



**2021
SUSTAINABILITY
REPORT**

CREATING A MORE BEAUTIFUL WORLD





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MESSAGE FROM LEADERSHIP



The world has changed dramatically since we published our first Sustainability Report in 2019, “[Creating a More Beautiful World](#).” The COVID-19 pandemic challenged all of us in unprecedented ways. At the pandemic’s onset, our member companies were quick to prioritize the safety and well-being of their employees, consumers and the people in the communities where they lived and worked.

The Personal Care Products Council (PCPC) secured an “essential” designation for personal care products manufacturers, products regulated by the U.S. Food and Drug Administration (FDA) and advocated with the Department of Homeland Security (DHS) Critical Infrastructure and Security Agency (CISA) for the designation of “personal care and hygiene products” as COVID-19 critical infrastructure. We also worked with FDA and members of Congress to allow non-traditional manufacturers to convert their manufacturing lines to produce hand sanitizers and address the critical shortage. While parts of the world are still dealing with pandemic-related lockdowns and adverse health impacts, we have seen a hopeful shift with the development and distribution of multiple vaccines.

The events surrounding the tragic death of George Floyd and the subsequent Black Lives Matter movement have made diversity, equity and inclusion (DEI) a corporate priority. A diverse, equitable and inclusive workplace undoubtedly fosters more innovation and creativity, less biased decision-making, and produces better ideas for solving problems. Recognizing this, PCPC and many of our members initiated a variety of programs and approaches to improve recruitment and retention, and to address issues of racial disparities in leadership and pay. As indicated by our most recent member Sustainability Assessment Survey (SAS), fielded in January 2022, more than 75% of PCPC member companies have DEI policies and programs in place to ensure they are contributing to a more diverse, equitable and inclusive future.

These past few years have also called to light the pressing, complex and critical challenges facing our natural systems and the urgent need for us to take significant measures to protect our planet. The Intergovernmental Panel on Climate Change (IPCC) state of global climate science publication issued a red alert for the planet raising great concern. Countries and companies around the world are stepping up their climate actions and making greenhouse gas (GHG) emissions reduction a top priority, in alignment with the Paris Agreement. Climate action is a top priority for our member companies and in this report, we highlight some of the leadership commitments and ambitious initiatives that our sector has undertaken to reduce GHG emissions and transition toward a low carbon economy.

We face a long list of social and environmental challenges, yet PCPC member companies believe that working together alongside government and NGOs will enable us to make meaningful change. We remain committed to making tangible progress on serious issues like workforce opportunity, racial equity, climate change, and sustainable, responsible supply chains. Business as usual has changed for the world, and together, we can create a more diverse, equitable, inclusive and sustainable future. We are proud of the numerous ways in which PCPC member companies are making a difference.

As always, we thank you for your interest in this report and welcome your feedback.

A handwritten signature in black ink that reads "Lezlee Westine".

LEZLEE WESTINE
PRESIDENT AND CEO
PERSONAL CARE PRODUCTS COUNCIL

BOARD OF DIRECTORS LEADERSHIP PERSPECTIVES



DEBBIE ERICKSON

General Manager
Coty U.S.

"At Coty, sustainability is the ultimate driver of innovation. Whether developing products that are cleaner and greener or collaborating with peers on industry-wide initiatives, we are committed to becoming a leader in sustainability and creating *Beauty That Lasts*. Simply put, for Coty, sustainability is both a strategic business imperative and the right thing to do."

MARK LOOMIS

President, North America
The Estée Lauder Companies

"As a *Beauty Inspired, Values Driven* company, The Estée Lauder Companies recognizes that the success of our business is inextricably linked to the health and well-being of people and the planet. Resiliency will be more important than ever in the years to come, and we are dedicated to managing our environmental and social impacts throughout the value chain, and to helping innovate, solve and connect at both local and global levels."

DAVID DIBERNARDINO

Regional Head, Consumer Beauty North America*,
Henkel

"Today, societies demand greater responsibility from the organizations they work for, buy from and invest in. At Henkel, our sustainability strategy is embodied in our purpose: *We are pioneers at heart for the good of generations*. We are committed to actively driving the transformation to a sustainable economy and society, help protect and regenerate our planet, contribute to communities thriving, and build trusting partnerships with our customers and other stakeholders."

DUDA KERTESZ

President
U.S. Skin Health, Johnson & Johnson
Consumer Health

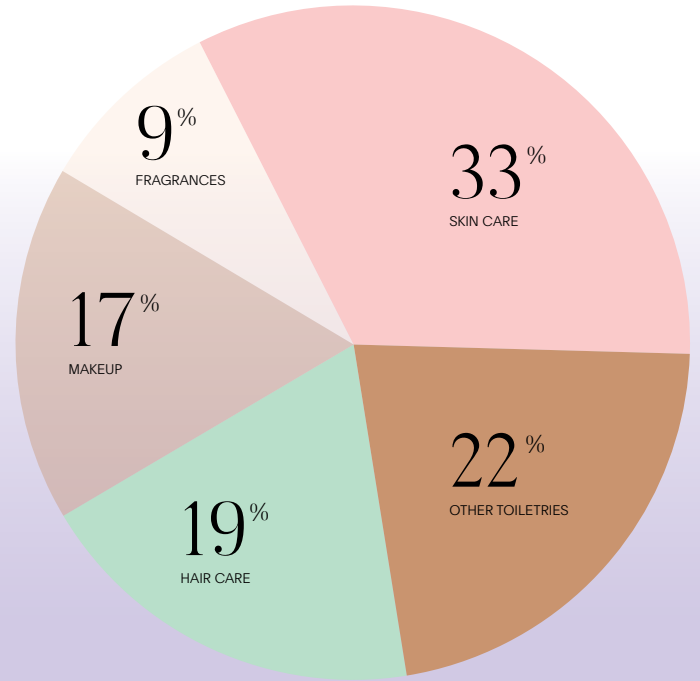
"At Johnson & Johnson Consumer Health, our Healthy Lives Mission is driven to improve total health for all — for individuals at every age and stage of life, for communities and for our planet. We've set ambitious goals, investing \$800 million through 2030, to advance consumers health while also protecting our environment. Fundamentally, we believe sustainability is key for our consumers and we want our consumers to know that when you choose our brands, you choose a healthier today and a healthier tomorrow."

* At time of printing

\$ **484.1**
BILLION
GLOBAL SALES IN 2020*

SOURCE: Euromonitor International
Beauty and Personal Care 2021

* PRODUCT CATEGORIES INCLUDE:
BABY CARE, BATH/SHOWER, COLOR COSMETICS,
DEODORANTS, FRAGRANCES, HAIR CARE/COLOR,
HAIR REMOVAL, MEN'S GROOMING, ORAL CARE,
SKIN CARE, SUN CARE



\$ **91**
BILLION
U.S. SALES IN 2020*

SOURCE: Euromonitor International
Beauty and Personal Care 2021

3.6%
PROJECTED
U.S. CAGR
(COMPOUND ANNUAL
GROWTH RATE)
THROUGH 2025

SOURCE: Kline Cosmetics &
Toiletries USA 2021



PEOPLE OF COLOR
REPRESENT
33%
OF THE INDUSTRY'S
WORKFORCE

SOURCE: PCPC Economic & Social
Contributions Report 2020

\$ **170.5**
BILLION
IN LABOR INCOME

SOURCE: PCPC Economic & Social
Contributions Report 2020



RETAIL SALES

OF THE U.S. COSMETICS & TOILETRIES MARKET BY PRODUCT CLASS, 2020

SOURCE: Kline Cosmetics & Toiletries USA 2021

EMPLOYS MORE THAN
7,200
SCIENTIFIC, TECHNICAL,
ENGINEERING &
MATH PROFESSIONALS

SOURCE: PCPC Economic & Social Contributions Report 2020

\$267.3
BILLION
CONTRIBUTION
TO U.S. GDP

SOURCE: PCPC Economic & Social Contributions Report 2020

NEARLY
70%
OF TOTAL
EMPLOYMENT IS IN
SMALL BUSINESSES
(< 50 EMPLOYEES)

SOURCE: PCPC Economic & Social Contributions Report 2020

INDUSTRY PARTICIPANTS
REDUCED GLOBAL
GREENHOUSE
GAS EMISSIONS BY
3.9%

SOURCE: PCPC Economic & Social Contributions Report 2020

WOMEN COMPRISE
NEARLY

77%
OF THE TOTAL
WORKFORCE

SOURCE: PCPC Economic & Social Contributions Report 2020

3.9
MILLION
DOMESTIC JOBS

SOURCE: PCPC Economic & Social Contributions Report 2020

DONATED
\$144
MILLION
TO CHARITABLE
CAUSES

SOURCE: PCPC Economic & Social Contributions Report 2020

35%
TRADE
SURPLUS

SOURCE: PCPC Economic & Social Contributions Report 2020



ABOUT THE PERSONAL CARE PRODUCTS COUNCIL

Based in Washington, D.C., the Personal Care Products Council (PCPC) is the leading national trade association representing 600 beauty and personal care product companies. PCPC advocates on behalf of its members to promote an effective and pragmatic regulatory environment that enables companies to manufacture, distribute and supply safe, innovative products to families worldwide who trust and enjoy them every day. PCPC works to educate key audiences — policymakers, regulators, nongovernmental organizations (NGOs), retail partners, consumers and the news media — about the complexity of and scientific sophistication behind beauty and personal care products, as well as the importance of harmonizing global regulations. PCPC stands united and resolute with its members in their commitment to consumer and product safety, quality and innovation.

PCPC's member companies represent approximately 90% of the U.S. beauty industry, including some of the most beloved brands in beauty and personal care today in a \$91 billion U.S. market and \$484 billion global industry.

For more than 125 years, PCPC has worked to preserve the industry's future and effectively position members so they can provide trusted, innovative products that enhance quality of life and well-being. Today, PCPC operates six steering committees and two standing committees, in which all member companies are invited to participate.

STEERING COMMITTEES:

- Communications Steering Committee
- Federal Government Affairs & Legislative Steering Committee
- International Steering Committee
- Legal Steering Committee
- Science and Regulatory Steering Committee
- State Government Affairs & Legislative Steering Committee

STANDING COMMITTEES:

- International Committee
- Technical/Regulatory Committees & Task Forces

“Since 1894, PCPC has served as the leading national trade association representing the most trusted and beloved brands in beauty and personal care.”



ABOUT THIS REPORT

This report, *Creating a More Beautiful World*, is the second sustainability report published by PCPC. The industry's first report was published in 2019. PCPC's ambition is to continue to produce future reports on a periodic basis, highlighting the sustainability commitments and performance of PCPC's member companies and the beauty and personal care products industry overall.

The Report highlights the economic, environmental and social impacts and core governance (ESG) practices of PCPC's member companies. The reporting period includes activity during the 2021 calendar or fiscal year, except where clearly noted, and draws from publicly available information, including sustainability/corporate responsibility reports, website content, news releases, as well as academic, NGO and government sources.

This report does not aim to document the breadth of commitments, initiatives and achievements of all PCPC members. Instead, it highlights select member performance on material topics, including energy and climate action; packaging and waste management; water stewardship; biodiversity protection; responsible sourcing; DEI; brand purpose; and animal testing. Additional information about PCPC member company sustainability practices may be obtained directly from individual company reports or websites.



STAKEHOLDER PERSPECTIVES



“Despite the diversity of the stakeholders that participated in the survey, there was strong alignment behind the sustainability issues of material importance.”

The beauty and personal care products industry aims to be responsive to stakeholders and their desire to know more about industry’s impacts and efficient use of natural resources, as well as their demands for greater transparency and disclosure around business practices. To ensure PCPC has insight into what stakeholders are thinking and what they believe are the most material issues facing the sector, PCPC fielded a stakeholder sustainability engagement survey in November of 2021. The survey collected feedback on key ESG topics from industry suppliers, civil society, commercial partners, thought leaders, third-party standard setters, government agencies, trade associations and the investment community.

Despite the diversity of survey participants, there was strong alignment and consistency behind the sustainability issues of material importance, areas of key responsibility of the industry, where the sector should focus its efforts and how it is perceived.

The 2021 Stakeholder Sustainability Engagement Survey is a follow-up to a similar survey fielded in 2018 to track the attitudes of key stakeholders and the issues they believed were important to industry at the time. In 2021, the stakeholder outreach list was expanded, yielding double the number of respondents and more robust insights. Two new issues that rose to the top — neither of which were perceived as among the most important in 2018 — included DEI and biodiversity loss. Additionally, 2021 stakeholders placed a significantly higher priority on climate change and its related impacts.

STAKEHOLDERS BELIEVE INDUSTRY’S MOST CRITICAL ISSUES ARE:

1. Climate change/CO2 emissions
2. Packaging, waste and recycling
3. Product safety
4. Transparency and traceability in the supply chain
5. Biodiversity loss

STAKEHOLDERS ALSO BELIEVE THE BEAUTY INDUSTRY HAS A RESPONSIBILITY TO ADDRESS THE FOLLOWING KEY AREAS:

- Product safety
- Climate change/CO2 emissions
- Packaging, waste and recycling
- Supply chain labor conditions
- DEI

A majority of stakeholders (59%) perceives industry as scientifically rigorous; they believe the beauty industry has expertise in ensuring human health and safety, and contributes to the hygiene, well-being and self-confidence of society. The industry is also well-recognized (41%) for providing employment opportunities for women and minorities. However, less than a third (27%) of stakeholders surveyed felt industry possesses the scientific rigor and expertise to ensure environmental health and protection, an area of increasing opportunity.

Stakeholders identified two focus areas the beauty industry should address:

PRODUCT SAFETY

- Placing the highest priority on product safety

PRODUCT STEWARDSHIP

- Placing the highest priority on environmental impacts of the products it produces along the entire value chain
- Developing products with packaging that is recyclable, made from renewable or reused materials, or with less or fewer materials, and refillable/reusable or compostable
- Reducing or minimizing the amount of waste created in operations
- Sourcing raw materials and ingredients of plant origin with respect for biodiversity (definition of biodiversity: the variety and richness of natural life in genetic materials, species, and ecosystems)
- Setting time-bound goals to reduce negative environmental impacts and regularly communicate on progress

OVERVIEW OF PCPC'S ENVIRONMENTAL, SOCIAL AND GOVERNANCE STRATEGY

Beauty and personal care products companies strive to be among the most exemplary in the sustainability of their businesses. PCPC member company leadership recognizes that business will only continue to prosper if they act responsibly toward consumers, employees, business partners and communities around the world where they operate, and with respect for the environment.

PCPC is focused on supporting ESG issues that are most important to its members and have the greatest impact. In support of this objective, PCPC fielded new member and stakeholder sustainability engagement surveys. The results provided insights to support a refreshed ESG strategy framework with a renewed focus on action and resource allocation, and a clear understanding of where PCPC might add more value to member sustainability programs or practices.

The 2022 Member Sustainability Assessment Survey revealed that beauty and personal care products companies have truly embraced sustainability. Nearly all (92%) the respondents indicated they are engaged in some sustainability activities; more than half (64%) have integrated sustainability into their business operations and have a formal program; and 56% say that sustainability has become a top three priority on their CEO's agenda.

The refreshed ESG strategy is based on three pillars with key focus areas within each:

ENVIRONMENTAL IMPACT: Protecting the planet is a responsibility, not a choice. Industry is committed to improving the well-being of people and the planet and is actively engaged in managing the environmental impacts of business operations along the entire value chain.

- Climate/energy action
- Waste/packaging
- Water stewardship
- Biodiversity protection

SOCIAL IMPACT: As part of its commitment to enhance quality of life, the beauty industry makes a significant and positive social impact that goes far beyond the direct benefits of its products. From providing a safe and equitable workplace to sourcing raw materials with ethical practices to giving back to communities in need, companies leverage brands, products and platforms to create shared value for all stakeholders along the value chain.

- Responsible sourcing
- Diversity, equity & inclusion
- Brand purpose/philanthropy

GOVERNANCE: How the beauty industry achieves results is equally as important as the results themselves. Companies conduct business with transparency, oversight and accountability, implementing policies, practices and processes that govern their actions and decision-making. Ethical conduct guides the industry to act with integrity and maintain the highest standards.

- Transparency
- Animal testing

In the past few years, PCPC has undertaken a variety of initiatives to advance the sustainability practices and reputation of its members, including publishing the first-ever sustainability report to highlight member companies' commitment and actions, which will be refreshed every few years. Additional activities include:

- Focused ESG content for various meetings and conferences
- Dedicated sustainability webinar series
- Sustainability Handbook development
- Routine blog posts and opinion pieces
- Benchmarking of comparable trade associations' sustainability approach
- Stakeholder and member company sustainability assessment surveys

Given the increasing importance of ESG to member companies, PCPC will continue to focus on programs and initiatives that support action, advocacy and awareness.



ACTION

Share best practices to build industry capabilities and know-how



ADVOCACY

Engage and educate key stakeholders on industry's ESG commitment and support sustainability-driven policy issues and legislative solutions



AWARENESS

Proactively enhance industry's reputation through an expanded sustainability narrative

THE SCIENCE OF PRODUCT SAFETY

Consumer and product safety are top priorities for PCPC's member companies with careful and thorough scientific research serving as the foundation for everything they do. The U.S. beauty and personal care products industry invests millions of dollars in scientific research and development to support the safety and efficacy of approximately 2,000 new products introduced each year. Companies employ more than 7,200 professionals — including medical and scientific experts, chemists, toxicologists, microbiologists, dermatologists, epidemiologists and environmental scientists — to evaluate, substantiate and ensure product and ingredient safety. Each year, industry scientists publish numerous peer-reviewed papers about improvements and development of new safety methods.

PCPC also supports member companies' approach to product safety through several initiatives and resources, including:

- The Cosmetic Ingredient Review (CIR) program, used by the Expert Panel for Cosmetic Ingredient Safety, an independent nonprofit scientific body established in 1976 to assess the safety of cosmetic ingredients used in the U.S.;
- InfoBase, which provides access to major data collections on ingredients and technical reports, and current news;
- Buyers' Guide, an electronic resource featuring the most reliable listing of International Nomenclature Cosmetic Ingredient (INCI) names for cosmetic raw materials and their suppliers;
- International Regulatory Database (IRDB), which provides access to beauty and personal care products regulations, basic health laws and government information for more than 60 countries around the world;
- Voluntary Cosmetic Registration Program (VCRP), an FDA post-market reporting system for use by manufacturers, packers and distributors of beauty and personal care products that are in commercial distribution in the U.S.;



“The development of beauty and personal care products involves numerous scientific professions, including medical and scientific experts, chemists, toxicologists, microbiologists, dermatologists, epidemiologists and environmental scientists.”

- PCPC's Consumer Commitment Code, which strengthens practices already in place for many companies and incorporates new practices, such as a Safety Information Summary Program that makes information relevant to beauty and personal care products and ingredient safety readily available to the FDA upon request.

STEPS TO ASSURING PRODUCT SAFETY

The development of a new beauty or personal care product involves not only the numerous medical and scientific professionals, but also molecular modeling, formulation science, packaging, engineering and quality assurance expertise. Companies' approach to product safety for every ingredient and for every finished product is guided by the latest science at every stage of the development process through a multi-step evaluation.



1

**CHOOSING
SAFE INGREDIENTS**

Each ingredient is assessed for its potential short-term or long-term effects. If the safety of the ingredient cannot be established, it will not be used in the product formulation.



4

**CUMULATIVE
EXPOSURE**

Cumulative exposure is considered, including the highest concentration of an ingredient that would be used in a formulation and the maximum amount possible for consumer exposure during the use of the product. A product must successfully pass these stages of assessment to be brought to market.



2

**DEFINING A
SAFE RANGE**

A safe range for each ingredient used is established and aligned with the evaluation process used by other leading scientific regulatory agencies.



5

**POST-MARKET
SURVEILLANCE**

Once a product is available to consumers, consumer feedback is monitored through customer service channels and other mechanisms. This information is collected and used to address changing consumer expectations and to ensure continued product safety and effectiveness.



3

**DETERMINE SAFE
PRODUCT USE**

Ingredients are evaluated for how they are used together in a product formula, as well as their safety for both consumers and the environment.

INDUSTRY'S RESPONSE TO COVID

“Throughout the pandemic, PCPC and its members demonstrated incredible resilience, collaboration, creativity and caring.”



The global COVID-19 pandemic had an unprecedented impact on the beauty and personal care products industry, its employees, consumers, customers and business partners worldwide. At the onset of the pandemic, PCPC's member companies quickly prioritized the safety and well-being of their communities, while also mitigating disruption to their businesses. PCPC and its members worked together to ensure everyone had continued access to the safe, essential products they trust and rely on every day.

PCPC's Board of Directors established a COVID-19 Task Force to provide strategic direction and guide priorities in the following areas:

- Business continuity: advocated with global, federal, state and local governments to designate the industry and supply chains as "critical" and its workers as "essential," and help address a national shortage of hand sanitizers
- Communications strategy: provided updated resources and information about the virus and industry's response to members, consumers and other key stakeholders through PCPC's [COVID-19 Command Center](#)
- Call to action: encouraged and coordinated monetary and in-kind donations from member companies to hospitals, community clinics, medical and emergency professionals, first responders and industry employees

On behalf of its members, PCPC secured an "essential" designation for personal care product manufacturers or products regulated by the U.S. Food and FDA and advocated with the Department of DHS Critical Infrastructure and CISA for the designation of "personal care and hygiene products" as COVID-19 critical infrastructure, which most states and localities

across the country adopted. PCPC advocated these same principles globally with international sister associations to ensure members around the world could maintain business operations and production.

To address the national shortage of hand sanitizers, PCPC worked with the FDA and members of Congress to allow non-traditional manufacturers to convert manufacturing lines to produce hand sanitizer. As a result, member companies produced and donated more than 20 million units. In addition, PCPC launched the Hand Sanitizer Ingredient Connection to facilitate the ongoing manufacture and marketing of hand sanitizers in the U.S. by connecting buyers and sellers of materials with one another. The program facilitated more than 4,668 matches between more than 200 companies.

PCPC also advocated for business economic assistance for small and medium sized member companies and shared information about federal government programs, including the Paycheck Protection Program (PPP), Federal Reserve lending programs and Economic Injury Disaster loans.

Throughout the pandemic, PCPC and its members demonstrated incredible resilience, collaboration, creativity and caring. This adaptability helped address the critical needs and challenges facing its stakeholders.

ECONOMIC GROWTH: FUELING A GLOBAL SECTOR

The beauty and personal care products industry is one of the most dynamic and innovative industries in the U.S. economy. It plays an essential role in creating jobs, providing opportunities to women in leadership positions, generating income and enhancing the well-being of communities across the country and around the world. Companies in the sector are both an economic engine of growth and a force for good in society.

As presented in PCPC's [Economic & Social Contributions Report 2020](#), the beauty and personal care products industry has a strong legacy of economic growth and social contributions:

- The personal care products industry supports 3.9 million direct and indirect jobs, representing 1.9% of total U.S. employment; \$170.5 billion in labor income; \$267.3 billion in U.S. gross domestic product (GDP); and \$64.8 billion in tax payments at the federal, state and local levels.
- Between 1990 and 2018, the industry generated a trade surplus each year, reaching \$4.8 billion in 2018, while the majority of the manufacturing sector recorded a trade deficit during this period. Exports of personal care products were 35% higher than imports.
- Women comprise 77% of industry's workforce and hold more than half of management positions — significantly more than in other industries — and people of color make up 33% of the workforce.
- Small businesses, or companies with fewer than 10 employees, account for more than 34% of total employment in the personal care products industry, compared to 10% in all industries. Companies with fewer than 50 employees make up 70% of industry employment, compared to 26% for all industries.
- The sector invests significantly in research and employs more than 7,200 science, technology, engineering and mathematics (STEM), all dedicated to ensuring product and ingredient safety.
- Industry supports a wide range of corporate social responsibility programs, issues and causes that make communities better places to live. For every \$1 million in revenue, beauty and personal care product manufacturers made charitable contributions of approximately \$1,300 — higher than the average for the manufacturing sector as a whole and second highest among all major industry sectors. The sector is also generous with their human resources, donating thousands of employee volunteer hours each year.





ENERGY/CLIMATE ACTION: TOWARD NET ZERO

PCPC member companies are aligned in their understanding of the immediate and potential long-term impacts of climate change and its effect on our natural environment and well-being of society. In a PCPC member company Sustainability Assessment Survey (SAS) conducted in February 2022, 72% of respondents said that climate change/action is the most important sustainability impact area to address in the next three to five years.

Members are committed to reducing their energy consumption, transitioning toward lower-carbon or renewable sources of energy, and ambitiously cutting their greenhouse gas (GHG) emissions while implementing mitigation, adaptation and resilience strategies.

A majority of PCPC member companies are:

- committed to quantifying and tracking carbon emissions across company operations,
- shifting fossil-fuel energy toward less carbon intensive or renewable forms,
- setting ambitious carbon reduction targets, and
- optimizing buildings, manufacturing processes, and modernizing equipment to reduce emissions and investing capital in energy efficiency improvements.

Many PCPC member companies have committed to science-based targets (SBTs), designed to limit global warming to 1.5° C and prevent the worst impacts of climate change. The SBT Initiative requires reductions to scope 1, 2 and 3 GHG emissions. Companies that have made commitments to SBTs include **Beiersdorf, Chanel, Colgate-Palmolive, Cosnova Beauty, Firmenich, Givaudan, Guerlain, Henkel, Johnson & Johnson, Kao, Kimberly-Clark, Kose, L'Oréal, Natura, Parfums Christian Dior, Procter & Gamble, Reckitt Benckiser, Shiseido, Symrise, Takasago, The Clorox Company, The Estée Lauder Companies and Unilever.**

In addition to making commitments to reduce GHG emissions in line with the Paris Agreement, many companies have also set public goals to use 100% renewable energy and have joined RE 100, a global corporate renewable energy initiative that brings together hundreds of large businesses committed to 100% renewable electricity. Current members of the RE 100 include **Amorepacific, Chanel, Colgate-Palmolive, Coty, Firmenich, Givaudan, International Fragrance and Flavors, Johnson & Johnson, Kao, Kering, Procter & Gamble, Reckitt Benckiser, Shiseido, Symrise, The Estée Lauder Companies and Unilever.**

Recognizing that impacts are created through product logistics and transport, many member companies have identified opportunities to reduce emissions related to product transport, whether that's by trucking, rail, barge or air freight. Partnering with SmartWay-registered carriers, with a strong record of fuel efficiency and GHG reduction, companies can move freight in the cleanest, most energy-efficient way possible.

Many member companies are also focusing on optimizing the ongoing performance of their built environments. They're pursuing Leadership in Energy & Environmental Design (LEED), Building Research Establishment Environmental Assessment Method (BREEAM) and Haute Qualité Environnementale (HQE) certifications of their buildings or leasing green spaces, which are designed to consume less water and operate with less expensive heating and cooling systems and less costly electricity.

PCPC member companies included on the CDP 2021 Climate Change A list include **Beiersdorf, Colgate-Palmolive, Firmenich, Givaudan, International Flavors and Fragrance, Kao, Kering, Kose, Johnson & Johnson, L'Oréal, Symrise, The Estée Lauder Companies and Unilever.**

“PCPC member companies believe that climate change/action is the most important sustainability impact area to address in the next three to five years.”



WASTE/PACKAGING: SUPPORTING A WASTE-FREE FUTURE

The beauty and personal care products industry recognizes there are numerous benefits realized from optimizing resource use and proper waste management. These benefits include improved human health, protection of the environment, animals and marine life, lower production costs and increased profits. Better waste management is good for life on earth and good for business. However, around the world, waste generation rates are rising. In 2020, the world generated an estimated 2.24 billion tons of solid waste¹, driven by rapid population growth and urbanization and inadequate waste collection infrastructure. In the U.S., only 30-35% of material solid waste is recycled or composted.

Given the growing concern with increasing waste generation, private sector organizations, civil society and governments around the world are identifying ways to transition the current economy from a linear economic model (take, make, use, toss) toward a circular design that eliminates waste and pollution, keeping resources in use and out of landfills. PCPC member companies understand that a systems approach, including upstream solutions for better packaging materials and design, as well as downstream solutions of waste recovery and recycling infrastructure, are required to address the mounting global waste.

Many PCPC member companies have made commitments to zero waste in operations by using a waste-minimization hierarchy — source reduction, reuse, recycle, compost, energy recovery, waste treatment and disposal. Inspired by closed-loop systems and recognizing that better materials management and less waste lead to significant cost savings, companies have undertaken ambitious approaches toward achieving zero waste. PCPC member companies with zero-waste goals include **Beiersdorf**,

Burt's Bees, Coty, Colgate-Palmolive, Henkel, Firmenich, International Flavors and Fragrance, L'Oréal P&G, Marky Kay, The Estée Lauder Companies and Unilever.

Recognizing that single-use plastic packaging contributes to the global waste challenge, beauty and personal care products companies are working to address the potential environmental impacts of product packaging. Through eco-design, light-weighting, reuse and materials standardization, substantial waste reduction results have been achieved. Innovating packaging that uses less, refills more or recycles easily, aligned with principles of the circular economy, has widely informed industry's approach.

Members of the Ellen MacArthur Foundation who are committed to tackling plastic pollution at its source have made ambitious commitments through the Global Commitment and Plastic Pact to make 100% of plastic packaging reusable, recyclable or compostable by 2025. PCPC member companies that are committed to the Plastic Pact include **Beiersdorf, Colgate-Palmolive, Henkel, Kimberly-Clark, L'Oréal, Johnson & Johnson, Natura, Reckitt Benckiser, The Clorox Company and Unilever.**

Consumers also have a role to play in the proper disposal of packaging waste. Many PCPC member companies and their brands offer consumers retail collection or mail-in take-back programs for empty packaging, including **Aveda, Burt's Bees, Colgate Oral Care, Dial, Head and Shoulders, Herbal Essence, Henkel, Garnier, Kiehl's Since 1851, MAC Cosmetics, Origins, Pantene, Seed Phytonutrients and Tom's of Maine.**

In addition to making products easy to reuse or recycle, industry is also partnering with experts to accelerate reuse and recycling in local communities by eliminating confusion around how, where and what to recycle, investing in local recycling infrastructure and systems and championing waste-free e-commerce.

In a further demonstration of the industry's commitment to the elimination of plastic waste, in March 2022, PCPC worked with colleagues around the world to develop a global industry position paper outlining support and principles for a United Nations Treaty on plastics pollution. A global industry working group will continue to follow the negotiations and provide input to the process as appropriate, supporting a treaty based on the following principles:

- Adaptability in implementation
- Interventions across the full life cycle of plastic
- Life-cycle assessments
- Guidance on product design
- Increase post-consumer technology capacity and deployment
- Harmonized definitions and reporting
- Proportionality

Working in coalition with organizations to address upstream and downstream solutions to packaging waste and the inherent challenges of a linear economy, industry is committed to taking the necessary steps to support a waste-free future.

1. The World Bank, Solid Waste Management <https://www.worldbank.org/en/topic/urbandevelopment/brief/solid-waste-management>



“In 2020, the world generated an estimated 2.24 billion tons of solid waste¹, driven by rapid population growth and urbanization and inadequate waste collection infrastructure. In the U.S. only 30-35% of material solid waste is recycled or composted.”



WATER STEWARDSHIP: CONSERVING A PRECIOUS RESOURCE

There is no substance more precious than water. The beauty and personal care industry takes important measures to conserve this natural resource, which is essential for life and success in nearly every human endeavor. Water is also the lifeblood of the economy; industries rely on it for manufacturing, energy production, materials' transport around the world and more. Industry recognizes the human right to water, which, as defined by the United Nations, entitles everyone to sufficient, safe, acceptable, physically accessible and affordable water for personal and domestic use.

While the beauty and personal care sector is not a water-intensive industry, water is used in product formulations, the manufacturing process, and by consumers when they use or remove products. Industry's focus on water stewardship often includes the following strategy and practices:

MONITORING WATER WITHDRAWAL

Recognizing that one can only manage what one measures, 60% of PCPC member companies surveyed, track and monitor water withdrawal and use by source¹. Most companies conduct a water-use analysis to understand how water is used across operations as a raw material in formulation, cleaning and sanitization of equipment and facilities, cooling towers or sanitation, informing strategies to reduce water withdrawal and identifying opportunities to increase water reuse, capture and storage.

ASSESSING WATER RISK AND WATER STRESS

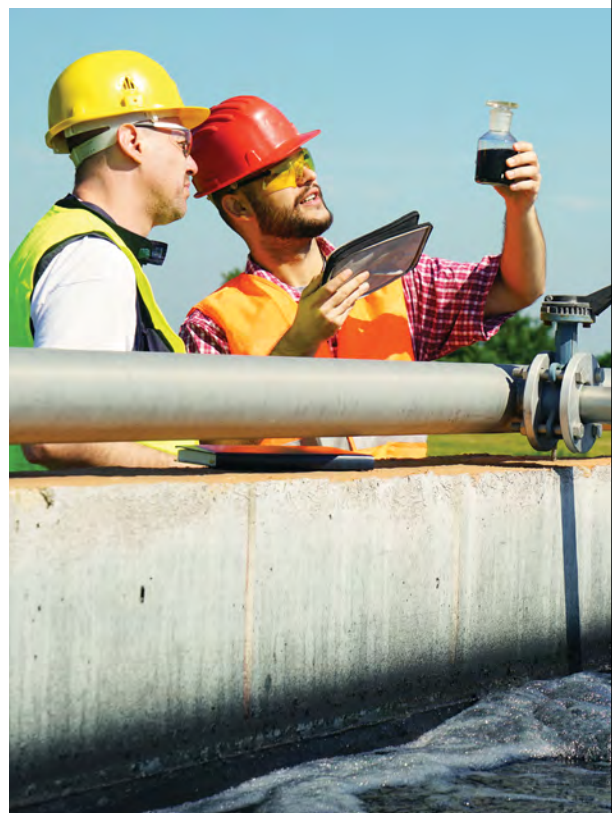
A water risk assessment is a critical tool in identifying, managing and/or mitigating water-related impacts from issues such as local water stress, potential water quantity and quality disruptions to water-based political challenges that may contribute to a larger company-wide risk management strategy. Companies use water risk assessments to identify the physical, social and regulatory risks and water stress at the watershed level.

REDUCING WATER DEMAND AND INCREASING WATER REUSE

Many beauty and personal care companies have made commitments to reduce operational water use through a variety of strategies, including upgrading water chillers and HVAC installations to more water-efficient options; applying alternative technologies for cooling towers to reduce water dependence; investing in modern facilities to achieve high-quality wastewater treatment; designing closed-loop cooling systems and rainwater harvesting systems; and developing methods to optimize industrial processes to reduce or eliminate the need to source water from external networks (i.e., operate with "dry" factories).

CAREFUL MANAGEMENT OF WASTEWATER

Industry applies strict wastewater controls to meet regulatory requirements and to minimize impacts on the environment. Through modern wastewater treatment plants with advanced technologies, companies ensure that harmful effluents are not discharged back to the environment.





“Industry recognizes the human right to water, which, as defined by the United Nations, entitles everyone to sufficient, safe, acceptable, physically accessible and affordable water for personal and domestic use.”

DEVELOPING PRODUCTS THAT REQUIRE LESS WATER TO USE

Many companies invest in new products formulations that work with less water or “water-smart” products. These can include concentrated formulas that use less water, formulated formulas without water (anhydrous), water-efficient formula that require less water to rinse off or fast-rinse technology, or formulas that are safely absorbed into the wastewater system when washed or rinsed off. These efforts also include training salon professionals how to reduce the quantity of water they use while performing their services.

In addition to these strategies and approaches to water conservation, many of PCPC member companies are working with third-party organizations to develop tools and programs that address water scarcity around the world. Examples include **Procter & Gamble’s** partnership with the Bonneville Environmental Foundation (BEF) Business for Water Stewardship (BWS) program, which funds six projects in California’s Sacramento River and American River basins to improve the freshwater ecosystems and water supply and restore more than three billion liters of water to people and nature; **Unilever’s** work with 2030 Water Resources Group to address water security for consumers in Bangladesh, India, Brazil, South Africa and Vietnam; and **Colgate-Palmolive’s True Cost of Water Toolkit**, developed with Rutgers University Business School’s Supply Chain Management Program, which is a manufacturing-based tool designed to help sites quantify the hidden costs of water, such as pretreatment and pumping.



The industry is committed to protecting the marine environment that sustains life on our planet and responded early and aggressively to concerns about microbeads and their presence in oceans and waterways. PCPC and its member companies supported the U.S. Microbead-Free Waters Act, which became effective in July 2017, and have committed to replace solid plastic microbeads with alternative materials, including beeswax, rice bran wax, jojoba waxes, starches derived from corn, tapioca and carnauba, seaweed, silica, clay, and other natural compounds.

PCPC member companies included on the CDP 2021 Water Security A list include **Colgate-Palmolive, Firmenich, International Flavors and Fragrance, Kao, Kering, L’Oréal, Symrise and Unilever.**

1. Personal Care Products Council Member Company Sustainability Assessment Survey, February 2022

“The beauty and personal care industry has implemented numerous programs and made significant investments to regenerate nature and preserve biodiversity.”



BIODIVERSITY PROTECTION: PRESERVING THE RICHNESS OF NATURE

The past few years have witnessed a dramatic acceleration in biodiversity loss with both plant and animal species disappearing at an alarming rate due to habitat destruction, deforestation, unsustainable agriculture, including monoculture, overfishing and hunting, urbanization, pollution and climate change. Continued biodiversity loss will have significant strategic consequences for the beauty and personal care industry, which relies on species richness and natural ingredients derived from plants, including essential oils, pigments, surfactants and other substances used in product formulations.

Increasing consumer demand for more sustainable products and natural ingredients is driving the strategic importance of preserving biological diversity. A rich source for inspiration and innovation in developing new active ingredients, the beauty and personal care industry is actively taking steps to conserve and protect biological diversity.

Consumer awareness of the threats to biodiversity is also rising as highlighted in the [2020 Biodiversity Barometer](#), which found that 82% of consumers believe companies have a moral obligation to behave responsibly to protect biodiversity. In addition to consumer-led pressures for industry to act on behalf of nature, recognition of the need to protect, conserve, and restore nature and ecosystems was among the key takeaways at the Convention of Parties (COP) 26. The [commitment](#) at COP26 to halt deforestation while restoring land degradation by 2030 has been described as a landmark moment for nature.

The beauty and personal care industry is aligned in its recognition that biodiversity protection is critical to future growth the sector's. In 2021, PCPC fielded a stakeholder sustainability engagement survey, which confirmed that biodiversity loss was among the top five materials issues for industry to address. And while the approaches to this effort vary across PCPC member companies, there are numerous examples of assessments, programs and investments designed to regenerate nature and secure a better future through ethical sourcing of ingredients from biodiversity.

PCPC member companies, including **Christian Dior Parfums, Clarins, Firmenich, Guerlain, LVMH, Natura, Robertet, Symrise** and **Yves Rocher**, have partnered with Union for Ethical BioTrade (UEBT), a non-profit association that works with companies to regenerate nature and ensure the ethical sourcing of ingredients from biodiversity to advance their approach and engagement.

Other examples of biodiversity protection and regeneration in action include **Clarins'** purchase of a 200,000-acre area in the Alps to grow and study plants to develop its skin-care and makeup products; **Natura's** ambition to support preservation of the Amazon rainforest from 4.4 million acres to 7.4 million (equivalent to the size of the state of Maryland) and increasing the number of communities it works with to source raw ingredients from 33 to 40; **L'Oréal's** commitment to invest \$50 million through its impact fund over the next three years to generate positive social and environmental impacts projects to restore degraded marine and terrestrial habitats; and **Unilever's** Regenerative Agriculture Principles, which guide suppliers and farmers, including smallholders, on how to nourish soil and water, capture carbon and restore land. By the end of 2021, the program had 53,000 hectares under protection and regeneration

in partnership with others. **Chanel's** scientific partnership agreement with the Institut Français de Recherche pour l'Exploitation de la Mer (Ifremer) aims to better understand the effects of a changing climate on pearl cultivation and how the impacts of climate change, such as warming water temperatures and acidification, affect the oyster population, and the growth and cultivation of pearls. **Coty's** and **Kao's** assessments of their land use impacts on ecosystem quality and biodiversity risks, which provided a better understanding of their biodiversity hotspots at the different stages of their value chain, will be used to inform their sourcing approach.



DIVERSITY, EQUITY AND INCLUSION: TREATING ALL FAIRLY

PCPC member companies are committed to contributing to a more diverse, equitable and inclusive world. The events surrounding the tragic death of George Floyd in May 2020 and the subsequent Black Lives Matter movement, which protested racially motivated violence against Black people, has advanced DEI as a corporate priority in the U.S. A diverse, equitable and inclusive workplace fosters more innovative and creative teams, less biased decision-making and produces better ideas for solving problems. Many companies have enhanced their programs and initiatives to improve recruitment, retention of diverse employees, and address issues of racial disparities in leadership and pay. The best corporate programs have clear, measurable goals that extend beyond diversity representation and report regularly and transparently on their progress.

Beyond this effort, the beauty industry also works to develop products and services with more formula and shade diversity, as well as disability-inclusive packaging, to meet different needs. A few examples of these inclusive approaches include **Gillette Trevo**, the first assisted shaving razor; **Degree Inclusive**, which has a specially designed deodorant applicator for disabled individuals; **M·A·C Studio Fix Fluid** in 63 shades; **Lancôme Teint Idole** in 50 shades; and **Maybelline Fit Me** in 40 shades. Recognizing there is not just one standard of beauty, the industry has expanded representation of spokesmodels and influencers in its communications to better reflect the diverse world in which we live.

The beauty and personal care products industry is also exemplary in its support and empowerment of women. Beauty and personal care products companies celebrate strong women and their accomplishments — from **Madam C.J. Walker** to **Estée Lauder** to **Elizabeth Arden** to **Mary Kay Ash** to today's new generation of female entrepreneurs. Women make up 77% of the beauty industry workforce and hold more than half of management positions — significantly more than other industries¹. Women of color are leading voices in the industry, representing more management positions than the national average.

PCPC continues to advocate for the passage of the Creating a Respectful and Open World for Natural Hair (CROWN) Act, legislation that aims to end race-based hair discrimination and unfair judgment against Black women based on hair texture and hairstyles, including braids, locks and twists, that are inherent to their race. The CROWN Act would broaden the scope of protections to prevent more subtle forms of bias that may be found in the workplace. PCPC has long supported the CROWN Coalition's mission to advance anti-discrimination legislation across the U.S. At the federal level, H.R. 2116, Creating a Respectful and Open World for Natural Hair (CROWN) Act of 2022 passed the House of Representatives on March 18, 2022, and at the time of this publication, is heading to the Senate; PCPC continues to work with strategic partners to advocate for passage of this important legislation.

PCPC engaged an issues management firm to conduct a series of in-depth interviews and a survey to gauge PCPC Board members and staff opinions on DEI. PCPC also held a Town Hall to hear firsthand from its employees. Several themes emerged, including a commitment to diversify PCPC's membership, as well as provide unconscious bias training for employees to help them fully understand and appreciate each other's differences. Additionally, PCPC established a Board-appointed DEI Advisory Group (AG) to provide strategic direction and guidance for PCPC's DEI strategy and focus areas. The DEI AG meets regularly to ensure alignment among external and internal DEI efforts. Its focus in the coming months will be on meeting with other trade associations to leverage best practices, assessing products that address representation and accessibility, and identifying key partners to help accelerate PCPC's DEI efforts.

PCPC proudly announced the first annual Madam C.J. Walker Award for Excellence in DEI in 2021. The Award recognizes individuals who demonstrate an outstanding commitment to DEI through strong leadership and sustained efforts with a focus on workplace culture, programs, and policies, or through external engagement with consumers and communities. The selection committee presented the inaugural award to Latriece Watkins, executive vice president, Consumables, Walmart U.S., in recognition of her dedication to advancing DEI. The second annual Award will be presented during PCPC's 2022 Leadership Summit.

1. Economic & Social Contributions Report 2020: *Driving the Economy, Shaping the Future*



“A diverse, equitable and inclusive workplace fosters more innovative and creative teams, less biased decision-making and produces better ideas for solving problems. Many companies have enhanced their programs and initiatives to improve recruitment, retention of diverse candidates, and address issues of racial disparities in leadership and pay.”

BRAND PURPOSE/ PHILANTHROPY: CONTRIBUTING TO MEANINGFUL CHANGE

As part of their commitment to enhance quality of life, PCPC member companies make a significant positive social impact that goes well beyond the direct benefits of their products. From providing a safe and equitable workplace to sourcing raw materials through ethical practices to giving back to communities in need, industry leverages its brands, products and platforms to create shared value for all stakeholders along the value chain.

PCPC members support a wide range of corporate social responsibility programs which help make their communities better places to live. Companies donate \$1,300 for every \$1 million in revenue. Their annual charitable contributions are more than double the national average for other major industry sectors.

Recognizing the opportunity to help women maintain their confidence and self-esteem and manage the appearance-related side effects of cancer treatment, the industry launched the Look Good Feel Better (LGFB) program in 1989. Today, the volunteer-led program provides men, women and teenagers undergoing cancer therapy beauty techniques to manage the appearance-related side effects of chemotherapy, radiation or other forms of cancer treatment. The program, which offers free workshops, virtual classes and online support, includes lessons on skin and nail care, cosmetics, wigs and turbans, accessories and styling, helping people with cancer to find some normalcy in a life that is by no means normal. The LGFB program is made possible by in-kind and cash donations from PCPC member companies and the Professional Beauty Association, which provides caring and qualified cosmetology volunteers. Together with global affiliates, the program has served more than 2.1 million women in 27 countries.

PCPC member companies' foundations, corporate social responsibility and brand purpose programs support a range of social issues and needs like the **L'Oréal Fund for Nature Regeneration**, which aims to help restore one million hectares of degraded ecosystems; L'Oréal's partnership with UNESCO on the **For Women in Science Program**, which focuses on advancing women in science, technology, engineering and math (STEM) careers; Dove's Real Beauty Campaign and its more recent **Project #ShowUs**, which aims to shatter stereotypes through an image library created and curated exclusively by women, female-identifying and non-binary individuals; **M·A·C VIVA GLAM** campaign, which has raised more than \$500 million since its inception in support of individuals with HIV/AIDS; **Vaseline See My Skin**, which is the first database developed to search conditions on skin of color; **LIFEBUOY's** global handwashing **'H is for handwashing'** campaign, which aims to integrate good hygiene practices among children; **Schwarzkopf's Million Chances** program, which honors and supports non-profit organizations; **Colgate's Bright Smile, Bright Future**, which provides oral health care education, free dental screenings and treatment referrals to underserved communities; the **Global Handwashing Day** campaign, **P&G's Children's Safe Drinking Water** program, which celebrated its 18th billionth liter milestone; **Always #LikeAGirl** campaign, which aims to ensure that girls maintain confidence through puberty and beyond; **Gillette #TheBestMenCanBe** program, which actively challenges the stereotypes and expectations of what it means to be a man; **Coty's** long-standing partnership with DKMS, an international non-profit fighting blood cancer and blood disorders; **Rodan + Fields Prescription for Change Foundation**, which has provided educational assistance, life skills and leadership training to 1.5 million youth since its founding

in 2008; **Fondation Chanel's** work on gender, climate and the environment; **Mary Kays' Pink Changing Lives and Women's Entrepreneurship Accelerator**, which focuses on domestic violence, cancer research and women's opportunity; **Beiersdorf's "Care Beyond Skin"** program, which supports young women and girls — and aims to empower them in the long term.



“PCPC members support a wide range of corporate social responsibility programs which help make their communities better places to live.”

RESPONSIBLE SOURCING: ADHERING TO ETHICAL PRINCIPLES

Responsible sourcing is an integral part of the procurement and supply chain management approaches for PCPC member companies, who have implemented processes to better understand and manage business risk such as supply chain disruption, cost volatility or compliance with local laws and regulations, as well as risks to brand or enterprise reputation. Many PCPC member companies have established a code of conduct for suppliers, which outlines expectations for behavior and practices related to child or forced labor, freedom of association and collective bargaining, nondiscrimination/non-harassment, health and safety, working hours, wages, treatment of workers and protection of the environment.

Working with their suppliers, companies can influence their practices and help drive sustainability efforts throughout the value chains, from assuring the rights of all workers to optimizing resource use and preventing negative environmental impacts. By better managing sourcing risks and engaging with suppliers to optimize their social and environmental performance, companies can unlock business value and build competitive advantage against a backdrop of increasing consumer, regulatory and investor expectations.

In addition to clearly defined expectations for their suppliers' practices, the Responsible Beauty Initiative (RBI), founded in 2017 by **L'Oréal, Clarins, Coty** and **Group Rocher**, aims to improve sustainability in the beauty supply chain through shared best practices, processes and common tools. In addition to the founding members, RBI membership now also includes **Cosnova Beauty, LVMH** and **Shiseido**.

The Responsible Mica Initiative (RMI), a global coalition of organizations committed to establishing fair, responsible and sustainable mica supply chains, includes many industry companies such as **Burt's Bees, Chanel, Clarins, Cosnova Beauty, Coty, L'Oréal, LVMH, Natura** and **Shiseido**. Mica is a mineral often used as a color additive with reflective properties that provides a shimmery effect in many cosmetic products. As members of RMI, companies are required to map their sources of mica and enforce workplace standards, support the communities from where mica is sourced with educational and livelihood development programs, and advocate for a legal framework that supports responsible mica sourcing.

Another important supply chain for the beauty and personal care industry is palm oil, which is used in the formulations of many soaps, cleansers, shampoos and some makeup. The Roundtable on Sustainable Palm Oil (RSPO) was established in 2004 with the objective of promoting the growth and use of sustainable palm oil products. Numerous PCPC member companies are also members of RSPO and have made commitments to zero deforestation and sourcing sustainable palm oil for their products, including **Amorepacific, Beiersdorf, Chanel, Colgate-Palmolive, Cosnova Beauty, Coty, Firmenich, Henkel, International Fragrance and Flavors, Johnson & Johnson, Kao, Kimberly-Clark, Kose, L'Oréal, Natura, Procter & Gamble, Reckitt Benckiser, Rodan + Fields, Shiseido, Symrise, Takasago, The Clorox Company, The Estée Lauder Companies** and **Unilever**.

There are numerous examples of PCPC member company proprietary programs that aim to improve the livelihoods and well-being of workers in the supply chain, and build capacity so that more diverse communities can share in the economic growth of the beauty and personal care sector. This includes programs that support women, diverse and disadvantaged communities such as L'Oréal Solidarity Sourcing

program; Unilever's Partnership with Purpose (UPWP) program, which enlists suppliers to make commitments on living wage and living income, as well as supplier equity, diversity and inclusion; Johnson & Johnson's Partnership for Good, which focuses on three areas, climate and health equity; forest health and infectious diseases; and access to nature and mental health; and Chanel's Livelihoods Carbon Fund (LCF), which aims to support rural communities in their effort to preserve or restore their natural ecosystems and improve their livelihood through sustainable farming practices.



ANIMAL TESTING: PROMOTING ALTERNATIVE MODELS

Beauty and personal care products companies are committed to eliminating animal testing, while also ensuring the safety of the products consumers trust and rely on every day. The beauty industry has long advocated for government recognition and acceptance of alternative testing methods for product safety. Working with regulators, scientists and safety experts — and through collaborations with institutional, academic and private sector partnerships — PCPC and its member companies have promoted alternative methods for more than 40 years.

To date, the industry has invested hundreds of millions of dollars to develop scientifically valid alternatives to animal testing. This research began in 1981 with an industry grant to establish the Johns Hopkins Center for Alternatives to Animal Testing (CAAT). The industry continues to support research programs that eliminate the need for animal testing and remains committed to advocating for the acceptance of alternative methods and approaches to animal testing by regulatory bodies around the world. PCPC member companies have not tested their products on animals since the mid-1980s except in very specific cases when required by government regulation.

PCPC continues to work closely with government agencies and civil society organizations to advance policies to help eliminate animal testing for beauty and personal care products. At the federal level, the Humane Society Legislative Fund (HSLF), Humane Society of the United States (HSUS) and PCPC worked together with Congress to reach a historic agreement on legislative language resulting in the introduction of the Humane Cosmetics Act, which would ensure a uniform standard for animal welfare. PCPC and Cruelty Free International (CFI) have also supported a common approach for animal testing legislation in several states.

While much has been achieved to end the use of animals in assessing the safety of cosmetic products, not all global regulators and authorities accept (or make the broadest use of) the non-animal approaches currently available. Industry remains firmly committed to continuing research and working closely with the global scientific community and other stakeholders until validated non-animal approaches are available to answer all relevant safety questions and meet the needs of government regulators around the world. In an effort to harmonize and encourage global adoption of alternative methods for safety assessments, PCPC works closely with the International Cooperation on Cosmetic Regulation (ICCR) and International Cooperation on Alternative Test Methods (ICATM). PCPC is also participating in new industry programs to promote the widespread use and regulatory acceptance of non-animal methods.

A 2019 online poll by SurveyUSA showed that consumer opposition to animal testing for beauty and personal care products is strong across generations and that support for a national law prohibiting the practice was high across party lines. Specifically, the survey found 79% of respondents supported a federal law that would prohibit animal testing for beauty and personal care products and the desire to end animal testing for beauty and personal care products is a value shared across generations with Millennials, Gen Xers and Baby Boomers equally passionate about the issue.

PCPC member companies, including **Avon, Delphic HSE Solutions, Firmenich, Givaudan, IFF, L'Oréal, P&G, Symrise** and **Unilever**, have joined the Animal-Free Safety Assessment (AFSA) Collaboration. This effort brings together corporate and animal welfare leaders, including the Humane Society International (HSI) and global science-based organizations,

including the International Alliance for Biological Standardization (IABC) and the Institute for Invitro Sciences (IIVS), with the shared goal of accelerating a modern, species-relevant approach to safety assessment globally to better protect people and the planet, and hasten the replacement of animal testing.

In addition, many PCPC member companies' brands demonstrate their commitment to animal welfare, including **Burt's Bees** and **CoverGirl**, which carry the Leaping Bunny certification; **Dermablend, Dove** and **The Body Shop**, which have been certified as cruelty-free by PETA's Beauty Without Bunnies Program; and numerous other beauty and personal care brands, including **Aveda, Becca, Carol's Daughter, Drunk Elephant, Garnier, Hawaiian Tropic, Iredale Cosmetics, IT Cosmetics, Kajer Weis, Le Labo, Merle Norman, Natura, NYX, Smashbox, Tarte, Too Faced, Tom's of Maine** and **Urban Decay**, which have achieved the CFI animal welfare certification.



“The industry continues to support research programs that eliminate the need for animal testing and remains committed to advocating for the acceptance of alternative methods and approaches to animal testing by regulatory bodies around the world.”

ABOUT COSMETIC INGREDIENT REVIEW AND COSMETICSINFO.ORG



The Expert Panel for Cosmetic Ingredient Safety is an independent, nonprofit scientific body, established in 1976 to assess the safety of cosmetic ingredients used in the U.S. through the Cosmetic Ingredient Review (CIR) program. The Expert Panel consists of world-renowned scientists and physicians who have been publicly nominated by consumer, scientific, and medical groups; government agencies; and industry. PCPC initiated the CIR program and the associated Expert Panel at the suggestion of and with support from the U.S. FDA and Consumer Federation of America (CFA). Ingredients reviewed by the Expert Panel are determined to be safe as used, safe with qualifications, have insufficient data to make a safety determination or are found to be unsafe.

The Expert Panel's findings are published in peer-reviewed scientific journals. Each year, the Expert Panel develops a priority list of ingredients to review with support of the CIR, based on public requests, timely issues or frequency of use (i.e., the number of different

products contained in an ingredient) as determined by FDA's Voluntary Cosmetic Registration Program (VCRP). The Expert Panel may choose not to review ingredients subject to other existing safety reviews by the FDA or the Research Institute for Fragrance Materials (RIFM), including over-the-counter (OTC) drug active ingredients, color additives, food flavors, fragrance ingredients and ingredients included in new drug applications. Operating under prescribed procedures, CIR is funded by PCPC but operates independently to ensure the objectivity of the Expert Panel's findings.

All Expert Panel meetings are open for public attendance and participation (when accompanied with relevant data). Any interested person may submit written data or other relevant safety information to the Expert Panel's executive director. Following each meeting of the Expert Panel, the executive director of CIR issues a post-meeting announcement, detailing all of the salient issues discussed therein, on the appropriate meeting page.



More than 1 million consumers rely on PCPC's science and safety resource, CosmeticsInfo.org, for accurate and credible information about the thousands of ingredients used in beauty and personal care products. The website maintains the PCPC with the help of world-renowned scientists and subject-matter experts to provide consumers worldwide with trusted and publicly available science and safety behind commonly used ingredients in beauty and personal care products. Information also includes the regulatory authority behind the safety of beauty and personal care products in the U.S., the processes companies to ensure the safety and effectiveness of products and their ingredients, and a searchable database with safety information on more than 6,000 ingredients.





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