

Chemistry vital to Canadian economy and achieving our net-zero goals

Our products are the nexus of all solutions to energy efficiency, net-zero emissions, and a circular economy, but competition for investment in the chemistry sector is fierce.

An investment in Canada's chemistry and plastics sector is an investment in our net zero future.

The federal government has committed to the goal of net-zero carbon emissions for all of Canada by 2050. Achieving this will require chemistry-based solutions.

More than 95 per cent of all manufactured products rely on chemistry. Canada's chemistry industry is a world leader in electro-chemistry and low-intensity carbon

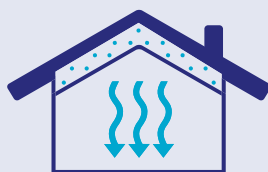
chemical production and there is a growing global demand for chemicals and plastic resins with the lowest carbon production available.

As the innovative solutions-providers to our world's most critical challenges, the chemistry sector will be vital to reducing carbon emissions and addressing climate change.

Chemistry and plastics help all Canadians reduce emissions in key sectors:



Green buildings



Innovative insulation to prevent heat and cooling loss in homes



Sustainable transportation by making vehicles lighter



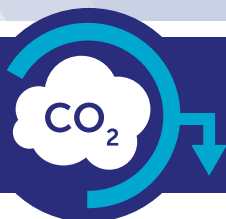
Clean energy such as solar and wind turbines



Sustainable agriculture



Lightweight food packaging that prevents spoilage



CANADA'S CHEMISTRY SECTOR HAS REDUCED ITS GHG EMISSIONS BY **67%** ON AN ABSOLUTE BASIS SINCE 1992

#chemistrysolutions



CHEMISTRY INDUSTRY
ASSOCIATION OF CANADA

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- Other jurisdictions are moving aggressively to attract investment and Canada must remain competitive.
- These new investments will drive the chemistry sector to net-zero.
- The right policies will put Canada on an even playing field with competitors so it can capitalize on global opportunities.



Chemistry is critical to Canada's economy

- In 2020, industry shipments were **\$85 billion** – \$55 billion in chemistry and \$30 billion in plastic.
- 3rd in value of shipments behind Food and Transportation equipment
- 3rd in value-added manufacturing output



Creating a competitive regulatory landscape

Chemistry is vital to achieving the federal government's net zero carbon emission goals. To meet our goals, the chemistry sector needs:

- Climate policy revenues reinvested into the industry to encourage investment in low-carbon technologies
- Alignment of provincial and federal approaches and avoid overlap of regulatory functions
- Recognition of Responsible Care[®] as a global standard ESG, and encourage broader industry participation



Attracting world-class investment

For economic prosperity, Canada must attract global-scale investments by identifying and understanding the competitive landscape at home and around the world. This can be achieved through:

- Recognition of the capital-intensive nature of the chemistry sector by extending the Accelerated Capital Cost Allowance
- The creation of a world-scale research and development ecosystem for the chemistry and plastic recycling sectors
- Modern and efficient transportation infrastructure in Canada, especially rail

