

GC3 Retailer Webinar Series

April 30, 2014

The Coop Story: How a leading Danish Retailer is working to eliminate endocrine disrupting chemicals from its products



What is the GC3?

A cross sectoral, B-2-B network of more than 70 companies and other organizations formed in 2005 with a mission to promote green chemistry and design for environment (DfE), nationally and internationally



- Due to the number of participants on the Webinar, all lines will be muted
- If you wish to ask a question or make a comment, please type in the Q&A box located in the drop down control panel at the top of the screen
- Questions will be answered at the end of the presentation
- There will be a short survey at the end of the webinar.
 Please give us your feedback!



The Coop Story: How a leading Danish Retailer is working to eliminate endocrine disrupting chemicals from its products

Speaker: Malene Teller Blume, Compliance Manager, Coop



Coop Denmark's action to phase out endocrine disrupting chemicals from daily consumer products

Malene Teller Blume
Compliance Manager Nonfood











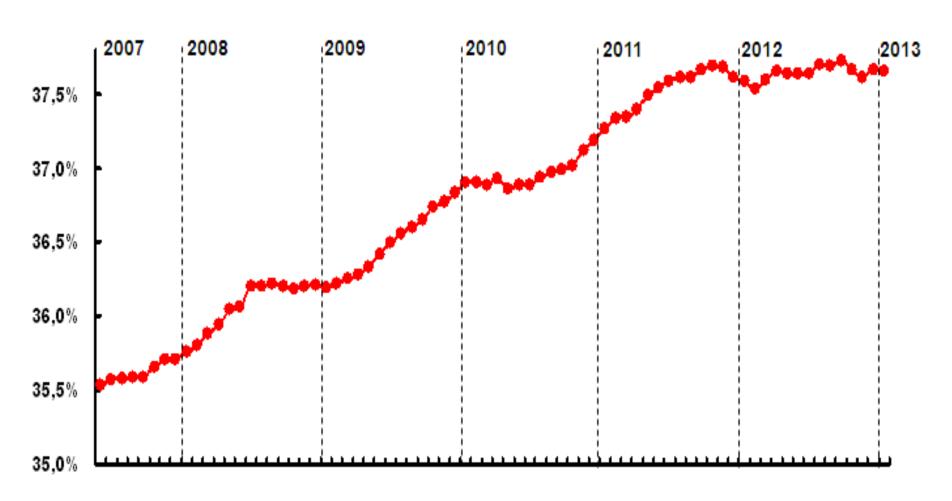
Coop DK is Denmark's largest retailer of fast moving consumer goods

Coop has approximately 35,000 employees in total

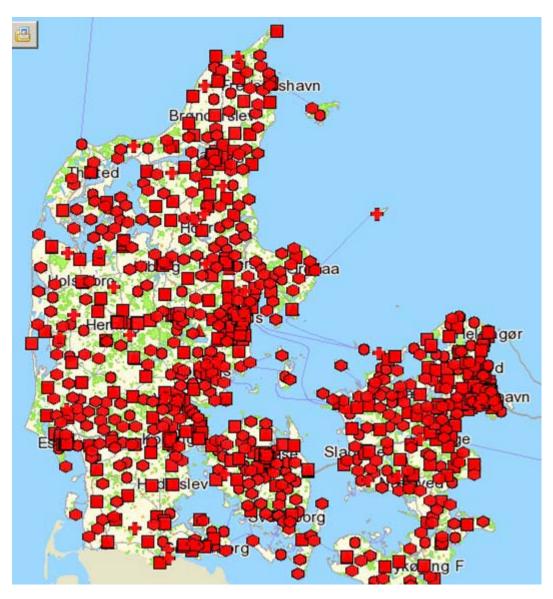
Coop Danmark A/S is owned by more than 1,2 million members (the Danish population is approx. 5.5 million)



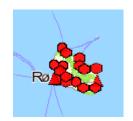
Coop Danmark A/S Market Share







Coop hypermarkets, supermarkets and discount stores cover the entire country





Kvickly



Dagli' Brugsen









Vision

We want to be the best and most responsible place to shop and work

Business Idea

Through active, committed employees, we will offer members and customers a wide variety of goods with the efficiency, price, quality, service and consideration that will make our offering competitive



Private labels help differentiate Coop from our competitors

Private brands within food, personal care, household and pet food



Änglamark are environmentally friendly, allergy friendly and organic products





Coop are goods of high quality which give "value for money"





X-tra is Coop's price fighter series which offer good products for low prices







Coop quality requirements make the difference

Coop's specific quality requirements for private label are developed, required and executed on Nordic basic.

The aims are:

- To secure highest level of safety for consumer and environment
- •To maintain role as a first mover in the market
- •Give the consumer opportunity to make a responsible choice
- Cover ALL private label (including discount range)
- Reputation: Protect our private label and goodwill



Aim: higher consumer safety for chemicals

Arguments for implementing a new quality requirement:

- Risk assessment and possibility for safe substitution
- Use of precautionary principle
- When the legislation is imprecise (or too slow)
- •Based on scientific evidence (EU Commission opinion SCCS, recommendation/reports from authorities)
- Consumer concern info from NGOs
- Accepted and adopted in all Nordic Coops



Cosmetics: First mover

In 2006 new quality requirement was adopted for all Coop Nordic countries:

No endocrine-disrupting substances

1. "Products shall not contain **Endocrine Disrupters** according to EU's priority list (Category 1, 2 and 3) of Endocrine Disrupters.

http://ec.europa.eu/environment/archives/docum/pdf/bkh_annex_01.pdf

- 2. Personal care products shall not contain alcohol denatured and perfume with **phthalate compounds**.
- 3. Cosmetics shall not contain any parabens and BHA.



17 hormone disrupters in cosmetics

17 HORMONFORSTYRRENDE STOFFER I KOSMETIK 4,4'Dihydroxy-biphenyl (DIHYDROXYBIPHENYL) Ethylparaben Propylparaben Butylparaben Methylparaben Cyclotetrasiloxane HYDROXYCINNAMIC ACID Boric Acid BHA eller tert. Butylhydroxyanisol Diethyl phthalate (DEP) Resorcinol Ethylhexyl methoxycinnamate eller Octyl methoxycinnamate 4,4'-Dihydroxy-benzophenone 4-METHYLBENZYLIDENE CAMPHOR Benzophenone-2 Benzophenone-1 3-Benzylidene camphor

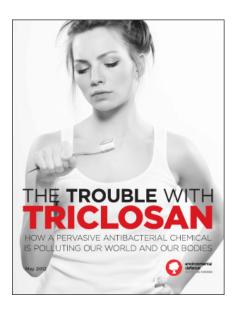


Triclosan

All products – also branded goods: Since 2005:

No use of antibacterial ingredients

Personal care products shall not contain substances with an antibacterial or bacteriostatic effect (i.e., **triclosan**, benzalkoniumchloride, silver and cationic tensides such as f.ex. dialkyl dimethyl ammonium chloride).







Special labelling for toothpaste from March 2013

No use of antibacterial substances: For all products – also famous brand.

Only 1 exemption in Coop's shops

March 2013: Label informing: "Containing Triclosan, only to prevent paradentose"





PVC and phthalates

All packaging since 2001:





Total PVC ban

Including food packaging and plastic wrap (Saran)







PVC and phthalates

From 2008 starting ban of PVC and phthalates in nonfood products (also branded goods)











- home textile
- Stationery
- Furniture
- Bicycles
- Fitness equipment
- Cookware, tableware and kitchenware













2014: Phthalates in bad standing

4 phthalates will be totally banned in Denmark in 2015

REACH: The 4P will in spring 2015 be covered by demand of authorisation (ban in production within the EU). But will NOT cover imported articles.

Substance	CAS no No.	EU REACH Annex XVII	EU REACH Candidate List	Denmark
Di-octylphthalate (DNOP)	117-84-0	Х		
Di-isononylphthalate (DINP)	28553-12-0	Х		
Di-isodecylphthalate (DIDP)	26761-40-0	Х		
Bis-(2-ethylhexyl)phthalate (DEHP)	117-81-7	X	Х	Х
Benzylbutylphthalate (BBP)	85-68-7	X	X	Х
Dibutylphthalate (DBP)	84-74-2		Х	Х
Diisobutyl phthalate (DIBP)	84-69-5		Х	Х
1,2-Benzenedicarboxylic acid, di-C6-8-branched alkyl esters, C7-rich (DIHP)	71888-89-6		Х	
1,2-Benzenedicarboxylic acid, di-C7-11- branched and linear alkyl esters (DHNUP)	68515-42-4		Х	
Bis(2-methoxyethyl) phthalate (DMEP)	117-82-8		X	
N-pentyl-isopentyl phthalate (NPIPP)	776297-69-9		Х	
1,2-Benzenedicarboxylic acid, dipentylester, branched and linear (C5-Phthalate)	84777-06-0		Х	
Diisopentylphthalate (DIPP)	605-50-5		Х	
Dipentyl phthalate (DPP or DnPP)	131-18-0		Х	
Dihexyl phthalate (DnHP)	84-75-3		X	



NPEO + APEO: Major risk: "There is a monster in your closet

	No. ot samples	NPEs	Phthalates	Organotins	PFCs	Antimony
adldas	11	5/11	6/6 ******	2/4	3/3 TTT	10/10
GB) American Apparel	4	3/4	1/1	0/0	0/0	1/1
BURBERRY	9	6/9	1/1	0/0	2/2 T T	1/1
CA	7	3/7	4/4 ****	0/2	1/1	1/1
Dieneh	5	4/5	3/3	0/3 TTT	1/1	2/2 **
GAP	11	4/11	5/7	0/7 ************************************	0/0	2/2 **
H:M	7	6/7	4/4	1/2	2/2	3/3
LI-NING	4	3/4	2/2 ***	0/2	0/0	2/2 **
MIKE	9	5/9	3/3 TTT	0/4	2/2 T T	5/5
PRIMARK*	6	5/6	2/2 ***	0/2	2/2 T T	3/3
Puma	6	5/6 ******	1/1	3/4	1/1	3/3 TTT
UNI	3	1/3	1/1	0/2 11 11	1/1	3/3 TTT



Meet the monsters in my cLoset



(PFCs)

(NPEs/NPs)



Per- and poly-fluorinated chemicals

Per- and poly-fluorinated chemicals (PFCs) are used

including textile and leather products, due to their

chemical properties such as their ability to repel both

water and oil. Ionic PFCs such as PFOS and PFOA

and during adulthood, in part due to their hormone

system and the immune system, as well as being potentially carcinogenic in animal tests.

can cause adverse impacts both during development

Nonylphenol ethoxylates/Nonylphenols

in many industrial processes and consumer products,







Phthalates are mainly used as plasticis in plastics, especially PVC. They are o human tissues, with reports of significa intake in children. There are substantia the toxicity of phthalates to wildlife and particular their hormone-disrupting eff DEHP, one of the most widely used to toxic to reproductive development in r of interfering with development of repr disrupting properties, with impacts on the reproductive males and affecting reproductive suc-

Antimony

Antimony shows many similarities in it toxicity to arsenic . Trivalent antimony, in antimony trioxide, is a more toxic for



Textiles often contain EDC

From 2011 ban use of endocrine disrupters in washing agent:

Nonylphenol ethoxylate

APEO (NPEO + OPEO) 100 mg/kg (total)

AP (NP + OP) 50 mg/kg (total)







Baby bottles and BPA

Coop substitutes BPA in all baby bottles in 2009

When authorities ask all retailers in DK to a voluntary agreement to phase out

Coop already was ready with BPA-free bottles in our shops







The consumers support us

MI Case and Huggies wipes

Methylisothiazolinone (MI) extremely allergenic preservative – allergy cases double in few years (from 2-4%)

MI never allowed in Coop's private label (early warning ©)

Jan 2014: Baby: total ban - also for branded goods Sales figures in the coming months surprises ©

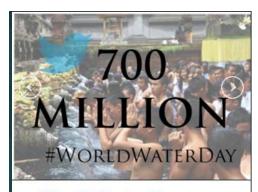






March 2014: Coop stops selling pesticides





#WorldWaterDay reaches 700 million people

This is amazing: 700 million people potentially saw your posts on World Water Day. How do we know? We decided to track the hashtag #WorldWaterDay and 700 million is the number that came up. This is th

More INfowe >

2006: Ban of the most harmful (but legal) pesticides

2008: Only allowed to sell "ready-touse" pesticides

2013: Last season Coop bought pesticides

2014: Total ban. 10.000 bottles are destroyed. Press release. Very good response from NGO, customers and authorities.





Government controlled ecolabels are extremely popular in <u>DK</u>

Products with ecolabel Swan or EU Flower gives consumer security an easy choice. Criteria is devolped for more than 60 product categories.

Ecolabelled products have a very high market share in several categories. Examples are:

- paper, tissue, detergent, cleaning, baby products and personal care.
- •Find them here, also in english: http://www.nordic-ecolabel.org/criteria/product-groups/?p=1







2005 start: Änglamark – Coop's private label Today: More than 600 products

More than 94% of consumers have detailed knowledge of the Änglamark brand





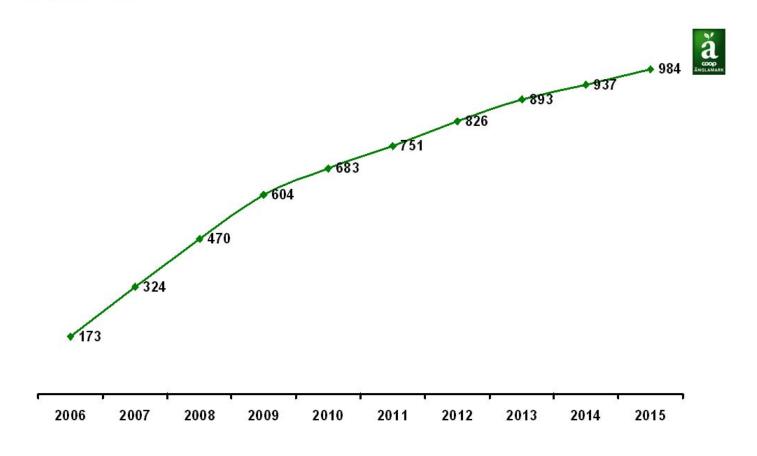




Turnover and target

Salget af egne varemærker – Änglamark

Millioner kroner





Coop's own responsible brand best selling

Sun protection:

- 1. Änglamark factor 15
- 2. Änglamark factor 30 lotion
- 3. Änglamark factor 30 spray







Market for "white" and "green" products extremely high in <u>DK</u>

All big retailers in Denmark have their own "white" and "green" private label for personal care

GRØN BALANCE

Dusch

Bodylotion

Håndcreme

00

Deo roll on

GRÓN

Balsam

0









Business perspective

- Mainly positive experience for phasing out hormone disrupters – the market has still big potential
- Also a commercial success
- •BUT: Coop must be much better to inform our costumers of our responsible policy and safe products.

We want our responsibility approach to give us higher loyalty



Business challenges

How much must a responsible policy cost?

Are the consumers always with us?

Can the consumer take the the right choice?

Is it better that the retailer does it for you?



Chemical challenges in Asia

All the other chemicals:

Like SVHC (151 substances)

Really complicated in articles (products).

Are the production countries ready to take more responsibility?

Substitution is very challenging



Thank you for your attention!

Questions?



Upcoming Events

http://www.greenchemistryandcommerce.org/





Please complete short survey

THANK YOU!