## Who's Minding the Store? Retailer Report Card and the Chemical Footprint Project

## March 7, 2019









the chemical footprint project



Tell America's top retailers: We need you to step up on toxic chemicals!

### Take action



### Toxic paint strippers: Ace Hardware (finally) acts; Trump EPA stalls

On Monday, Ace Hardware Corporation became the 13th U.S. retailer to publicly commit to stop selling and distributing paint removers that contain the toxic chemicals methylene chloride and N-methylpyrrolidone (NMP).

Posted Feb 28, 2019



### Home improvement chain Menards joins the growing chorus of retailers banning dangerous paint strippers

Posted Feb 13, 2019



**Buyer beware:** dangerous paint strippers still sold at AutoZone and

### other stores

Posted Jan 25, 2019



Whole Foods. Trader Joe's pledge initial action on toxic

PFAS

Posted Dec 12, 2018

2	Why retailers?
NEWS	Latest updates
	Hazardous 100+
١	Top Retailers
*	For retailers
Y	How you can help
the A rep action	o's Minding Store? ort card on retailer ts to eliminate chemicals

High priority chemicals for the Mind the Store campaign in 2018-2019

• Solvents (methylene chloride and NMP)

- Paint removal products

- Flame retardants
  - Electronics
  - -Kids products (car seats)
- Phthalates for Chemicals

- Vinyl plastics (bldg materials)
- Fragranced products
- -Food contact materials

Mind the Store

• PFAS

- -Food packaging
- Textiles

How retailers rank on tackling toxic chemicals

Walmart

## © **♦CVS**Health

**O** TARGET



B

( D-

F







amazon

# Benchmarking retailers on their chemical policies (and lack there-of)

Bloomberg Technology Mark

Tech Pursuit

rsuits Pol

nion Businessw

## Wal-Mart Is First, Amazon Is Worst in New Ranking on

## **Chemicals**

by Lauren Coleman-Lochner November 15, 2016 — 12:00 PM EST Updated on November 15, 2016 — 4:22 PM EST



CVS Health Takes Major Step to Address

### CVS Health Takes Major Step to Address Chemicals of Consumer Concern



Walmart 🔀

### Walmart Strengthens Sustainable Chemistry Commitment, Reports Progress in Safer Product Formulation

#### f 🎔 💿 in 🖴

Retailer sets new goal for 10 percent priority chemical reduction by 2022



Costco Wholesale is committed to protecting consumer and environmental health and safety, through establishing and developing products, and processes, so they are safer, healthier, and more sustainable.

Costco's Chemical Management Policy goes beyond the boundaries of regulatory compliance from the product manufacturing process, and from consumer use and disposal, in an effort to reduce potential chemical harm to humans and to the environment.



#### Chemical Strategy

At The Home Depot<sup>4</sup>, we recognize the responsibility we have for the environmental impact of our organization, and that our biggest impact is the products we sell. In partnership with stakeholders throughout the supply chain, The Home Depot is committed to offering products that are safer for the environment.

With our encouragement, our suppliers have been investing in developing environmentally innovative products. The informe Depot supports the work of the Green Chemistry & Demorrence Charl(GG3) through annual membership and participation in the Retail Leadership Council of the GC3, and we participate in developing the GC3 sciont Statement on using Green Chemistry and Safer Alternatives to Advance Sustainable Products. We and our suppliers also partner with respected third/party certification organizations and environmental non-particits that guides the home improvement industry toward suffer chemical ingredient use. The Home Depot is committed to consisuing the drive toward minimizing the environmental ingrate of the products.

e.



#### **Chemical Management Statement**

Best Buy is committed to building a thriving business, while ensuring we are a good steward of the environment and support the responsible use of chemicals in compliance with all laws and regulations.

Beyond compliance, we created a chemical management program to systematically evaluate and prioritize efforts to address chemical risks and opportunities. We seek to reduce the use of chemicals, phase out chemicals of concert and improve the general management of chemicals. Our efforts focus on where we can make the greatest impact:

- Within our corporate, retail, service and distribution operations, Best Buy actively looks for
  opportunities to reduce the use of chemicals. Whenever possible, we work to transition to safer
  alternatives, with a preference for EPA Safer Choice chemicals.
- For our private label and direct import products, we outline supplier requirements regarding the use of
  chemicals in products as well as those used in the manufacturing process. Best Buy maintains a detailed
  Restricted Substance List (RSL), which specifies chemicals restricted based upon regulations or known
  hazards and chemicals suppliers are required to report usage to us.



Q

#### Albertsons Companies Chemical Policy

A viblement Comparing, we understand that consumers ware products that they can feel good about. That's way were committed to avail or products, product subject, whoreveneral serverables and sound chemical management, including limiting the use of certain ingredients of consumer concern. We strike for greater transparency and whore with our subject community to maintain and continually improve brand-specific guidelines for our products. Damples include the following:

- Our Organics<sup>10</sup> products are United States Department of Applicative (USSA) certified organic (USSA: coganic lagradients), and must meet USSA's standards to receive the certified organic subj. Up definition, USSA arganic products are free of synthetic additives like presticide, Kertilikers, and dyes, and must not be processed using industrial solvents. They are also non-SMO.
- 2. As with all our products, we require our suppliers to comply with legal and requireour guidelines, for our Organ Nature<sup>10</sup> The or Quicks, we also maintain a Restricted Subtances suit that includes more than 300 ingredients of comume concers, including analents, artificial colors and flowing, certain presentations and producing motion and that colors and flowing, certain presentations requirements.

3. Our OWN Brands Safer Choice-certified products must adhere to the U.S.

Store

5

## 2017 report card ranking thirty retailers on new website: <u>RetailerReportCard.com</u>



### Who's Minding the Store?

A report card on retailer actions to eliminate toxic chemicals

SELECT A RETAILER TAKE ACTION

CERTIFICAL & ENGINEERING NEWS TO Papartments

Home > Volume 95 Issue 47 > With prodding, retailers push chemical policies

Advertisement

Volume 95 Issue 47 | pp. 22-24 Issue Date: November 27, 2017

## With prodding, retailers push chemical policies



S

Collectio

Advocacy groups' ratings prompt more companies to disclose and reduce chemicals of concern

By Melody M. Bomgardner

A year ago, the Mind the Store campaign of consumer activist organization Safer Chemicals, Healthy Families issued a **report card** grading 11 retail chains on their efforts to reduce or eliminate hazardous chemicals in products they carry. No company received an A grade; Target and Walmart were the only ones to even get a B.



## Mind the Store

# Challenging a larger list of retailers to "Mind the Store" – twelve new retailers added for 2018

- Apparel store
  - Nordstrom
- Dollar Store chain
   99 Cents Only
- Grocery stores
  - Aldi (Aldi Sud)
  - Loblaws
  - Publix
  - Sobeys Healthy Families

- Restaurant / fast food chains
  - McDonalds
  - Panera Bread
  - Restaurant Brands
     International (Burger King, Popeyes, Tim Hortons)
  - Starbucks
  - Subway
  - Yum! Brands (KFC, Pizza Hut, Taco Bell)

Mind the Store



### Ranking retailers on toxic chemicals



## Who's Minding the Store?

2018 report card on retailer actions to eliminate toxic chemicals

SELECT A RETAILER

TAKE ACTION

# Forty companies evaluated in twelve key retail sectors



Key Consumer Sector	Retailers Evaluated in Who's Minding the Store?							
Apparel	Amazon, Kohl's, Macy's, Nordstrom, Target, TJX, Walmart							
Baby/Children	99 Cents Only, Amazon, buybuy BABY (Bed Bath & Beyond), Costco, Dollar General, Dollar Tree, Target, Walmart							
Beauty & Personal Care	99 Cents Only, Ahold Delhaize (Food Lion, Stop & Shop, Giant, and Hannaford), Albertsons, Aldi US, Amazon, Costco, CVS Health, Dollar General, Dollar Tree, Kohl's, Kroger, Loblaw, Macy's, Nordstrom, Publix, Rite Aid, Sally Beauty, Sephora, Sobeys, Target, Trader Joe's, Ulta, Walgreens, Walmart, Whole Foods Market							
Department Store	Kohl's, Macy's, Nordstrom							
Dollar Store	99 Cents Only, Dollar General, Dollar Tree							
Drugstore	Amazon, Costco, CVS, Rite Aid, Target, Walgreens, Walmart							
Electronics	Amazon, Apple, Best Buy, Costco, Kohl's, Macy's, Office Depot, Staples, Target, Walmart							
Furniture/Home Goods	Amazon, Bed Bath & Beyond, Costco, Ikea, Kohl's, Macy's, Target, TJX, Walmart, Target							
Groceries	99 Cents Only, Ahold Delhaize (Food Lion, Stop & Shop, Giant, and Hannaford), Albertsons, Aldi US, Amazon, Costco, CVS Health, Dollar General, Dollar Tree, Kroger, Loblaw, Publix, Rite Aid, Sobeys, Target, Trader Joe's, Walgreens, Walmart, Whole Foods Market							
Home Improvement	Ace Hardware, Amazon, The Home Depot, Lowe's							
Office Supplies	Amazon, Office Depot, Staples							
Restaurant / Fast Food	McDonald's, Panera Bread, Restaurant Brands International (Burger King, Popeyes, Tim Hortons), Starbucks, Subway, Yum! Brands (KFC, Pizza Hut, Taco Bell)							

## **Brief summary of our approach**

- Evaluation of retailers based on publicly available information
- 14 criteria, harmonized with Chemical Footprint Project (CFP)
- 135 possible number points and corresponding letter grades
- Draft scores shared with companies in advance
- More details: <u>https://retailerreportcard.com/2018/10/</u> methodology-2018/

Grading Rubric								
Number of Point	Letter Grade							
Greater than or Equal to:	But Less than:							
105	135	A+						
95	105	A						
87	95	А-						
79	87	B+						
71	79	В						
63	71	В-						
55	63	C+						
47	55	с						
39	47	C-						
31	39	D+						
23	31	D						
15	23	D-						
0	15	F						

## **The fourteen Criteria**



Policy: Adopted a retailer safer chemicals policy

17.5 points



Action: Reduced or eliminated chemicals of high concern within the last three years



Oversight: Established management responsibilities and incentives 7.5 points



Safer Alternatives: Evaluates safer alternatives, avoids regrettable substitutes

Transparency: Demonstrates a commitment to transparency and

Mind the Store

10 points

public disclosure

15 points

15 points



Accountability: Ensures supply chain accountability 10 points

Ó

**Disclosure:** Requires suppliers to report use of chemicals in products to retailer

10 points



## The fourteen Criteria (continued)



Chemical Footprint: Evaluates its chemical footprint 7.5 points



Safer Products: Program to promote safer products in stores and/or on website

5 points



Third-Party Standards: Promotes credible third-party standards for safer products 7.5 points



**Collaboration:** Actively participates in collaborative process to promote safer chemicals

5 points



Impact Investment: Investing financial resources into independent research into safer alternatives and/or green chemistry solutions

Mind the Store

5 points



Continuous Improvement: Shows continuous improvement by steadily expanding safer chemicals policy

Joint Announcement: Public commitment demonstrated

### 15 points

5 points

through joint announcement

12



RETAI



Walmart 🔀

Tweet to @Walmart

@SamsClub for earning an A-

RetailerReportCard.com!

#MindTheStore \$WMT https://retailerreportcard.com

/retailer/walmart/

for taking action on toxics from

CLICK TO TWEET

Thanks @Walmart

ores (Walmart and Sam's Club) earned a grade of A-, a grade as it did in 2017, scoring 93.75 out of 135 possible points, the hird highest score of any retailer evaluated. In 2018, Walmart announced it was phasing out the sale of methylene chloride- and NMP-based paint strippers in all of its stores in the United States, Canada, Mexico, and Central America and on walmart.com, becoming the fourth major retailer to take action on these harmful chemicals. The company has yet to report on other progress in implementing its policy in 2018 but has indicated it plans to share a progress update later this year. Last year, the company made significant progress in both implementing and expanding its chemicals policy, which includes a greater focus on the larger list of 2,700 chemicals. This list grew by adding two new authoritative lists of fragrance chemicals of concern. 1 2017, Walmart stated a new goal: by "2022, Walmart aims to reduce its consumable cal footprint for Walmart U.S. and Sam's Club U.S. stores by 10 percent," whi reduction of toxic chemicals of 55 million pounds. Since 2014 has reduced the use of "high priority" chemicals by 96% by w The company

### Summary of Walmart's Grade

Sam's Club.





### 2.5 out of 7.5 points

Oversight: Established management responsibilities and





### 11.25 out of 17.5 points

Policy: Adopted a retailer safer chemicals policy

#### Explanation of Points

Walmart and Sam's Club have a written safer chemicals policy, known as the Sustainable Chemistry Policy, along with an Implementation Guide for Suppliers. The policy contains three primary pillars: Transparency, Advancing Safer Formulation, and Advancing our Assortment. The policy was updated and expanded in 2017 with new commitments and public goals, and lists the company's sustainable chemistry principles which includes the 12 principles of green chemistry. The company states that by "2022, Walmart aims to reduce its consumables chemical footprint for Walmart U.S. and Sam's Club U.S. stores by 10 percent," which translates to a reduction of toxic chemicals by 55 million pounds.

Walmart has developed a list of 16 "high priority" chemicals and more than 2,700 "priority" chemicals of concern that it is challenging suppliers to reduce and eliminate. The policy now includes a greater focus on the larger list of 2,700 chemicals, and in 2017 the company expanded the list of chemicals to which its policy applies by adding two new lists of fragrance chemicals of concern. The



incentives

## Retailers graded Bto A+

Retailer	Grade	Points
Apple Apple	A+	106.25
O Target	А	95.5
Valmart	A-	93.75
🚥 Ikea	A-	87.75
Whole Foods Market	B+	83.75
◆CVS Health	B+	82.5
RITE Aid	B+	81.5
Walgreens	B-	70.5
Home Depot	B-	63
Aldi Aldi	В-	63



**Retailers graded F** 

	How re	tailer	s rank	on tac	kling	taxic di	emic	als			— EX	TRA CRI	EDIT		A
	17.5 Martin Policy	Qversight	10 Accountability	10 Disclosure	Action	Atematives	aneparercy	7.5 Chemical Footprint	745 Third-perty Standards	Joint Announcement	15 Continuous Improvement	5 Safer Products	5 Collaboration	5 Impact	Final Score
999	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0 PTS. <b>F</b>
CE Hardware	o	0	0	0	0	0	0	0	0	ο	о	0	o	0	0 PTS. <b>F</b>
nold Delhaize	2.5	2.5	0	0	0	o	1.5	0	0	0	ο	5	o	o	11.5 PTS. <b>F</b>
Albertsons	7.5	2.5	2.5	0	6	2	7.75	0	4.5	0	5	5	2.5	c	45.25 PTS. <b>C-</b>
///a	15	2.5	7.5	0	15	1	7.5	0	4.5	0	5	0	5	o	63 PTS. <b>B</b> -
a, Amazon	5	3.75	2.5	2.5	3	2	9	0	3	1	10	5	5	o	51.75 PTS. <b>C</b>
Apple	16.25	7.5	10	7.5	13.5	10	9	0	7.5	0	15	0	5	5	106.25 PTS. <b>A+</b>
BEST BOY	13.75	7.5	7.5	2.5	3	2	5	0	3	0	0	5	5	0	54.25 PTS. <b>C</b>
buy buy BABY	7.5	2.5	5	5	0	1	9	0	1.5	о	5	0	о	0	36.5 РТS <b>D+</b>

## **Five Key Findings**





## 1) Retailers continue to drive toxic chemicals out of consumer products

- Eleven (now thirteen) retailers ban methylene chloride & NMP in paint strippers, including Lowe's, Home Depot, Walmart, and Amazon
- Phthalates, parabens, and formaldehyde in beauty and personal care products, oxybenzone in sunscreens
- Target, Costco adopt ZDHC MRSL

## The New York Times

Lowe's Drops Paint Strippers Blamed in Dozens of Deaths



Lowe's says it will voluntarily stop selling paint strippers that contain two dangerous chemicals. A proposal to ban the chemicals is before the E.P.A. Robert Galbraith/Reuters

# 2) Top retailers continue to strengthen or adopt new chemical policies.

- Twenty-one out of twenty-nine retailers (72%) evaluated in 2017 and 2018 improved over the last year.
- Since 2016, eleven retailers improved their grade from a D+ to a C+.
- Since 2017, eighteen more retailers improved their grade from a D to a D+.
- Target, Lowe's, Costco, and Sephora also reported major gains in 2018



Rite Aid, Walgreens & Amazon earned the most improved grades of 2018 from **<u>RetailerReportCard.com</u>**, each adopting new safer chemicals policies to tackle toxic chemicals in beauty, personal care and cleaning products.



# 3) Retailers are aligning around a common list of chemicals of concern.

- Classes of chemicals PFAS, halogenated flame retardants, ortho-phthalates, parabens, formaldehyde releasers
- "Stewardship list" in BPC Product Sustainability rating system
  - 6 authoritative government lists
  - 2,408 individual substances
  - 5,705 substances in total (when including members of compound groups, e.g. lead compounds)
- Safer alternatives EPA SCIL list



ind the Store

# 4) Food retailers seriously lag behind others in reducing chemical hazards.

- PFAS, phthalates, bisphenols
- Average grade of six restaurant chains: F
- Panera: some limited progress on PFAS
- Grocery chains: average grade of D+, with Whole Foods at top



Every restaurant graded by **<u>RetailerReportCard.com</u>** scored an F for lack of action on chemicals that can contaminate food through packaging and other food contact materials—phthalates, PFAS, and BPA.



Mind

Störe

# 5) Too many retailers fail to address the chemical safety of their products.

- 19 companies receive F grades
- 12 of 19 receive 0 out of 135 points
- 3 sectors particularly lagging behind
  - Restaurants: F grade average for 6 retailers
  - Department Stores: F grade average for 4 retailers
  - Dollar Stores: F grade average for 3 retailers
- 2 others not much better
  - Beauty Shops: D- grade average for 3 retailers
  - Office Supplies: D- grade average for 2 retailers





About half of the retailers analyzed by **<u>RetailerReportCard.com</u>** lack any sort of public policy to address toxic chemicals.



## Tailored recommendations for each retailer & five broader recommendations

Policy: Publish a written safer chemicals policy, with senior management and board level engagement and accountability for suppliers, which measures and publicly reports on continuous improvement toward reducing, eliminating and safely substituting replacing toxic chemicals in products and packaging;

Goals and Metrics: Develop clear public goals with timelines and quantifiable metrics to measure success in eliminating chemicals of concern and reducing retailers' chemical footprint;

Transparency: Embrace "radical transparency" to meet rising consumer demand for: full public disclosure of chemical ingredients in products and packaging; public safer chemicals policies; and disclosure of both progress and challenges in eliminating harmful chemicals;

4:

**Avoid regrettable substitution:** Develop mechanisms to evaluate the hazards of alternatives to ensure informed substitution; and



Foresight: Anticipate being graded in the future on progress made on chemical safety in products and packaging sold at retail, whether or not your company was included in the Who's Minding the Store? 2018 Retailer Report Card.



23

## Chemical Footprint Project (CFP)



## Key Takeaways

- 1. Know Chemical Footprint Project (CFP), CFP Survey, & chemical footprinting
- 2. Know who participates and how to participate in CFP Survey
- 3. Peak into CFP Survey questions and results



## **Chemical Footprint**

Project (CFP)

Chemical Footprinting

**CFP** Survey



## CFP SIGNATORIES

Investors, Health Care, Governments, NGOs, and Retailers

## 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

### Retail & Health Care includes ...

- CVS Health, Staples, Target, & Walmart
- Dignity Health, Kaiser Permanente, & Vizient

## **Responders to the CFP Survey**



- **Apparel / Sporting Goods**: Burton, Levi Strauss & Co.
- **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









Business Awareness







Milliken & Company – "We are committed to understanding 100% of the chemical ingredients used in the materials we select"

**ΓΙ ΕΔΝ** 

ACTION

PRODUCTION

### **Full Chemical Ingredient info up 17%** CFP Survey, 2015–2017: Chemical Inventory, Full Chemical Ingredient Data, percent of companies and the percent of products for which they collect full chemical ingredient information, question 14



"Chemical Footprint" the total mass of chemicals of high concern (CoHCs) in: products, manufacturing operations, facilities, supply chains, and packaging.



### **Chemical of High Concern (CoHC):**

- 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, or a chemical whose breakdown products result in a CoHC that meets any of the above criteria



Herman Miller – "We believe that safe chemistry is a requirement for any sustainable product"

### **Footprint calculations on the rise** CFP Survey, 2015–2017: Footprint Measurement, Chemical Footprint, percent of companies measuring footprint, question F2





## Footprint Measurement (F2)





2015

Verification

CLEAN

ACTION

Companies publicly sharing answers +/or scores on chemicalfootprint.org: Beautycounter, BD, Case Medical, GOJO, Humanscale, LS&Co, Milliken, RB, Radio Flyer, Seagate Technology, & Seventh Generation







## Value of CFP Survey

- Common language
- Gap analysis
- Independent, comparative, & replicable
- Quantitative metric to measure progress
- Aligns/supports UN SDGs (3, 6, & 12) & SASB responses
- Public sharing of journey to environmentally sound management of chemicals
- Alignment with leading demands from businesses, purchasers, & investors
- Systemic framework that supports compliance with standards & eco-labels

## Timeline

- January 1, 2019
- March 31, 2019
- Q2-Q3 2019
- Q2-Q3 2019

- CFP Survey opened
  - **Survey closes**
  - CFP Survey scores released to responders
  - CFP 2019 Annual Report released

### Go to <u>www.chemicalfootprint.org</u> for all details



## **Take Action**

- Be a CFP Signatory
  - Engage your suppliers in participating the Survey
- Participate in the CFP Survey options to help getting started ...
  - Participate anonymously & use Survey as a self-assessment tool
  - Footprinting (question F2)
    - calculate footprint for one or a few product categories
    - use the shorter list of EU SVHCs
  - Retailers: respond only for private label products
- Participate in Clean Production Action's introductory courses



## New Online Introductory Courses

- 1. Identifying a List of Chemicals of Concern for Action April 10, 17, 24
- 2. Designing a Chemicals Management Policy May 9, 16, 23
- 3. Setting Goals and Measuring Chemical Footprints Sept 11, 18, 25
- Avoiding Regrettable Substitutes with GreenScreen<sup>®</sup> Oct 9, 16, 23
   Each course has three 75-minute online interactive classes. Details at:
   <u>https://www.cleanproduction.org/programs/training-courses-2019</u>



## **Retailer Report Card & CFP Survey**

Question	Retailer Report Card	CFP Survey
Intent?	Holistic framework of org'l progress to safer chemicals	Holistic framework of org'l progress to safer chemicals
Who is surveyed?	Retailers	Any business (currently brands, manufacturers, and retailers)
Who answers the questions?	Mind the Store: based on information that is publicly available & shared by retailers	The responding company: using information that is either publicly available or confidential
Who scores the answers? Publishes the report?	Mind the Store	Clean Production Action

## Thank you and keep in touch!

### **Mike Schade**

Mind the Store Campaign Director Safer Chemicals, Healthy Families mikeschade@saferchemicals.org www.RetailerReportCard.com

www.SaferChemicals.org

Mark Rossi Executive Director Clean Production Action mark@cleanproduction.org www.ChemicalFootprint.org www.CleanProduction.org

