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Retail Strategies for Product Compliance and Sustainability in Canada

Third Edition, Published September 2024





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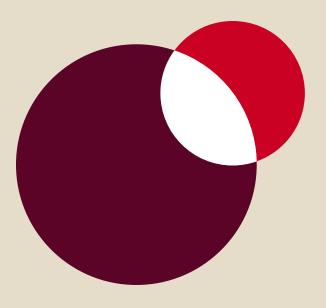
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What's new in this version

UL Solutions updates this guide regularly. Here's what's new in the third edition, published September 2024.



- Federal Court ruling on plastic manufactured items (PMIs)
- Implementing the modernized Canadian Environmental Protection Act, 1999
- Implementing framework for a right to a healthy environment in the Canadian Environmental Protection Act, 1999
- Strengthening Canada's chemicals management regime
- Fertilizers Act
- · Chemicals Management Plan and the 2024 Canadian Budget
- · Canadian retailer fined for significant new activity (SNAc)
- Final Per- and Polyfluoroalkyl Substances (PFAS) report expected publication date and next steps
- Federal Plastics Registry
- Amendments to the Products Containing Mercury Regulations
- Coal Tar-Based Sealant Products Regulations
- Order Amending the Export Control List in Schedule 3 to the Canadian Environmental Protection Act, 1999
- Volatile Organic Compound Concentration Limits for Certain Products Regulations
- Biocide Regulations
- Regulations Amending Certain Regulations Concerning the Disclosure of Cosmetic Ingredients
- Proposed updates to the Cosmetic Ingredient Hotlist:
 Prohibited and restricted ingredients
- Amendments to the Explosives Regulations, 2013
- Chapter 2: Moving beyond compliance to create a strong product sustainability program



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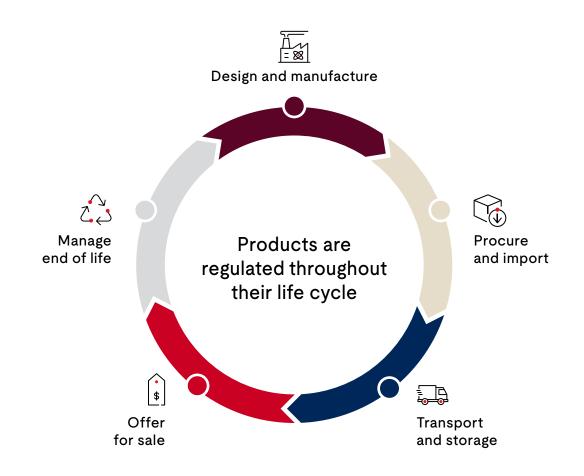
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Introduction to retail product compliance

Chemicals are everywhere, and for retailers, they're highly regulated. Chemicals are in the air we breathe, the foods we ingest and the products we interact with. Through the WERCSmart® digital product compliance platform, part of ULTRUS software from UL Solutions, retailers are uniquely positioned to meet those challenges in both the supply chain and the chemical value chain. From designing and manufacturing private-label products to sourcing and procuring, transporting and storing, selling, and managing end of life for thousands of consumer products, all of these functions come with regulatory requirements that are, in part, due to chemicals. So how do retailers manage regulatory compliance? They do it with the help of UL Solutions.

This eBook provides an overview of the current and emerging chemical regulatory frameworks in Canada, the challenges retailers face and the WERCSmart tool that retailers use to comply with Canada's complex chemical regulatory framework.





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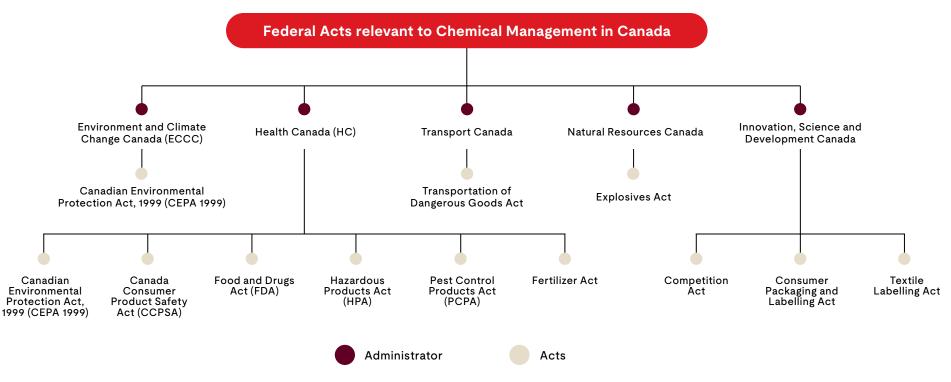
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Current and emerging regulations in Canada and practical implications for retailers

For retailers in Canada, regulations concerning chemicals can prove complex. The legislative framework for chemical management can involve federal, provincial/territorial and/or municipal governance. At the federal level, chemical management legislation is spread out over several acts administered by various government ministries.

Each act also contains numerous regulations that drive the regulatory landscape of chemical management. Depending on what they sell, some retailers must track and adhere to as many as nine federal acts and hundreds of associated regulations to be compliant in Canada.





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The Canadian Environmental Protection Act

CEPA 1999

The Canadian Environmental Protection Act. 1999 (CEPA 1999), jointly administered by Health Canada and Environment and Climate Change Canada (ECCC), regulates all chemicals of concern and oversees chemical regulation partly through the Chemicals Management Plan (CMP). Additionally, CEPA 1999 established air quality standards. This includes setting the standards for vehicles and other polluting equipment manufactured or sold in Canada¹ and regulating maximum thresholds for certain emissions, e.g., volatile organic compounds (VOCs). Certain regulations can directly affect retailers including the Gasoline and Gasoline Blend Dispensing Flow Rate Regulation, which limits the flow rate for dispensing gasoline and gasoline blends into on-road vehicles,² and the Off-Road Small Spark-Ignition Engine Emission Regulations, which deals with emission standards for air pollutants and toxic substances from small spark plug engines found in several retail products, e.g., lawnmowers, chainsaws, etc.3

In April 2021, ECCC amended CEPA 1999 to add plastic manufactured items to the toxic substances list.⁴ This affects retailers because it paves the way for Canada to take risk management actions such as regulating, banning and limiting plastic products.

In November 2023 the Federal Court ruled that the inclusion of plastic manufactured items (PMIs) to the List of Toxic Substances in Schedule 1 of CEPA 1999 was deemed "unreasonable and unconstitutional." The Court found that the inclusion of PMIs was "too broad, that PMI is not a 'substance' or 'class of substances' that could fall under the List of Toxic Substances in Schedule 1 of CEPA, and that the proper scientific analysis and risk assessments were not completed to demonstrate that PMI are toxic." In response to the Federal Court decision, the Canadian government indicated that they intend to appeal the decision.





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Bill S-5: Strengthening Environmental Protection for a Healthier Canada Act

This bill received Royal Assent (Monarch's agreement that is required to make a bill into an Act of Parliament) on June 13, 2023 and modernizes CEPA 1999⁷. When it comes to chemicals management, retailers need to be aware of these amendments.

A new plan for Chemicals Management Priorities

A new plan will be established to assess and better understand chemicals of concern. It will prioritize the ongoing assessment of risks from chemicals and will include timelines, strategies and consider class-based assessment approaches and labelling to provide meaningful information to the public. Note: The plan must be reviewed every eight years.

Supporting the shift to safer chemicals

The importance of encouraging the use of product design, processes and chemicals that are safe for the environment and human health is recognized. Amendments require the Ministers to maintain a Watch List, which is a list of substances that can pose a risk and thereby meet the criteria in Section 64 of CEPA (which defines whether a substance is toxic), if use patterns change or exposure increases, for example. The Watch List helps importers, manufacturers and consumers select safer alternatives and avoid regrettable substitutions.

Increased transparency in decision-making

Canadians are allowed to request that a chemical be assessed. The Ministers are required to consider and respond to any such requests. Additionally, when a substance is found to meet the criteria to require risk management, the Government must communicate anticipated timelines for completing risk assessments and for proposing subsequent risk management actions.

A stronger regime for toxic substances that pose the highest risk

The amendment sets out criteria for a subset of toxic substances that pose the highest risk. Substances that are determined to pose the highest risk must be given priority when it comes to inhibiting activities involving these substances. The criteria for substances that pose the highest risk will be set out in the regulations, which are to be developed in consultation with stakeholders. These efforts will also include division of Schedule 1 of CEPA into two parts, with greater focus given to substances on Part 1.



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Implementing the modernized Canadian Environmental Protection Act, 1999 Public consultation opportunities

The Government of Canada has scheduled several planned public consultation opportunities. All consultations are scheduled for 60 days, unless otherwise noted.⁸

- Spring/Summer 2024 Proposed Watch List approach.
- Summer 2024 Proposed plan of chemicals management priorities.
- Winter 2025 Discussion document for toxic substances of highest risk regulations.
- Winter/Spring 2025 Discussion document on the restriction and authorization of certain toxic substances regulations.

Two consultations have been completed:

- Strategy to replace, reduce or refine vertebrate animal testing.
- Implementation framework for a right to a healthy environment.

Implementation framework for a right to a healthy environment in the Canadian Environmental Protection Act, 1999

The consultation on the discussion document closed on April 8, 2024.

The discussion document consulted on the key elements being considered for the implementation framework and included:9

- Principles to be considered in the administration of CEPA 1999 including environmental justice, intergenerational equity and non-regression.
- Research, studies and monitoring in support of the right to a healthy environment.
- Relevant factors to be taken into account when interpreting and applying the right and in determining the reasonable limits to which it is subject, such as social, health, scientific, and economics factors.
- Mechanisms to support protection of the right when making decisions under CEPA 1999.

Strengthening Canada's chemicals management regime

"The Government of Canada is developing a multi-year, integrated plan of chemicals management priorities. The plan will include risk assessment priorities and other priority initiatives that support chemicals management, such as information-gathering, research and monitoring, risk management, risk communication as well as include a strategy to guide the replacement, reduction or refinement of vertebrate animal testing under CEPA." 10





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Health Canada administers several federal acts that affect chemical management

The Canada Consumer Product Safety Act (CCPSA)

The CCPSA gives Health Canada the authority to recall consumer products considered dangerous to human health, including nonregulated products. It is important to note that the CCPSA regulates numerous products, and many regulations specify concentration limits or prohibitions of chemicals, for example, surface coating materials and certain chemicals in toys. Additionally, the labelling of consumer products is governed by Consumer Chemicals and Containers Regulations (CCCR) under the CCPSA.

The Food and Drugs Act (FDA)

The FDA deals with cosmetics, overthe counter and prescription drugs.

The Hazardous Products Act (HPA)

The HPA deals with hazard communication,

e.g., the Workplace Hazardous Materials Information System (WHMIS).

On December 15, 2022, Health Canada put forward a Notice of Intent for a proposal to remove the consumer product exclusion from the HPA.¹¹

The consultation period closed March 16, 2023. If the consumer product exemption is ultimately removed, it will require retailers to provide a safety data sheet (SDS) for a hazardous product upon request. Some retailers provide SDSs for their consumers via their public-facing websites; however, retailers have reported challenges in retrieving the documents from manufacturers, given the current exclusion for consumer products.

The Fertilizers Act

The Fertilizers Act indicates that "all regulated fertilizer and supplement products imported into or sold in Canada must be

safe for humans, plants, animals and the environment. They must also be properly labeled to ensure safe and appropriate use."12

A three-year transition period ended late October 2023, which means that "regulated parties, including all manufacturers, importers, distributors and sellers of fertilizers and supplements must adhere to the amended Fertilizers Regulations."¹³

The Pest Control Products Act (PCPA)

The PCPA governs pesticides. Products that meet the definition of a pest control product (such as pool chemicals, insecticides, animal repellents, wood preservatives and some treated articles) must maintain a valid pest control product registration number as well as labeling and other requirements in order to be sold in Canada.



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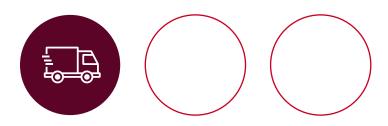
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Transport Canada

Transport Canada oversees the Transportation of Dangerous Goods Act, which deals with the safe transport of dangerous goods by all modes (road/rail/marine/air) and across jurisdictions. Retailers can use exemptions (such as limited quantity) where a product poses a low to medium hazard when transported in small quantities. These exemptions can be based on chemical hazards, product composition or container size, among other factors. 14 It is important for retailers to use exemptions where possible to minimize product shipping costs and reduce the administrative burden for low-risk products.

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Natural Resources Canada

Natural Resources Canada oversees the Explosives Act, which deals with explosive precursor chemicals, among other substances. The explosives regulation applies to products that may seem like unlikely candidates for the creation of explosives, such as acetone-based nail polish remover, solvent acetone used as a paint thinner and hexamine-based camping fuel tablets.¹⁵

The National Research Council (NRC) oversees the National Fire Code of Canada (NFC)

The NFC includes provisions for:

- The ongoing maintenance and use of the fire safety and fire protection features incorporated in buildings
- The conduct of activities that might cause fire hazards in and around buildings
- Limitations on hazardous contents in and around buildings
- The establishment of fire safety plans
- Fire safety at construction and demolition sites¹⁶

Retailers need to know what is in their products to ensure that they store them in the correct area for optimal risk mitigation, e.g., flammable products in areas with adequate fire suppression systems.





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Innovation, Science and Economic **Development Canada**

The Competition Bureau under Innovation, Science and Economic Development Canada is an independent law enforcement agency that oversees, among other things, enforcement against deceptive marketing claims and labels. The Competition Act, Consumer Packaging and Labelling Act and the Textiles Labelling Act protect consumers from false and misleading claims.¹⁷ As retailers turn to environmental claims to promote the health and sustainability attributes of the products they sell, it is important for them to communicate these claims clearly and credibly. Examples of typical environmental claims retailers use include recycled content, recyclability, "free of" chemical, VOC and bio-based content claims.

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Each level of government has a part to play in chemical management. Managing hazardous waste and hazardous recyclable material is a good example involving all three levels of government.



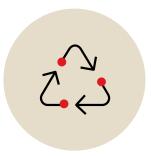
Municipal governments establish collection, recycling, composting and disposal programs within their jurisdictions.



Provincial and territorial governments establish measures and criteria for licensing hazardous waste generators, carriers and treatment facilities in addition to controlling the movement of waste within their jurisdictions.



The federal government regulates transboundary movements of hazardous waste and hazardous recyclable material in addition to negotiating international agreements related to chemicals and waste.18



Navigating chemical compliance across jurisdictions

Understanding how different levels of government regulate chemical policy helps retailers identify and manage their products across jurisdictions. This information also allows retailers to engineer or design products that can be disposed of in less expensive and more environmentally favorable ways.



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An example of municipal governance in chemical management is the city of Montreal bylaw that made the sale and domestic use of 36 pesticides — including glyphosate — illegal in January 2022.19

As a result of several recent and ongoing regulatory changes, retailers in Canada face greater scrutiny of the chemicals used in their supply chains. Governments, non-governmental organizations and consumers alike are watching closely. Over the past decade, retailers in Canada have faced stricter reporting requirements and pressures for increased visibility into the chemicals used in both the privatelabel and national-brand products they sell. This trend is causing retailers to rethink how they manage chemicals in their supply chain.

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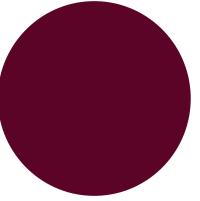
An overview of Canada's Chemicals Management Plan (CMP): Engagement is key for retailers

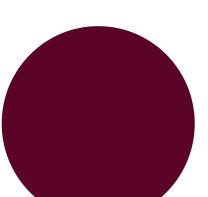
The roots of the CMP date back to the mid-1980s. January 1984 to December 1986 was the information gathering period for an inventory of substances that was eventually published in 1994 as the Domestic Substances List (DSL).²⁰ The DSL is essentially the in-commerce list and distinguishes new substances from existing substances. The original list contained 23,000 substances. Upon the enactment of CEPA 1999, those substances were included in the definition of "existing substances," i.e., a substance "that is being or has been used in Canada as a commercial substance or product, or released into the Canadian environment as a single substance, effluent, mixture or contaminant."21

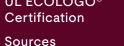
A requirement of CEPA 1999 was to categorize these existing substances within seven years.²² The categorization was a priority-setting exercise aimed at determining human and environmental health risks. Thus, in 2006, when the categorization of the existing in-commerce substances - i.e., the DSL - was complete, the Canadian government (under CEPA 1999) created the CMP as a comprehensive initiative to reduce the risks posed by chemical substances to Canadians and their environment.

Recognizing the continued importance of reducing "human and environmental exposure to harmful chemicals through its Chemicals Management Plan,"the 2024 Canadian Budget proposed providing \$190.9 million to ECCC and Health Canada over a five-year period starting in 2024-2025.23









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At its inception, the CMP aimed to assess 4,300 substances identified as high-priority for assessment.²⁴ Ultimately, the CMP was loosely divided into three phases. In assessing these existing in-commerce substances, the government engaged industry to help determine what substances were used in manufacturing, sold to consumers, used commercially, etc.

Phase 1 Chemical Management Plan (CMP) — 2006-2011

- · 4,300 existing substances identified as high-priority for risk assessment
- 194 categorized as high-risk through the Challenge to Industry Initiative
- 194 chemicals divided into 12 batches for assessment
- · Certain petroleum products assessed

End of Phase 1

- 188/194 assessments completed
- 42/194 found to be harmful to human health and/or the environment
- Risk management strategies finalized for 32/42 substances
- Overall risk assessments conducted on 1.100 substances and 1.500 additional substances added to the list for assessment

Phase 3 CMP - 2016-2020

Further 1,500 substances assessed as of December 31, 2018:

- 3,621/4,300 chemicals identified as high-priority for assessment were addressed
- 456 existing chemicals found to be harmful to humans and/ or the environment
- 90 risk management actions for existing chemicals were implemented

1994

Domestic Substances

List (DSL) published

23.000 in-commerce

substances identified

2006

2011

2016

2023

Canadian Environmental Protection Act. 1999 (CEPA 1999) enacted

Mandate to categorize the 23,000 existing substances for assessment within seven years

Phase 2 CMP — 2011-2016

- · Also known as the Substance Grouping Initiative
- An additional 1,500 substances to be assessed in this phase
- Substances divided into nine groupings
- Petroleum Sector Approach of 160 high-priority substances, which were divided into four streams

Bill S-5: Strengthening **Environmental Protection** for a Healthier Canada receives Royal Assent



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Canada has identified and utilized various risk management tools based on the outcomes of the chemical substance assessments

These have included codes of practice, regulations, bans or prohibitions, guidance, and other regulatory tools. The challenge for many retailers is that they are not the manufacturer or importer, so they often do not have information on what substances are present in any part of their supply chain. Because of this gap, retailers run the risk of substances being banned or limited, thus affecting their ability to sell products or the time they have to clear their supply chains of noncompliant products.





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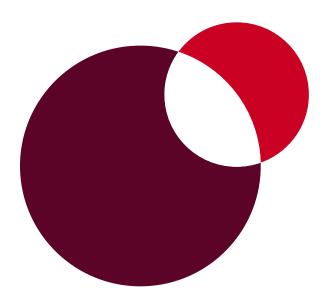
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Retailers look to the future of the CMP and chemical management in Canada





Under CEPA 1999, 330 substances (of the original 4,300) remain to be assessed. Ongoing government actions include continued assessment of Identification of Risk Assessment Priorities (IRAP) priority substances, risk management of toxic species, performance measurement of risk management actions, information gathering, significant new activity (SNAc) provisions, new substance assessments, revised in-commerce list, the DSL, specific nanomaterials, monitoring, research and compliance, and enforcement.²⁵

IRAP involves three steps: acquisition, evaluation and action, which considers new information on the implicated substances. Acquisition, or information gathering, is an ongoing process, whereas evaluation and action occur at regular intervals. IRAP is used to help determine whether a substance is to be a priority for assessment.26 The FDA, CCPSA and PCPA also detail ongoing initiatives.

In addition to these ongoing chemical management initiatives, a new plan of chemicals management priorities²⁷ is included in Bill S-5, Strengthening Environmental Protection for a Healthier Canada Act. This update includes several amendments, some of which directly relate to chemical management and, in turn, retailers.²⁸

In 2024, a Canadian retailer was fined \$500,000 for violating CEPA 1999 by committing an offence under subsection 81(4). The marketing of cosmetic products containing a PFAS substance (in this case. Perfluorononyl Dimethicone) was considered a new activity (i.e., SNAc) under CEPA 1999.29

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Future regulatory plans

There are several other forward regulatory plans from 2022 through 2025 for proposed regulations and amendments to current laws or regulations that affect retailers regarding chemical management. For example, Health Canada's Regulations Amending Certain Regulations Made Under the Canada Consumer Product Safety Act (Surface Coating Materials) came into force on December 19, 2022.30 The amendments apply to six different regulations under the CCPSA, some of which restrict lead and mercury content in surface coating materials — e.g., a liquid or powder paint to be applied to an item — while others restrict lead, mercury and other harmful substances in applied surface coating materials — e.g., a paint or film applied to a consumer product during manufacturing. Health Canada notes that the impact to industry will likely be minimal; however, the amendments categorize stickers, films and other comparable materials as coating materials.31

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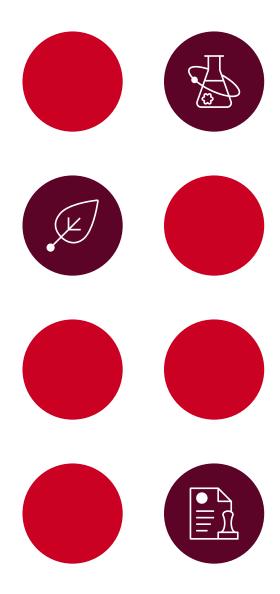
Per- and Polyfluoroalkyl Substances (PFAS)

The PFAS category includes thousands of chemicals. They are persistent, man-made substances used in a wide range of everyday and specialized products. Members of the class are observed to be environmentally persistent, due to the strength of the chemical bonds characterizing the class, which means they do not degrade quickly when released into the environment. They have also demonstrated bioaccumulative behavior, which may have far-reaching impact on biota such as humans and wildlife. Exposure to certain PFAS may affect organ and immune function, or negatively influence growth, development and reproduction.

Following a 2021 announcement by the Canadian government to further investigate the potentially adverse effects from PFAS to humans and the environment, the Ministers announced the publication of the **Draft State of Per- and** Polyfluoroalykyl Substances (PFAS) Report in May 2023. Comments on the draft report closed July 2023 and a summary, including Government responses, was recently published. The initial draft report contained an in-depth review of data regarding the prevalence of

fluorinated substances in the environment and Canadian citizens. The findings recommended the addition of the PFAS class to Schedule 1 of CEPA 1999. Addition to Schedule 1 would classify the chemical group as toxic and allow the government to pursue further regulatory action.

An Updated Draft State of Per- and Polyfluoroalkyl Substances (PFAS) Report was published in July 2024. The updated report is open for a 60-day comment period. Of note in the updated report is that PFAS still meet the criteria for addition into Schedule 1 of CEPA 1999. However, fluoropolymers are excluded from the report and will be addressed in a separate assessment.³² If the final report proves that PFAS poses risks to the environment and health, there will need to be swift action to address the class.33 Once published, the Government of Canada has announced that it will issue a Section 71 (CEPA 1999) survey to collect information on approximately 200 PFAS substances with reporting due no later than early 2025.34





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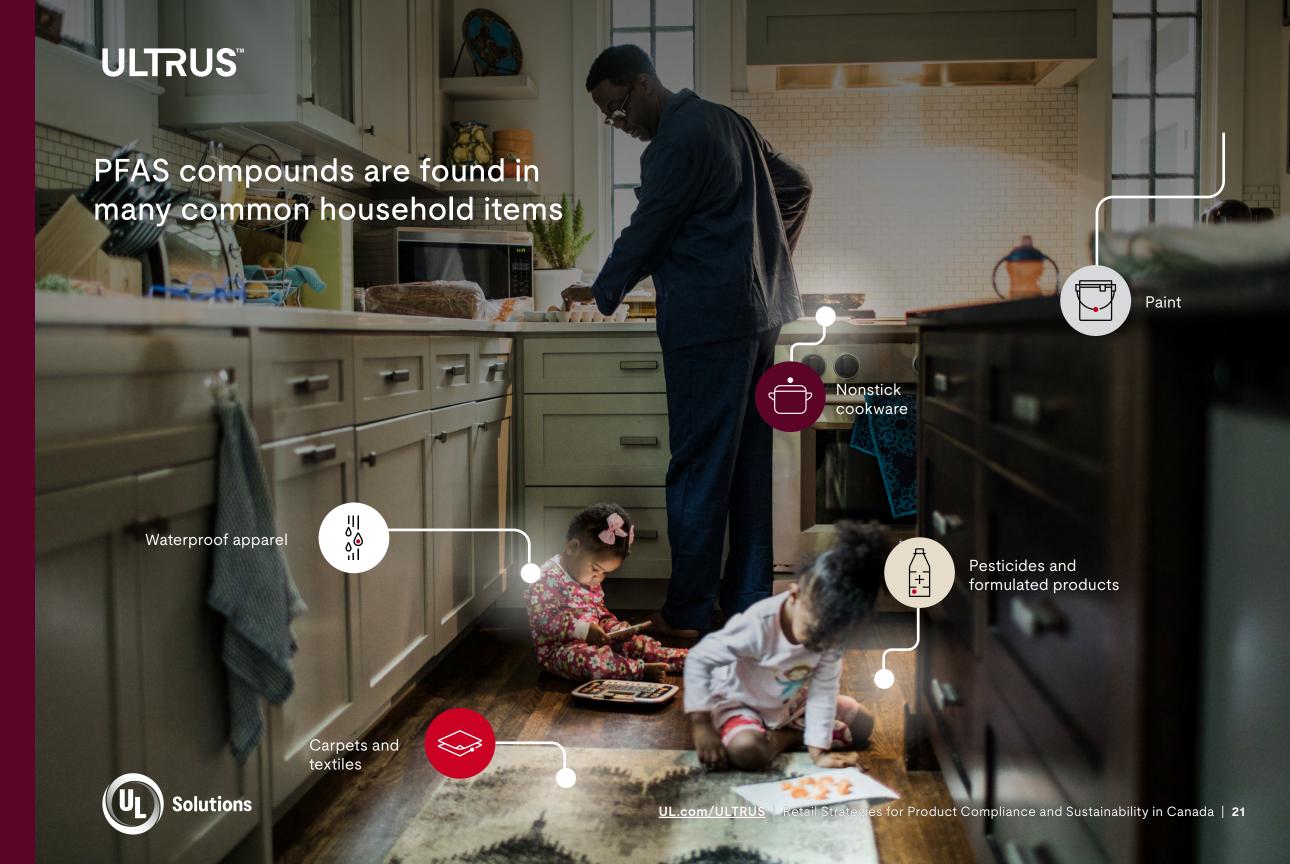
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Canada continues moving forward on strengthening its regulatory requirements on chemicals management and transparency

Many of the plans aim to align the Canadian standard with those of other international standards, agreements, conventions, etc. There is a shift toward retailers needing to know the chemical composition of their products as reporting, labeling and record keeping continue to become more stringent.

Enabling Act*	Title	Description of proposed action	Potential impacts on retailers	Next steps
Canadian Federal Plas Environmental Registry ³⁵ Protection Act, 1999 (CEPA 1999)	Federal Plastics Registry ³⁵	To help Canada move towards its goal of zero plastic waste by 2030 a Federal Plastics Registry has been and is being created	Mandatory annual reporting for companies (including resin manufacturers, service providers and producers of plastic products) on the quantity and types of plastic they manufacture, import and place on the market	Reporting timelines:
				*September 2025 — Phase 1 reporting begins
		April 20, 2024 - Section 46 notice for the Federal Plastics Registry was published to create an inventory of data on plastics' lifecycle in Canada		*2026 – Phase 2 reporting begins
				*2027 – Phase 3 reporting begins
				*Beyond 2027 – no details available at this time
CEPA 1999	Regulations Amending the Concentration of Phosphorus in Certain Cleaning Products Regulations ³⁶	Clarify that the current regulations do not apply to products exclusively marketed as metal cleaning or degreasing products	To be addressed and evaluated as consultations progress	2024 - Republication of the propose regulations
CEPA 1999	Amendments to the Products Containing Mercury Regulations ³⁷	Minor changes to three product categories to align them with Minamata Convention on Mercury requirements	Some manufacturers and importers of products containing mercury may be impacted; impact is expected to be minimal as mercury-free options are available	Spring 2024 – Publication of the final regulations
			Manufacturer and importer record keeping to expand to include the quantity of products exported	
			Changes to record-keeping and labeling requirements	

^{*}Snapshot of Forward Regulatory Plans 2022-2025 as they relate to chemical management and retailers



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Enabling Act*	Title	Description of proposed action	Potential impacts on retailers	Next steps
P	Coal Tar-Based Sealant Products Regulations ³⁸	2021 — coal tar and its distillates added to the List of Toxic Substances	May impact some manufacturers and importers of these products; impact is expected to be minimal as alternatives to coal tar-based products are widely available	Under the proposed regulation:
		Regulations to eliminate import and manufacture of coal tar-based sealant products are under development		January 1, 2025 – Manufacture and import of the covered sealant products are prohibited.
			No anticipated labeling or reporting requirements	June 30, 2025 — Restricts the sale and offer of sale of the regulated products, unless a permit is granted for the importation of the product
		Winter 2024 – Comment period for proposed regulations closed		
				January 1, 2028 — A three year exemption was provided for the sale and offer of sale of the coal tar-based sealants for industrial use on metal, steel or concrete components or pipelines and other buried services; this allows for inventory cleaning
CEPA 1999	Prohibition of Certain Toxic Substances Regulations, 2022 ³⁹	Further restricts the manufacture, use, sale and import of perfluorooctane sulfonate (PFOS), its salts and precursors, long-chain perfluorocarboxylic acids (LC-PFCAs), their salts and precursors, polybrominated diphenyl ethers (PBDEs), and hexabromocyclododecane (HBCD) and products containing them by removing or providing time limits for certain exemptions	May impact businesses and supply chains in various sectors, including plastic and rubber materials, electrical and electronic equipment, adhesives and sealants, automotive, aircraft, transportation and recycling	Summer 2024 - Earliest possible date for publication of final regulations
		Prohibits the manufacture, use, sale and import of dechlorane plus (DP) and decabromodiphenyl ethane (DBDPE) and products containing them (with exemptions)		
CEPA 1999	Notice of intent on the labelling of toxic substances in products ⁴⁰	substances, which are listed on the List of Toxic Substances of the Act (Schedule 1) in certain products (e.g., cosmetics, cleaning products.	The strategy is expected to include regulatory measures and voluntary, collaborative initiatives	2023 - A product labelling strategy for toxic substances is expected to be published
			Physical labels and consumer-facing electronic labels will be considered in the strategy	
		Enhance supply chain transparency and labeling for substances in products		
CEPA 1999	Notice with respect to certain substances under the Chemicals Management Plan – 2023 ⁴¹	Purpose of the notice is to gather information from Canadian manufacturers, importers and users on the commercial status, facility information and uses of substances identified as priorities under the CMP Applies to 850 substances	Respond to notice prior to expiry - if retailers meet the criteria for response	January 17, 2024 – Notice expired

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Enabling Act*	Title	Description of proposed action	Potential impacts on retailers	Next steps
CEPA 1999	Order Amending the Export Control List in Schedule 3 to the Canadian Environmental Protection Act, 1999 ⁴²	Proposed addition of several substances whose use is prohibited or further restricted under the proposed amendments to the Prohibition of	To be addressed and evaluated as consultations progress	Spring 2024 - Publication of the final order
		Certain Toxic Substances Regulations, 2022		
CEPA 1999	Orders Adding Substances to Schedule 1 to CEPA 1999 ⁴³	The Minister of Health and Minister of Environment will recommend further substances deemed "toxic" be added to Schedule 1	Public and stakeholders consulted on assessment of costs and benefits of any risk management proposals associated with risk assessments	Proposed orders to be published for a 60-day comment period. Timing and further details of proposed additions to be determined
CEPA 1999	Regulations Amending theFormaldehyde Emissions from Composite Wood Products Regulations ⁴⁴	Proposed amendments address oversights regarding quality control testing requirements for composite wood panel manufacturers and to clarify record-keeping for retailers	Reduce unintended costs and administrative burdens (declarations of certification) associated with complying to current record-keeping mandates	August 31, 2023 - Consultation ended
CEPA 1999	Volatile Organic Compound Concentration Limits for Certain Products Regulations ⁴⁵	Prohibit import or manufacture of products with VOCs in excess of their respective category-specific limits unless a permit is obtained	Record keeping, including product's common or generic name or trademark, quantity imported or manufactured, etc.	January 1, 2025 – Restrictions for disinfectants apply
		January 1, 2023 – Regulations came into force		
		January 1, 2024 – Maximum VOC concentration limits came into force, except for disinfectants		
Canada Consumer Product Safety Act (CCPSA)	Notice of Intent (NOI) - Proposednew requirements for consumer chemical products under the Canada Consumer Product Safety Act ⁴⁶	Introduce requirements for certain human health hazards of concern (HHHOCs) in consumer chemical products	Unknown at this time	Pre-consultation period closed October 9, 2023
Canada Consumer Product Safety Act CCPSA	Consultation: Notice of Intent to amend the Toys Regulations ⁴⁷	 Changes being considered are: toxic substances corrosive, irritant or sensitizing substances specific toxic substances (boric acid and salts of boric acid) migration of certain elements finger paints liquids, pastes, putties, gels, powders and items of avian feather origin chemical toys (sets) other than experimental sets 	Input received from consultation will be used to inform next steps	Consultation period closed September 21, 2023

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Enabling Act*	Title	Description of proposed action	Potential impacts on retailers	Next steps
Food and Drugs Biocide Regulations ⁴⁸ Act (FDA)	Create one comprehensive framework for biocide regulation	efficiencies for bringing biocides to the Canadian	Spring 2024 – Regulations to be published	
		Enable regulatory oversight based on risk and evolving evidence	market	
		Introduce a foreign decisions pathway		
Food and Drugs Act (FDA) Regulations Amending Certain Regulations Concerning the Disclosure of Cosmetic Ingredients ⁴⁹	Requirement to disclose certain fragrance allergens on product labels	Cosmetics industry would be required to update labels of many cosmetic products	2024 — New provisions, including notifying Health Canada if a product contains an allergen to take effect	
	Enhance regulatory oversight for cosmetics		August 1, 2026 - 81 fragrance allergens to be disclosed on product labels	
Food and Drugs Act (FDA)	Proposed updates to the Cosmetic Ingredient Hotlist: Prohibited and restricted ingredients ⁵⁰	Changes to the Cosmetic Ingredient Hotlist: Items added: * Basic green 4 *Benzophenone p-Chloro-m-cresol *Solvent violet 13 Items amended: *Dialkanolamines, secondary *Alpha-hydroxy acids *Hydroquinone *p-Hydroxyanisole *Talc	Retailers selling cosmetics must not wait for a regulatory Hotlist update to comply with the general prohibition. In order to be in compliance with section 16 of the FDA - sale of cosmetics should stop as soon as it's known that the cosmetic may cause injury	Final publication published in May 2024.
Explosives	I	Second set of amendments: focus of removing unnecessary administrative burdens, clarifying	The second and third set of amendments are expected to be positive for businesses as they aim to reduce costs and enhance efficiency of a modern licensing and fee regime	Spring 2024 – Final first set of amendments to be published
	Regulations, 2013 ⁵¹			Fall 2024 - Second set of amendments is expected to be prepublished
				Spring 2025 — Final second set of amendments to be published
		and fee regimes		Fall 2024 - Third set of amendments is expected to be published

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Practical considerations for chemical compliance in Canada

Complying with the evolving chemical regulations in Canada can pose several practical challenges for retailers. Each product a retailer carries can face a particular set of changing regulatory requirements that vary by jurisdiction. For retailers in Canada, this can mean monitoring hundreds of regulations that can impact thousands of products. Key practical challenges can include the following:



Comprehensive technical knowledge is required to understand how chemical regulations apply through the product life cycle. Transportation, storage and end of life management represent critical functions for moving products through the supply chain. Each function requires technical expertise and an understanding of the chemical composition and hazards associated with the product.



Information needed for compliance is stored far upstream in the supply chain, many layers away from retailers. Many of the chemical-based regulations that affect consumer products are at the individual chemical level. This information is often not found on an SDS or a product label, requiring retailers to survey their supply chains to gather the information using antiquated and timeconsuming methods like email and material questionnaires.



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Lack of chemical transparency creates a missed revenue opportunity for retailers. The inability to screen or evaluate the complete formulation of the product limits retailers' ability to make substantiated product claims, such as green claims or "free-of" claims, which have been shown to increase sales in product categories such as personal care and cleaning products.



Retail compliance and stewardship teams have limited resources for supporting emerging business models. To meet consumer demand and corporate growth objectives, many retailers are turning to additional business models beyond brick and mortar to connect with consumers. Item fulfillment centers, online marketplaces and other e-commerce strategies have greatly increased the catalog of and pace at which products are designed, sourced and sold. Retailers must ensure that all products comply with the complex regulatory framework in Canada throughout their life cycle, regardless of which channel they are sold in.



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Requirements for building scalable chemical compliance programs in retail









Supplier management system

Ability to efficiently collect critical product safety and chemical information on the products a retailer purchases for resale and the ingredients in private label products they produce.

Regulatory monitoring capability

Understanding, tracking and managing hundreds of Canadian regulations and staying ahead of changing regulations for compliance and to protect your brand, manage data quality and generate reports needed for regulatory disclosure purposes.

Product database or regulatory tracking system

Retailers need to flag and track regulated products throughout their operations to manage their compliant sale, handling, transportation, storage and disposal

Data management and reporting capabilities

Tools to assess the health of a retailer's compliance program, manage data quality and generate reports needed for regulatory disclosure purposes.



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ULTRUS software streamlines chemical compliance for retailers in Canada

ULTRUS software from UL Solutions helps retailers in Canada and other markets address product compliance challenges with the WERCSmart digital platform. Leading retailers use WERCSmart to streamline critical safety and chemical data across thousands of unique product codes (UPC) and screen the full chemical compositions of products against hundreds of regulations. Multiple ULTRUS software products including WERCSmart, leverage modern, secure machine learning and artificial intelligence capabilities that allow you to bring products to markets faster, be more compliant and better support your sustainability initiatives.

WERCSmart can help retailers with the following challenges:



Chemical screening



Transportation of dangerous goods



Minimizing environmental impact



SDS management



Storage and handling



Hazardous waste disposal





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Manage product compliance across thousands of products with WERCSmart

WERCSmart connects suppliers with retailers to facilitate a secure exchange of product safety and chemical information. When a supplier registers a product, WERCSmart reaches beyond the information on the label or SDS and into a product's full chemical formulation.

It then screens that information against hundreds of regulations to paint a complete picture of a product's regulatory requirements.

Confidential supplier information is kept secure, and retailers receive the most accurate regulatory information about their products.

Product data collection

Onboard your suppliers into WERCSmart to streamline the collection of critical product safety and chemical information.

1,700,000+ UPCs and 20,000+ suppliers registered in WERCSmart

Automated regulatory analysis

WERCSmart screens the full chemistry of a product against more than 8,000 regulatory lists.

+000.8regulatory lists in a single database

Data delivery to retail applications

Manage access to critical product safety data where and when you need it and generate reports for regulatory disclosure purposes.

125+

retailers use WERCSmart to manage product compliance

Stay ahead of evolving regulations and start building your scalable chemical compliance program with WERCSmart today.



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Introduction to product sustainability for retailers

As regulatory compliance for chemical management becomes more complex and consumer demand shifts to safer, sustainable products, retailers are responding by adopting more ambitious chemical management policies and programs to curate their product assortments to avoid chemicals of concern.

A significant challenge that retailers face is that chemicals that are deemed of concern from regulatory and non-regulatory bodies are prevalent in many formulated products. Whether chemicals have been regulated or have become stigmatized in the eyes of consumers, retailers are expanding and diversifying the chemicals they wish to restrict in the products they sell, e.g., PFAS.

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The demand for safer and more sustainable products

Consumers, nongovernmental organizations (NGOs) and regulators want safer and more sustainable products. Consumers are more aware of and sensitive to the health and environmental risks associated with harmful chemicals in the products they purchase. Retailers have responded to the demands for safer and more sustainable products by sourcing, reformulating and/or creating

relationships with brands that differentiate their products as safer and more sustainable. In fact, products marketed as sustainable now hold a 18.5% market share in the consumer package good (CPG) industry, up almost 5% versus 2015.⁵²

To help consumers understand what ingredients are in their products, there are some readily accessible tools available online

(e.g., the Environmental Working Group's (EWG's) Skin Deep®).53 Increased education, publicly available tools, the rise in conscious consumers and mainstream media around chemical hazards and chemicals of concern are driving change among consumers.



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NGOs work closely with consumers to affect change in the marketplace. Knowing that consumers want products that are safer and more sustainable, Toxic-Free Future (TFF) have created "Mind the Store," a campaign "to challenge the nation's largest retailers to adopt policies that stop the use of the most hazardous chemicals and ensure products they sell are safe. The campaign urges retailers to eliminate toxic chemicals in products and packaging and develop comprehensive, safer chemicals policies."54 While "Mind the Store" heavily focuses on U.S. retailers. Canadian retailers have been included in the reports since 2018.

The "Who's Minding the Store? Retailer Report Card" "evaluates and grades retailers on their chemical management policies."55 Retailers are awarded points in various categories. The total number of points corresponds to a final letter grade from A+ to F.56

The report provides information about the evaluated retailers, such as:

- Which retailers are leading the market movement toward safer chemicals
- How retailers can continue to implement and expand corporate chemical policies

 Which assessed retailers are lagging behind other assessed retailers

Note: "Who's Minding the Store? Retailer Report Card" scores are based on information found in the public domain and do not reflect any internal programs and/ or initiatives that may be taking place.

NGOs see retailers as efficient agents of change because their decisions about which products to sell or promote send brands reformulation signals that have much more impact than individual consumer purchasing choices. Retailers that respond to consumer demand and adapt their assortments quickly have seen an increase in overall sales revenue.⁵⁷

In response to demands for safer and more sustainable products from consumers, NGOs and regulators, retailers are implementing programs to minimize the presence of chemicals of concern in the products they sell, which empowers consumers to make informed purchases and, in turn, builds trust and loyalty with their customers.





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Recognizing the importance that retailers play in the effort to provide safer, more sustainable products to consumers, the Canadian NGO Environmental Defence partnered with the "Mind the Store" campaign in 2018 to include Canadian-based retailers in their annual "Who's Minding the Store? Retailer Report Card." Environmental Defence is a well-established Canadian NGO whose Mission, in part, is to "decrease Canadians' exposure to toxic chemicals, [and] end plastic pollution." 59

While "Mind the Store" primarily focuses on U.S. based retailers, the same principles and metrics should be applied in Canada. Large U.S. retailers that are leading the pack in "Mind the Store" should be used as examples of what to do elsewhere, including in Canada. It is also important to note that in Canada, five of the top 10 largest conglomerates are based in the U.S. (based on estimated annual retail sales in fiscal 2018–2019)⁶⁰, so what happens in the U.S. is directly relevant to what happens in Canada.





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History of "Who's Minding the Store? Retailer Report Card"

First Report

- 11 retailers evaluated
- · No Canadian retailers included
- Scale of 0-130
- Average retailer grade: D+
- 3/11 retailers received an F grade
- · No retailers received grades in the A range
- Developed criteria across 13 major categories to evaluate retailer policies and programs
- First report was called "Who's Minding the Store? A Report Card on Retailer Actions to Eliminate Toxic Chemicals"⁶¹

Third Report

- 40 retailers evaluated
- 3 Canadian retailers evaluated
- Scale of 0-135
- 19/40 received F grades
- 4 retailers received grades in the A range
- First time the report card included restaurants and fast food chains⁶³

Fifth Report

- 50 retailers evaluated
- · 6 Canadian retailers evaluated
- Scale of 0-164
- 12/50 received F grades
- 6 retailers received grades in the A range⁶⁵

2016

2017 ———— 20

2018

- 2019

2021

2024

Second Report

- · 30 retailers evaluated
- No Canadian retailers included
- Scale of 0-135
- Average retailer grade: D+
- 9/30 received F grades
- 2 retailers received grades in the A range
- 14 major categories
- Partner Campaigns to look at Campaign for Healthier Solutions and Getting Ready for Baby' after for Healthier Solutions⁶²

Fourth Report

- 43 retailer evaluated
- 5 Canadian retailers evaluated
- Scale of 0-146.5
- Average retailer grade: C-
- 14/43 received F grades
- 4 retailers received grades in the A range
- Report revealed a major retail trend that food packaging has become a focus for toxics use reduction⁶⁴

Sixth report

- 50 retailers evaluated
- 6 Canadian retailers evaluated
- Scale of 0-155 or 0-165 for retailers selling beauty products of environmental concern⁶⁶
- Expected to be published in 2024



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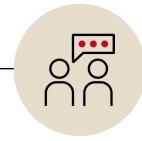
Sources



History of Canadian retailers and Mind the Store

2018

- Loblaws
- Restaurant Brands
 International (parent company of Burger King, Tim Hortons and Popeyes) (RBI)
- Sobeys



2019

- Loblaws
- RBI
- Sobeys
- · Canadian Tire
- Metro



2021

- Loblaws
- RBI
- Sobeys
- · Canadian Tire
- Metro
- Alimentation Couche-Tard (parent company of Circle K and Couche-Tard convenience stores)



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Proposed changes in the sixth report



New scoring rubric



New list of high priority chemicals and plastics



Greater emphasis on chemical classes (not just on individual chemicals) and plastics of high concern



Extra credit and some criteria eliminated

The sixth report has a new scoring rubric, whereby the previous 13 criteria have been distilled and are mostly nested within the new "Four Essential Elements for a Safer Marketplace." There are a maximum of 155 points or 165 points for retailers selling beauty products of environmental concern.





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The four essential elements⁶⁷

Corporate Commitment (20 points)

"Evaluates the retailer's commitment to move to safer chemicals and materials through its corporate chemicals policy, participation in the Chemical Footprint Project, external collaboration, and support of public policies."

There are five categories within this essential element:

- Corporate chemicals policy (7 points)
- Oversight: Established management responsibilities and incentives (2.5 points)
- Chemical Footprint Project (CFP) (5.5 points)
- Collaboration: Actively participates in collaborative process to promote safer chemicals (2.5 points)
- Public policy support: Supports governmental policies to reduce chemicals and plastics of high concern (2.5 points)

Transparency (40 points)

"Evaluates the scope of hazardous chemicals and plastics a retailer both currently prohibits and its progress in reducing and eliminating high-priority chemicals, chemical classes, and plastics of high concern."

There are four categories within this essential element:

- Supply chain disclosure: Requires suppliers to report use of chemicals and plastics in products and packaging to retailer (14 points)
- Accountability: Ensures supply chain accountability (10 points)
- Consumer ingredient disclosure: Requires suppliers to disclose use of chemicals and plastics to consumers (11 points)
- Chemical footprint calculations: Discloses its chemical footprint (5 points)



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Ban the Bad (45 points)

"Evaluates the scope of hazardous chemicals and plastics a retailer both currently prohibits and its progress in reducing and eliminating high-priority chemicals, chemical classes, and plastics of high concern."

There are three categories within this essential element:

- Restricted substances list (RSL)/manufacturing restricted substances list (MRSL) (20 points)
- Reduction/elimination goals (5 points)
- Reduced or eliminated chemicals or plastics of high concern (20 points)

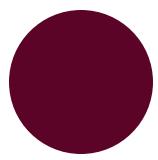
Safer Solutions (50 points)

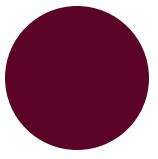
"Evaluates a retailer's implementation of safer solutions, through financial investments in safer solutions and the steps it is taking to ensure suppliers are transitioning to safer chemicals and products."

There are four categories within this essential element:

- Policy: Definition of a "safer alternative" (5 points)
- Investment in safer solutions (20 points)
- Implementation of known safer solutions (20 points)
- Quantified safer products (5 points)











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Overall brand curation

Brands are proactively curating their product assortments to prioritize safety and sustainability. As previously mentioned, sustainable products now account for an impressive 18.5% market share in the CPG industry. The following section explores examples of Canadian retailers and their brands that excel in curating assortments with a strong focus on safety and sustainability.

Canadian Tire

Canadian Tire encourages sustainable living through their assortment of eco-conscious products, which includes biodegradable cleaning supplies and kitchen essentials made with recycled materials. Canadian Tire helps consumers find sustainable products in their assortments in three main categories:

- Eco-conscious materials
- Water and energy conservation
- Minimizing waste at home⁶⁷

London Green

London Drugs (LD) highlights 'green' products for consumers based on several criteria, including, but not limited to:

- Third-party certification
- Reduced chemicals or toxins
- Organic ingredients

LD promotes several brands within their Greener Choices website, offering a brief explanation for their selection as a Greener Choice brand.69

LD also showcases their extensive recycling program where consumers can return recyclable materials and products purchased at LD. LD encourages consumers to use their program, while recognizing they will incur the cost for consumers doing so.70



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Own-brand curation (private-label brand)

The following section highlights examples of retailers who have developed private-label brands to promote safer and more sustainable products in their assortments.

Shoppers Drug Mart

Big Planet, Big Love by Quo Beauty™

Nearly 30 vegan, cruelty-free and People for the Ethical Treatment of Animals (PETA)certified beauty products Packaging innovations include the use of Oceanworks reclaimed ocean-bound plastic:

- Eve and face palettes (100%)
- Facial mist products (76%)
- Lip/cheek products (37-45%)

Product innovations include the launch of reusable accessories, for example:

- Swabs and cleansing pads
- · Use of bio-sourced materials from renewable vegetal sources in the brand's plant-based nail colour range⁷¹

Simon's

Vision - Redefining sustainable fashion

Simon's has created Vision as a platform where their sustainable actions and initiatives are highlighted. Vision is based on two key sustainability pillars: social and environmental. As of the end of 2023 they are 85% complete towards their Vision 2025 objective.

Within Vision. Simon's has created an online shopping platform - Shop with Vision Standards filters to help consumers find assortments that align with their social and environmental values.72

Further, Vision employs several standards to help consumers navigate their sustainable assortments (e.g., Giving Back, Second life, Reusable, Water conscious, etc.).73

Second Cup

As part of their commitment to sustainability, Second Cup:

- Is Fair Trade Certified where profits are reinvested into farms, employees and environmental initiatives
- Uses Swiss Water Decaffeination Process. which is 100%, chemical-free method for removing caffeine from coffee beans
- Is Rainforest Alliance Certified™, which supports sustainable farming practices and community-building initiatives
- Has an Ethical Tea Partnership, which is an equal opportunity employer that focuses on good farming practices and living wages⁷⁴



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Curation programs from leading U.S. retailers

There is opportunity to further refine brand curation strategies for retailers operating in Canada. Brand curation affords great market opportunity and helps brands achieve their sustainability goals. Some examples of top brand curation programs in the U.S. are Live Better by CVS Health and Clean at Sephora.

Live Better by CVS Health

Live Better by CVS Health is a health and wellness brand designed to bring consumers "trusted and transparent wellness products" that are intended to "help [consumers] stay well and simply live better." ⁷⁵

Live Better products feature several popular and emerging ingredients — e.g., turmeric, kelp, maca, etc. — in addition to many of the products being:

- Labeled USDA-certified organic (Non-GMO Project-certified)
- Gluten-free
- Cruelty-free
- Vegan

Live Better goes beyond simply listing ingredients to provide background information on how products were sourced and sustainably manufactured.⁷⁶

The requirements that CVS issues to its vendors for its private-label manufacturing include various clean/wellness attributes, such as avoiding specific chemicals on CVS's restricted chemical list and/or developing specifications for preferences so producers can deliver on those preferences.

Clean at Sephora

Clean at Sephora features curated beauty products that are made without certain ingredients on Sephora's excluded substances list, e.g., phthalates and formaldehyde. Shoppers look for the Clean at Sephora seal in-store and online and know that products with the seal "offer a similar level of effectiveness as others in their beauty categories without the inclusion of ingredients you may be trying to avoid."⁷⁷

+19%

product sales uplift after tagging products as sustainable

53%

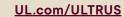
of consumers have switched from a known brand to an alternative due to sustainability

+60%

click-through rate (CTR) increase after tagging products as sustainable

84%

of consumers are more loyal to a brand that aligns with their values



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Growing private-label brands (PLB) to increase sales and sustainability

Trends in retail private-label brands

Traditionally, private-label brands (PLBs) were considered the budgetfriendly option by consumers and have been especially popular during times of inflation. As a result of continued consumer concern about inflation. PLBs have surpassed their branded competitors in the U.S. with similar trends seen in other countries. In January 2023 it was reported that 83% of American consumers purchased PLBs instead of name brands.⁷⁸

What consumers have increasingly noticed in the last few years is that

private label items are no longer just a "budget-friendly, knock-off to alternative to branded items. Instead. when consumers purchase private label items nowadays, they receive reasonably priced items that get the job done."79 And that purchasing PLBs is seen across all income brackets with Generation Z and Millennials leading the way. Conscious consumers "need to know that their purchases stand for positive change for people and for the planet."80





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While the trend towards increased PLB purchasing has traditionally been driven by price (i.e., economics, inflation), the trend can be extended if retailers position themselves to deliver safer and more sustainable products. Investing in building PLBs also results in higher quality brands, better aesthetics and industry-leading certifications. It has been shown through surveys and studies that "[t]hree quarters of all Generation Z consumers state that sustainability is more important to them when making purchase decisions"81 and that "[t]hree-quarters of shoppers reported parting ways with a brand over a conflict in values."82 Major retailers that are investing in innovating their PLBs to prove they contain safer and more sustainable products are seeing growth in their overall sales revenue.82

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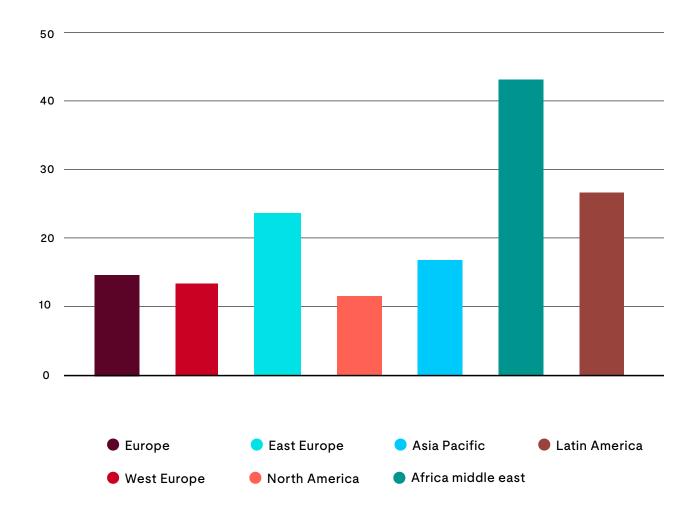
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Globally, private label products are outpacing sales growth of other brands in the market, with this trend forecasted to continue growing in CPG. It has been estimated that private label products could capture

of all U.S. grocery sales by 2034.84

Private label Value % growth vs previous year





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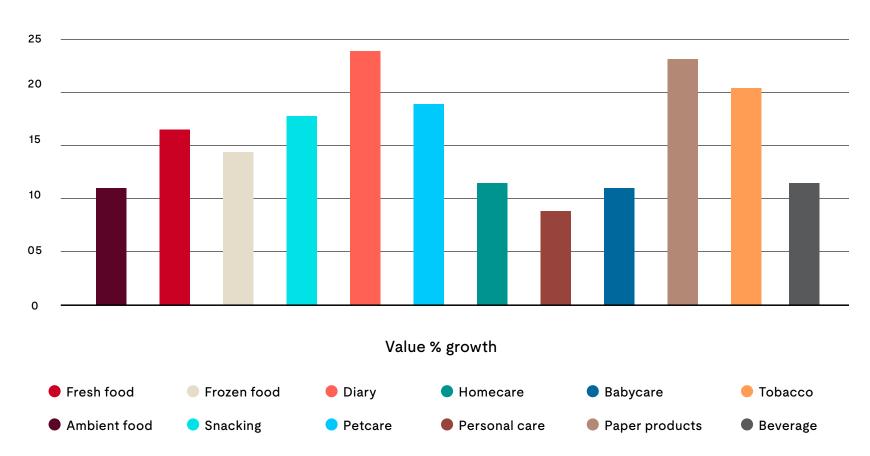
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Breakdown of growth of PLB sales across several categories

Global private label





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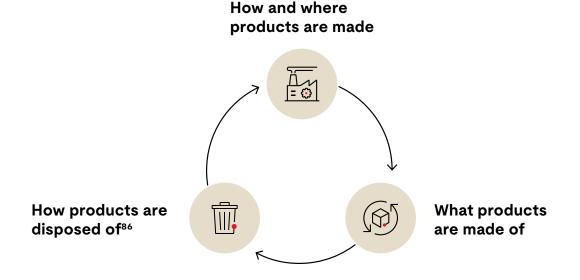
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Building privatelabel brands for today's consumers

Consumers want brands that align with their values. This increasingly means products that are better for people and the planet. Retailers have the opportunity to build brand loyalty by sourcing and curating safer and more sustainable products, knowing that safety and sustainability are increasingly important to consumers.85 It is prudent for retailers to interrogate the lifecycle of their PLBs to determine:



Retailers that are able to provide PLBs that are proven to be safer and more sustainable will create brand loyalty amongst consumers. Recall that traditionally PLBs were sought out by consumers for price loyalty. Safer and more sustainable PLBs allow retailers to transfer price loyalty to brand loyalty, which has longer term benefits to retailers and consumers alike.



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When it comes to branding PLBs, retailers must be strategic in their delivery to attract and retain consumer interest. Examples of ways that retailers can engage consumers with their safer and more sustainable PLBs:

- Advertising third-party sustainability certifications
- Publishing and adhering to restricted substances lists (RSLs)
- Providing information on a product's origin and manufacturing processes
- Establishing minimum sourcing standards
- Promoting safer and more sustainable products
- Demonstrating quality and performance
- Showcasing attractive style and designs





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It has been proven that safer and more sustainable brands contribute to increased sales for retailers

+19%

product sales uplift after tagging products as sustainable

+60%

click-through rate (CTR) increase after tagging products as sustainable

53%

of consumers have switched from a known brand to an alternative due to sustainability 84%

of consumers are more loyal to a brand that aligns with their values

Given the estimated market opportunities for expanding, creating and/or launching PLBs, retailers have a chance to permanently grow their market share, while appealing to NGOs, consumers and regulators who are demanding safer and more sustainable products. In order to do so effectively, retailers need to show the value of these brands and take advantage of sustainability as reasons to invest in them. UL Solutions can help.





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Creating a retail product sustainability program



Build on a strong regulatory compliance program to create a robust product sustainability program

A retail chemical compliance program provides the essential foundation for a robust product curation program.

Kev elements include:

- Use of tools to systematically gather product composition data from the supply chain, including from manufacturers, intermediaries and raw material producers.
- Use of regulatory lists at the local, state, federal and international levels to identify chemicals of concern in your supply chain.
- Adoption of a corporate chemical policy as part of a broader corporate social responsibility (CSR) program; the chemical policy should include one or more restricted substances lists that identify the chemicals that producers should avoid.



Following are some retailer best practices for implementing product curation programs

Leading retailers and brands engage in several activities to manage products in their supply chains to better understand chemical ingredients and reduce or eliminate chemicals of concern:

- Request supplier authorization to use ingredient data for regulatory screening, chemical policy and product curation programs.
- Provide clear vendor guidance about what data is needed, how it will be used and the commercial benefits of collaboration.
- Address consumer and NGO concerns by publishing a chemicals policy and restricted substances list.
- Help consumers find safer, healthier or greener products through consumer-facing marketing channels in-store and online.
- Add chemical composition requirements to product development specifications for private-label brands.
- Continuously track and communicate progress toward eliminating chemicals of concern (e.g., Chemical Footprint Project).

Retailers often partner with leading consultants and organizations with chemical and regulatory expertise to assist in developing and maintaining their chemical compliance and sustainability programs. Together, they design effective communication strategies to obtain buy-in among critical internal stakeholders and use technology to gather chemical data across the supply chain.



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ULTRUS software enables product sustainability

ULTRUS software from UL Solutions helps retailers to develop and implement chemical policy and sustainable product curation programs with the PurView® digital platform. With its advanced features and integration with WERCSmart data, PurView aligns with the best practices that leading retailers and brands follow.

PurView helps retailers move beyond compliance to meet the demands of the end consumers and achieve sustainability goals.

Create and implement your organization's chemical policy

Design and implement a chemical policy that reflects your commitment to CSR and move beyond mere compliance with regulations. To achieve this, PurView enables you to manage and scale your chemical policy program across your assortment of national brands and private-label products.

Screen products for chemicals of concern

With PurView, retailers can go beyond the product label and generic ingredients to screen a product's full formulation for chemicals of consumer concern and other priority chemicals, all while protecting suppliers' confidential information through WERCSmart's secure data engine.

Develop more sustainable products

PurView allows for optimizing formulation and ingredient selection when researching and developing private-label products to meet compliance and sustainability goals.

Empower consumer-facing marketing programs

PurView enables retailers to promote products across channels — in-store and online — based on sustainability attributes that matter to consumers. By leveraging the software, retailers can provide consumers with valuable information to help them find safer, healthier and greener products.

Learn how PurView from UL Solutions can help you build a strong sustainable product curation program.

Visit UL.com/PurView or email us at <u>UL.SupplyChain@UL.com</u>





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PRODUCT CERTIFIED FOR REDUCED ENVIRONMENTAL IMPACT. VIEW SPECIFIC **ATTRIBUTES EVALUATED:** UL.COM/EL

ULXXXX

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Retailers and their brand owners recognize the unprecedented urgency to address the climate crisis. They want to demonstrate to buyers their commitment to sustainability with credible product certifications that enhance transparency. Certification marks often focus on a single attribute rather than multi-attribute requirements evaluating a product's environmental and health impact.

For manufacturers and retailers that want to showcase that their products meet a comprehensive set of environmental, health and social criteria, the ECOLOGO Certification program can help.

ECOLOGO product categories:

- Cleaning products and disinfectants
- Electronics and office products
- Personal care products
- Building products
- Sanitary paper
- · Paper products and paper board
- Renewable low impact electricity
- Plastic packaging

Recognition in the market

The ECOLOGO is recognized or referenced in hundreds of specifications, standards and purchasing programs including Amazon's Climate Pledge Friendly Program, U.S. EPA Federal Purchasing Program and more.

Learn how ECOLOGO Certification can help your organization gain a competitive edge in the marketplace Visit **UL.com/ECOLOGO-Certification** or contact us to learn more.



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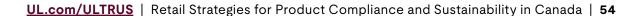
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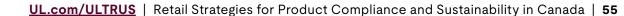
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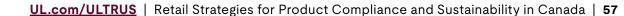
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