technology plays an important part in these verifications, and all parties must be able to access relevant video conferencing applications, must be available remotely by phone or video, and must have some type of camera equipment for the actual site visit (anything from cellphones to drones).

The main advantages of virtual verification are cost savings (no travel expenses), the possibility to engage more employees in the process, and the discovery of new best practices. There are disadvantages in that the virtual setting does not allow visibility of small details/odours/sounds, etc., there is an increased risk of confidential information leaking, and it is not possible to meet in person with local representatives or engage in community outreach.

NorFalco has agreed to hold a complete virtual verification this month, and the outcome will be shared with the Panel upon completion.

COVID Return to Work Practices

Shannon provided an update on member’s return to work practices, emphasizing that responses vary based on region and caseload (i.e. some have reduced production while others are all back in the workplace with appropriate restrictions). Members are also unique in terms of their chemistry, so as a result, they are responding differently. Shannon noted that there have only been a few COVID-19 cases at facilities, and these are typically from community contacts.

COVID-19 protocols include: more wash/bathroom stations, notices/reminders, virtual or outdoor meetings only, pod rotations, daily temperature checks and self-surveys, virtual drills and training as a stop gap measure, and preparation for a second wave. To care for employees, some members have provided kits to employees with supplies to keep them safe, increased training and programs for ergonomics/fatigue management/mental health, provided supports for parents and vulnerable populations, provided daily bonuses to essential workers, and encouraged employees to get their flu shots.

A number of lessons have been learned in this process. Members have learned to be prepared for when (not if) there is a COVID-19 case in the organization, given the increase in cases throughout the region (i.e. media plan, community/staff outreach plan, etc.). Members are also maintaining high vigilance with COVID-19 safeguards and emphasizing to workers the importance of these safeguards both on- and off-site. Members have also learned that they must be mindful of shared spaces like change rooms as a high-contact area. CIAC continues to share information as much as possible, allowing members to determine what works best for them internally.

Isabelle noted that for members with operations in the U.S. Gulf Coast, a series of hurricanes caused facility shutdowns. As a result, Canadian facilities were seeing more demand and were able to ramp up production, maintaining pre-pandemic levels. This speaks to their ability to be flexible and respond to challenges, even changing production to supply essential products like personal protective equipment (PPE). Shannon also emphasized that process safety has remained a top priority. The Panel also took a moment to congratulate Richard on his work contributing to the federal COVID-19 Alert App.

10. Update on Sarnia and Emergency Public Information from NAP Challenge Letter in 2018

Shawna indicated that she had hoped to have a presenter to update the Panel on this topic, however this did not work out. Instead, Jacob Westfall was invited to provide an update on activities in Sarnia as a community resident. Shannon noted that when this challenge letter was issued to the Board, they took it seriously – phone calls were made immediately and there was a real sense of urgency around the “social license” piece. Unfortunately, many of the corresponding community engagement activities in Sarnia could not take place due to the pandemic.

Speaking as a member of the public, Jacob indicated that there has been no apparent change whatsoever. It is business as usual, i.e. when a refinery receives a complaint about noise or smell, they typically respond that there has not been a severe incident in the last several years. Since the string of media attention that pre-dated the NAP’s challenge letter, progress has stalled.

On the community advisory panel side, there have been opportunities to hear from industry in terms of what they are planning and the changes that are underway, and many of these are specific to organizational structure. The biggest change that came out of the challenge letter was the need to re-organize the different bodies in Sarnia, including the Sarnia Lambton Environmental Association (SLEA), Community Awareness and Emergency Response (CAER), and Industry Education Collaborative (IEC), into something called “Base”. This has been a fairly slow and arduous process, and there were concerns that IEC (focused on training and safety for staff) was overtaking the community aspect that comes with CAER and SLEA. In terms of communication improvements, the only improvement comes from the Environmental Emergency 2019 (E2) regulations requiring industry to provide more safety information to the public. Companies that do not follow Responsible Care are required to do this, so this is bringing them up to the same level as CIAC members. Jacob did note, however, that a lot of the E2 materials have been very vague and have not provided much detail on the “worst-case scenario”.

Questions/Comments

Q: How is this E2 information being shared with the community?

A: Jacob indicated that this is something the community is looking to centralize, as a lot of companies have it buried in different locations, often on their website, Facebook postings, etc.

Q: Has any work been done with the First Nations group, as requested in the challenge letter?

A: Shannon shared that she and Don Fusco met with the Aamjiwnaang First Nations Council recently and had a very productive meeting. There was a lot of interest in CIAC’s work, and they actually indicated that they might want someone to join CIAC’s NAP after their upcoming elections. Shawna also shared that members of the Aamjiwnaang community are very active in responding to the facilities and calling executive directors of those facilities with their concerns.

Q: How might this line up with our current concerns around the Accountability Code?

A: Jacob responded that if community consultation is not part of the Responsible Care verification process, a lot of these concerns will be missed. Other Panel members agreed that this is worth mention in the proposed challenge letter, perhaps as an example to support the need for expansion of the Accountability Code.

11. Next Meeting and Roundtable

Shawna provided the Panel with a chance to tell the group about what is going on in their community, their work, etc. and any messages to be reinforced.

Alex: COVID-19 hit the manufacturing industry pretty hard, and it was interesting to see some of the best practices from the chemistry sector. One innovation is the implementation of a facial scanner to detect things like temperature and mask presence and grant access to the facility.

Nadine: There are discussions in the Heartland organizations about a platform to develop replacements for community advisory panels as a regional initiative. This will require the expansion of their strategic direction and additional resources and will be a large focus over the next few years.

Ron: It is a challenging time from the municipal perspective; however, they have implemented their emergency management plan and it has worked well, despite the fact that it was not designed for sustained incidents like a pandemic. There are also exciting workarounds for virtual verifications that should assist companies in finding efficiencies for post-pandemic.

Beverly: She has been working at the Federation of Black Canadians, who is also undergoing a strategic planning phase, so engaging with CIAC's strategic plan has been really helpful in finding ways to shape their plan and stakeholder engagement.

Pat: Lanxess has had problems in the past with contamination issues, so they have created a community advisory panel. They had an in-person meeting in February and two virtual meetings since. They have good representation from the community, and while it is not a huge group, it looks like it will be productive, nonetheless. Pat is also involved with Sulco, who is taking excess steam from their production facility and installing a turbine to run as an electric generator. All of their business operations will be off-the-grid based on the power that they can create with their own turbine. This will also reduce their water use, and they expect to have it in place by the end of 2020.

Jacob: He has been talking with a lot of industry representatives, and everyone feels that things are being handled well during the pandemic, especially in the workplace. There have also been a number of acquisitions, and expansions (i.e. NOVA). This summer, there was also a major replacement of a pipeline that goes under the river. In terms of community advisory panels, there has been a challenge in meeting virtually and getting community members engaged.

Jane: The information about B.C. recycling system is sensational, and there is a huge opportunity for communication there, as many people in B.C. are not even aware of this. She also highlighted the importance of setting targets within the chemistry industry (i.e. SDGs) to demonstrate that we are part of this transformational wave, and there are other solutions to plastics beyond bans.

Regarding the next meeting, Shawna indicated that she would look at dates in February for a virtual meeting to align with CIAC's February board meeting.