



## 2020 Virtual Roundtable Session In the Chemical and Performance Materials Industry

April 3, 2020

### Addressing Coronavirus

*The following is a summary of insights shared by a number of leading global chemical companies at a roundtable meeting of general counsel convened by Squire Patton Boggs.*

#### Opening remarks

- Nobody is really an expert on this topic, but this is a great and highly credible forum for hearing what chemical companies are doing to respond to the coronavirus and share best practices.
- The focus of our discussions was around four critical topics:
  - Workforce issues
  - International issues
  - Logistics issues
  - Public statements

#### 1. Workforce issues

- There are particular challenges in the US because of its labor and employment laws relating to workforce with dependents in need of care, etc.
- Are manufacturing companies providing special pandemic related paid time off (PTO), using existing PTO, or some combination?
- Generous leave is being offered in relation to the pandemic and companies are trying to remain flexible with its workforce.
- Overall, colleagues are understanding of the situation and the disparity between critical infrastructure workforce and those able to work from home.
- Many companies remain fully operational but are beginning to introduce furlough programs and expect their workforce to come to work on-site where possible. Back office/remote workers are generally permitted to work from home.
- Thoughtful discussions regarding 'essential' workforce are taking place and the definition of essential now means to be able to 'do your job on site.'



- Some are now running shifts to maintain safety and social distancing. Everyone is equipped to work from home. Ongoing needs projects are being kept under review – such as IT data cleansing, PTO entry. Lots of requests to commute across state lines have not been rejected so far.
- There is a tension between telling people to be smart and applying rules consistently across the board.

## 2. International issues

- Companies with Chinese facilities have stayed open and maintained a sense of community through use of the mobile device app WeChat and MS teams. Lessons learned from China include staggering commutes and shift working.
- The Chinese New Year celebrations significantly impacted the situation in China particularly in relation to security issues.
- Adopting a staged return to work process based on approaches taken in APAC is being considered by a number of companies.

## 3. Logistics

- The industry is experiencing significant logistics challenges with the more stringent lockdown adopted by India. Ocean, trucking and air freight shipments are significantly delayed and almost impossible.
- Some customers have obtained a waiver from the Indian government to continue to operate but it is not clear whether this applies to their suppliers.
- Those with plants in India are shutdown but the impact is limited due to most of their customers not operating so demand for shipments is low right now.
- Companies should seek to deploy advocacy to mediate or overcome these logistical issues. A greater focus on critical infrastructure is needed in the US government's stimulus package.

## 4. Public statements

- The ACC has been helpful in advising on making public statements in response to COVID-19.
- When contemplating making public statements, the key is to weigh up the spectrum of risk factors in this new territory.