



GC3 Retailer Webinar Series

April 30, 2014

**The Coop Story: How a leading
Danish Retailer is working to
eliminate endocrine disrupting
chemicals from its products**



What is the GC3?

A cross sectoral, B-2-B network of more than 70 companies and other organizations formed in 2005 with a mission to promote green chemistry and design for environment (DfE), nationally and internationally



- Due to the number of participants on the Webinar, all lines will be muted
- If you wish to ask a question or make a comment, please type in the Q&A box located in the drop down control panel at the top of the screen
- Questions will be answered at the end of the presentation
- There will be a short survey at the end of the webinar. Please give us your feedback!



The Coop Story: How a leading Danish Retailer is working to eliminate endocrine disrupting chemicals from its products

Speaker: Malene Teller Blume, Compliance Manager, Coop



Coop Denmark's action to phase out endocrine disrupting chemicals from daily consumer products

Malene Teller Blume
Compliance Manager Nonfood



The logo for Kvickly, featuring the word "Kvickly" in a bold, red, sans-serif font.The logo for Dagli' Brugsen, featuring the words "Dagli' Brugsen" in a yellow and red rectangular box.The logo for Irma, consisting of the word "Irma" in white, sans-serif font on a dark blue rectangular background.The logo for Irma city, featuring the words "Irma city" in white, sans-serif font on a dark blue rectangular background.The logo for fakta, featuring the word "fakta" in white, sans-serif font on a red rectangular background.The logo for fakta Quick, featuring the words "fakta Quick" in white and yellow, sans-serif font on a dark red rectangular background.The logo for coop NETTORVET, featuring the word "coop" in red and "NETTORVET" in white, sans-serif font on a red rectangular background, with the website "www.nettorvet.dk" below.

Irmatorvet.dk

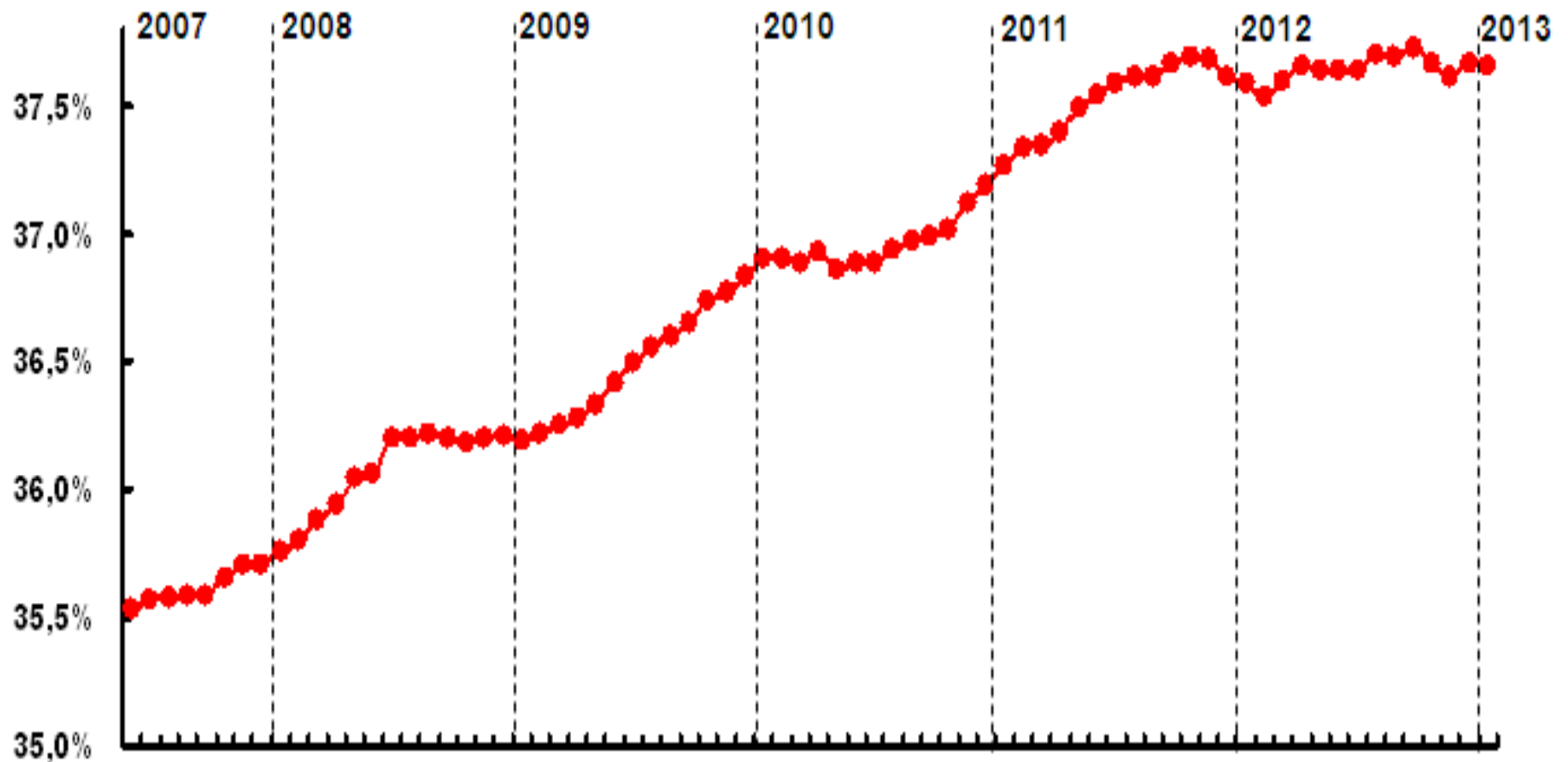
Coop DK is Denmark's largest retailer of fast moving consumer goods

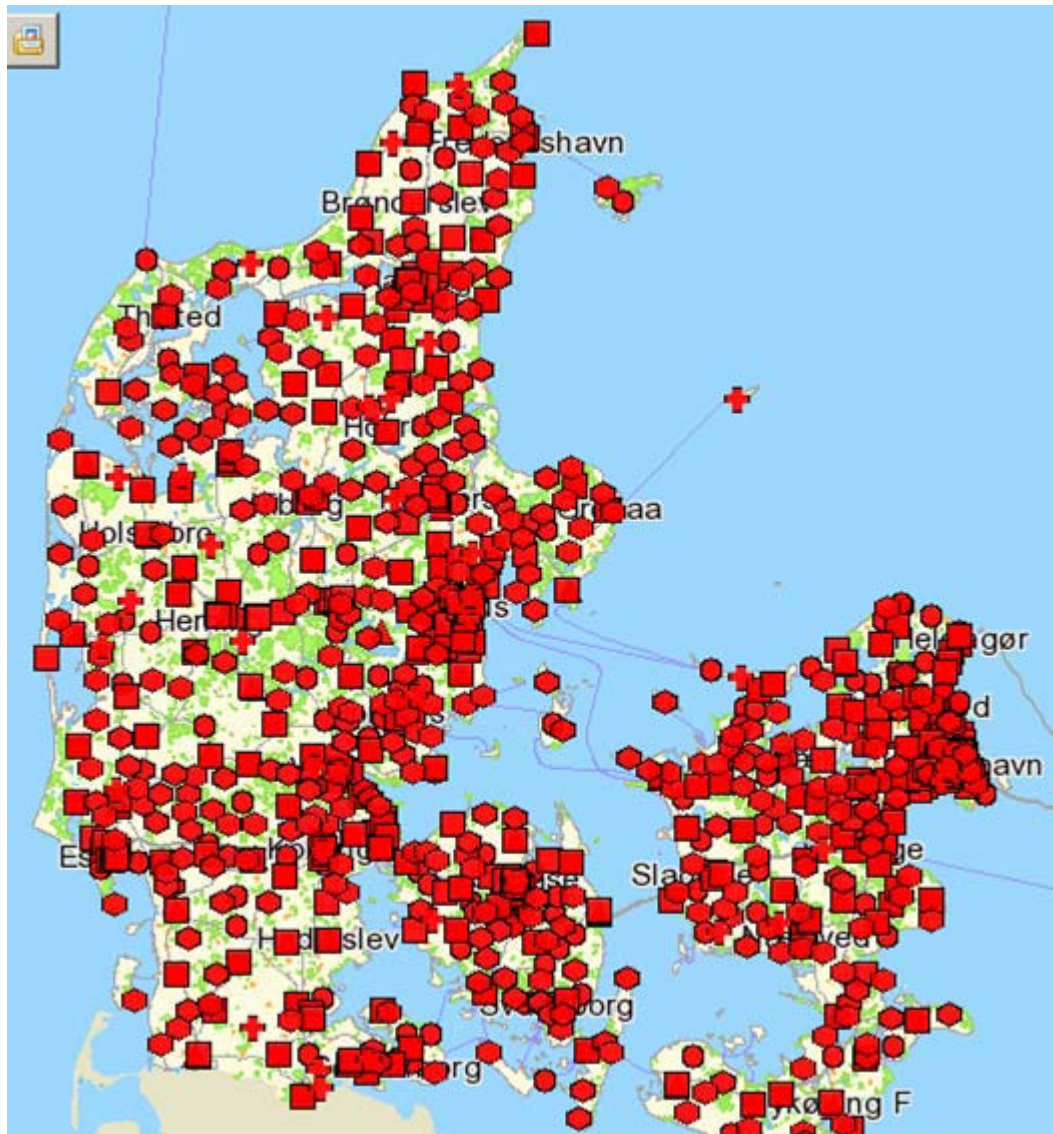
Coop has approximately 35,000 employees in total

Coop Danmark A/S is owned by more than 1,2 million members (the Danish population is approx. 5.5 million)

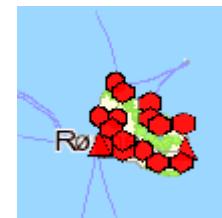
The logo for coop, featuring the word "coop" in a red, lowercase, sans-serif font.

Coop Danmark A/S Market Share





**Coop
hypermarkets,
supermarkets
and discount
stores cover the
entire country**



The logo for Kvickly, featuring the word "Kvickly" in a bold, red, sans-serif font.The logo for Dagli' Brugsen, featuring the word "Dagli'" in black on a yellow background and "Brugsen" in black on a red background.The logo for Irma, featuring the word "Irma" in white, bold, sans-serif font on a dark blue background.The logo for Irma city, featuring the words "Irma city" in white, sans-serif font on a dark blue background.The logo for fakta, featuring the word "fakta" in white, bold, sans-serif font on a red background.The logo for fakta Quick, featuring the word "fakta" in white on a dark red background and "Quick" in orange script below it.The logo for Irma torvet.dk, featuring the word "Irma" in blue and "torvet.dk" in grey.

Vision

We want to be the best and most responsible place to shop and work

Business Idea

Through active, committed employees, we will offer members and customers a wide variety of goods with the efficiency, price, quality, service and consideration that will make our offering competitive

The logo for coop, featuring the word "coop" in red, lowercase, sans-serif font.

Private labels help differentiate Coop from our competitors

Private brands within food, personal care, household and pet food



Änglamark are environmentally friendly, allergy friendly and organic products



Coop are goods of high quality which give "value for money"



X-tra is Coop's price fighter series which offer good products for low prices



Coop quality requirements make the difference

Coop's specific quality requirements for private label are developed, required and executed on Nordic basic.

The aims are:

- To secure highest level of safety for consumer and environment
- To maintain role as a first mover in the market
- Give the consumer opportunity to make a responsible choice
- Cover ALL private label (including discount range)
- Reputation: Protect our private label and goodwill

Aim: higher consumer safety for chemicals

Arguments for implementing a new quality requirement:

- Risk assessment and possibility for safe substitution
- Use of precautionary principle
- When the legislation is imprecise (or too slow)
- Based on scientific evidence (EU Commission opinion SCCS, recommendation/reports from authorities)
- Consumer concern - info from NGOs
- Accepted and adopted in all Nordic Coops

Cosmetics: First mover

In 2006 new quality requirement was adopted for all Coop Nordic countries:

No endocrine-disrupting substances

1. “Products shall not contain **Endocrine Disrupters** according to EU’s priority list (Category 1, 2 and 3) of Endocrine Disrupters.

http://ec.europa.eu/environment/archives/docum/pdf/bkh_annex_01.pdf

2. Personal care products shall not contain alcohol denatured and perfume with **phthalate compounds**.

3. Cosmetics shall not contain any **parabens and BHA**.

17 hormone disrupters in cosmetics

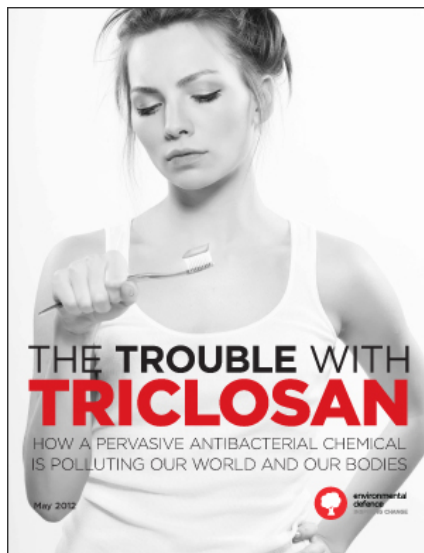
17 HORMONFORSTYRRENDE STOFFER I KOSMETIK
4,4'Dihydroxy-biphenyl (DIHYDROXYBIPHENYL)
Ethylparaben
Propylparaben
Butylparaben
Methylparaben
Cyclotetrasiloxane
HYDROXYCINNAMIC ACID
Boric Acid
BHA <i>eller</i> tert. Butylhydroxyanisol
Diethyl phthalate (DEP)
Resorcinol
Ethylhexyl methoxycinnamate <i>eller</i>
Octyl methoxycinnamate
4,4'-Dihydroxy-benzophenone
4-METHYLBENZYLIDENE CAMPHOR
Benzophenone-2
Benzophenone-1
3-Benzylidene camphor

Triclosan

All products – also branded goods: Since 2005:

No use of antibacterial ingredients

Personal care products shall not contain substances with an antibacterial or bacteriostatic effect (i.e.. **triclosan**, benzalkoniumchloride, silver and cationic tensides such as f.ex. dialkyl dimethyl ammonium chloride).



Special labelling for toothpaste from March 2013

No use of antibacterial substances: For all products – also famous brand.

Only 1 exemption in Coop's shops

March 2013: Label informing: "Containing Triclosan, only to prevent paradentose"



PVC and phthalates

All packaging since 2001:



Total PVC ban

Including food packaging and plastic wrap (Saran)



PVC and phthalates

From 2008 starting ban of PVC and phthalates in nonfood products **(also branded goods)**



- Products and equipment for under 3 years
- Textile (also printings)
- footwear
- bags, trolley
- home textile
- Stationery
- Furniture
- Bicycles
- Fitness equipment
- Cookware, tableware and kitchenware















2014: Phthalates in bad standing

4 phthalates will be totally banned in Denmark in 2015

REACH: The 4P will in spring 2015 be covered by demand of authorisation (ban in production within the EU). But will NOT cover imported articles.

Substance	CAS no No.	EU REACH Annex XVII	EU REACH Candidate List	Denmark
Di-octylphthalate (DNOP)	117-84-0	X		
Di-isononylphthalate (DINP)	28553-12-0	X		
Di-isodecylphthalate (DIDP)	26761-40-0	X		
Bis-(2-ethylhexyl)phthalate (DEHP)	117-81-7	X	X	X
Benzylbutylphthalate (BBP)	85-68-7	X	X	X
Dibutylphthalate (DBP)	84-74-2		X	X
Diisobutyl phthalate (DIBP)	84-69-5		X	X
1,2-Benzenedicarboxylic acid, di-C6-8-branched alkyl esters, C7-rich (DIHP)	71888-89-6		X	
1,2-Benzenedicarboxylic acid, di-C7-11-branched and linear alkyl esters (DHNUP)	68515-42-4		X	
Bis(2-methoxyethyl) phthalate (DMEP)	117-82-8		X	
N-pentyl-isopentyl phthalate (NPIPP)	776297-69-9		X	
1,2-Benzenedicarboxylic acid, dipentylester, branched and linear (C5-Phthalate)	84777-06-0		X	
Diisopentylphthalate (DIPP)	605-50-5		X	
Dipentyl phthalate (DPP or DnPP)	131-18-0		X	
Dihexyl phthalate (DnHP)	84-75-3		X	

NPEO + APEO: Major risk: "There is a monster in your closet"

	NO. OF samples	NPEs	Phthalates	Organotins	PFCs	Antimony
	11	5/11 TTTTT TTTTT	6/6 TTTTTT	2/4 TTT	3/3 TTT	10/10 TTTTT TTTTT
	4	3/4 TTTT	1/1 T	0/0	0/0	1/1 T
	9	6/9 TTTTT TTTT	1/1 T	0/0	2/2 TT	1/1 T
	7	3/7 TTTTT TT	4/4 TTTT	0/2 TT	1/1 T	1/1 T
	5	4/5 TTTTT	3/3 TTT	0/3 TTT	1/1 T	2/2 TT
	11	4/11 TTTTT TTTTT	5/7 TTTTT TT	0/7 TTTTT TT	0/0	2/2 TT
	7	6/7 TTTTT T	4/4 TTTT	1/2 TT	2/2 TT	3/3 TTT
	4	3/4 TTTT	2/2 TT	0/2 TT	0/0	2/2 TT
	9	5/9 TTTTT TTTT	3/3 TTT	0/4 TTTT	2/2 TT	5/5 TTTTT
	6	5/6 TTTTT T	2/2 TT	0/2 TT	2/2 TT	3/3 TTT
	6	5/6 TTTTT T	1/1 T	3/4 TTTT	1/1 T	3/3 TTT
	3	1/3 TTT	1/1 T	0/2 TT	1/1 T	3/3 TTT

GREENPEACE

Meet the monsters
in my closet



Per- and poly-fluorinated chemicals (PFCs)

Per- and poly-fluorinated chemicals (PFCs) are used in many industrial processes and consumer products, including textile and leather products, due to their chemical properties such as their ability to repel both water and oil. Ionic PFCs such as PFOS and PFOA can cause adverse impacts both during development and during adulthood, in part due to their hormone disrupting properties, with impacts on the reproductive system and the immune system, as well as being potentially carcinogenic in animal tests.

Phthalates

Phthalates are mainly used as plasticizers in plastics, especially PVC. They are found in human tissues, with reports of significant intake in children. There are substantial concerns about the toxicity of phthalates to wildlife and particular their hormone-disrupting effect. DEHP, one of the most widely used phthalates, is toxic to reproductive development in fish and interfering with development of reproductive organs and affecting reproductive success in mammals.

Antimony

Antimony shows many similarities in its toxicity to arsenic. Trivalent antimony, in antimony trioxide, is a more toxic to humans than arsenic trioxide.

Nonylphenol ethoxylates/Nonylphenols (NPEs/NPs)

NPEs and NPs are endocrine-disrupting chemicals that can interfere with the reproductive system of animals and humans.

Textiles often contain EDC

From 2011 ban use of endocrine disruptors in washing agent:

Nonylphenol ethoxylate

APEO (NPEO + OPEO) 100 mg/kg (total)

AP (NP + OP) 50 mg/kg (total)



Baby bottles and BPA

Coop substitutes BPA in all baby bottles in 2009

When authorities ask all retailers in DK to a voluntary agreement to phase out

- Coop already was ready with BPA-free bottles in our shops



The consumers support us

MI Case and Huggies wipes

Methylisothiazolinone (MI) extremely allergenic preservative – allergy cases double in few years (from 2-4%)

MI never allowed in Coop's private label

(early warning 😊)

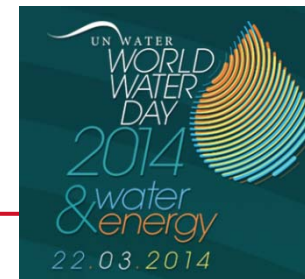
Jan 2014: Baby: total ban - also for branded goods

Sales figures in the coming months surprises 😊



coop

March 2014: Coop stops selling pesticides



2006: Ban of the most harmful (but legal) pesticides

2008: Only allowed to sell “ready-to-use” pesticides

2013: Last season Coop bought pesticides

2014: Total ban. 10.000 bottles are destroyed. Press release. Very good response from NGO, customers and authorities.



coop

Government controlled ecolabels are extremely popular in DK

Products with ecolabel Swan or EU Flower gives consumer security an easy choice. Criteria is developed for more than 60 product categories.

Ecolabelled products have a very high market share in several categories. Examples are:

- paper, tissue, detergent, cleaning, baby products and personal care.
- Find them here, also in english: <http://www.nordic-ecolabel.org/criteria/product-groups/?p=1>

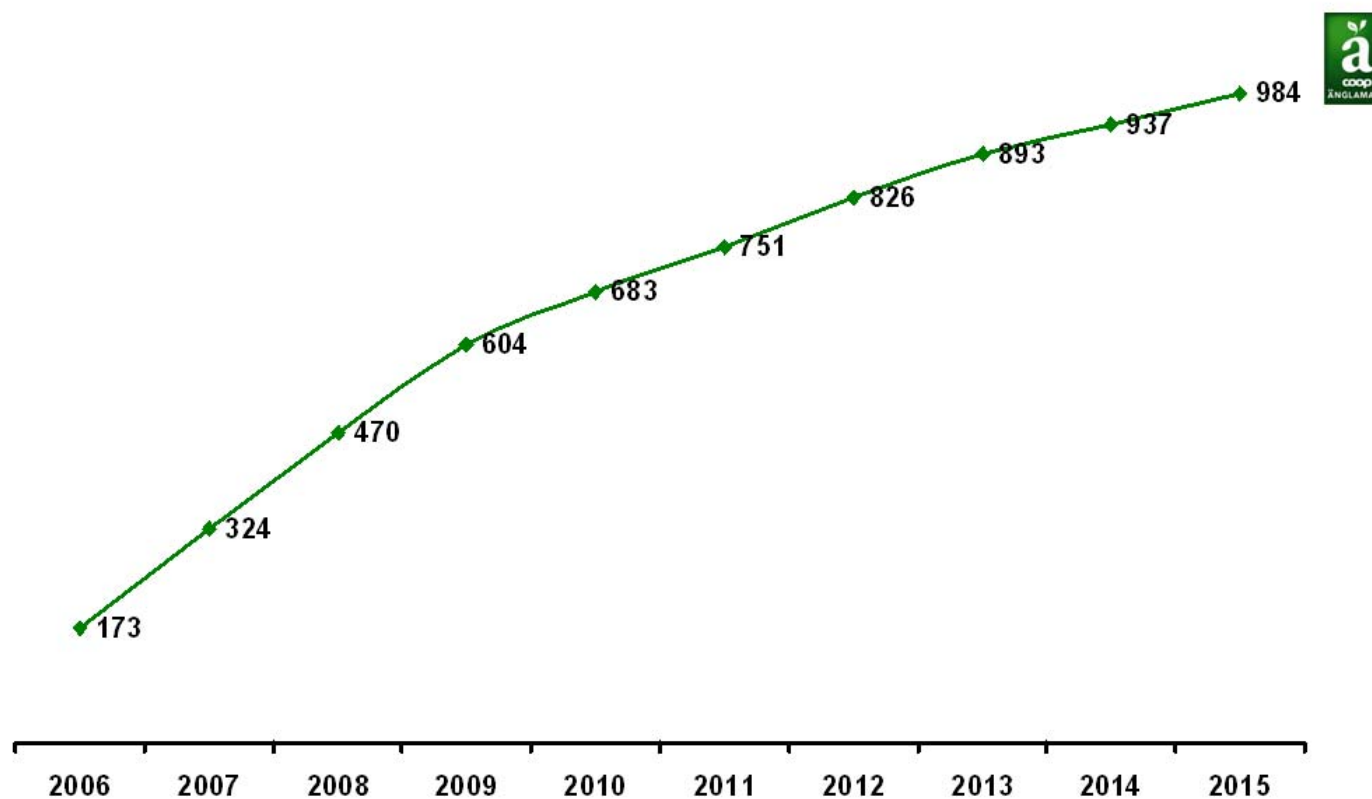




Turnover and target

Salget af egne varemærker – Änglamark

Millioner kroner



Coop's own responsible brand best selling

Sun protection:

1. Änglamark factor 15
2. Änglamark factor 30 lotion
3. Änglamark factor 30 spray



Market for "white" and "green" products extremely high in DK

All big retailers in Denmark have their own "white" and "green" private label for personal care



Business perspective

- Mainly positive experience for phasing out hormone disruptors – the market has still big potential
- Also a commercial success
- BUT: Coop must be much better to inform our costumers of our responsible policy and safe products.

We want our responsibility approach to give us higher loyalty

Business challenges

How much must a responsible policy cost?

Are the consumers always with us?

Can the consumer take the the right choice ?

Is it better that the retailer does it for you?

Chemical challenges in Asia

All the other chemicals:

Like SVHC (151 substances)

Really complicated in articles (products).

Are the production countries ready to take more responsibility?

Substitution is very challenging

**Thank you for your
attention!**

Questions?



Upcoming Events

<http://www.greenchemistryandcommerce.org/>

9th Annual



Innovators
Roundtable

MAY 28-30 2014
St. Paul, Minnesota

Hosted by **3M**



Please complete short survey

THANK YOU!