

## Product Safety

### Whereas:

- \* In February 2003, European Union Directive 2003/15/EC ("the Directive") banned the sale in Europe of cosmetics or personal care products containing any ingredients on a list of chemicals known or suspected of causing cancer, genetic mutation, or birth defects.
- \* In 2004, \_\_\_\_\_ announced it would remove DBP and DEHP, two chemicals banned by the Directive and currently used in some nail products, from its European products, and would try to remove them from products it sells elsewhere. \_\_\_\_\_ also indicated it would remove from its European products any other chemicals the Directive bans.
- \* However, \_\_\_\_\_ did not pledge to reformulate its products globally. Scores of \_\_\_\_\_ products sold in the US, for example, still contain petrolatum, isobutane or hydroquinone, chemicals the EU Directive bans as probable or possible carcinogens, mutagens, or reproductive toxins.
- \* \_\_\_\_\_ should have one global product safety standard. Having multiple standards may damage \_\_\_\_\_'s reputation and expose \_\_\_\_\_ to liability.
- \* Formulation to EU standards would elevate the safety standards of \_\_\_\_\_'s products. The US FDA, for example, does not require cosmetics manufacturers to test their products for safety. They can use any raw ingredient without approval except for color additives and a few prohibited ingredients.
- \* Concern about safe cosmetics is growing among consumers and \_\_\_\_\_'s competitors. Nearly fifty cosmetics companies have informed the Campaign for Safe Cosmetics, a coalition of health, consumer, and advocacy groups, that they will inventory their products for ingredients that are suspected carcinogens, mutagens, and reproductive toxins, as well as for chemicals that affect the endocrine system, accumulate in the body or persist in the environment. These companies will proactively seek safe alternatives for these chemicals, and publicly report on their progress.
- \* The reformulation process to comply with the Directive offers companies an opportunity to begin exploring safe alternatives to all chemicals of concern. \_\_\_\_\_ should demonstrate its commitment to the highest standards of product safety by reformulating its products worldwide to EU standards.

Resolved: Shareholders request that \_\_\_\_\_ reformulate, in a reasonable time frame and as legally permitted, all its products worldwide to be free of chemicals banned by European Union Directive 2003/15/EC, and that the Board of Directors produce a report to shareholders on the implementation of the reformulation plan by November 1, 2006. The report should be prepared at reasonable cost and omit proprietary information.

### Supporting Statement:

Known as "the company for women," \_\_\_\_\_ deserves praise for its global leadership in the fight against breast cancer. This resolution seeks to protect \_\_\_\_\_'s good name by resolving any doubts that \_\_\_\_\_ applies a higher safety standard for its European consumers than for others. The Directive identifies the mutagens, reproductive toxins and carcinogens-including breast carcinogens-currently posing the greatest risks to public health. Without a global reformulation policy, \_\_\_\_\_ risks losing non-European customers who are concerned about cosmetic safety. The Directive offers \_\_\_\_\_ the opportunity to respond to growing concerns about the risks cosmetics may pose to human health.