Public Disclosure & Verification Webinar
February 6, 2020
Chemical Footprint Project (CFP) Survey Webinar Series

- January 16: Management Strategy
- January 23: Chemical Inventory
- January 30: Footprint Measurement
- February 6: Public Disclosure & Verification

All webinars: 1:00pm - 2:00pm EST

Survey open: February 3 – April 30
Zoom Webinar: Q&A
Clean Production Action
Solutions for a safer & healthier tomorrow
Today’s Webinar

- Introduction to the CFP Survey
- Public Disclosure & Verification
  - D1: Disclosure of chemicals in products
  - D2 & D3: Disclosure of CFP responses & scores
  - D4: Verification of CFP responses
- Q&A
THE CFP SURVEY

19 questions leading companies to environmentally sound chemicals management — a holistic framework necessary for systemic solutions
JOIN THE CHEMICAL FOOTPRINT PROJECT AND MOVE BEYOND COMPLIANCE

ENGAGE
investors in market opportunities & reduced risks

MEASURE
& reduce your chemical footprint

MEET
customer demand for transparency & safer products

SHARE
your journey to safer chemicals & clean production
Investor Environmental Health Network (IEHN) members engaged 46 companies in CFP including Dollar Tree, Hasbro, & Target

Mind the Store campaign to eliminate toxics in retail, gives points in its Retailer Report Card to companies participating in CFP

Vizient, with over $100 billion in health care related purchasing volume, invited all its awarded suppliers to participate in the CFP 2019 Survey

Walmart is engaging private and national brand suppliers in meeting its goal of a reduced chemical footprint by 10% by 2022

The Environmental Defense Fund’s (EDF’s) new Supply Chain Solutions Center features resources to support chemicals management
Signatories are:

- Investors with $2.78 trillion in assets under management (AUM)
- Health care systems, group purchasing organizations, & retailers with over $700 billion in purchasing power

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 include …

- CVS Health, Rite Aid, Staples, Target & Walmart
- Dignity Health, Kaiser Permanente, & Vizient
Participants in 2019 Survey

- **Apparel / Textiles:** Levi Strauss & Co., Standard Textile
- **Building / Furnishings:** Herman Miller, Miliken, Naturepedic, Nora Systems, Steelcase
- **Cleaning / Personal Care:** Beautycounter, Clorox, Diversey, Ecolab, GOJO, Kimberly-Clark Corporation, Meliora Cleaning Products, RB, Seventh Generation
- **Medical devices/supplies:** BD, Case Medical, J&J, Philips, Steris
- **Technology:** HP Inc., Xerox
- **Retail:** Dollar Tree, Target, Walmart
- **Toys:** Hasbro, Radio Flyer

3 additional companies chose to remain anonymous.

Companies in orange participated for the first time in 2019.
Continuous Improvement

67% Returning companies: 2018 data

53% Returning companies: 1st year data

FIGURE 1. CFP Survey results, returning companies: first year data versus 2018 data. Percent of total possible points.
New Platform in 2020

• Scaled program to the Toxnot software platform this year
• Continued high security
• Confidential data: Toxnot serves as a platform with no access to content, similar to Box
• Improved user experience
• Returning responders: For 2019 responses or earlier, contact Cheri Peele
Public Disclosure and Verification

- Chemical Inventory
- Management Strategy
- Footprint Measurement
- Public Disclosure
Why Public Disclosure & Verification?
Why disclose?

“FOUR OF THE WORLD’S LARGEST MONEY MANAGERS — BLACKROCK, VANGUARD, STATE STREET GLOBAL ADVISORS, AND FIDELITY INVESTMENTS — ALONG WITH CALSTRS, CALPERS, AND OTHER STATE PENSION FUNDS WANT BUSINESSES TO REPORT TO SASB STANDARDS.”
Why disclose?

**Consumer Demand for Personal Care Ingredient Information is on the Rise**

*Consumers consider ingredients when deciding what to buy.*

94% of surveyed Americans who buy personal care products believe it is at least somewhat important to consider the ingredients when deciding which products to buy.
PUBLIC DISCLOSURE & VERIFICATION INDICATORS (20 points)

Public Disclosure of Chemical Ingredients
D1. Chemicals in products (8 points)

Public Disclosure of CFP Participation
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
D1. What information does your company disclose about the chemical ingredients in its products?

Chemical identity beyond legal requirements for percentage of sales at the SKU level.

Example: Ecolab
D1. What information does your company disclose about the chemical ingredients in its products?

All intentionally added chemicals including fragrances, flavors, and preservatives in products for percentage of sales at the SKU level.

Example: Seventh Generation

**Auto Dish Packs**

**Ingredients:** Sodium carbonate (mineral-based cleaning agent), citric acid (plant-derived cleaning enhancer), ppg-10-laureth-7 (plant-modified synthetic derived cleaning enhancer), sodium magnesium silicate (mineral-based anti-spotting agent), sodium carbonate (mineral-based cleaning agent).

*Fragranced with plant-based essential oils and botanical extracts*

**Lemon:** Citrus Grandis (grapefruit) peel oil, citrus limon (lemon) peel oil, cymbopogon citratus (lemon grass) leaf oil.
D1. What information does your company disclose about the chemical ingredients in its products?

Generic material content for 95% by mass of chemicals in products for percentage of sales or spend at the SKU level.

Example: Construction Specialties

2.02 Materials

A. Aluminum - ASTM B 221, alloys 6063-T5, 6063-T6 for extrusions.
B. Architectural Bronze - ASTM B 455, copper/zinc alloy C38500 for extrusions.
C. Regrind PETG/Polyurethane extrusion.
D. Flexible TPE extrusions.
D1. What information does your company disclose about the chemical ingredients in its products?

Chemical identity for 95% by mass of chemicals in products for ___ percentage of sales or spend

Example:
Interface

<table>
<thead>
<tr>
<th>Material Content of the Product</th>
</tr>
</thead>
<tbody>
<tr>
<td>Layer</td>
</tr>
<tr>
<td>Wear Layer</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Carrier</td>
</tr>
</tbody>
</table>

99% of products globally have an Environmental Product Declaration.
D1. What information does your company disclose about the chemical ingredients in its products?

<table>
<thead>
<tr>
<th>Scoring</th>
<th>Formulated Products only</th>
<th>Articles Only</th>
<th>Both Formulated Products &amp; Articles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chemical identity beyond legal requirements for ____ percentage of sales at the SKU level</td>
<td>4 * %</td>
<td></td>
<td>2 * %</td>
</tr>
<tr>
<td>All intentionally added chemicals including fragrances, flavors, and preservatives in products for ____ percentage of sales at the SKU level</td>
<td>8 * %</td>
<td></td>
<td>4 * %</td>
</tr>
<tr>
<td>Generic material content for 95% by mass of chemicals in products for ____ percentage of sales or spend at the SKU level</td>
<td></td>
<td>4 * %</td>
<td>2 * %</td>
</tr>
<tr>
<td>Chemical identity for 95% by mass of chemicals in products for ____ percentage of sales or spend (e.g., Health Product Declaration)</td>
<td></td>
<td>8 * %</td>
<td>4 * %</td>
</tr>
</tbody>
</table>
D2, D3: Public disclosure of CFP Participation

- **D2**: 3 points
  - Anonymously Participate

- **D3**: 5 points
  - Share Survey Responses & Links to Public Documents
  - Share Survey Score

- **Pre-question 5**: 0 points
Pre-question 3: Public disclosure of CFP Participation (0 points)

**WHAT’S A CFP RESPONDER?**

Responders are brands, retailers, & manufacturers that responded to the 2019 Survey, & include:* Apparel & Textiles: Levi Strauss & Co.; Standard Textile. Building Products & Furnishings: Herman Miller, Inc.; Milliken & Company; Naturepedic; nora systems, Inc.; Steelcase. Household & Personal Products: Beautycounter; The Clorox Company; Diversey, Inc.; Ecolab Inc.; GOJO Industries; Johnson & Johnson (also sells medical equipment); Kimberly-Clark Corporation; Meliora Cleaning Products; Reckitt Benckiser Group plc (RB); Seventh Generation. Medical Equipment & Supplies: Becton Dickinson and Co. (BD); Case Medical, Inc.; Philips; Steris PLC. Technology: HP Inc.; Xerox Corporation. Retail: Dollar Tree; Target Corporation; Walmart Inc. Toys: Hasbro, Inc.; Radio Flyer.

*Three additional companies responded to the Survey, but chose to remain anonymous.*
D2. Does your company agree to publicly disclose its responses to the CFP survey? (3 points)

a. Yes
b. No
D2. Does your company agree to publicly disclose its responses to the CFP survey?

If “yes,” multiple choice response options, plus web links provided for:

M1: Chemicals management policy
I2: Restricted substances list (RSL) and/or manufacturing RSL
F1: Hazard reduction goal & progress toward goal
F5: Definition of safer chemical
D1: Chemical ingredients in products
D2. Does your company agree to publicly disclose its responses to the CFP survey?

<table>
<thead>
<tr>
<th>Responder</th>
<th>2018</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beautycounter*</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Becton Dickinson (BD)*</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Case Medical*</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Clorox Company</td>
<td>✓</td>
<td></td>
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<tr>
<td>Diversey</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
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<tr>
<td>Dollar Tree</td>
<td>✓</td>
<td></td>
<td></td>
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<tr>
<td>Ecolab</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>GOJO Industries*</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

[https://www.chemicalfootprint.org/results/companies](https://www.chemicalfootprint.org/results/companies)
D2. Does your company agree to publicly disclose its responses to the CFP survey?

Example: Herman Miller

M1. Does your company have a chemicals policy that aims to avoid chemicals of high concern (CoHCs) and includes a stated preference for the use of safer alternatives?

<table>
<thead>
<tr>
<th>Response options</th>
<th>Response options selected</th>
<th>If publicly available, provide web link</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Chemicals policy:</strong></td>
<td><a href="https://www.hermanmiller.com/our-values/environmental-advocacy/design-for-the-environment/">https://www.hermanmiller.com/our-values/environmental-advocacy/design-for-the-environment/</a></td>
<td></td>
</tr>
</tbody>
</table>

**Design for the Environment**

As Herman Miller continues its “Journey toward Sustainability,” designing our products with consideration for their environmental impact remains a central corporate strategy. Our long-term emphasis on product durability, innovation, and quality demonstrates that our company has effectively designed for the environment for decades. (As proof, one need only consider the many classic Herman Miller products)

Note: Documentation, other than web links, not included in disclosure.
D3. Does your company agree to publicly disclose its CFP survey score? (5 points)

a. Yes
b. No
D3. Does your company agree to publicly disclose its CFP survey score?

Example: Walmart

| D2. Does your company agree to publicly disclose its responses to the CFP Survey? | Yes |
| D3. Does your company agree to publicly disclose its score on the CFP website? | Yes |
| **Total Score:** | 54 |
Disclosure Leaders

CFP 2019 Disclosure Leaders

Ten companies are this year's CFP disclosure leaders because they agreed to publicly disclose both their answers to the 19 questions in the CFP Survey as well as their overall final score in the 2019 Survey. Nine of the disclosure leaders are returning companies, with Steris PLC being the only first-time participant in the Survey to release both their answers and score.

The ten companies are a mix of sizes and business sectors. Click on the company name to view their public disclosures:

**Small enterprises**
- Beautycounter
- Case Medical, Inc.
- Naturepedic
- Seventh Generation

**Medium enterprises**
- Herman Miller, Inc.
- Levi Strauss & Co.
- Steris PLC

**Large enterprises**
- Becton Dickinson and Co. (BD)
- HP Inc.
- Walmart Inc.

Congratulations to all CFP Disclosure Leaders!

https://www.chemicalfootprint.org/results/disclosure-leaders
Increase in Disclosure
Leadership examples

- Companies asked individually for permission to use, review draft
- Featured in:
  - Annual report
  - Guidance document
  - Webinars
Leadership examples

Building consumer trust and brand strength through footprinting

Seventh Generation believes in protecting the health of the next seven generations. We believe business value, including consumer trust and loyalty, comes from greater transparency and addressing chemicals of concern. Our aspirations to “enhance health” and “nurture nature” begin with chemical transparency across the supply chain and have progressed through seeking safer alternatives to ingredients in long-standing use in the industry that many consider to be chemicals of concern.

Seventh Generation has published 2020 goals that include removal of any non-preferred materials and details our journey to eliminate chronic toxics in our 2022 Sustainability Report. We work closely with suppliers to ensure ingredients and finished products meet our stringent ingredient and quality standards. We follow up with authenticity testing of both ingredients and finished products.

When unexpected chemicals are detected, for example, due to cross-contamination, we research the cause and aspire to be transparent with stakeholders about the findings and solution. We disclose all intentionally added ingredients for all products to the consumer, including the presence of fragrance allergens.

We have steadily improved our score in the CFP Survey over three years as we made continuous improvements to our chemicals management and hazard reduction. In 2019, we received 96 out of 100 points, the highest CFP Survey score by any company to date. We also eliminated all of the chemicals on the CFP Chemicals of High Concern List as ingredients from our products, reducing the chemical footprint of our product portfolio to zero.

Beyond our products, Seventh Generation is deeply involved in advocating for stricter chemicals management and reporting, both at the federal and state level, and has worked tirelessly in devising the home care industry toward ingredient disclosure. In 2017, Seventh Generation played a critical role in the passing of California’s Cleaning Product Right to Know Act, which requires the disclosure of ingredients in cleaning products sold in the state.

We are a member company of the Beauty and Personal Care Leadership Group, where representatives from across the beauty and personal products supply chain are working together to develop a common assessment tool for evaluating the sustainability of beauty and personal care products, with the goal of simplifying and aligning the wide array of product assessment criteria in use today.

Our commitments to developing safe and effective products and to building trust through transparency have been the foundation of our success. We believe consumers have the right to know what’s in the products they buy, and to trust the companies they are supporting. This resonates with consumers: when they understand our mission and practices, they are twice as likely to be loyal to our business.

Martin Wolf, Director of Sustainability & Authenticity

We eliminated all of the chemicals on the CFP Chemicals of High Concern List (CoHCS) as ingredients from our products, reducing the chemical footprint of our product portfolio to zero.
D4. Have any of your company’s responses to the questions in the survey been verified by an independent third party? (4 points)

Our company’s response options have been verified by an independent third party for:

a. none to one of our response options.
b. two to four of our response options.
c. at least eight of our response options.
d. at least twelve of our response options.
e. all response options except D2, D3, and D4.

Points

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<table>
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<td>1</td>
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<td>2</td>
<td></td>
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<td>3</td>
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<td>4</td>
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</tbody>
</table>
D4. Have any of your company’s responses to the questions in the survey been verified by an independent third party?

Points depend on number of responses verified

Verification Guidelines

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

• Competence & ethics
• Subject matter
• Criteria
CFP Certified Verifiers

Pure Strategies (US)
https://purestrategies.com/

SAHTECH (Taiwan)
http://www.sahtech.org/

WAP Sustainability Consulting (US)
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 2020

- Jan – Feb 2020  CFP webinar series
- Feb 2 – Apr 30, 2020  CFP Survey open
- May – Sept 2020  Scoring & Analysis
- October 2020  Scores reported to companies

2020 Annual Report release
Questions:

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Clean Production Action
cheri@cleanproduction.org