Speakers

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Questions?

- Post your question to the Questions pane in your GoToWebinar Control Panel

- Presentation and recording will be available at www.chemicalfootprint.org
Clean Production Action

Together, we’re creating a safer and healthier future
Chemical Footprint Project (CFP)
Overview

• Introduction to the CFP Survey
• CFP Survey and changes for 2018
  – Management Strategy
  – Chemical Inventory
  – Footprint Measurement
  – Public Disclosure
• Q&A

All materials can be found at: chemicalfootprint.org
the chemical footprint project
2016 Annual Report

2016 Guidance Document

2017 Guideline Document

2017 Annual Report
Investors include ... 

- Bank J Safra Sarasin
- BNP Paribas Investment Partners
- Boston Common Asset Management
- Calvert Research & Management
- Impax Asset Management
- Legal & General Investment Management
- Rhode Island Treasury
- The Sustainability Group of Loring, Wolcott & Coolidge
- Trillium Asset Management

Health Care & Retail includes ... 

- CVS Health, Staples, Walmart, & Target
- Dignity Health, Kaiser Permanente, & Vizient
Health Risks from Hazardous Chemicals

• 164,400 deaths annually from unintentional poisonings caused by chemical exposures at home and in the workplace (WHO, 2016)

• Products account for 50% of volatile organic compound (VOC) emissions in urban areas (McDonald, et al, 2018)

• Health costs from environmental chemical exposures estimated to exceed 10% of global GDP ($11 trillion) (Grandjean and Bellanger, 2017)
3R’s of “Chemical Risks”

- Regulatory Risks
- Reputation Risks
- Redesign Risks
Value of CFP

- Common language
- Quantitative metric to measure progress
- Gap analysis
- Alignment with leading business practices & investors
Participants in 2017 Survey

- **Building / Furnishings**: Construction Specialties, Herman Miller, Humanscale, Kimball Hospitality, Milliken, Naturepedic, Nora Systems
- **Cleaning / Personal Care**: Beautycounter, California Baby, Ecolab, GOJO Industries, RB, Sealed Air Corp / Diversey, Seventh Generation
- **Medical devices/supplies**: BD, Case Medical, J&J
- **Technology**: HP Inc., Seagate Technology
- **Retail**: Walmart
- **Toys**: Radio Flyer
CFP Survey:
19 Questions = 100 points
Management Strategy

- Chemical Inventory
- Public Disclosure
- Management Strategy
- Footprint Measurement
Why focus on Management Strategy?
MANAGEMENT STRATEGY INDICATORS (20 points)

Corporate Chemicals Policy
M1. Creating a policy that aims to avoid chemicals of high concern (CoHCs) and prefers safer alternatives

Corporate Integration and Accountability
M2. Integrating chemicals policies into business strategy
M4. Ensuring accountability for implementation of chemicals policies

External advocacy
M3. Advocating for initiatives that promote the use of safer chemicals
Does your company have a chemicals policy that aims to avoid CoHCS and includes a stated preference for the use of safer alternatives?

SCOPE of this policy: products, facilities, manufacturing, supply chain, packaging

Is it publicly available?

New: Combined old M1 & old M2, added facilities
**Definition:** Chemical of High Concern

- carcinogen, mutagen, or reproductive toxicant (CMR)
- persistent, bioaccumulative and toxic substance (PBT)
- any other chemical for which there is scientific evidence of probable serious effects to human health or the environment that give rise to an equivalent level of concern
- a chemical whose breakdown products result in a CoHC that meets any of the above criteria

*Aligns with GHS criteria and GreenScreen Benchmark 1 criteria*

**CFP CoHC 2018 List:** updated and consistent with GreenScreen List Translator 1 chemicals
A chemical that, due to its inherent chemical and physical properties, exhibits a lower propensity to persist in the environment, accumulate in organisms, and induce adverse effects in humans or animals than chemicals in current use.

- Must deliver needed function
- In some cases, process or product redesign may eliminate need for chemical
**Definition: Chemicals in Facilities**

Chemicals in products (excluding those used directly in manufacturing) used in offices, retail space, laboratories, distribution centers, outdoor space.

*e.g., cleaning products, landscaping products, furniture, building products, etc.*
M1: 3 Components

<table>
<thead>
<tr>
<th>Scope</th>
<th>Reduce CoHCs</th>
<th>Preference for Safer Alternatives</th>
<th>Publicly Available (provide web link)</th>
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<tbody>
<tr>
<td>Products</td>
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<td>Manufacturing</td>
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Elements of More Comprehensive Policies

- Active and ongoing evaluation of ingredients
- Details on applicability, scope, and actions to be taken
- Purchasing, product stewardship
- Preference for safer alternatives is specified
HP materials and chemical management policy

As part of our commitment to environmental leadership, we are dedicated to reducing the environmental and human health impacts of materials and chemicals throughout our supply chain.

Model Chemicals Policy for Brands and Manufacturers

• Built from EDF’s template for retailers
• Includes 6 elements:
  – Intent
  – Scope
  – Supply Chain Transparency
  – Safer Chemistry
  – Informed Consumers
  – Public Commitment

https://www.bizngo.org/safer-chemicals/corporate-policies
M2. Is reducing CoHCs and/or advancing safer alternatives beyond regulatory requirements integrated into your company’s business strategy?

M4. What means of accountability does your company have in place to ensure implementation of your chemicals policy?
M2: Integration in Business Strategy

a. We screen for CoHCs in product design and/or procurement.
b. We have a list of safer chemicals or safer materials that are preferred in product design and/or procurement.
c. We avoid the use of CoHCs in our manufacturing processes.
d. We do not manufacture products.
e. Our company highlights the use of safer chemicals and materials in its product marketing.
f. None of the above.

New: Change from short answer to multiple choice
Example: NIKE

https://about.nike.com/pages/chemistry-restricted-substances-list
M2. Is reducing CoHCs and/or advancing safer alternatives beyond regulatory requirements integrated into your company’s business strategy?

M4. What means of accountability does your company have in place to ensure implementation of your chemicals policy?
Key Elements of Accountability

- Explicit support
- Metrics
- Regular reporting
- Cross-functional teams
- Active engagement and questioning
Chemical Inventory
Why focus on Chemical Inventory?
CHEMICAL INVENTORY INDICATORS (30 points)

**Restricted Substances**
I1. What is the scope of chemicals you restrict?
I2. How do you ensure requirements are up-to-date & implemented effectively?

**Data collection**
I3. What data do you request from suppliers?
I4. For what % of products do you collect full chemical ingredient info?

**Data Management & Conformance**
I5. What capabilities do you have for managing data?
I6. How do you ensure conformance with your chemicals requirements?
Restricted Substances List (RSL): A list of chemicals restricted by a company in products, parts, or components from its suppliers.

Manufacturing Restricted Substances List (MRSL): A list of chemicals banned from intentional use in facilities that process materials, components and/or products.

Watch List: A list of chemicals of concern that a company does not currently prohibit, but is considering prohibiting in the future due to scientific evidence that a chemical may cause harm to human health or the environment.
I1: What is the scope of chemicals of concern that you restrict in your products and manufacturing processes?

- **Restricted Substances List**
  - legal compliance only
  - strictest standard across jurisdictions where company operates
  - strictest standard worldwide
  - voluntary limits beyond strictest regulations

- **List of chemicals identified for reduction:** may or may not be required

- **Manufacturing RSL** (covers process chemistry)
I2: What actions does your company take to assure that its list of restricted substances beyond compliance is current and implemented effectively?

a. delineates requirements for complying with RSL/MRSL in supplier contracts
b. trains suppliers about how to comply with RSL/MRSL
c. updates RSL/MRSL at minimum on an annual basis
d. engages external stakeholders such as non-governmental organizations (NGOs), business customers, and consumers in the development of RSL/MRSL.
e. publicly discloses RSL/MRSL (provide web link)
I3: What chemical information does your company, either directly or through a respected third-party, collect from suppliers?

a. confirm RSL compliance
b. confirm RSL compliance + info on Watch List (1 – 50 chemicals)
c. confirm RSL compliance + info on Watch List (> 50 chemicals)
d. **request** full chemical ingredient information.
e. **require** full chemical ingredient information
14: For what percentage of products sold by your company do you collect full chemical ingredient information?

**Definition: Full Chemical Ingredient Information**

- **For formulated products:**
  100% of the intentionally added substances by mass and any likely impurities that are both a CoHC and present at 100 parts per million (ppm) or higher in the formulation.

- **For articles, at the level of homogeneous material:**
  95% of the intentionally added substances by mass and any likely impurities that are both a CoHC and present at 1,000 ppm or higher.
Footprint Measurement

- Chemical Inventory
- Public Disclosure
- Management Strategy
- Footprint Measurement

CFP Survey: 20 Questions, 100 pts
Why footprint measurement?

- Quantitative metric
- Key to internal and external communication
- Understand if/where chemicals of high concern are in products
- Identify opportunities for moving to safer alternatives
FOOTPRINT MEASUREMENT INDICATORS (30 points)

Measurement
F1. Setting goals for measuring CoHCs and measuring progress
F2. Measuring baseline chemical footprint
F3. Measuring reduced use of CoHCs

Safer alternatives
F4. Assessing the hazards of chemicals
F5. Encouraging the use of safer alternatives
Measurement: F1, F2, F3

F1. Setting goals for reducing CoHCs and measuring progress
F2. Measuring baseline chemical footprint
F3. Measuring reduced use of CoHCs

New: Option to report reduced use in absence of footprint calculation
Chemical Footprint:
the total mass of chemicals of high concern (CoHCs) in products sold by a company, used in its manufacturing operations, its facilities and by its suppliers, and contained in packaging.
Footprint Measurement Options

• Report mass and/or count of CoHCs
• Two reference list options:
  – Full list: CFP CoHC 2018 List (>2,200 chemicals & chemical groups)
  – Subset of full list: EU REACH Candidate SVHC List (191 chemicals)
Chemicals of High Concern

CFP CoHC definition
(# of chemicals unknown)

CFP CoHC Reference List
(> 2,200 chemicals & chemical groups)

European Union Substances of Very High Concern List
(191 chemicals)
Footprint challenges

• New metric
• Depends on robust inventory
• On ramp option designed to enable more companies to calculate
F4, F5: Safer alternatives

F4 How does your company assess the hazards of chemicals in its products?
- Internal or supplier assessment
- New: Percent of products assessed

F5 How does your company encourage the use of safer alternatives?
Public Disclosure and Verification
DISCLOSURE & VERIFICATION INDICATORS  (20 points)

Public Disclosure
D1. Chemicals in products (8 points)
D2. CFP Survey responses (3 points)
D3. CFP Survey score (5 points)

Verification
D4. Third party verification of responses (4 points)
D1: Chemical ingredient disclosure

- Report disclosure by percent of sales
- Formulated products
  - Chemical identity beyond legal requirements
  - All intentionally added chemicals
- Articles
  - Generic material content for 95% by mass
  - Chemical identity for 95% by mass
D2, D3: Public disclosure of CFP Participation

- Anonymously Participate
- Acknowledge Participation
- Share Survey Responses & Links to Public Documents
- Share Survey Score

D2: 3 points
D3: 5 points

Change from 2017

New: Links to Public Documents
D4. 3rd Party Verification

Points depend on number of responses verified

Verification Guidelines

- Quality control
- Sufficient & appropriate evidence
- Report
- Independence

- Competence & ethics
- Subject matter
- Criteria
CFP Verifiers

Pure Strategies
https://purestrategies.com/

SAHTECH *(New)*
http://www.sahtech.org/

WAP Sustainability Consulting
http://www.wapsustainability.com/
Options for getting started

• Use Survey as a self-assessment tool
• Participate anonymously
• Calculate footprint for one or a few product categories
• Use the shorter chemicals of high concern reference list (EU SVHC)
Schedule

- Nov 2018: Guidance Document released
- Dec 4 – 5, 2018: BizNGO Annual Meeting, Berkeley
- Jan 2, 2019: Survey opens
- Jan – Feb, 2019: CFP webinar & classes
- Mar 31, 2019: Survey closes
- Q3 2019: Scores reported & Annual Report released
Questions:

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