

July 31, 2018

DIRECTORS' REPORT

Over the 2017/18 year, Clear Seas continued to meet milestones and achieve its objectives as outlined in its Constitution and Contribution Agreements with Funders.

As evidenced by the metrics gathered and the progress achieved, Clear Seas has made considerable advancements against its founding mandate to be a leading source of impartial information on marine shipping in Canada.

The past year's efforts have contributed greatly to recognition of the organization's effectiveness and contribution to the knowledge and dialogue around marine shipping.

Overall, it has been a year of many achievements. For example, Clear Seas' research helped influence work currently in progress by the Canadian Coast Guard; and the uptake of social and digital assets – like the website and microsites – reached thousands of Canadians.

Clear Seas remains poised to continue to make meaningful contributions. The focus will remain on delivering high quality, trusted and impartial information.

Summary

The past year was dynamic for the marine shipping industry. Characterized largely by the operationalization of the Oceans Protection Plan (OPP) and the persistent debate around marine safety and tankers on Canada's Pacific Coast, the interest in sustainability issues has likely never been greater.

While much of the public discourse on marine shipping continues to be polarizing with misinformation often prevalent – especially in social media spheres – Clear Seas remains motivated to bring forward credible and fact-based information to facilitate informed decisions.



This year's primary focus was on the timeliness and relevance of Clear Seas' products. This effort required streamlining a number of internal processes including the research selection process and improving the time required to get products to market.

The mandate of Clear Seas to advance dual, and mutually supportive, research and communications programs reached new levels of maturity with both prongs of programming delivering Clear Seas' strongest results to-date.

The Clear Seas Mandate

As delineated in the Transport Canada Contribution Agreement, Clear Seas was founded to:

- + Facilitate a better understanding of the risks, benefits, and best practices for safe and sustainable marine shipping;
- + Bring clarity to decision-making processes; and
- + Ensure that evidence-based information and best practices are shared with Canadians and the international community.

It is upon these principles that Clear Seas conducts its work programmes and operates daily. Contained within this report are particulars on how these objectives were met.

Research Summary

Clear Seas continued to advance a research programme aimed at delivering high value and relevant products. One of the organization's key indicators of success is to provide decision-quality materials that can enrich policy-making decisions and the past year's accomplishments aligned with this goal.

Considerable efforts were made to scope projects and their deliverables suitably in an effort to avoid the duplication of efforts and validate the subjects under consideration.

The past year saw the operationalization of the Research Advisory Committee (RAC), an advisory group of 6 individuals selected for their expertise and diverse perspectives. The RAC played a critical function this year in evaluating and making recommendations on the research programme. Consulting with the RAC and other critical stakeholders ensured that projects were properly scoped and considered.



In total, three research projects were published; a demonstration of the commitment to fulfilling the activities and project outcomes from Clear Seas' founding agreements.

Leading Systems for Oil Spill Response in Ports

Completed by the University of British Columbia's Centre for Transportation Studies and published in April 2017, this report provided critical insights into what should be considered as Canada continues to pursue improvements to spill response systems and examined considerations for improvements not made in previous studies of this nature.

The Value of Commercial Marine Shipping to Canada - Canadian Council of Academies

Commissioned to the Canadian Council of Academies, this report is considered to be the first of its kind to examine the "value" of commercial marine shipping from a holistic view including both social and economic dimensions. The publication of this study fulfilled a key deliverable as outlined in the Contribution Agreement with Transport Canada.

Marine Transportation Corridors Project

Clear Seas is undertaking a multifaceted analysis to help describe the risks related to marine shipping activities and assist in marine spatial planning on Canada's Pacific coast. The research explores three areas with the first tranche of research published in March and the others expected in the forthcoming fiscal year.

The Vessel Drift and Response Analysis determined how ship routing and the location and availability of Emergency Tow Vessels (ETVs) or rescue tugs might influence the potential for the rescue of a disabled vessel before it can drift aground. Since its publication, the research has influenced changes to the Canadian Coast Guard's "CANSARP Maritime Search Planning Tool" and the leeway rates used. This material outcome validates the relevance and timeliness of the work undertaken by Clear Seas.

The remaining two deliverables from the Marine Transportation Corridors Project remain on track for publication in Q2/Q3 of the 2018/19 Fiscal Year. The Vessel Traffic Analysis, which documents the travel patterns of commercial vessels using Automatic Identification System (AIS) data, is expected to contribute to ongoing marine spatial planning efforts. Likewise, the Identification of Special Coastal Areas, which highlights areas of importance



for socio-economic, biological, physical or Indigenous reasons, is also expected to contribute to decisions related to improvements to marine safety systems.

It is anticipated that the methodology developed in Canada's Pacific region will be applied to subsequent studies to assess similar risks in Canada's Atlantic, Arctic and Great Lakes regions.

MEOPAR Partnership

After careful deliberations, it was announced in February that Dr. Jackie Dawson of the University of Ottawa would receive a grant from the 2017 Clear Seas / MEOPAR Call for Proposals. The Call for Proposals aimed to solicit proposals related to commercial shipping practices in Canada's North. Dr. Dawson will examine two Northwest Passage sites, study shipping trends over the past thirty years, identify potential risks and make recommendations for establishing shipping routes and best practices in the study area. As planning and policy-making decisions are made in this sensitive region, it is anticipated that Dr. Dawson's project will contribute to the knowledge available to decision makers.

Real-time Vessel Monitoring (with Ocean Networks Canada)

In collaboration with Ocean Networks Canada, Clear Seas continues to advance a quantitative and qualitative survey of commercial shipping traffic along the coastline of the Pacific region. The project uses a 24/7 staffed Operations Centre to monitor real-time satellite and terrestrial AIS signals from commercial vessels with the objective of recommending risk mitigation policies for improved vessel safety systems. The project is nearing completion and is expected to be made public in Q2 of the 2018/19 Fiscal Year.

Communications + Engagement Summary

The past year saw a number of records set and broken. Overall, Clear Seas pursued dual engagement strategies, by delivering communications for research products and also creating bespoke communications products designed to enhance the dialogue with Canadians around sustainable marine shipping practices.

While the communications program endeavoured to increase the knowledge of best practices and latest research, it has also presented a number of opportunities for



increased dialogue around common public misperceptions such as the role of shipping in the day-to-day lives of Canadians or what pipeline approvals may mean for tanker traffic in Canadian waters, for example.

The spheres of social media represent a burgeoning area of influence for Clear Seas and allows for direct engagement with those who have questions or concerns about the sustainability of marine shipping in Canada. While social media platforms host the majority of public conversations about marine shipping, they also provide a highly effective platform for Clear Seas by facilitating direct engagements and by providing a pulse on what questions or concerns are considered the most relevant and timely. From the perspective of communications efforts, this helps direct efforts and ensures that selections are aligned and topical with Canadians' interests.

Behind the scenes, Clear Seas' digital assets underwent continual enhancements including Search Engine Optimization (SEO), Search Engine Marketing (SEM), and regular maintenance activities. Maintaining the overall health of the site while marshalling improvements ensures that this critical asset continues to evolve and advance.

Conferences and Events

Clear Seas was represented at a number of select events across the country. Participation ranged from keynote addresses, panel discussions to activating booths at conferences. Collectively, these efforts expanded Clear Sea's networks, strengthened awareness of the organization and its mandate and provided invaluable input into prospective work programmes.

Among the events Clear Seas participated in during the past year were the annual conference of the Association of Canadian Port Authorities, multiple Oceans Protection Plan engagements, Canadian Marine Advisory Council meetings, the annual science meeting of the Marine Environmental Observation Prediction and Response (MEOPAR) Network, the International Oil Spill Conference (IOSC 2017), the Master Mariners of Canada symposium, the World Ocean Sustainable Ocean Summit and the Southern Resident Killer Whale Symposium, among others.

Unfortunately, the annual Clear Seas workshop met with logistical challenges and a decision was made to defer it until the following year. While this outcome was regrettable



and left one of the organization's key deliverables unfulfilled, the decision ultimately favoured deferring the event over hosting an event that would meet with limited uptake.

Municipal Outreach

As part of its community engagement program, Clear Seas participated in the Annual Association of Vancouver Island and Coastal Communities (AVICC) Convention in Campbell River. The AVICC was an ideal venue to engage with elected representatives of coastal communities in British Columbia and gather, first-hand, their experiences and perspectives in relation to marine shipping.

A trade show booth was debuted at the annual Union of British Columbia Municipalities (UBCM) convention which provided the opportunity to engage with thousands of representatives of local governments across British Columbia on marine shipping issues.

Planning for further refinement and expansion of these efforts are underway for the upcoming fiscal year.

Indigenous Outreach

The Indigenous outreach program distributed introductory packages to over 70 British Columbia Coastal First Nations. These efforts resulted in meetings with a number of First Nations including the Lyakson First Nation and Laxkw'alaams First Nation.

Representatives of Clear Seas also participated in the Heiltsuk Standing Together Symposium to debrief on the grounding of the Nathan E. Stewart and explore opportunities for collaboration.

Events attended include the National Aboriginal Business Opportunities Conference in Prince Rupert and participation in the 2017 Aboriginal Opportunities Forum in Vancouver.

It is anticipated that outreach efforts will continue to expand throughout the 2018/19 Fiscal Year and beyond.



Traditional Media

While media was not a particular focus of the past year's communications strategy, the Executive Director did participate in an interview for the online magazine *Context* and penned a column for the *B.C. Shipping News*.

Digital

The Clear Seas website fulfilled an imperative communications function with metrics gathered from the past year to validate this. Due in part to new products like microsites and the blog, the reach and effectiveness of the website continues to expand at a very positive pace. Many positive comments were received throughout the year from members of the public at-large complimenting the website's content and its ability to distill complex issues in a manner that was relatable to a layperson.

The past year represents the first period that Clear Seas began to collect and analyze metrics related to the website's performance. While this limits comparisons to previous years, the metrics related to this year show significant quarter over quarter improvements with a projections on-track for continuous gains. With over 35,000 users and 65,000 pageviews, the website out-performed expectations and benchmarks internally set to comparable organizations.

As outlined in the Transport Canada Contribution Agreement, the performance data of the number of visits to the Clear Seas website is explicitly referenced as a project outcome. While a comparison cannot be drawn against the previous year due to incomplete data, the above metric is a remarkable achievement for the organization and a strong indicator of the website's performance.

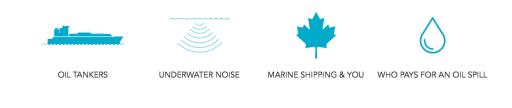
Overall, website traffic grew consistently – both with the number of users (double), new users (nearly triple), and the time spent on our website (double).

While home to bespoke digital content, the Clear Seas website also performs an important function for the dissemination of research products. For example, the "Leading Systems for Oil Spill Response: Implications for Canada" and "Value of Commercial Marine Shipping to Canada" studies both garnered significant interest at the time of the launch and the website metrics confirm achievement of new research communications milestones for the organization.



Microsites

Four microsites were developed and published in FY 2017/18: Tankers in Canadian Waters, Underwater Noise and Marine Mammals, Marine Shipping and You, and Who Pays for an Oil Spill. Cumulatively, the four microsites represent a new product for Clear Seas – one aimed at distilling a topical and complex issue for public consumption. Todate the anecdotal responses to the sites have been exceptionally positive. While each of the subjects has been written about extensively, these sites offer a unique and well researched aggregation of the facts. The sites are critically balanced and aim to provide readers with the facts they need to make informed decisions about the issues.



The first microsite, Tankers in Canadian Waters, remains the organization's most popular digital asset with an unprecedented 15,244 page views which represents nearly one quarter of the website's total page views.

This verifies the site's alignment with Clear Seas' original mandate to contribute to public and stakeholder confidence in the World-Class Tanker Safety System.

The immense success of the sites has motivated the adoption of this as a quarterly activity moving forward. Planning is underway to develop sites examining Invasive Species, Air Pollution, and Hazardous and Noxious Substances for the coming fiscal year.

Email Marketing

Enlisting subscribers to the Clear Seas mailing list was, for the past year, one of the communications team's key objectives. Today, the subscriber list is over 1300 subscribers strong and continues to grow.

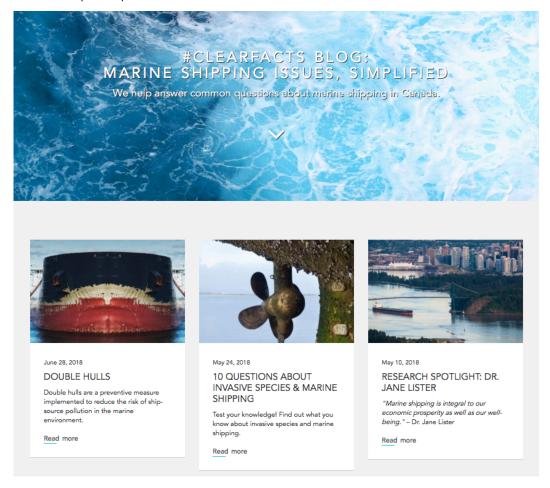


Initially used to make announcements such as new research studies or microsites, the mailing list now receives a regular newsletter that includes information on announcements, work in progress and an events calendar.

Maintaining the health of the distribution list and growing the subscriber base will remain a priority for the coming year.

#clearfacts Blog

The launch of the abovementioned microsites highlighted the need for simpler, concise explanations of complex topics. The "#clearfacts" blog is home to 19 blog posts. Subjects are often selected based on the questions or misinformation that is found on our social media channels. Once it is observed that there is considerable interest in a subject, we survey the possibility of publishing a blog post that would address common questions or misperceptions.





In the past year, the Clear Seas blog garnered over 10,000-page views and represented a staggering 1,398% increase in views from its launch in June 2017.

Overall, these digital metrics demonstrate the organization's ability to create original content and effectively drive traffic to our digital channels. Growth is expected to continue as we refine our methodologies and deliver and refresh online content.

Social Media

With a national mandate and a relatively small team, social media allows Clear Seas to maintain an active dialogue with stakeholders and a public preoccupied by tanker safety and questions of environmental stewardship. Direct engagement of this nature is invaluable to the promotion of our research products and to provide trusted information about marine shipping in Canada.

Followers across most channels grew at remarkable rates – presenting the opportunity to communicate to thousands of Canadians who in turn share Clear Seas content with their friends and followers.



Cumulatively, Twitter followers increased by 60% and LinkedIn by 86%, while Facebook saw the biggest segment of growth with a 242% increase this past year.



Social media also fulfilled another important function as an effective means of referring followers to content on Clear Seas' website. This past year, the number of sessions originating from social media culminated in the final quarter with just over 40% growth over the previous quarter – proving the effectiveness of social to refer to other digital assets.

Board of Directors + Governance

The February meeting of the Board resulted in a change in Chairperson- with Bud Streeter assuming the role of Chair and outgoing Chair, Dr. Kate Moran, becoming a member-at-large. Citing personal reasons, John Woodward and Lindsay Gordon resigned from the Board. Serge Le Guellec joined as a director in April.

Conclusion

It is evident that Clear Seas' focus on providing timely and relevant information to stakeholders and the public is yielding significant recognition of the organization's value and validation of its mandate.