

The Guide to Safer Chemicals

Implementing the BizNGO Principles for Safer Chemicals

PRINCIPLE #3

Commit to Continuous Improvement

Leading businesses are setting goals and reporting progress on their path to safer chemicals. They are creating and implementing the systems necessary for organization-wide success on the paths to safer alternatives in products, processes, and feedstocks. The Principle #3 benchmarks specify how organizations can create and implement organizationwide initiatives.

Ideal for Continuous Improvement

Ideally organizations will:

- set goals for safer alternatives to chemicals of concern to human health or the environment,
- have clear metrics for measuring progress to those goals,
- provide transparent data that supports their progress to their goals, and
- publicly report on their progress to those goals.

The box details how the BizNGO Principles for Safer Chemicals defines Principle #3.

Intent for Continuous Improvement

The intent of Principle #3 is to engage organizations in setting goals to safer alternatives to chemicals of concern and publicly reporting on their progress towards those goals. The benchmarks in *The Guide* demonstrate how organizations can begin to set goals and report on their progress to safer alternatives.

Context for Continuous Improvement

Setting clear metrics and benchmarks for safer chemicals is a challenge. In 2005, Richard Liroff of the Investor Environmental Health Network published an article on the need for “Benchmarking Corporate Management of Safer Chemicals in Consumer Products.”¹ Seven years later, not much progress has been made in this domain.

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Downstream users of chemicals lack clear, standardized metrics for evaluating progress to safer chemicals. There is no standardized “chemical footprint” tool like the carbon footprint metric for energy use. In fact, the benchmarks for Principles #1 and #2 are the closest to a standardized metric for a chemical footprint that we have. Lacking clear metrics, very few businesses will report on their progress to safer chemicals.

At best, downstream users report on their avoidance of chemicals of concern. An example of this is the Greenpeace “[Guide to Greener Electronics](#),”² which evaluates companies on whether their products are free of PVC, brominated flame retardants, antimony, beryllium,

PRINCIPLE #3:

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Establish corporate governance structures, policies, and practices that create a framework for the regular review of product and process chemistry, and that promote the use of chemicals, processes, and products with inherently lower hazard potential.

and phthalates, among other corporate sustainability practices.

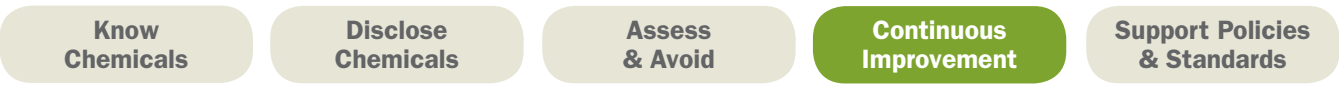
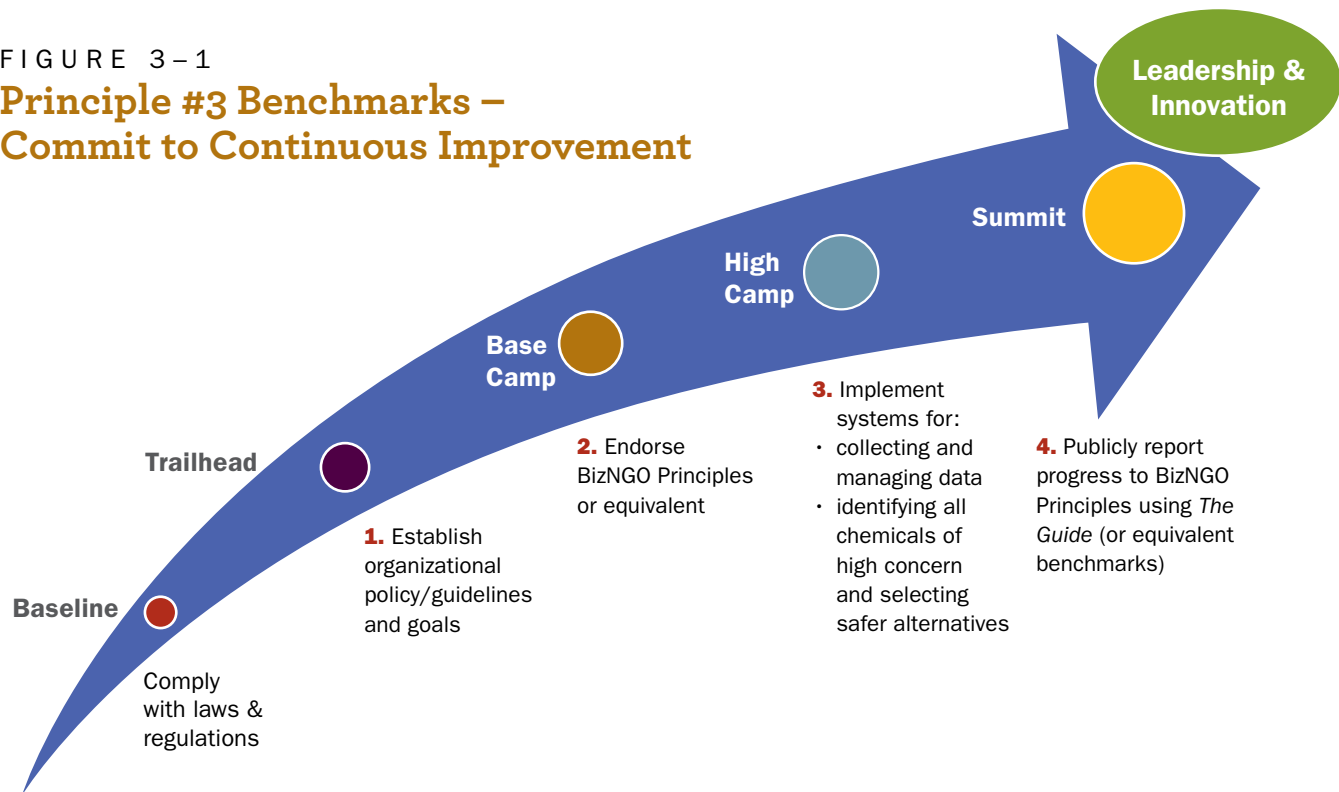
In implementing Principle #3, organizations confront challenges in how to transparently report on their level of knowledge about chemicals of concern in their products and supply chains and their willingness to disclose this information to the public.

Benchmarks to Continuous Improvement

Figure 3-1 depicts four benchmarks that move beyond compliance towards full commitment to continuous improvement. The trajectory of the benchmarks progresses from establishing an organizational chemical policy at Trailhead to endorsing the BizNGO Principles or equivalent at Base Camp to implementing systems at High Camp and then to publicly reporting progress to the BizNGO Principles or equivalent at Summit.

FIGURE 3-1

Principle #3 Benchmarks – Commit to Continuous Improvement



Baseline
Baseline is compliance with all laws and regulations.

Trailhead
3.1—Action: Establish organizational chemicals policy or guidelines (that support implementing BizNGO Principles) and goals for reducing use of chemicals of high concern, and publish policy and goals on website.

NOTE: Beyond restricted substances lists (RSLs), leading organizations develop comprehensive chemical policies or guidelines that place them on the path to achieving the BizNGO Principles.

EXAMPLES

Examples of organizations that have corporate guidelines, policies, and/or goals that align with implementing the BizNGO Principles include:

- Construction Specialties
- Dignity Health
- Google
- Kaiser Permanente
- Novation
- Perkins+Will
- Premier
- Seventh Generation

Base Camp
3.2—Action: Endorse BizNGO Principles or equivalent.

NOTE: Equivalent principles or metrics to the BizNGO Principles include: Richard Liroff’s corporate benchmarks³ and the goal set in the [Roadmap to Zero Discharge of Hazardous Chemicals \(ZDHC\)](#) of “zero discharge of hazardous chemicals for all products across all pathways in our supply chains by 2020.” Hazardous chemicals are defined by ZDHC as substances “that show intrinsically hazardous properties (persistent,

bio-accumulative and toxic; very persistent and very bio-accumulative; carcinogenic, mutagenic and toxic for reproduction; endocrine disruptors; or equivalent concern), not just those that have been regulated or restricted in other regions.”⁴

EXAMPLES

Endorsers of the BizNGO Principles include the companies and health care organizations listed in the side box, as well as many other organizations.

Companies that have signed on to ZDHC are: Adidas Group, C&A, G-Star Raw, H&M, Jack Wolfskin, Levi Strauss & Co., Nike, Puma, and Li-Ning.

High Camp 3.3—**Action: Create systems for collecting and managing data, identifying all chemicals of high concern, and selecting safer alternatives.**

NOTE: Systems are essential to the success of organizations in moving beyond Trailhead for Principles #1a, #1b, and #2. Without systems being implemented internally, through external parties, or some combination of the two organizations cannot implement comprehensive chemical management programs.

EXAMPLES

Seagate created a system for the collection and management of its full material disclosure requirements of suppliers (see Principle #1a).

HP created a framework for alternatives assessment that it calls “Integrated Alternatives Assessment” (it mirrors the BizNGO Chemical Alternatives Assessment Framework). HP’s integrated framework uses the GreenScreen for its hazard assessment, which screens out chemicals of equal or greater concern to the targeted chemical of high concern and identifies safer alternatives (see Principle #2).

Nike developed the **Considered Design Index**, which it uses in the development of products to reduce waste, identify environmentally preferred products, and eliminate toxics.

Method and Seventh Generation used hazard assessment to screen out inherently hazardous chemicals and to select inherently safer chemicals.

Summit

3.4—**Action: Publicly report progress to the BizNGO Principles using this Guide or equivalent benchmarks.**

NOTE: For examples of equivalent benchmarks see Action 3.2.

EXAMPLES

Dignity Health reported on progress toward implementing the BizNGO Principles in its **2011 Social Responsibility Report**. (See “Commit to Continuous Improvement” Vignette, page 44.)

All the apparel and footwear companies that signed the **Roadmap to Zero Discharge of Hazardous Chemicals (ZDHC)** have committed to regular reports of their progress toward the 2020 goal of zero discharge as well as intermediate targets.

Endorsers of the Principles for Safer Chemicals

- American Sustainable Business Council
- Brooks Sports
- Construction Specialties, Inc.
- Dignity Health
- Forbo Flooring Systems
- HDR
- Health Care Without Harm
- Hewlett-Packard Company
- Hospira, Inc.
- Kaiser Permanente
- Method
- Naturepedic
- Novation
- Perkins+Will
- Practice Greenhealth
- Premier, Inc.
- Seventh Generation
- Shaw Industries
- Staples, Inc.
- Whole Foods Market, Inc.

COMMIT TO CONTINUOUS IMPROVEMENT: **VIGNETTE****Dignity Health: Reporting Progress to the BizNGO Principles for Safer Chemicals**

Dignity Health in collaboration with Health Care Without Harm, Practice Greenhealth, and Clean Production Action engaged in an in-depth pilot of its activities using a beta version of *The Guide*. Over the course of a year staff from across Dignity Health delved into the benchmarks for each of the Principles and openly discussed their work in relation to each benchmark. Table 3-1 summarizes the results of that pilot. Note that alignment of Dignity Health's work and benchmarks achieved in Table 3-1 are not perfectly aligned with the benchmarks in this final version of *The Guide* because their results are based on a beta version of *The Guide*.

To Dignity Health's credit it published the results of this pilot in its [FY 2011 Social Responsibility Report](#), publicly acknowledging its beginning, yet pioneering, work on Principles #1 and #2, its further ascent on Principles #3, and its progress towards the Summit of Principle #4. Among the leaders in the health care sector in advancing safer chemicals in products, the fact that Dignity Health did not reach beyond Trailhead for Principles #1 and #2 reflects the challenges organizations confront in moving beyond some chemicals of high concern.⁵ This is especially true for large complex organizations like health care providers. Dignity Health's "single" move of eliminating

its use of PVC intravenous (IV) bags in 2006 was an incredibly large and challenging action that had to be implemented across 41 hospitals, 45 clinics, and 9 trauma centers.

Dignity Health's commitment to continuous improvement is demonstrated by endorsing the Biz-NGO Principles and releasing the results of the BizNGO pilot in its Social Responsibility report.

Without replicable procedures and systems for advancing safer alternatives, the best of organizations will remain at Trailhead. In reflecting upon the leadership of HP and Nike towards safer alternatives in Principle #2, a pathway for Dignity Health to accelerate its suppliers towards safer alternatives would be to require suppliers to have a publicly transparent, replicable system for evaluating and reporting on chemical hazards in products. HP's requirement that suppliers evaluate alternatives using the GreenScreen is an example of how to short cut that path.

Dignity Health's commitment to continuous improvement is demonstrated by endorsing the BizNGO Principles and releasing the results of the Biz-NGO pilot in its Social Responsibility

report. The fact that Dignity Health achieved Summit Action 3.4 of reporting progress to the BizNGO without addressing the High Camp Action 3.3 of implementing systems highlights how pathways to the Summit will vary across organizations. Note that the benchmark in Figure 3-2 for Principle #3 differs because it is based on a beta version of *The Guide*.

Dignity Health's attainment of Summit for Principle #4 demonstrates support for public policies including the draft California Safer Consumer Product Regulations, and the federal Safe Chemicals Act; engagement with NGOs, including Health Care Without Harm, Practice Greenhealth, and Clean Production Action; and co-chairing of the BizNGO Policy Work Group.

FIGURE 3-1

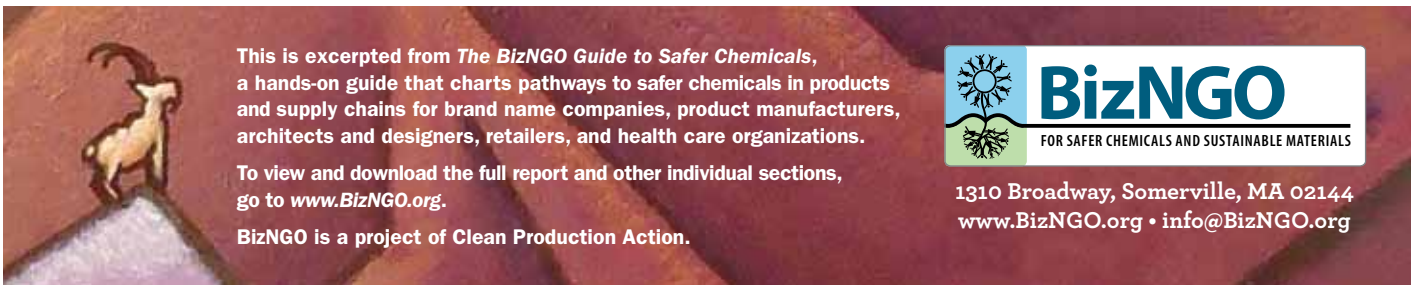
Dignity Health Pilot of beta Version of *The Guide*

Principle	Benchmark	Strengths	Opportunities for Improvement
#1 Know and Disclose Product Chemistry	Trailhead	Dignity Health is already requesting that suppliers/GPO request data for a handful of chemicals of high concern.	Dignity Health could, with its GPO, ask if suppliers: <ul style="list-style-type: none"> • know all chemical ingredients in their product (beyond MSDS) • publicly disclose all ingredients.
#2 Assess and Avoid Hazards	Trailhead	Dignity Health is already purchasing safer alternatives for a handful of chemicals and has established internal and external (with GPO) protocols for environmentally preferable procurement.	Expand target chemicals for elimination/reduction <ul style="list-style-type: none"> • Ask IT firms if they evaluate product content using Green Screen; many are already doing this. • Other easy actions for Dignity Health to address are halogenated chemicals in electronics and RoHS chemicals in all electronic products.
#3 Commit to Continuous Improvement	Base Camp	Solid foundation in place for implementing comprehensive safer chemicals program across the organization.	<ul style="list-style-type: none"> • Set clear goals for knowing chemicals in products and moving away from chemicals of high concern in products • Publicly report on goals and progress towards them.
#4 Support Public Policies and Standards	Summit	Very active in advocacy work and collaborating with NGOs.	<ul style="list-style-type: none"> • Set annual priorities and report on activities.

Source: Dignity Health, FY2011 Social Resiliency Report

Principle #3 Endnotes

- 1 R.A. Liroff, 2005, "Benchmarking Corporate Management of Safer Chemicals in Consumer Products—A Tool for Investors and Senior Executives," *Corporate Environmental Strategy*, v.12, n.1., http://www.iehn.org/documents/CESBenchmarkingarticle_000.pdf (accessed November 17, 2012).
- 2 Greenpeace, August 2011, *Guide to Greener Electronics: Ranking Criteria Explained (v.17)*, <http://www.greenpeace.org/international/Global/international/publications/climate/2012/GuideGreenerElectronics/Guide-Ranking-Criteria-v18.pdf> (accessed November 23, 2012).
- 3 Liroff, 2005, op. cit.
- 4 See <http://www.nikeresponsibility.com/report/content/chapter/targets-and-performance#Chemistry> (accessed November 17, 2012).
- 5 Note that the requirements for disclosure under Principle #1b do not apply to Dignity Health, which is a health care provide. As noted in the introduction and the Principle #1b section, disclosure to the public is not a relevant activity for health care organizations.



This is excerpted from *The BizNGO Guide to Safer Chemicals*, a hands-on guide that charts pathways to safer chemicals in products and supply chains for brand name companies, product manufacturers, architects and designers, retailers, and health care organizations.

To view and download the full report and other individual sections, go to www.BizNGO.org.

BizNGO is a project of Clean Production Action.



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