



Statement on Chemical Innovation Priorities and Transparency Road Map

MAY 2019

Retailers play a key role in the supply chain as the interface between product manufacturers, brands, and customers. They face challenges in gathering information about chemicals in the products they source and sell, determining whether ingredients are of potential concern to human health and the environment and, if so, finding safer alternatives that are effective, affordable, and meet customer demand.

Understanding the unique role of retailers in the chemical supply chain, the GC3 created the Retailer Leadership Council (RLC) in December 2013. Its mission is to: **promote safer chemicals, materials and products across retail supply and value chains.** Current members of the RLC include Amazon, Best Buy, CVS Health, Home Depot, Kingfisher Plc, Lowe's, Staples, Target, and Walmart. Each of the participating retailers has its own approach to improve the sustainability of its product assortment through safer chemistry. RLC members share a commitment to having an open dialogue to promote green chemistry research, development, education, adoption and scale-up.

From 2014–2016, the RLC engaged in a structured dialogue, facilitated by the GC3, with five major chemical manufacturers: Akzo Nobel, BASF, Chemours, Dow, and Eastman. The RLC requested this dialogue to share information about the demand signals for safer products that they were hearing from their

customers and to understand from these chemical manufacturers how to accelerate the development and scale up of green chemistry solutions and increase transparency in the value chain. This dialogue resulted in the publication in 2016 of the **Joint Statement on using Green Chemistry and Safer Alternatives to Advance Sustainable Products**, which was signed by all eleven participating companies.* Since that time, each participating company has been working to implement the five elements of the Statement, which include: goal setting and continuous improvement, communication, transparency, information on new chemicals and safer alternatives, and support for green chemistry education. The signers of the Joint Statement encourage any company that is part of the chemical supply chain to use the Joint Statement as a framework to enhance its chemicals management program.

The RLC created this **Statement on Chemical Innovation Priorities and Transparency Road Map** to help execute several key elements of the Joint Statement, including goal setting and transparency. Although each participating retailer has a different product assortment and therefore a different set of priorities for safer chemistry, the RLC has now collectively identified a set of chemical and application priorities for innovation in safer alternatives. (See table on reverse.)

* Participating retailers at that time included: Best Buy, CVS Health, Home Depot, Staples, Target, and Walmart.

Chemical Innovation Priorities

| CHEMICAL FUNCTION | PRIORITY PRODUCT CATEGORIES The collective priority product categories for safer alternatives identified by the RLC are noted here and provide information on application needs for the chemical functions of concern. Each participating retailer will continue to set priorities based on its unique product assortment. | PRIORITY CHEMICAL CLASSES/CHEMICALS (These are noted with the understanding that chemicals within a class may pose differing levels of hazard.) |
|----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|
| Plasticizer | cleaning products, beauty and personal care products, office products, home improvement (e.g., flooring, sealants, paints, etc.), electronics (e.g., cords, cables), and textiles. | e.g., ortho phthalates |
| Water and stain repellent | food packaging, indoor and outdoor furniture, home improvement (e.g., paints and coatings), apparel and footwear, and carpeting. | e.g., perfluorinated and polyfluorinated chemicals |
| Flame retardant | indoor and outdoor furniture, textiles, electronics, and carpet. | e.g., halogenated and organophosphates |
| Preservative and anti-microbial | beauty and personal care products, cleaning products, baby products, office products, and electronics (e.g., keyboards, mouse). | e.g., parabens, formaldehyde donors e.g., antimicrobials such as triclosan, triclocarban |
| Surfactant | cleaning products and personal care products. | e.g., alkylphenol ethoxylates and their breakdown products |
| Solvent | paint and ink removers and graffiti removers. | e.g., solvents such as methylene chloride, NMP |

Transparency Road Map

In addition to aligning on a set of chemical priorities for innovation in safer alternatives, the GC3 Retailer Leadership Council has developed a Road Map to encourage improvements in supply chain and public transparency. **This Road Map does not seek to set out requirements or standards for suppliers.** Rather, it describes what the RLC views as best practices in the short-term (2019–20) and includes a longer-term vision that will need further development by all stakeholders. The RLC understands that legitimate confidential business information must be protected.³

| | | 2019–2020 | 2021–2022 | 2022+ |
|----------------------------------------------------------|----------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| B to B data sharing (supply chain to retailer) | Formulated Products¹ | <p>Comply with relevant labeling and ingredient disclosure regulations and requirements, plus:</p> <p>Disclose all intentionally added ingredients including components of generics such as fragrance and flavor</p> <p>Use threshold of 100 ppm in finished product. (except when regulations are more stringent)</p> <p>Note: CBI will be protected³</p> | | <p>2019–20 best practice, plus:</p> <p>No threshold—disclose all intentionally added ingredient components of formulated products</p> <p>Note: CBI will be protected³</p> |
| | Articles² | | Supply chain to work together to develop approach and determine best practices for collecting and sharing chemical ingredient information for articles in B to B context | Follow best practices for B to B data collection and sharing as determined in 2021–22 |
| B to C data sharing (retailer to public) | Formulated Products¹ | Comply with relevant labeling and ingredient disclosure regulations and requirements. | <p>2019–20 best practice, plus:</p> <p>Disclose all intentionally added ingredients, including components of generics such as fragrance and flavor</p> <p>Use threshold of 100 ppm in finished product. (except when regulations are more stringent)</p> <p>Note: CBI will be protected³</p> | <p>2021–2022 best practice, plus:</p> <p>No threshold—disclose all intentionally added ingredient components of formulated products. (This disclosure could be online or on label.)</p> <p>Note: CBI will be protected³</p> |
| | Articles² | | Supply chain to work together to develop approach and determine best practices for collecting and sharing chemical ingredient information for articles in B to C context. | Follow best practices for B to C data collection and sharing as determined in 2021–22 |

1 Formulated product is defined as: a preparation or mixture of chemical substances that can be gaseous, liquid, or solid (e.g., paints, liquid cleaning products, adhesives, coatings, cosmetics, detergents, dyes, inks, lubricants). Food products/medicines are excluded from this definition. In-scope products will vary by retailer, depending upon their company priorities and assortment.

2 Article is defined as: an object which during production is given a special shape, surface or design which determines its function to a greater degree than its chemical composition. https://echa.europa.eu/documents/10162/23036412/articles_en.pdf. In-scope products will vary by retailer, depending upon their company priorities and assortment.

3 It is understood that confidential business information must be protected and should be clearly identified by its owners. The Strategic Approach to International Chemicals Management (SAICM) notes that “information on chemicals relating to the health and safety of humans and the environment should not be regarded as confidential.” https://sustainabledevelopment.un.org/content/documents/SAICM_publication_ENG.pdf. Overarching Policy Strategy paragraph 15(c).