



## The Case for Chemical Transparency

Customers and business leaders are driving the trend to full chemical ingredient disclosure

**C**hemicals, the building blocks of products we use every day, deliver valuable functions. They capture grease to clean our dishes, make stains lift from clothes, and make our electrical cords flexible. However, some chemicals are also known to cause harm to humans and wildlife. Impacts can include cancer, reproductive impacts, hormone disruption, and skin sensitization among others. Vulnerable populations like pregnant women, children, and workers are particularly at risk. Increasingly consumers want to know what is in their products to ensure they are safe for themselves and their loved ones. Without knowing the full chemical makeup of their products, companies face financial and brand risk and potential loss of consumer confidence.<sup>1</sup>

### **Ingredient disclosure is a high public demand**

In a consumer survey sponsored by major chemical and formulated product companies, including DuPont and SC Johnson, 84% of respondents from developed countries and 88% of respondents from developing countries listed ingredient transparency as one of the most important issues companies should solve.<sup>2</sup>

A 2015 survey of 1,000 U.S. mothers found that 73% of those surveyed, “often do research to understand the safety of ingredients to which their family is exposed.”<sup>3</sup>

In a 2013 survey, consumers reported ingredient transparency as a “very important” or “important” factor in purchase decisions like food and beverage (82%), beauty and personal care (82%), and household products (82%).<sup>4</sup>

A 2015 Harris poll found that 60% of women in the United States report that they read labels on personal care products and avoid products that contain certain chemicals.<sup>5</sup>

### **Consumers buy from companies they trust, and transparency earns trust**

Product brands and manufacturers are at a crossroads. Many brands and manufacturers currently resist public pressure for ingredient disclosure if there are no regulations mandating them to do so. They view product ingredients as trade secrets and their disclosure as a financial risk. Other brands and manufacturers view product ingredient disclosure as a business opportunity with an entirely different set of risks for failing to disclose ingredients. These companies understand



that consumers buy from companies they trust and transparency earns this trust.

*Transparency is an essential ingredient in building credibility and trust with employees, stakeholders and customers alike.*

— MARKS AND SPENCER<sup>6</sup>

*More broadly, our R&D team is committed to driving more knowledge and transparency, internally and externally. As we make progress internally through programs like the Preferred Ingredient Calculator, which helps us better understand the sustainability of our formulas, we see that benefiting consumers externally through our product formulations and disclosures. Clorox has been a trusted household name for more than a century, and through programs like this, we plan to continue to earn that trust.*

— CLOROX<sup>7</sup>

### **Chemical intensive products such as cleaning products are a focus for full ingredient disclosure**

Chemical intensive products such as cosmetics, personal care and cleaning products are used ubiquitously in the home and workplace providing direct exposure to people on a daily basis. Chemical ingredients in some cleaning products are associated with allergic reactions, and chronic or long-term effects such as asthma, and reproductive harm, infertility and increased risk of cancer. The California Poison Control Center reports that cleaning products are among the top unintentional poisonings in the home underscoring the need for clear ingredient disclosure. From a workplace perspective janitorial workers experience one of the highest rates of occupational asthma, twice the rate than other workers.<sup>8</sup> And it is not only cleaners who may experience asthma from chemicals used in cleaning products: people in offices, schools, hospitals and restaurants can also be affected.

*The program has found that nearly 10% of all work-related asthma cases were caused by exposure to cleaning products. Most of these cases had new asthma that started only after they began work—the exposures caused their asthma. About one in five people (almost 20%) used cleaning products directly, such as janitors. The other 80% of workers attributed their asthma symptoms to cleaning products used nearby. Many workplaces, like schools, hospitals, and restaurants are places where everyone, including children, can be affected by cleaning products.*

— CALIFORNIA DEPARTMENT OF HEALTH. CLEANING PRODUCTS AND WORK RELATED ASTHMA<sup>9</sup>

Disclosing chemicals in products is foundational to advancing the development and use of safer chemicals yet brands may face resistance from their suppliers in disclosing their formulations. This has been particularly true for chemical

ingredient disclosure from fragrance manufacturers.

Fragrances can contain thousands of chemicals, some of which have been linked to human health and ecosystem harm, yet the safety of fragrance chemicals is not determined, monitored or safe-guarded by any governmental agency globally in any comprehensive fashion.<sup>10</sup> In response, company leaders have set clear requirements for full disclosure of fragrance ingredients.

### **Company leaders have set clear requirements for full disclosure of fragrance ingredients**

*We don't believe in keeping secrets. You have a right to know what goes into the products you use. That's why we take pride in clearly listing our ingredients on our product labels. ... Without being required to, we've championed ingredient disclosure for a long time, and we disclose our ingredients at the product level, down to the ingredients in our fragrances.*

— SEVENTH GENERATION<sup>11</sup>

Manufacturers are now voluntarily disclosing fragrance ingredients on a product-specific basis.

In 2013 Reckitt Benckiser announced that it would become the first major cleaning product company to disclose fragrance allergens in its U.S. products, a major step forward in breaking the secrecy around fragrance ingredients in household products.<sup>12</sup>

In 2014 Clorox announced that it would begin disclosing fragrance allergens in its cleaning and disinfecting products in the U.S. and Canada, becoming the second major cleaning product company to do so.

*Consumers are asking for this kind of information. They want to know what's in the products they use in their homes and around their families. We're continually looking for ways we can expand our transparency and meet consumer needs.*

— CLOROX<sup>13</sup>

SC Johnson & Son continues down their roadmap to product specific full ingredient disclosure:

*More and more, consumers want to know what's in the products they bring into their homes. SC Johnson has been a champion of transparency, introducing ingredient disclosure in 2009, sharing fragrance ingredients in 2012, and launching product-specific fragrance disclosure in 2015, sharing more than 99.9 percent of ingredients in most product formulas. In an industry first, SC Johnson today became the first major consumer packaged goods company to disclose 100 percent of fragrance ingredients in the Glade® Fresh Citrus Blossoms collection, down to the component level.*

— SC JOHNSON<sup>14</sup>



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The retailer Target has announced it will push for suppliers to disclose all of the ingredients in its products and fragrances over time, starting with beauty, baby, personal care and household cleaning goods by 2020.

*Target is committed to driving transparency, proactive chemical management and innovation across all of our owned and national brand consumer products, and operations.*

— TARGET<sup>15</sup>

Unilever U.S. announced it would begin to voluntarily expand its current product ingredient lists available through its download app SmartLabel™ to include the fragrance

ingredients in a product's formulation above 0.01% (100 parts per million) by the end of 2018.

*Transparency is fundamental to running a sustainable business. Through SmartLabel and What's in our Products, we are meeting the needs of our consumers who are increasingly mobile, online, and actively searching for products that are made responsibly and sustainably.*

— UNILEVER NORTH AMERICA<sup>16</sup>

### **Regulatory requirements for disclosure create a level playing field and promote innovation**

*Consumers and downstream users need access to information about chemicals in products throughout the supply chain to enable them to choose safer products, thereby incentivizing innovation toward safer alternatives.*

— DRIVING INNOVATION: HOW STRONGER LAWS HELP BRING SAFER CHEMICALS TO MARKET. CIEL<sup>17</sup>

### **Driving Transparency through Legislation**

Large institutional purchasers or retailers can demand full chemical ingredient disclosure from their supply chain, but smaller brands and companies do not have this leverage. Legislation requiring full disclosure of chemical ingredient information in cleaning products would level the playing field enabling all manufacturers to access the chemical ingredient information for product safety and performance as well as build trust among consumers.

Government regulations are essential to level the playing field and drive the market to innovation. Research conducted by the American Sustainable Business Council, which together with its membership represent more than 250,000 businesses and more than 325,000 business leaders across the United States, found that government regulations—especially by states—of product ingredients and chemicals management are a driving force behind change. In their report, Making the Business and Economic Case for Safer Chemistry, leading



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## ENDNOTES

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retailers such as Walmart, Target and Staples all report increased consumer demand for safer chemicals.<sup>18</sup>

A 2013 report by the Center for International Environmental Law<sup>19</sup> highlighted the value of chemical ingredient disclosure as a primary driver to safer chemicals innovation. Without disclosure many alternatives to hazardous chemicals have traditionally entered the market with a “startling lack of publicly-available information about their hazards.”

However significant barriers to disclosure include: 1) confidential business information—downstream users, especially small or mid-size manufacturers, do not have the chemical ingredient information from their suppliers or if they do they sign non-disclosure agreements to get it; 2) challenges of managing the data and reporting it out to the public; and 3) failure to see the benefits of full disclosure, including questions of what consumers will do with the information.

Large institutional purchasers or retailers such as Walmart<sup>20</sup> can demand full chemical ingredient disclosure from their supply chain, but smaller brands and companies do not have this leverage. This creates a competitive disadvantage for small and medium scale enterprises and prevents the desired trajectory towards innovation to safer chemicals. Legislation requiring full disclosure of chemical ingredient information in cleaning products would level the playing field, enabling all manufacturers to access the chemical ingredient information for product safety and performance as well as build trust among consumers and promote a healthier environment for the public and workforce.

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