

Annual Report 2020-21



accord

hygiene, personal care & specialty products industry

Accord is the peak national industry association representing manufacturers and marketers of hygiene, personal care and specialty products, their raw materials suppliers and service providers.

We are an inclusive, consensus-driven organisation. We represent the interests of the entire industry and pursue common, uniting objectives that have maximum benefits for our industry. We strive tirelessly to enhance and improve our Members' business operating environment and for recognition of our industry's positive role in society.

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Vision

The national voice of the hygiene, personal care and specialty products industry

Mission

Providing indispensable membership services to facilitate sustainable growth and productivity for a globally competitive industry

Values

Respected, credible, trusted, influential, science and evidence-based

About our industry

Our Members

Accord's Member companies are leading businesses ranging from large multinational firms to smaller Australian-owned enterprises; local manufacturers to product importers.

Our **Consumer, Cosmetic and Personal Care** Member companies supply products for personal and household use. These include:

- cleaning and hygiene products e.g. soaps and detergents for personal hygiene, laundry, hard surfaces, dishwashing, upholstery and automobiles; disinfectants and sanitisers
- personal care/cosmetic products e.g. sun protection and sun care, oral care, hair care, skin care, nail care, deodorants, tampons, wet wipes, colour cosmetics, perfumes & colognes and depilatories
- other specialty products such as polishes, adhesives and pest control.

Our **Commercial, Hygiene and Specialty Products** Member companies supply and manufacture products for a broad range of healthcare, janitorial, educational, hospitality, manufacturing and agricultural applications. These include:

- cleaning products, disinfectants and sanitisers
- specialty products such as industrial lubricants, water treatment chemicals, food processing aids, building maintenance products, deodorisers, enzymes and dust control sprays
- raw materials/ingredients for the cleaning, hygiene and specialty products industry

Our valued **Associate Members** are companies that provide specific services and expertise for our industry.

Our Products

Our industry's products are essential for everyday living. These products play integral roles in:

Safeguarding public health – Maintaining essential standards of hygiene and sanitation in institutions, hospitality, healthcare facilities, manufacturing, agriculture and everyday households

Promoting personal wellbeing – Helping keep us clean and healthy, and helping shield us from harmful effects of the environment

Maintaining comfortable homes – Enabling us to keep our everyday surroundings clean and comfortable, making the home a relaxing place to unwind or to welcome and entertain guests

Enhancing quality of life – Giving us greater personal freedom through innovative time- and effort-saving technologies

Boosting confidence and emotional wellbeing – Assisting us to look and feel our best, as well as providing opportunities for self-expression, individuality and pampering

Keeping the wheels of commerce and industry turning – Fulfilling specialised applications in institutions, industry, manufacturing and agriculture

Each day across the nation our industry delivers effective solutions that promote health protection, and add value, convenience and comfort to daily life.



Our Contribution

In 2019 we released the inaugural **Accord/EY State of the Industry Economic Report**, revealing our industry's role as a driver of national economic activity, jobs and exports. The numbers tell a story of a resilient industry, one that provides significant economic value-add and is worthy of greater policy attention and support.

Key economic indicators include:



Case study:
The Hairdressing and Nail Salon Industry

The Hairdressing and Nail Salon industry is largely made up of small businesses and self-employed specialists, which are important drivers of economic activity in Australia.

Key economic indicators for the Hairdressing and Nail Salon Industry include:



The Hygiene, Personal Care and Specialty Products industry supplies professional-use shampoos, conditioners, hair dyes and tints, treatments, nail varnishes and associated products to the Hairdressing and Nail Salon industry. The supply and sale of these products ensures the continued success and valuable economic contributions of the many small businesses and sole traders in this sector.

Case study:
Sanitisers and Disinfectant Cleaning Products Industry

Sanitisers and disinfectant cleaning products are integral to the operations of many key Australian industries. Agriculture, food and beverage manufacturing, healthcare, janitorial services, education, food services, water treatment, food and beverage wholesaling, retail, and many more sectors rely on maintaining a sterile and sanitised environment to undertake routine operations. In many cases this is required by regulation. Without suitable grades of sanitisers and disinfectant cleaning products, many businesses would not be able to operate.

Key economic indicators for the Sanitisers and Disinfectant Cleaning Products Industry include:



The EY Report is based on data from 2018 and compared to the previous year of 2017.

COVID-19 Special Report

This COVID-19 Special Report covers the period of August 2020 to March 2021.

The COVID-19 pandemic continued to dominate the attention of businesses, government, policy-makers, and the media well into the second half of 2020. However, with a robust COVID-19 contact tracing system, governments, support for business and individuals, and the relatively high compliance with public health orders, living with the disruption of the pandemic became slightly more manageable – mostly – as a new normal.

As such, attention began to move to meeting the challenges of a post-pandemic Australia, including the resulting economic recession. For Accord, this shift presented a further opportunity to promote the crucial role our Members played in Australia's COVID response, and to highlight again the potential of our resilient industry for jobs, investment and the rewards an improved policy environment could bring.

Promoting our industry and opportunities for sovereign manufacturing

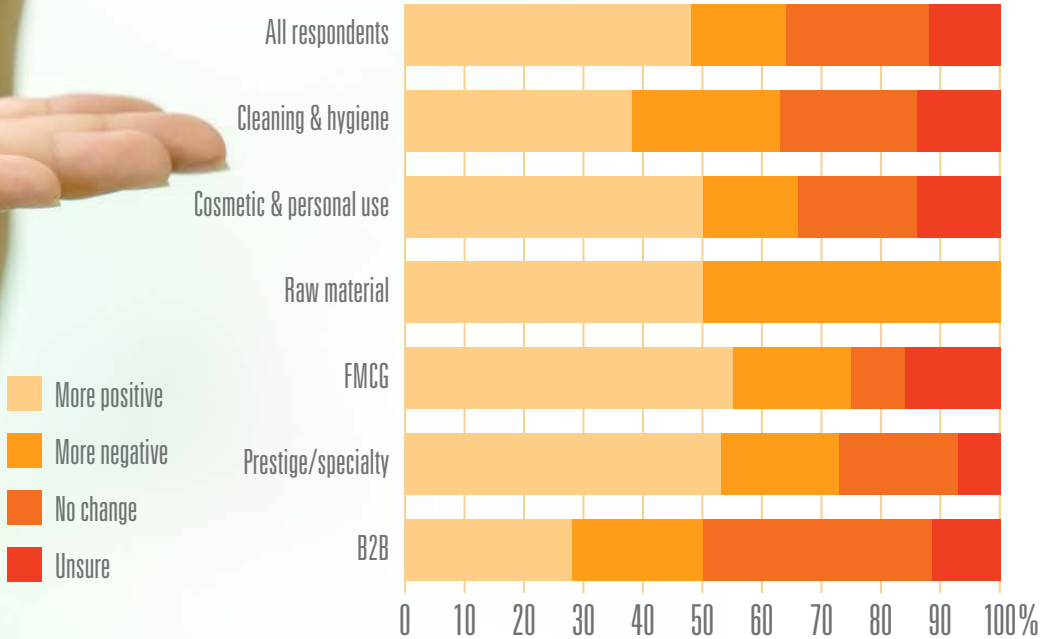
In August 2020 we invited the Hon Karen Andrews MP, then Minister for Industry, Science and Technology to address our industry leaders and to promote the emerging opportunities for greater investment in Australian-based manufacturing. This roundtable also provided an opportunity for Members to discuss directly with the Minister the ways in which the business environment, local input costs and regulatory frameworks could be improved to incentivise local investment decisions. Since then, Accord has continued to promote to Members the funding opportunities available through the Morrison Government's new Modern Manufacturing Initiative, via our Member Updates and also through an Insight Hour with the Department of Industry in March 2021.

Business Impacts Survey

Earlier in 2020, we surveyed our Members to compile industry-wide data on the business-impacts of the pandemic to share with government-decision makers. Beyond the original advocacy aims of this exercise, the resulting report was also highly valued by Member companies as a tool to benchmark their performance during this tumultuous time. As a result, Accord conducted a total of three COVID-19 Business Impacts Surveys – in July 2020, October 2020, and January-February 2021, so that Members could meaningfully track their own performance and that of the industry.

Pleasingly, by the third and final survey in 2021 the majority of Members had a clearer sense of optimism in terms of the business operating environment. The surveys also provided feedback to Accord on the priority issues as identified by Members, providing us with a clear mandate for our ongoing advocacy efforts relating to the pandemic, a business-led recovery and beyond.

Business Outlook in January-February 2021 compared to three months ago



At the heart of everything Accord does is our service culture, ensuring we are meeting the needs of our Members and providing value-add.

Other pandemic related-work areas to assist our Members and raise our industry's profile over the course of the reporting period include:

Member services – keeping our Members ahead of the pack

- ▶ Communication and information, via direct company engagement and specific Accord email alerts, as well as distribution of the ACCI COVID-19 Updates and other special bulletins, on:
 - critical pandemic trends,
 - key government decisions,
 - changing regulatory requirements,
 - business continuity issues,
 - HR and employment considerations,
 - COVID-safe workplace advice, and
 - economic stimulus programs.
- ▶ Guidance, navigation and access to government for Member companies across all layers of the Australian system.
- ▶ Information, advice, engagement and supplier connection to mitigate the impacts of supply chain disruption.
- ▶ Expanded online training and information sessions.
- ▶ Introduction of sector-specific roundtables, to engage and address the needs of our diverse Membership.

Advocacy and industry pandemic response

- ▶ Provided input into government COVID-19 guidance materials.
- ▶ Developed the 'Hand Sanitiser Industry Benchmark for non-therapeutic products', to address concerns around quality, efficacy and safety of non-therapeutic hand sanitisers in line

with existing regulatory requirements and existing industry standards and expectations.

- ▶ Campaigned for regulator fee increase relief for businesses, as a Government COVID-19 economic response.
- ▶ Sponsored the Food Safety Information Council's National Handwashing Survey and associated education package, reminding all Australians of the ongoing importance of good hand hygiene.

Media Statements

Accord takes a strategic approach to media claims and announcements, releasing public statements on key matters of importance to the industry – examples during the reporting period included:

- ▶ 'Maintaining strong safety, quality and performance standards at the heart of the newly launched Accord Hand Sanitiser Industry Benchmark', 10 September 2020.
- ▶ 'COVID19 Alcohol-Based Hand Sanitiser Connect: meeting urgent product demand', 1 May 2020.
- ▶ 'Accord survey reveals supply issues for some essential ingredients and materials needed for hand sanitiser production', 14 April 2020.
- ▶ 'Industry Action Report #2: Update on the priority responses of Australia's hygiene products industry to the COVID-19 pandemic through the industry body Accord', 9 April 2020.
- ▶ 'Industry Statement on Hygiene Product Supplies: Hand Sanitisers', 7 April 2020.
- ▶ 'Industry Action Report #1: Australia's hygiene products industry responding to the COVID-19 pandemic', 25 March 2020.

Looking beyond the COVID-19 pandemic

As we move beyond the pandemic and into a period of recovery, Accord's focus will continue to deliver essential member services and our advocacy priorities will turn to a number of important and re-emerging issues – areas that were put on pause while the industry managed the many disruptions of COVID-19. These priority issues pose both challenges and opportunities for our industry.

- **The Federal Government's Deregulation Agenda.** This newly announced initiative is aimed at removing red tape burdens for business and lifting regulator performance. Proposed reviews and consultations associated with this agenda, present an opportunity for Accord and our industry to have meaningful input to achieve more efficient and internationally aligned regulations.
- **Supply chain optimisation.** COVID-19 highlighted the weaknesses in Australia's supply chains, and industry will need to focus on the lessons of the pandemic to mitigate the risks for any future resurgence and disruption. Accord's ongoing

participation in the National COVID Supply Chain roundtable, and other supply chain fora and Government bodies, provides our Members with a mechanism for raising issues directly with the Government to facilitate solutions to ongoing supply chain issues.

- **Plastic and packaging waste.** With the release of the Federal Government's National Plastics Plan in early 2021, plastics and packaging waste will be a significant priority moving forward. Prior to the announcement of the plan, Accord had proactively commenced an extensive industry data-gathering and analysis exercise to benchmark current practice and inform our advocacy and future actions in this area. With our proud history of implementing effective, voluntary industry initiatives to achieve positive sustainability outcomes for our sector, Accord looks forward to working closely with the Government and other stakeholders on industry-led programs to tackle the issue of plastic and packaging waste.

Member Value strategy

A responsive and respected team, delivering indispensable services and knowledge across the breadth of membership, focused on stewardship initiatives to maximise sustainability and innovation.

Accord's primary goal is to provide our Members with essential services and business value-add. The key focus areas for our Member Value strategy include new and improved services, such as expanding our event offerings and training options, new and refreshed Member-only information resources, and additional external partnerships with direct benefits to Member companies.

Events

2020 meant that Accord, like most organisations, had to rethink the way we delivered events. We were pleased to be able to offer our Members a greater number of free online events during the reporting period, ensuring continued and exclusive access to both thought-leaders and government officials.

AGM & Industry Briefing 30 July 2020

Our first virtual Annual General Meeting featured special guest Ross Lambie, Chief Economist for the Australian Chamber of Commerce and Industry. Ross' presentation—*Down the rabbit hole: Perspectives on the impact of COVID-19 on the Australian economy*—explored the impacts of the pandemic and the recession, and what all this upheaval means for Australia's economic outlook. The event was also an opportunity to provide Members with an update on Accord's COVID-19 response to date, as well as the association's ongoing priorities.

Manual dish wash consumer insights with Novozymes 16 October 2020

Did you know that 66% of Australians prefer to soak dirty dishes before washing? In this webinar co-hosted with Accord Member Novozymes, participants learned all about the manual dish wash habits of Australian consumers, including their 'pain points' and the potential opportunities for product innovation.

Insight Hour

Accord Insight Hour

In 2020 we introduced our Insight Hour format, an online Member-only offering featuring topical presentations on a range of issues and trends relevant to our membership.

- UK regulatory arrangements for cosmetics under Brexit, with the Cosmetic, Toiletry and Perfumery Association UK | 18 March 2021
- Modern manufacturing initiative opportunities with the Department of Industry's Manufacturing Division Engagement Branch | 11 March 2021
- Modern slavery statement requirements with the Australian Border Force Modern Slavery Business Engagement Unit | 24 February 2021
- Personal care & cosmetic consumer insights with GlobalData | 18 February 2021
- The Australian Government's Ban on Testing Cosmetics on Animals – Retail-level Communications Campaign with the Department of Health, the National Retailers Association, and the Clemenger Group | 10 December 2020
- Clean Beauty: Innovation, compliance and promotion with UL | 12 November 2020
- Collaboration opportunities for industry with Monash University | 29 October 2020
- Post-budget economic update with HSBC's Chief Economist, Paul Bloxham | 22 October 2020

- Update on the National PFAS Position Statement and the National Standard for Environmental Risk Management of Industrial Chemicals with the Department of Agriculture, Water and the Environment | 15 September 2020
- Update on ADG Code 7.7 with the National Transport Commission | 27 August 2020
- Home Care Insights with GlobalData | 13 August 2020
- Hand sanitiser issues with the Department of Industry, Science, Energy and Resources | 21 July 2020
- Briefing on update to GHS 7 with the New Zealand Environmental Protection Authority | 7 July 2020
- The new 'red lipstick effect' with GlobalData | 25 June 2020

Roundtables

CEO Roundtable: Salon and professional haircare products 10 February 2021

The first in our new offering of sector-specific roundtables, this session provided a chance for Accord's salon and professional haircare product Members to discuss the current operating environment, their top priorities and Accord's 2021 plans for this important sector.

CEO Roundtable with the Hon Karen Andrews MP 19 August 2020

Accord invited the Hon Karen Andrews MP, then Minister for Industry, Science and Technology, to address our industry leaders to promote the emerging opportunities for greater investment in Australian-based manufacturing. The roundtable was also an opportunity to discuss the ways in which the business environment, local input costs and regulatory frameworks could incentivise local investment decisions rather than acting as insurmountable, costly barriers.

Training

Regulatory Bites: Bite-sized training on chemicals regulations in Australia

In late-2020 Accord trialled a new online regulatory training concept, Regulatory Bites. Over three fortnights, participants were given a high-level overview, followed by a Q&A session, on the following topics:

- Overview of chemical regulations in Australia
4 November 2020
- Introduction to transport regulations
18 November 2020
- Introduction to WHS regulations (GHS, storage and handling)
2 December 2020

Given the popularity of the pilot program, Regulatory Bites will be returning in 2021 with a series on Chemical Scheduling.



Information

Our regular communications inform Members of key regulatory changes, government policy initiatives, important commercial and industrial developments, breaking media stories and upcoming events. These regular communications include:

- our monthly Regulatory Bulletin, assisting Members with compliance and helping them to stay ahead of the game with advice on forthcoming changes
- our weekly Member Updates, covering off on news, events and need-to-know info
- weekly COVID-19 Updates from the Australian Chamber of Commerce and Industry
- direct email alerts concerning policy briefs and media updates to ensure our Members are kept up to date on a range of important and time-critical issues

Accord Members have priority access to a range of publications including The Salon Guide, GHS Frequently Asked Questions (FAQs), Palm Oil Information Paper, Ethical sourcing and a Microbeads Q&A, all of which provide specific assistance to Member companies. Our Members also have access to a range of Technical FAQs covering the following topics:

- Australian Standards
- Cleaners and sanitisers
- Cosmetics
- Disinfectants
- Measurement
- NICNAS
- Requirements for imported products
- Sunscreens

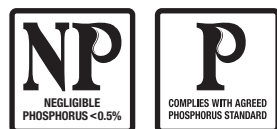
Membership Growth

Accord boasts 101 Member companies, ranging from large global companies to local SMEs. In 2020–21 we were thrilled to welcome five new Member companies: Dalby Bio Refinery, Ensign Laboratories, Eucalip Group, Siemens Australia and Steinberg & Associates.

Sustainability & Innovation Initiatives

Phosphorus Standard

Accord's national Phosphorus Standard, represented by the 'NP' and 'P' on-pack logos, has set sector-wide benchmarks for the phosphorus content in household laundry detergents, contributing to the industry's efforts to protect Australian waterways and driving innovation towards lower phosphorus formulations.



Recognised® – Environmental Credentials Scheme

Recognised® is an independently assessed, science- and evidence-based Accord ecolabel initiative that identifies environmentally preferable commercial cleaning products, including microorganism-based products.

Over 100 products are accredited under the rigorous Recognised® scheme.

www.accord.asn.au/sustainability/recognised



Industry Codes, Guidelines and Reports

Accord's Codes and Guidelines all help ensure industry-wide best practice or assist in the safe use of products, to the benefit of society. They include:

- Hand Sanitiser Industry Benchmark – *published in 2020, check out our COVID-19 report on page 5 for more on this proactive industry initiative!*
- Industry Guideline for Labelling & Packaging of Liquid Laundry Capsules
- Children and Safe Storage of Household Products
- Guide on Cleaners and Sanitisers that may have Incidental Contact with Food – *updated 2020*
- Code of Practice for Household & Commercial Cleaning Products Claiming Antibacterial Action
- Estimating the Relative Contribution of Major Categories of Formulated Household & Personal Care Products to Tropospheric VOC Emissions
- Accord Industry Quality Commitment
- Responsible Supplier Checklist

www.accord.asn.au/sustainability/codes-guidelines

Accord's Plastic Paper: an overview of the international and local landscape

Plastics are receiving an unprecedented level of attention in Australia and around the world. The primary drivers of this are twofold. First, changes to the global recycling market have left Australia in need of fresh solutions for its packaging waste. Second, concerns over levels of plastic in the environment have brought single-use plastics and ingredients such as solid plastic microbeads into the spotlight.

Accord has been actively monitoring and engaging on these issues. This paper summarises the current 'plastics environment' as relevant to the hygiene, personal care and specialty products sector, with a focus on actions undertaken by major international economies, what is happening in Australia, and what Accord is doing.

Ethical Sourcing Information Paper

Accord's Ethical Sourcing Information Paper provide information on what is meant by ethical sourcing and the issues it encompasses, with a focus on the formulated products industry. It is intended as a useful information resource for Accord Members, and specifically for smaller companies that may be less advanced in their ethical sourcing activities.

Accord Industry Quality Commitment

Accord's Commercial Members give their commitment to doing the right thing for customers and the community in four key quality areas: Public and occupational health & safety; Environmental values; Compliance and continuous improvement; and Business ethics/Commercial practices.



Responsible Supplier Checklist

This sustainable purchasing tool for Members is based upon an ideal behaviour model and covers potential purchasing impacts under six key 'Checkpoints'. Organisations can use the Checklist to 'measure up' potential suppliers or themselves, according to their performance across 11 key categories.

Member Surveys

Throughout the year, Accord Members can provide input into a number of survey initiatives. Consolidated results are available to all Members who participate, providing valuable sector data for company decision-making and benchmarking. Many of these surveys also help inform Accord's strategic advocacy priorities and future Member services and provide insightful information about our industry, which can be used to strengthen our dialogue with government and other key stakeholders.

- COVID-19 Business Impacts Surveys – Accord conducted three of these company 'health check' surveys during the reporting period, allowing us to gauge the business environment across the different sectors we represent, as well as determining the longer-term impacts of the COVID-19 pandemic and any ongoing trends across our membership.
- CTFA Salary Survey – this annual survey for Accord's cosmetic, fragrance and personal care Members provides consolidated salary and remuneration information across a broad range of employment positions.

- Frost & Sullivan I&I Cleaning Chemicals Market in Australia, Forecast to 2027 – Accord partnered with international research and consulting firm Frost & Sullivan on their first I&I cleaning chemical market report since 2014, providing our Members with an exclusive 50% discount on the report.
- HR Benchmarking Survey – completed for the first time in 2020, this survey canvassed Accord's consumer, cosmetic and personal care Members on the following areas: paid parental leave, flexible work arrangements and diversity in the workplace.
- Plastics & Packaging Survey Part 1 & 2 – this two-part survey is an extensive information gathering exercise relating to packaging and plastics usage by our industry. Part 1, released in September 2020, gathered high-level information on the types of sustainability policies/measures companies have in place and Member views on the situation in Australia regarding packaging waste policy and infrastructure. Part 2, which is being analysed at the time of writing this report, will provide further information from Members on the design, usage metrics, plastic types, regulatory barriers and other constraints relating to packaging and plastic. These surveys are a critical step in advancing Accord's advocacy on waste and plastic pollution issues into 2021 and beyond, to ensure our industry is in step with the Australian Government and the 2025 National Packaging Targets.

Member Committees and Working Groups

In addition to providing input into surveys and taking part in sector-specific roundtables, Members can also participate on our committees and working groups, including:

- Innovation & Sustainability Executive Committee
- Regulatory Affairs Committee
- AICIS WG
- Antimicrobial WG
- Disinfectants WG
- Hand Sanitiser WG
- Packaging & Waste WG
- Salon Guide WG
- Sunscreen WG

These groups allow Members to get directly involved with the work of the Association, to influence change and achieve the best outcomes for our industry.



Advocacy strategy

A trusted and influential partner, visibly communicating in all relevant fora and engaged with all relevant stakeholders, reinforcing the essential role industry's products play in public health, personal wellbeing and quality of life.

Accord's strategic approach has established our prominent profile with stakeholders and influencers in government, opposition, departments & agencies, and other trade associations. We actively engage with our industry's global and regional networks to maintain current global awareness on key issues in the media and on policy and regulatory matters. We invest in activities that demonstrate our industry's relevance and significance, profiling industry as a solutions provider.

Government & Stakeholder Relations

Accord has built a positive dialogue with Australian governments and officials, operating with professionalism and integrity within a challenging and sometimes contentious policy environment to achieve the right outcomes for our industry. We frame our solutions in terms of the policy priorities and commitments articulated by the Australian Government, supporting these with tangible details

and impacts from our Member businesses. We have raised the industry's issues and concerns via written representations and meetings with ministers, ministerial offices, senior government officials and the opposition.

In addition to meetings and written submissions, Accord draws upon our strong relationships with key government contacts, regulators and external stakeholders through invitations to meet with Accord Members and to present at our events. This allows our Members to engage with key policy- and decision-makers to express their concerns directly.

Voluntary Industry Code to Support the Australian Ban on Testing Cosmetics on Animals

A significant project during the reporting period was the development of the Voluntary Industry Code to Support the Australian Ban on Testing Cosmetics on Animals. From 1 July 2020, the Australian Government ban on the use of new animal test data for cosmetics came into force. To support this ban, Accord was tasked by the Government with the development of the Voluntary Industry Code.

The Code aims to address the findings of consumer research undertaken by the Australian Government, which revealed a lack

of information about animal testing in Australia and consumer confusion about terminologies used by the Cosmetic & Personal Care Industry in relation to animal testing. It is also a resource to assist the industry to meet its obligations relating to the ban and to communicate with consumers with greater transparency and consistency.

The Code was developed in consultation with the Australian Department of Health and other key stakeholders, including the National Retail Association (NRA) and RSPCA Australia, and was expertly drafted by Accord's legal partners at HWL Ebsworth Lawyers. The launch of the Code is scheduled for mid-2021 and has been preceded by a large-scale retail and consumer awareness initiative spearheaded by the NRA, to get the message out about this momentous step forward for the Cosmetic & Personal Care Industry.



Committees & Working Groups

Accord is an active participant on many key committees, representing the views of our Members.

We participated on the Therapeutic Goods Advertising Code Council, Environmental Microplastics WG, AICIS Strategic Consultative Committee (SCC), NMI Consumer and Industry Liaison Committee (CILC), TGA ComTech, TGA Consultative Committee (TCC) and Industry Forum, TGA Industry WG on GMP (TIWGG), TGA GMP Sunscreen WG, TGA Scheduling Policy Framework WG (SPF), NTC Transport of Dangerous Goods Maintenance Advisory Group, and DAWE Biological Consultative Group.

Members of the Secretariat and Accord Member company representatives are active on 15 Standards Australia committees relevant to our industry's interests. Additionally, Dusanka Sabic is Chair of CS-108 Cosmetics Terminology, Australia's representative on ISO TC217 Cosmetics Working Group 4, and a representative on the National Retail Association's Technical Standards Committee. Catherine Oh is an appointed independent expert to the Advisory Committee on Chemical Scheduling (ACCS).

External Networks

Locally, Accord is an active member of the Australian Chamber of Commerce and Industry (ACCI). We also promote collaborative, constructive dialogue on issues of mutual interest with local associations including the Australian Dental Industry Association

(ADIA), Australian Food and Grocery Council (AFGC), Australian Hairdressing Council and other relevant beauty councils, Australian Paint Manufacturers' Federation (APMF), Cement Industry Federation (CIF), Chemistry Australia, Consumer Health Products Australia (CHPA), CropLife, Dairy Australia, Direct Selling Australia (DSA), Food Safety Information Council (FSIC), ISSA (the association representing the cleaning industry supply chain), and the Water Services Association of Australia (WSAA). We are also involved collaboratively with professional organisations the Australian Society of Cosmetic Chemists (ASCC), the Royal Australian Chemical Institute (RACI) and the Australasian College of Toxicology & Risk Assessment (ACTRA).

Academic Partnerships

In 2020–21 we continued our active engagement with Monash University via our Innovation Partnership. To Monash's Graduate Research Industry Partnerships (GRIP) program we delivered training on formulation chemistry and the regulatory systems affecting Accord Member products, and also presented on the 'Impacts of COVID-19 and looking to the future'. We represented the Australian Chemicals Manufacturing Industry at the Monash Institute of Pharmaceutical Sciences (MIPS) Virtual Innovation Showcase. We are also a Partner Organisation of the ARC Training Centre for Green Chemistry in Manufacturing.

Accord is also in the process of finalising a partnership with the ARC Training Centre for the Chemical Industries.



Communication

During the pandemic, Accord's communication shifted to a crisis-footing, becoming more intensified and targeted to keep our Members businesses fully informed. To read more about our pandemic response, see our COVID-19 report on page 5.

Published Articles

We promote and profile Accord and our industry initiatives via selected publications.

Esprit

Training for business performance (Autumn 2021)

Voluntary Industry Code on Animal Testing and Cosmetics (Summer 2020)

Off-the-charts hand sanitiser demand highlights the importance of the personal care industry (July-Sept 2020)

Economic powerhouse (April-June 2020)

Inclean

State of the industry (May/June 2020)

Interview with Bronwyn Capanna as part of Industry Leader's Forum (Industry Leaders Forum Report 2021)

Science of Beauty

Off-the-charts hand sanitiser demand brings challenge and opportunity (June/July 2020)

Promoting the STEM in personal care and hygiene (Nov/Dec 2020)

Education & Sustainability

hygieneforhealth.org.au

Hygiene for Health provides evidence-based information on the vital role of the cleaning and hygiene products industry in preventing the spread of infection and illness throughout our community. The website addresses the role of hygiene products in personal care, households, public spaces, hospitality, healthcare and industry.



Furphies.org.au

Furphies helps address unfounded public alarm about the safety of our industry's products by taking an evidence-based approach to address the common myths and misconceptions about these products.



BeadRecede

BeadRecede is a voluntary Accord initiative to raise awareness and foster industry engagement in meeting calls by Australian environment ministers for the voluntary industry phase out of plastic microbeads in personal care, cosmetic and cleaning products.

Validation of the success of this initiative came in March 2021 with the announcement of the Government's National Plastics Plan. The Plan acknowledged a recent in-store survey conducted in the second half of 2020, which showed 99.3% of products surveyed were 'microbead-free', concluding that for cosmetics, personal care and cleaning products, microbeads were 'phased out'.

This was also echoed in comments made by the Assistant Minister for Waste Reduction and Environmental Management, the Hon Trevor Evans MP, to *The Guardian* in March 2021, who argued that the cosmetic and personal care industry's successful voluntary phase-out of microbeads showed that voluntary approaches could work.

Our sincere thanks to all Members who committed to the microbead phase out and supported Accord's *BeadRecede*. Your efforts have resoundingly helped to boost your industry's reputation for quality, ethics and sustainability

www.accord.asn.au/sustainability/beadrecede

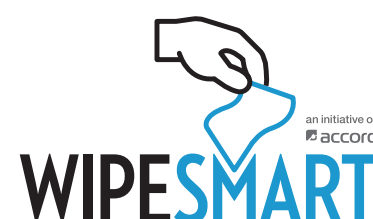


Careers in our Industry

The Careers page on the Accord website is aimed at STEM students and graduates to highlight the opportunities in the hygiene, personal care and specialty products industry for those with STEM interests and skills. The page is broken up into four main parts: 'What kind of products does our industry make?', 'What STEM is involved in our industry?', 'STEM careers in our industry', and 'Tips for STEM job-seekers'.

wipesmart.org.au

WipeSmart is a consumer education initiative to promote better use and disposal of wet wipes. This forms part of our industry's stewardship approach to foster the more sustainable use of important everyday hygiene products. WipeSmart provides many timely reminders about what can go wrong if you flush the wrong types of wipes.



sunsible.org.au

SunsibleTM is all about staying sun safe with sunscreens. It is a consumer-focussed, brand-neutral website promoting the essential role of sunscreens for health protection, addressing common questions and misconceptions about sunscreen with practical tips on staying sun safe.

www.sunsible.org.au



washwise.org.au

WashWise provides a wealth of information on sustainable laundry practices and assists consumers in using laundry products correctly.

The site provides tips and tricks for doing the laundry for Australians who value a great clean, the environment and saving money.



'What's in it?' Household cleaning product ingredient disclosure

'What's in it?' provides consumers with ingredient information to aid choice and enhance confidence in household products. 'What's in it?' covers air care, automotive cleaners, household cleaners, household floor maintenance products and laundry products.

www.accord.asn.au/sustainability/whats



International Collaboration

Accord has fostered strong relationships with international counterparts to facilitate the exchange of timely information and leverage their expertise and resources on industry issues.

Our global network includes sister associations in Canada, Central and Latin America, China, Western and Eastern Europe, India, Indonesia, Japan, Korea, Malaysia, New Zealand, Philippines, South Africa, Taiwan, Thailand, the UK, and the USA. We also have a strong dialogue with the International Fragrance Association (IFRA).

In the cleaning and hygiene sector, Accord is part of the International Network of Cleaning Products Associations (INCPA) and the Asia Oceania Soap and Detergents Association Conference (AOSDAC). We also promote and profile Accord and our initiatives through presentations at selected international conferences, participating virtually at ACI's Annual Meeting and Industry Convention (January 2021) and HCPA's Annual Meeting (December 2020).

Our cosmetic sector networks include the International Communications Network and International Associations Collaboration (IAC). In early 2021, Accord was honoured to take on the Secretariat role for the IAC. Regionally, Accord is also an Associate Member of the ASEAN Cosmetics Association. In February 2021 we also participated on the APAC panel at the virtual IFRA Global Fragrance Summit.

Regionally, Accord represents the Australian downstream chemical industry at the Asia-Pacific Economic Cooperation Chemical Dialogue (APEC CD), a high-level regional forum on issues affecting chemical-based products. Within this forum we participate on three virtual working groups on Regulatory Cooperation, GHS and Data Exchange.



Industry Growth strategy

A well-connected and credible industry voice, facilitating economic growth and employment by supporting global regulatory convergence based on sound science, commitment to regulatory best practice, and no barriers to trade.

We ensure industry's voice is heard through active involvement in regulatory policy decision-making, consultation and national policy development, as well as local and international standards development. We adopt a principled, evidence-based approach to our policy inputs and representation, harnessing local industry partnerships and relationships with key policymakers to achieve a business environment with minimum, effective regulation.

Lighter Touch, Lower Cost, Faster to Market

AICIS implementation

1 July 2020 saw the long-awaited implementation of the new Australian Industrial Chemicals Introduction Scheme (AICIS), replacing the National Industrial Chemicals Notification and Assessment Scheme (NICNAS) as the national industrial chemicals regulator.

Looking forward, Accord will continue to develop guidance materials and work with the regulator to provide relevant training on the new system to assist Members' understanding and compliance.

Accord's official position during the consultation period was that of maintaining the status quo for fees and charges for the first two years of the new system. Regrettably, the regulator's fees increased rather dramatically for some Members, with such increases coming at a time where many cosmetic and personal care companies were experiencing considerable economic hardship arising from the pandemic.

While this push for a freeze of fees was not successful, Accord did achieve some wins for the AICIS implementation, including:

- Extended two-year transition period for companies
- Simplified improvements for fragrances and flavours ingredients
- Successfully advocated for a review of costs, with the Minister in charge of AICIS promising a 12-month review of the new system. Accord was able to provide case studies to the Minister to support the need for the review, highlighting the issues and additional workflows that the new scheme imposes on the formulated products industry

We have also congratulated the Morrison Government on the very welcome announcement of the *Deregulation Budget Package and Regulator Performance Guide*, in particular, the 'Best practice for regulator cost recovery: Increasing regulator transparency and efficiency' project. All of the many sensible and well-targeted measures in this announcement will help support a business-led economic recovery. Given the importance of our sectors in both the economic recovery and delivery of essential products, as well as a significant employer, it is timely to consider improvements to AICIS' operational productivity, resource efficiency and cost framework, and the announced project would seem to be an ideal vehicle to achieve this.

Therapeutic goods regulatory reform

Accord continues to work with the TGA to reduce the regulatory burden on Members' low-risk products such as disinfectants, sunscreens and their ingredients.

For sunscreens, Accord successfully intervened following the TGA's proposal to increase data requirements for sunscreen ingredients. The proposal would have put these requirements essentially on-par with those for registered medicines—a significant and over-the-top regulatory burden for sunscreen Member companies. Pleasingly, due to our advocacy, the regulator has agreed that its focus will be on the update of the Australian Regulatory Guidelines for Sunscreens (ARGS), with the TGA and industry representatives forming small working groups to address each key area of the ARGS and other issues identified with the evaluation of sunscreen ingredients.

As an active member of the Therapeutic Goods Advertising Consultative Committee (TGACC), Accord continues to push for the removal of our industry's low-risk products from the TGA Advertising Code, arguing that the advertising obligations under Australian Consumer Law are sufficient for products of low risk.

Accord also developed a draft guidance paper on cosmetics regulations, advertising claims, and navigating the interface with therapeutic goods legislation for the TGACC's consideration.

Our involvement in the TGACC allows us to uniquely assist our Members in understanding their advertising requirements. The critical review of the TGA Advertising Code will be a significant work area for Accord into 2021.

We are also active participants in the TGA's Industry Working Group on GMP (TIWGG) and its subcommittee on sunscreens, as well as the Complementary and OTC Medicines Regulatory and Technical Forum (Comtech), resulting in the regulator's greater understanding of Accord Member issues and specific reform proposals.

During the reporting period, key achievements were our successful negotiation with the TGA to progress Members' issues with disinfectant regulations, pandemic-related supply chain issues, surrogate testing regimes, biologicals in medical devices, hand sanitiser registration processes and, importantly, the publication of lists of approved disinfectants against COVID-19. As a result, there are now over 200 products available with TGA approved claims against the virus. *You can read more about Accord's COVID-19 response on page 5.*

The Accord Secretariat keeps Members abreast of ongoing changes and reforms for the range of relevant therapeutic goods we actively represent through regular updates in our very popular monthly Regulatory Bulletin.

Agricultural and veterinary (Agvet) products regulatory reform, including dairy sanitisers

Accord continues to work with the Department of Agriculture, Water and the Environment (DAWE) and the Australian Pesticides and Veterinary Medicines Authority (APVMA) on the implementation of Agvet reforms, to provide a better regulatory framework for the industry.

Following the proposal for a restructured national Agvet regulatory framework, Accord has been holding meetings with individual Member companies likely to be affected by the reform proposals or with an interest in Agvet issues, to assist in developing Accord's response. Accord provided an initial submission in August 2020, and a subsequent submission in February 2021 on the Draft Consultation Report's 139 recommendations, released mid-December 2020. Accord was generally supportive of most recommendations.

Accord also actively participates in the APVMA Cost Recovery Working Group, which was established to develop a new costing model for the APVMA following industry concerns with the regulator's cost recovery processes. The new model is expected to commence mid-2023. Due to industry lobbying, the new fees and charges introduced on 1 July 2020 were only modest increases. Accord continues to work with the APVMA to help ensure that Members experiencing supply chain difficulties can have a streamlined pathway. In late 2020, Accord and the APVMA established regular catch-up meetings, directly involving Members, to discuss issues of mutual interest.

Trade measurement and pre-packaged goods labelling reform

Accord continues to engage with the government to achieve greater flexibility with unit measure placement and unnecessary over-labelling of imported products through the National Measurement Institute (NMI). Accord has continued its discussions; however, public consultation is yet to commence regarding the review of the national measurement legislation to be announced later in 2021.



Transport and labelling of dangerous goods

Accord continues to work closely with the National Transport Commission (NTC) for the best outcome for Members. We are building on our previous regulatory reform success in the removal of unique Australian requirements that add regulatory burden, as well as advocating for a simpler, more efficient regulatory system for the transport of lower-risk dangerous goods.

Accord made a submission to the NTC Issues Paper, examining the legal framework for the land transport of dangerous goods and seeking a more efficient and internationally aligned system that is transparent and accountable. The NTC briefed Accord Members on the proposal and the ADG 7.7 changes at an Accord Insight Hour in August 2020.

Accord will continue to identify and advocate for removal of unique Australian requirements that add regulatory burden. For example, as a consequence of Accord's advocacy, ADG Code 7.7 now includes removal of inner packaging testing requirement that applied only to Australian filled products, and amendments to Limited Quantities provisions to streamline the requirements for all limited quantities (including aerosols) are also now in force.

Biosecurity

Accord continues to articulate the need for clear biosecurity risk identification and appropriate mitigation strategies for Member products to the Department of Agriculture, Water and the Environment, raising the need to exclude low-risk formulated chemical products from biosecurity requirements. An update was provided that the legislative drafters were working on this; however, the draft may not be available for public consultation prior to implementation. Utilising specific cases and examples where we had assisted Members, we highlighted the need for clear articulation of biosecurity risks, especially where the expectation of the regulator diverges from the regulatory requirements.

International Alignment

New Zealand Environmental Protection Authority (EPA)

Accord continues to represent Members' views on the reform implementation of New Zealand's hazardous chemicals regime administered by NZ EPA. We provided support for the internationally convergent adoption of the 7th revision of the Globally Harmonised System for the Classification and Labelling of Chemicals (GHS 7) via our submission to NZ EPA in April 2020. We also organised an Insight Hour with the EPA in July 2020, providing an opportunity for Members supplying products into New Zealand to hear first-hand about the proposed changes and potential impacts for their business.

Chemical scheduling

Accord provides regular input into the chemical scheduling process via the TGA public consultation process and through direct engagement with the TGA. We ensure Members are kept up to date on both upcoming consultations and scheduling decisions via the Regulatory Bulletin and targeted email alerts.

Accord responded to scheduling proposals for eight chemical ingredients of relevance to Members, providing seven submissions to the Scheduling Committee.

After the TGA's decision not to progress with recommendations to improve the harmonisation of the Poisons Standard (SUSMP) with international standards such as the International Fragrance Association (IFRA) standards, Accord utilised the Freedom of Information Act to access stakeholder comments to the public consultation that preceded the decision. The aim was to better understand the concerns of other stakeholders so that Accord's next application could address these.

Accord is also commissioning further work on international alignment of public health ingredient controls via scheduling. This is primarily to better align with the restrictions of the European Union Cosmetic Regulation Annexes, as well as those of other key markets.

Work, health and safety (WHS)

The timeline for the implementation of GHS 7 was impacted by COVID-19 due to state and territory workplace regulators shifting their focus to the pandemic response in the early part of 2020. The initially announced implementation date of 1 July 2020 was pushed back six months to 1 January 2021, with a two-year transition period. No relabelling of products is required for products labelled before 1 January 2021.

Accord, through ACCI, encouraged Safe Work Australia (SWA) and state and territory workplace regulators to issue exemptions to allow industry to comply with GHS 7 from the initially planned implementation date of 1 July 2020 to minimise any impact on companies that were working to the 1 July 2020 timeline. Agreement for a national exemption was reached at the SWA meeting and SWA provided the collated state and territory exemption information on their website.

Facilitate Trade and Commerce

Australian Competition and Consumer Commission (ACCC)

Accord has maintained ongoing dialogue with the ACCC on the regulation of alcohol-based hand sanitisers that are not therapeutic goods, including potential changes to labelling requirements such as mandatory disclosure of alcohol concentration.

Despite industry's concerns, the ACCC moved ahead with an update to the Information Standard in November 2020. However, because of Accord's advocacy, compromise was reached on a number of other issues including broadening the definition of alcohol, an extended transition time and reducing required warning statements from 6 to 5

Industrial Chemicals Environmental Management (Register) Act 2021

Legislation to establish a National Standard and Register of industrial chemicals based on environmental risk passed the Australian Parliament and into law on 26 March 2021. Accord cautiously supported the passage of this legislation in principle but raised concerns about cost imposts and potential red tape burden via our submission to the Australian Senate in January 2021.

Accord is engaging intensively with the federal Environment Department to help guide the development of the associated regulations and cost-recovery arrangements. The key principle we are pursuing is that the Register's focus must be on known high-risk chemicals that are likely to be of environmental concern, such as those subject to international treaties, rather than lower-risk chemicals with little chance of any significant environmental release.

Free trade agreements & more

To facilitate export opportunities for Member companies (and to continue to highlight the lack of international alignment of the Australian regulatory system), Accord has assisted with the establishment of Free Trade Agreements (FTA) and Regional Trade Agreements for industry products within the European Union, the Regional Comprehensive Economic Partnership, the Pacific Alliance and the Comprehensive and Progressive Agreement for Trans-Pacific Partnership. Accord held discussions with sister organisation UK CTPA and UK CPI to discuss possible collaboration on relevant annexes for the forthcoming discussions on the AU/UK FTA. Cosmetics NZ has also agreed to seek alignment with the AU/UK FTA and NZ/UK FTA for cosmetics.

In May 2021, cosmetic regulations in China will undergo a fundamental change. New rules coming into effect will seemingly allow an exemption for mandatory animal testing for imported 'general' cosmetic products, if the manufacturer has a third-party GMP certification from a competent government/regulatory authority. Accord is proactively exploring solutions for our exporting Members to facilitate this potential new market opportunity for the cosmetic industry.



Message from the Chair

Our industry continues to play a positive leadership role to aid the nation's ongoing pandemic recovery and to enhance environmental sustainability.

While the last year can only be described as a tumultuous and often emotional rollercoaster ride for everyone, it is a relief and blessing that our nation has weathered the pandemic better than most.

Thanks to a steady and cautious approach to managing the risks of COVID-19 infection spread combined with appropriate but unprecedented levels of fiscal stimulus, the Australian economy is rebounding.

Credit for this goes to the generally rational responses of all Australian governments in managing pandemic risks and, in particular, to the Morrison Government for the prompt and decisive economic relief measures it introduced throughout the pandemic.

“Businesses across the hygiene, personal care and specialty products industry have been working tirelessly to meet community expectations about our products and services”



Tracey Raso

Although I am sounding quite an optimistic note with the direction we are now heading, in reality we are still a long way from full economic recovery, and the virus threat will remain a disrupting and pervasive fact of life for some years to come. This is why I believe we need to reflect on and take stock of some key lessons learnt in dealing with the many challenges of the last year.

Early lessons were about adaptability, as we shifted to new ways of working and did our best to navigate heavily disrupted supply chains to get our products to our customers.

And as the pandemic progressed, we learnt much about the importance of persistence and resilience as we faced the daily ups and downs of a critically evolving situation.

Some Accord Members, mainly those in the industry's hygiene products sector, were pushed to the forefront of the fight against the spread of the virus. Increased demand for sanitisers, disinfectants and all types of cleaning products meant these Members had to find ways to ramp up production and supply. But on the flipside, other Members' product demand virtually fell off a cliff leaving them the task of finding ways to stay afloat to protect their businesses. Our beauty and prestige products Members, in particular, faced this unwelcome challenge.

Amongst all this turmoil, we learnt another lesson – the power and importance of reliable and timely information. And for this I believe the Accord secretariat team deserves our sincere thanks.

Right from the start of the pandemic, the Accord team shifted its priorities to validating and then disseminating to Members readily digestible alerts of the most critical information their businesses would need. And this approach of more regular and timely industry briefs is now embedded into the very way Accord operates.

As experts commence digging deeper to analyse other learning results arising from the pandemic, one specific finding stands out for me. This is the growth and importance of trust, as measured by the latest edition of the Edelman Trust Barometer.

Published in February 2021¹, the Trust Barometer highlights a pleasing rebound in public trust overall, with Australia leading the world in trust gains over 2020. Most welcome is the finding of a surge in public trust for the business sector. Business is now more trusted than both government and NGOs, according to this latest survey.

Some may feel this an astonishing result. But those of us in this industry know otherwise. Both collectively via Accord and at a company level, businesses across the hygiene, personal care and specialty products industry have been working tirelessly to meet community expectations about our products and services, and to progress environmental sustainability in tangible ways.

Just look through this year's annual report and the many achievements it showcases. Accord has led the way to promote stewardship approaches across the industry, foster compliance with regulations and codes, and increase industry and consumer understanding for safe, sustainable product use via our many educational websites.

Some related highlights over the last year for Accord include:

- Enhancing safety and compliance via development of expert guidance material on the safe production/transport of alcohol-based hand sanitisers for promotion to new market entrants,

- Participating effectively in government-run collaborative endeavours during the pandemic to address supply chain concerns for critical products, such as commercial and personal hygiene products,
- Delivering the successful voluntary phase-out of solid plastic microbeads in rinse-off personal care products via the BeadRecede initiative, with the Government-commissioned independent in-store survey measuring a compliance rate of at least 99.3 percent,
- Undertaking detailed surveys across the industry on plastics and packaging waste matters to help identify opportunities and challenges for better waste management and improved sustainability; and,
- Working collaboratively with the federal Health Department and other key stakeholders, such as RSPCA Australia, to develop the Voluntary Industry Code to Support the Australian Ban on Testing Cosmetics on Animals.

Our industry was measured by leading accounting firm EY back in 2019 to be the 17th largest sector of the Australian economy and this position of importance has only been enhanced by the vital role hygiene products play during a pandemic.

As we move into recovery with the ongoing removal of restrictions and border closures as the vaccination rate for the Australian and global population steadily increases, it is hoped that the lessons we have been learning from the last year can help build a brighter future.

My colleagues on the Accord Board of Directors recognise the importance of Accord being an effective Member service that adds value to our Member companies and enhances our industry's reputation. Expert advice, assistance, and advocacy remains at the forefront for Accord. And is all just a phone call away for Member companies.

I thank Bronwyn, Craig, Catherine, Jen, Ery and Stephanie for their tireless work over the last year. I also welcome our newest staff Members Rianna Goodwin and Thomas Dolahenty. And with a mix of sadness and gratitude I say thanks and goodbye to Dusanka Sabic, wishing her well in retirement, and also to Rachael Linklater. Both served Accord well.

I thank all Members and supporters of our industry for their engagement and commitment to standing united as we move forward into the challenges ahead.

Tracey Raso

Chair
May 2021

¹ <https://www.edelman.com.au/trust-barometer-2021-australia>

From the Executive Director

Rational, evidence-based policies are what we need to face a range of future challenges and aid our pandemic recovery.

The rise of various forms of populism over the last few years has been a backward step for science-based, internationally connected and innovation focused industries like ours.

So, if there has been a silver lining from the COVID-19 pandemic in both Australia and New Zealand, it has been the greater attention that policy makers and the public have given to the informed advice of credible public health experts.

Has there ever been a time when the names and faces of Chief Health Officers from across the nation's federal, state and territory governments are as recognisable to the person on the street as those of movie stars or other celebrities?

“You cannot encourage innovation if you smother it with unnecessary red tape, hefty compliance costs and complex, confusing rules.”



And sitting plumb within the mix of important evidence-driven advice on how to combat the spread of the virus have been the safe, effective and essential hygiene products that Accord Members make and sell. These include sanitisers, disinfectants and cleaning agents; all used in hospitals, schools, workplaces and homes.

Good science policy recognises that there is no such thing as zero risk. And this is the opposite of populism, which too often is built on fear and distrust of science.

Moving towards a mostly vaccinated population, while taking essential steps to reopen both economies and borders, will mean a change in risk management approach from that which occurred during the early phases of the pandemic. Shutdowns, closures, restrictions, and other costly curtailments to daily life should ideally become the last resort, rather than the first recourse.

Instead, reliable science-based practices and behaviours known to reduce infection spread, such as routine hand washing, regular cleaning regimes and good cough etiquette, should be promoted, so they become the norm for these times and beyond.

Other important policy considerations also deserve a healthy injection of rational science-based policy. Our industry accepts that there is much more to do for environmental sustainability.

And via many of the initiatives and programs outlined in the annual report, we are moving along this pathway. Success in these endeavours, however, depends heavily on addressing the most tangible concerns that have been backed up by the weight of scientific evidence.

Our industry has proudly delivered the successful voluntary phase-out of solid plastic microbeads. But did you know that these microbeads contributed a mere 1-2 percent of the total microplastic load entering our oceans and rivers? Does this make you concerned that you haven't heard what's being done to address the other 98 percent? Without a proper weight-of-science approach to the many environmental challenges facing our planet, there is very real risk that the main actions taken are driven more by media fads, than actual science.

Waste management, particularly related to plastics and packaging, has rightly become a hot topic, almost gaining as much attention as the climate change challenge. Action is clearly needed, but must proceed in an evidence-based manner. And this is why Accord has been busy over the last year gathering data from Member companies on both opportunities and challenges for more sustainable packaging and products. The law of unintended consequences looms large when addressing environmental concerns. So, care is needed to ensure you are not just replacing one problem with another. Demonising plastic is a poor policy approach, no matter how popular it might appear to be. When appropriately used and recycled, plastic will remain the environmentally correct choice for many essential applications.

Most forms of populism are fear-based, feeding off unrealistic beliefs that not only should there be zero risk in life but that virtually everything is dangerous. Chemophobia, fear of chemicals, is an example. And unfortunately, this pervades many of the myths, misconceptions and safety scares about the industry products that lurk throughout the internet. These unfounded scares warrant challenging because they mislead consumers and can thereby

misdirect policy attention. Which is why Accord established the www.furphies.org.au website back in 2012.

Another form of populism that can be particularly damaging for innovative and internationally connected industries like ours has been the rise of insular nationalism, or worse, xenophobic nationalism. One in five jobs within Australia are based on trade, at least according to data from before the pandemic, so there is bipartisan political support for strong Australian engagement internationally and for supporting the World Trade Organization (WTO) system of rules-based trade relations.

Our industry is a healthy fusion of local manufacturers, importers and exporters, small and large companies. All of whom rely on being tapped into the latest technological advances, both here and abroad, as well as having certainty and reliability in supply of essential raw materials and other product inputs. There are no winners in trade wars. And this is why well-intentioned plans for policies to boost Australian manufacturing need careful design to avoid falling into the trap of protectionism.

Building strong global networks for our industry so we can share knowledge about best practice approaches and the latest trends on issues like sustainability is a bread-and-butter task for the Accord team. For many years now we have been active in the International Association Collaboration (IAC) for the global personal care industry, as well as the International Network of Cleaning Products Associations (INCPA). It was therefore a great honour this year for Accord be asked to take up the coordinating and secretariat role for the IAC. We hope that via a continued inclusive and collegiate approach, Accord's tenure in coordinating the IAC will further enhance effective collaboration across the industry. Global challenges call for both local and global answers that are built on solid science and sound economics.

The need for rational, evidence-based policy extends to how governments regulate our industry. You cannot encourage innovation if you smother it with unnecessary red tape, hefty compliance costs and complex, confusing rules. Regrettably, this is exactly what many of the uniquely Australian-only approaches to regulation manage to do. For example, we are the only nation to regulate cosmetic and personal care products as if they are industrial chemicals, via the Australian Industrial Chemicals Introduction Scheme (AICIS). And an inflexible regime of 100 percent cost-recovery is imposed on industry to fund regulatory agencies, something that also does not occur in most other advanced nations.

Successive governments, both Coalition and Labor, have mostly struggled to get the balance right, so that the level of regulation imposed is both no more and no less than what is needed to manage risk in an effective but proportionate manner. All too often, disproportionate imposts and costs are still being applied to low-risk products.

It is therefore pleasing that as part of 2021-22 Budget, the Government has committed to a new Regulator Performance Guide as well as a specific targeted project for 'Best practice for regulator cost recovery: Increasing regulator transparency and efficiency'. For the latter project, Accord believes that urgent attention should go to reviewing and improving cost-recovery arrangements and financial performance related to the substantial cost imposts placed on businesses by the AICIS.

Accord is also proud to represent an innovative, science-based and progressive industry with a solid track record in safety, education and sustainability initiatives. We stand ready to work constructively with Australia's governments to meet the challenges of the next decade with evidence-based policy ideas and solutions.

Bronwyn Capanna

Executive Director
May 2021



Thank you and farewell



Always critical to our success is the great commitment and effort shown by our Members and partners. Of these, the following deserve special mention.

On behalf of all Members, thanks go to all of the Board of Directors, and particularly to the Executive & Finance Committee members:

Tracey Raso (Revlon & Elizabeth Arden, Accord Chair)
Julie Dillon (Colgate-Palmolive, Accord Vice-Chair)
Marcus Warner (Ecolab, Accord Vice-Chair)
David Brown (Panamex, Accord Finance Director)
Clynton Bartholomeusz (Beiersdorf, Immediate Past Chair)
Peter Playford (Puig Oceania)
Brad Macdougall (True Blue Chemicals)
We would also like to acknowledge the work and contributions of former Executive & Finance Committee members:

Denise van Gessel (Albright & Wilson)
Peter Keech (Tasman Chemicals)
Greg Whiteley (Whiteley Corporation)

Accord would also like to thank the following for their dedicated contributions during 2020-21:

David Blakeley (Chanel) as Chair of the Cancer Patients Foundation, the administering body for Look Good Feel Better.

Members of the **Accord Regulatory Affairs Committee:**
Melissa English (Aesop), **Kiran Raval** (Amway), **Ken Lee & Rachel Jefferson** (Beiersdorf), **Graham Hatfield** (Castle Chemicals), **Clare Martin** (Clare Martin & Associates), **Mohan Murphy** (Clorox), **Alice Gock** (Colgate-Palmolive), **Mike Tichon** (Competitive Advantage), **Karen Humphrey** (Dow Chemical Company), **Uma Adhar** (Ecolab), **Paola Becvar & Glenn Berg** (Edgewell), **Graeme Haley** (Engel, Hellyer & Partners), **John Koppl** (Estée Lauder), **Jennifer Hughes** (GlaxoSmithKline), **Temi Stavroulakis & Michelle Stewart** (Johnson & Johnson Pacific), **Ellie Kim** (Kimberly-Clark), **Samantha Hass** (L'Oréal Australia), **Aimee Kam & Marilyn Katrib** (Procter & Gamble), **Intish Ahotar** (PZ Cussons), **Amanda Baker & Haly Calderwood** (RB), **Joann Abrahamse** (SC Johnson & Son), **Rizalie Vergara** (SC Johnson Professional), **Mandi Godden & Mitch Polley** (Seren Consulting), **Priyanka Bhat** (Shiseido), **Jon Athanasopoulos** (Skin Health), **Phillip Tudor** (Tudor Chem), and **Edward Wrightson** (Whiteley Corporation).

Members of the **Accord Innovation & Sustainability Executive Committee:** **John O'Donnell & Steve Toner** (Albright & Wilson), **Yana Slatter** (BASF Australia) **Ross Walker** (BP Castrol Australia), **Graham Hatfield** (Castle Chemicals), **Mike Tichon** (Competitive Advantage), **Peter Richardt** (D-Labs), **James Wakefield** (Delphic HSE), **Damien Rankine & Christopher Short** (Dominant), **Peter Rich & Uma Adhar** (Ecolab), **Alanna Davies & Samy Hamada** (Aesop), **Ian James** (Monash University), **Tony Bryan** (Novozymes), **Casey Addison & John Lamont** (Nowchem), **Summar Hammam** (Peerless Jal), **Rebecca Knibbs** (Procter & Gamble), **David Boxall & Nicola Galu** (Recochem), **Steve Sabouné** (SC Johnson Professional), **Jon Athanasopoulos** (Skin Health), **Russell Crowe** (Solvay Interlox), **Peter Bruce & Paul Juricskay** (Sapura), **Peter Keech** (Tasman Chemicals), **Rianna Goodwin & Brad Macdougall** (True Blue Chemicals), **Phillip Tudor** (Tudor Chem), and **Greg Whiteley & Edward Wrightson** (Whiteley Corporation).

For specific expert or technical assistance (other than listed above): **Luke Pierce & Jim Wilterink** (Amway), and **Neil Richards** (Kimberly-Clark). We also thank our many colleagues at international sister associations for their open dialogue and assistance on key issues.

Accord again gratefully acknowledges the generous support of our Associate Members: **Ident**, for the ongoing provision of updated images and materials; **HWLE Lawyers**, for donating their time and expertise on many legal matters; and **Davoren Environmental** for their diligent external assessment to support the Recognised® Environmental Credentials Scheme.

We also acknowledge the Look Good Feel Better national team of **Carol Kavurma** (General Manager), **Nicole Jervis** (Fundraising Manager), **Vanessa Gambin** (PR & Communications Manager), **Kate Rowan** (Volunteer Program Coordinator), **Melinda Ammit** (Program Coordinator) and **Juliet Ammit** (Program Coordinator).

Farewell

Sincere thanks to outgoing Board Directors **Julie Dillon** (Colgate-Palmolive), **Peter Thanopoulos** (GSK Consumer Healthcare), **Jessica Miller** (Procter & Gamble), **Vivek Gupta** (Procter & Gamble), and **Steve Sabouné** (SCJ Professional).

We also bid a sad farewell to **Rachael Linklater**, Accord's Manager, Regulatory & Technical. Rachael joined Accord in July 2015, and during her tenure was prominent in our advocacy on the development and finalisation of the new AICIS system, our response to the pandemic and beyond in medicine and disinfectant regulatory reform, as well as keeping the industry up to date on New Zealand developments and a myriad of other local issues.

We thank Rachael for her collegiate approach and for all of her diligent work during her 5+ years with Accord and wish her all the very best for the future.

Thank you and farewell



At the end of 2020 Dusanka Sabic, Accord's Director of Regulatory Reform, announced her retirement, after almost 16 years with the association.

Dusanka was instrumental in many extraordinary achievements throughout her tenure across the breadth of regulations and requirements impacting our sectors; from the ACCC, APVMA, the former NICNAS and now new AICIS, Standards Australia, TGA, and more. Dusanka was dogged in her pursuit of best practice regulatory policy as applied by federal agencies, state/territory authorities, and local government, as well as in critical international trade negotiations. Globally, she represented Accord in a range of important consultative fora, developing a considerable reputation as a strong and vocal advocate for greater international alignment.









Just as importantly, Dusanka has shown great strength and leadership within the team and beyond, promoting the benefits of both Accord membership and our industry's fantastic products.

And she graciously contributed to the ongoing work of Accord as a consultant, during our period of recruitment and transition in the first half of 2021.



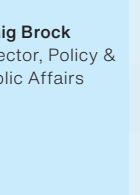






We thank Dusanka for her tireless work on behalf of the industry we all proudly represent. Here's to the next exciting phase – we wish you all the very best!





Directors

	Chair ▶ Tracey Raso Regional Managing Director, Pacific Revlon & Elizabeth Arden		Vice-Chair ▶ Julie Dillon Vice President & General Manager, South Pacific Colgate-Palmolive resigned December 2020		Vice-Chair ▶ Marcos Warner Area Vice President, Pest Elimination ANZ Ecolab		Finance Director ▶ David Brown CEO Panamex Group
Immediate Past Chair ▶ Clynton Bartholomeusz Managing Director Beiersdorf Australia		Denise van Gessel ▶ Managing Director & CFO Albright & Wilson (Aust)		Chris Short ▶ Managing Director Dominant (Australia)		Emmerentia Wilding ▶ Managing Director Estée Lauder Companies	
	Peter Thanopoulos ▶ Director of Regulatory Affairs (Aust & NZ) GlaxoSmithKline Consumer Healthcare resigned June 2020		Liz Tasdelen ▶ Country Manager Indorama Ventures Oxides Australia		Rodrigo Pizarro ▶ Managing Director L'Oréal Australia & New Zealand		Mathieu Sampson ▶ Managing Director LVMH Perfumes & Cosmetics Group ANZ
Jessica Miller ▶ Senior Counsel, Legal and Government Relations Procter & Gamble Australia / New Zealand resigned November 2020		Kumar Venkatasubramanian ▶ Senior Vice President and Managing Director Procter & Gamble Australia / New Zealand		Peter Playford ▶ General Manager Puig Oceania		Rob Spence ▶ Managing Director PZ Cussons Australia	
	David Boxall ▶ Managing Director, Australia & Asia Pacific Recochem		Steve Saboun ▶ Chief Executive SC Johnson Professional resigned January 2021		Peter Keech¹ ▶ Managing Director Tasman Chemicals		Gillian Franklin ▶ Founder and Managing Director The Heat Group
Brad Macdougall ▶ Chief Executive Officer True Blue Chemicals		Dr Greg Whiteley ▶ Executive Chairman Whiteley Corporation		Bronwyn Capanna ▶ Executive Director Accord Australasia			

Secretariat

	Catherine Oh ▶ Director, Regulatory & Supply Chain Strategy		Bronwyn Capanna ▶ Executive Director		Craig Brock ▶ Director, Policy & Public Affairs
	Dr Jennifer Semple ▶ Manager, Innovation & Education		Erly Mifsud ▶ Administration Manager		
	Rianna Goodwin ▶ Senior Associate, Regulatory & Technical		Thomas Dolahenty ▶ Science & Technical Associate		
	Stephanie Hollands ▶ Membership Services Officer				

Former Secretariat

Dusanka Sabic ▶ Director, Regulatory Reform resigned December 2020		Rachael Linklater ▶ Manager, Regulatory Science & Technical resigned February 2021	
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¹ Chairman of the Innovation & Sustainability Executive Committee

Members

Consumer and Personal Care

Advanced Skin Technology Pty Ltd
Aesop
Amway of Australia Pty Ltd
Beiersdorf Australia Ltd
Chanel Australia
Clarins Group/Trimex Pty Ltd
Clorox Australia Pty Ltd
Colgate Palmolive Pty Ltd
Combe Asia-Pacific Pty Ltd
Cosimer Pty Ltd
Coty Australia Pty Limited
De Lorenzo Hair & Cosmetic Research Pty Ltd
Edgewell Personal Care
Estée Lauder Australia
Frostbland Pty Ltd
Givaudan Australia Pty Ltd
GlaxoSmithKline Consumer Healthcare
Hairjamm Pty Ltd
Helios Health & Beauty Pty Ltd
Inglot Cosmetics Pty Ltd
Integria Healthcare (Aus) Pty Ltd
International Hair Cosmetics
Johnson & Johnson Pacific
KAO Australia Pty Ltd
Keune Australia
Kimberly-Clark Australia
La Biosthetique Australia
La Prairie Group
L'OCCITANE Australia Pty Ltd
L'Oréal Australia Pty Ltd
Luxasia Oceania Pty Ltd
LVMH Perfumes and Cosmetics
Muk Haircare Pty Ltd
Natural Australian Kulture Pty Ltd
Nutrimetics Australia
Panamex Group
Pierre Fabre Australia Pty Ltd
Procter & Gamble Australia Pty Ltd
Puig Oceania Pty Ltd
PZ Cussons Australia Pty Ltd
RB
Revlon & Elizabeth Arden Australia
SC Johnson & Son Pty Ltd
Shiseido Asia Pacific Pte Ltd
Skin Health Pty Ltd
The Heat Group Pty Ltd
Ultraceuticals
Unilever Australasia
Weleda Australia Pty Ltd

Commercial/Hygiene & Specialty Products

Albright & Wilson (Aust) Ltd
BASF
BP Castrol Australia Pty Ltd
Brenntag Australia Pty Ltd
Castle Chemicals Pty Ltd
Crisp Solutions
Dalby Bio Refinery Ltd
Dominant (Australia) Pty Ltd
Dow Chemical (Australia) Pty Ltd
Ecolab Pty Limited
Ensign Laboratories
Eucalip Bio-Chemical Group Pty Ltd
Freudenberg Household Products Pty Ltd
Indorama Ventures Oxides Australia Pty Limited
Lab 6 Pty Ltd
Novozymes Australia Pty Ltd
Nowchem
Peerless JAL Pty Ltd
Recochem Inc
SC Johnson Professional
Schulke Australia Pty Ltd
Solvay Interox Pty Ltd
Sopura Australia Pty Ltd
Symbio Australia Pty Ltd
Tasman Chemicals Pty Ltd
Thor Specialties Pty Limited
True Blue Chemicals Pty Ltd
Whiteley Corporation Pty Ltd

Associate Members

Graphic Design and Creative

Active Display Group
Ident Pty Ltd
Look Print

Legal and Business Management

FCB Lawyers
HWL Ebsworth Lawyers
K&L Gates

Regulatory and Technical Consultants

Clare Martin & Associates Pty Ltd
Competitive Advantage
Davoren Environmental Pty Ltd
Delphic HSE
Engel, Hellyer & Partners Pty Ltd
International Cosmetics & Regulatory Specialists, LLC
Merieux Nutrisciences
RFA Regulatory Affairs Pty Ltd
Seren Consulting Pty Ltd
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Steinberg and Associates
Sue Akeroyd & Associates
Tudor Chem Pty Ltd
UL International Australia Pty Ltd

Specialist Laboratories and Testing

D.Lab Solutions Pty Ltd
Eurofins ams Laboratories Pty Ltd
Eurofins | Dermatest Pty Ltd

Innovation Partners

Monash University





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