

## Summary of changes to retailer report card rubric and glossary for 5<sup>th</sup> annual evaluation

This document describes changes made to the grading criteria and associated glossary for the fifth annual *Who's Minding the Store? retailer report card*. New criteria were added on plastics (Section A) and beauty products marketed to women of color (Section B). Other changes were also made to generally improve the criteria (Section C).

### A. New criteria on plastics

*Background and rationale for these changes:*

These changes are intended to encourage retailers to phase out specific types of hazardous plastics (e.g. polyvinyl chloride and polystyrene), encourage retailers to address toxic chemicals that may be present in recycled plastics, and encourage retailers to be more transparent about chemicals of high concern in plastic packaging through public disclosure.

#### **1. Policy: Adopted a retailer safer chemicals policy**

- Added a seventh element requiring retailers, for at least one major product or packaging category or one major aspect of operations, to have a beyond restricted material list (BRML) for at least two types of "plastics of environmental health concern" (PEHC). To the glossary, added definitions for BRML and PEHC and clarified in the definition of BRSL that for plastics, it is meant to apply to additives, not the underlying material.
  - Increased the overall maximum base point value from 17.5 to 20 to reflect this new element.
- Edited the public quantifiable goals element to reflect that it can apply as stated to PEHCs, not just CHCs.
- Added a new option for receiving 2.5 points in this category if a retailer doesn't have a safer chemicals policy but does have a BRML.
- Added an extra credit point to encourage the retailer to explicitly apply its BRSL to recycled plastics and address toxic additives that may be in the recycled plastic. For example, certain recycled plastics may have flame retardants or heavy metals as contamination from recycled content, so retailers should address this in their BRSLs.

#### **3. Accountability: Ensures supply chain accountability**

- Edited the bullet points in the max points criterion to clarify that the accountability measures can ensure suppliers comply with a BRML in addition to a BRSL, MRSL, or safer chemicals policy.
- Added 2.5 points (mirroring the differences between base point levels) of extra credit for retailers that require suppliers to test or commission testing themselves on recycled materials (including plastics, paper, and textiles) in a major product category for CHCs that may be present. This is intended to encourage retailers to make this part of their

accountability practices and provide a foundation for them to impose restrictions in the future.

#### **5. Action: Reduced or eliminated chemicals of high concern (CHCs) within the last three years**

- Added references to PEHCs alongside CHCs (throughout the base points as well as the title of the category) to give retailers credit for reducing or eliminating either.
- Added 3 points of extra credit (to mirror the differences between the base point levels) for a retailer eliminating both several CHCs *and* at least two PEHCs from at least one major category of products/packaging, major manufacturing process, or major aspect of operations (since November 2017). This provides an incentive for retailers to act on both PEHCs and CHCs.
- The new extra credit criterion rewarding retailers for being the first to remove a chemical or class from a major product category, packaging category, manufacturing process or aspect of operations since November 2017 (described below in Section C) also applies to the removal of a PEHC.
- The new extra credit criterion rewarding retailers for reporting on their replacements for CHCs that were eliminated from a major product category, packaging category, manufacturing process or aspect of operations since November 2017 (described below in Section C) can also apply to replacements for PEHCs.

#### **7A. Transparency around safer chemicals policy**

- Added “beyond restricted material list” (BRML) to the list of what the retailer should disclose, if a retailer has a BRML. This is meant to reward transparency on hazardous plastics a retailer restricts.

#### **7B. Transparency around consumer ingredient disclosure**

- Added extra credit to reward retailers that specifically require suppliers to publicly disclose full chemical ingredient information for plastic packaging, so that consumers are aware of the CHCs in the packaging.

### **B. New criteria on beauty products marketed primarily to women of color**

*Background and rationale for these changes:* The Mind the Store campaign is partnering with [WE ACT for Environmental Justice](#) to encourage retailers and brands to safely substitute chemicals of high concern (e.g. formaldehyde and mercury) in beauty products primarily marketed to women of color, such as skin lightening creams and hair straighteners/relaxers. The changes summarized below reflect a new area of focus for the campaign.

Working with WE ACT, we named these products “beauty products of environmental justice concern (BPEJC)” and added a definition to the glossary as follows: “beauty and personal care products marketed primarily to people of color that may contain chemicals of high concern (CHCs), including but not limited to hair straightening treatments such as relaxers; and skin lightening, brightening, bleaching, and whitening creams, lotions, and soaps.”

This is a critically important focus for retailers to prioritize. As shown below, we decided to put this focus in the extra credit section of categories 1, 4, 5, and 7B to provide a clear incentive for retailers to act on these products.

**1. Policy: Adopted a retailer safer chemicals policy**

- Added 2.5 points of extra credit for a retailer explicitly applying its BRSL to beauty products of environmental justice concern (BPEJC) and key CHCs that these products may contain.

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

- Added 2.5 points of extra credit for a retailer requiring its suppliers to disclose to the retailer all intentionally added ingredients in BPEJC, since important concerns are raised by CHCs added intentionally to these products.

**5. Action: Reduced or eliminated chemicals of high concern (CHCs) within the last three years**

- Added 3 points of extra credit for retailers eliminating all CHCs in BPEJC in the last three years. This extra credit is intended to incentivize retailers that are already getting the maximum points in this category but haven't yet addressed BPEJC.

**7B. Transparency around consumer ingredient disclosure**

- Added 2.5 points of extra credit for retailers requiring business-to-consumer disclosure of full chemical ingredient information for BPEJC, so consumers can have full transparency on the CHCs and other ingredients when buying these products.

**C. Additional changes**

*Purpose of these changes:* The changes summarized below are intended to properly recognize retailers for notable activities, incentivize retailers to make more meaningful improvements to their policies, and otherwise improve the criteria.

**1. Policy: Adopted a retailer safer chemicals policy**

- In the glossary: Edited the definition of “chemicals policy” (after changing it to “safer chemicals policy” to be consistent with the rubric references) so it is more concrete and more distinguishable from a beyond restricted substance list (BRSL).
- Edited the “Operations” element listed in the maximum points criterion to require a BRSL for at least one major aspect of operations instead of only requiring that the policy “Applies to its entire operations.” This change will reward more meaningful initiatives that are a step toward making a retailer’s operations safer.
- Similarly, edited the “Packaging” element to require a BRSL for at least one major category of packaging, instead of only requiring that the policy *apply* to packaging.

- Edited the “Public quantifiable goals” element to clarify that (a) it needs to apply to at least one major category of products or packaging or major aspect of operations, and (b) retailers will only receive credit here for deadlines after November 2019.
- Clarified in the 2.5-point criterion that a retailer can receive these points for having any of the following without a policy: a BRSL, MRSL, or public quantifiable goals (or BRML as noted above), as long as they adhere to the relevant description in the maximum points criterion. A retailer can get 2.5 points for each of those, not just 2.5 points total.

### **3. Accountability: Ensures supply chain accountability**

- Edited the bullet points for the highest point level to clarify that the accountability measures can ensure suppliers comply with the BRSL, MRSL, or safer chemicals policy (or BRML, as specified above). The MRSL was added because it is a policy element, so retailers should get credit for putting in place measures to ensure compliance with it.
- Removed the note for the 2.5-, 5- and 7.5-point levels that had read: “NOTE: Double points may be awarded for a single practice that is major in scope or impact.” In its place, created 2.5 points of extra credit to reward a retailer for engaging in one of the practices listed in the maximum points criterion in a way that is major in scope or impact. In doing so, we’ve clarified that a major practice is worth 2.5 extra points and that a retailer can get this credit even if it is already receiving the maximum points in this category.

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

- To make this category easier to understand, changed the structure into a “cascade” format. I.e., to the extent possible, the description of the point levels builds from the bottom up. In doing so, separated the relevant criteria for restaurant chains and non-restaurant chains into two columns.
- Clarified that restaurant chains only need to address private-label packaging to get credit in this category (not also brand-name packaging that they may sell) since most restaurant chains primarily only use private-brand packaging. Where the criteria previously involved disclosure for brand-name packaging in addition to private-label packaging but the details of what was required to be disclosed wasn’t different from the point level immediately below, we changed the criteria so disclosure is for at least *two* major categories of private-label packaging instead of at least *one*.
  - To receive credit in this category at any level, the criteria specifies that restaurant chains must *require* suppliers to achieve the level of disclosure specified rather than *encourage* it.
- To make room for new higher levels of disclosure:
  - Reduced the 5-point criterion from the 4<sup>th</sup> annual RRC rubric to 4 points
  - Reduced the 6-point criterion from the 4<sup>th</sup> annual RRC rubric to 5 points and designated it “B” for ease of identification.
- Changes made to the 6-point criterion from the 4<sup>th</sup> annual RRC rubric (now 5B):
  - The focus of the original criterion on fragrance ingredient disclosure was expanded to “at least one major category of generic ingredient components”

disclosure. This makes the criterion applicable to all retailers, including those that offer only non-fragranced products or packages.

- Changes made to the 6.5-point criterion from the 4<sup>th</sup> annual RRC rubric:
  - Clarified that the generic ingredient components that the retailer requires suppliers to disclose to itself need to amount to at least one major category, such as fragrances.
- Added new criteria:
  - New 5A: Provides credit for retailers that require disclosure of more than BRSL chemicals (or BM-1/LT-1 chemicals) but not generic ingredient components or known impurities, and only require the disclosure by private label suppliers.
  - New 6:
    - Provides credit for non-restaurant retailers that require both private-label and brand-name suppliers (for at least one major category) to disclose more than BRSL chemicals, but not fragrance components or impurities.
    - Provides credit for restaurant chains that require this disclosure for at least two major categories of private-label packaging.
- Added extra credit for a retailer that reports on the percentage of products (a major category or all in-scope products) or suppliers that adhere to its disclosure policy to get a sense of compliance with the policy.
- Added extra credit for a retailer that applies its disclosure policy to *more* than the number of major product or packaging categories listed to reward them for going beyond the minimum effort.
- Added an extra credit point for a retailer requiring its suppliers to report to the retailer process chemicals used to manufacture at least one major product category, since it is important for retailers to know the chemicals used in manufacturing the products it sells.
- Edited the extra credit around a retailer setting a public deadline for disclosure to allow for deadlines until April 2024 instead of November 2023, since the fifth annual report card is being released by April 2021.
- Deleted the nanomaterial extra credit to reduce the overall points. While this issue is important, the MTS campaign hasn't recently focused on nanomaterials.

#### **5. Action: Reduced or eliminated chemicals of high concern (CHCs) within the last three years**

- To each criterion above 3 points, added a new reference to “manufacturing processes” to note we’ll give credit to companies reducing or eliminating CHCs in the manufacturing further upstream. Similarly, to each criterion in the base points, added a reference to “aspects of operations” to clearly allow points for actions impacting operations, such as thermal receipt paper, building materials in stores, food-service gloves, and cleaning products used in stores.
- To the 15-point criterion and the new 12- and 9-point criteria: added “major” as a qualifier before “product categories” (also modifying packaging categories, manufacturing processes, and aspects of operations) to encourage retailers to take

more significant actions. Accordingly, also added a note to those point levels and the 6-point level that partial credit may be awarded for action around minor product categories to allow some credit for that.

- Moved the previous 9-point criterion - first to remove one chemical or class of chemicals in a major product or packaging category - to being extra credit (3 points). Also added references to “manufacturing process” and “aspect of operations.” This allows retailers to still receive credit for being the first to eliminate a chemical (or PEHC) in the last three years *and* for making other reductions/eliminations during that time.
  - After removing the 9-point criterion from the base points criteria, changed the 13.5-point criterion to 12 points, and changed the 12-point criterion to 9 points.
- Clarified the 15-point criterion to note that when a retailer has confirmed it completely eliminated a CHC (or PEHC) from products or packaging, it doesn’t have to provide further quantification.
- Edited the extra credit point awarded if a retailer shows its substitutes for chemicals of high concern are not GreenScreen BM-1 or LT-1 chemicals to allow extra credit if a retailer alternatively shows its substitutes have not been identified as high hazard based on another scientifically robust and health protective methodology. Accordingly, edited the glossary to add a new definition for “Ratings identifying a chemical as high hazard based on a scientifically robust and health protective methodology” – “for purposes of rubric category 5, Action, and aside from the relevant GreenScreen ratings, this includes Cradle to Cradle Certified Hazard ratings that are x-CMR, x-PBT, or banned.”
- Added extra credit for retailers that report on at least one alternative they’ve moved to as a replacement for a CHC (or PEHC) in a major product/packaging/manufacturing process category or major aspect of operations to encourage companies to be more transparent about their alternatives.

#### **6. Safer Alternatives: Evaluates safer alternatives, avoids regrettable substitutes**

- Added 2.5 points of extra credit to encourage retailers to sponsor a significant number of credible hazard assessments to find safer alternatives and then post those on a shared platform (e.g., [ChemFORWARD](#)) so other retailers can benefit from the knowledge created by the assessments.

#### **7B. Transparency around consumer ingredient disclosure**

- Reduced the total number of base points possible in this category from 7.5 to 5 to help compensate for adding new points elsewhere. To accommodate this:
  - Reduced the 3-point criterion to 1.5 points,
  - Reduced the 4.5-point criterion to 3 points, and
  - Reduced the 6-point criterion to 4 points.
- To make this category easier to understand, changed the structure into a “cascade” format. I.e., to the extent possible, the description of the point levels builds from the bottom up. In doing so, separated the relevant criteria for formulated products and articles into two columns.

- Clarified throughout that disclosure for articles can be either online *or* on packaging (the 4<sup>th</sup> annual rubric was largely silent about the mode of disclosure for articles).
- Removed references to allergens from the main point levels and moved the reference into the extra credit, which now calls for the disclosure of non-food allergens labeled as such so consumers can actually know which ingredients are allergens.
  - Accordingly, deleted the 5-point criterion because it was now no different from the new 3-point criterion (part A) after removing the reference to allergens.
- Deleted the 1.5-point level because it may have encouraged green-washing. Even if a retailer has succeeded in removing some CHCs from a given product category, there could still be others (e.g. if a retailer has only removed BPA and not also BPS). This criterion wasn't encouraging companies to make all of their products safer.
- Changes to the old 3-point criterion from the 4<sup>th</sup> annual rubric (now 1.5 points), in addition to removing the allergen reference:
  - For formulated products: Removed the reference to fragrances (palettes, etc.) because it is more meaningful to encourage specific generic ingredient components to be disclosed as opposed to the general palettes used.
  - For articles: changed "encourages" to "requires" so it is more meaningful.
- Added extra credit to reward companies that apply the strongest cleaning products disclosure requirement that has been adopted by an entire state (currently California) to all of their relevant private-label cleaning products that are sold throughout North America. "Relevant" in this context means all of the private-label cleaning products that would be regulated under the CA law if they were sold in CA. It appears that some retailers are less likely to apply the CA standard to their private-label products sold outside CA, so we want to encourage that. Partial credit will not be awarded if the retailer only provides the disclosure online, unless the retailer has no locations in California or they also provide the disclosure for brand-name products that they sell.
- Deleted the nanomaterial extra credit to reduce the overall points. The MTS campaign does not currently focus on nanomaterials. No retailer had received this extra credit in the 4<sup>th</sup> annual retailer report card.

#### **8. Chemical Footprint: Evaluates its chemical footprint**

- We clarified in the 7.5-, 4.5-, and 3-point levels that the retailer needed to complete the Chemical Footprint Project survey in 2020 or send a communication to suppliers encouraging them to complete the survey in 2020 to receive credit.

#### **9. Third-Party Standards: Promotes credible third-party standards for safer products**

- Edited the 1.5-point criterion to clarify that the focus is on meaningfully *promoting* the products or packaging with certifications, not just selling them.
- In the glossary, edited the definition of "Credible third-party safer chemicals standards" to reflect that:
  - Green Seal doesn't currently consider whether the food ware products it certifies have fluorinated treatments (although we understand Green Seal plans to address this in 2021).

- Currently, only Cradle to Cradle Certified at the “gold” level or above restricts all fluorinated organic substances.
- While OEKO-TEX restricts a range of hazardous chemicals, it doesn’t restrict all PFAS or all toxic flame retardants, so we will only award partial credit for the use of OEKO-TEX certifications.
- The Global Organic Textile Standard (GOTS) restricts a range of hazardous chemicals, so we’ve added this to the definition, but since it doesn’t appear to restrict all PFAS or all toxic flame retardants, we’ll only award partial credit for the use of GOTS certifications.

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

- The maximum possible base points were reduced from 15 to 10.

**(formerly #12) Safer Products: Program to promote safer products in stores and/or on website**

- This section was deleted for a few reasons: (a) even if some products are free of some chemicals of high concern, they may contain yet other CHCs, (b) this may not encourage a retailer to go beyond making just a subset of its products safer to make all products safer, and (c) this category involved some duplication with other categories (e.g. third-party certification).

**12 (formerly #13). Collaboration: Actively participates in collaborative process to promote safer chemicals**

- This category was re-numbered as #12 after deleting the Safer Products category.
- Changes to the glossary definition of: “Collaborative processes to promote safer chemicals:”
  - References to “the Beauty and Personal Care Products Sustainability Project (BPC)” and “GC3 Preservatives Project” were deleted since it appears that the projects are not active in a meaningful way anymore.
  - A reference to “ChemFORWARD” was added, since the organization is a new forum in which companies can collaborate around safer chemicals.