



Frequently Asked Questions

Version: September 1, 2017

September 30, 2017 Release

Updating WERCSmart Terms of Use with Data Use Tier Disclosure¹

- 1) Why is UL revising the WERCSmart Terms of Use?
- 2) When will the new Terms of Use become effective?
- 3) What are the most significant changes to the WERCSmart Terms of Use?
- 4) What are the 4 new Data Use Tiers?
- 5) Do suppliers specifically designate WERCSmart Recipients for Tier 1 Regulatory Support?
- 6) How will UL collect my company's acceptance of the revised Terms of Use and any consent to the different Data Use Tiers?
- 7) What happens if my company does not consent to a retailer's request for a specific Data Use Tier?
- 8) How can I see which of my products are included in the Data Use Tier(s) my company has selected?
- 9) Is WERCSmart collecting any new information from suppliers as a result of these new Data Use Tiers?
- 10) Why are some retailers adopting chemical policies that impact suppliers?
- 11) Why do some retailers need to know the chemical identity (e.g., CAS #) of publicly disclosed ingredients?
- 12) If I consent to a retailer's request for Tier 3 Data Use, will it automatically include product chemical data?
- 13) Is there an additional cost to suppliers associated with the Data Use Tiers?
- 14) Do third-party suppliers need to consent to Data Use Tiers?
- 15) Do these changes put my confidential product data at risk?
- 16) Do these changes give my confidential data to a retailer's store-brand operations?

1) Why is UL revising the WERCSmart Terms of Use?

The September 30, 2017 Terms of Use, are intended to give retailers the opportunity to request additional information from their product suppliers and to address marketplace demands, while providing suppliers with control over how their data can be used. Retailers need information that often goes beyond regulatory compliance data. This additional information is needed to address stakeholder expectations that they operate with effective chemical policies, and meet consumer demands for more sustainable products. As such, UL is updating the WERCSmart Terms of Use to support new types of data collection and to allow suppliers to opt-in to these new types of data use.

¹ Please note that the information provided in these Frequently Asked Questions is meant to be a summary. You are encouraged to read the full text of the WERCSmart Terms of Use. The language of the WERCSmart Terms of Use, including the Data Use Tier Disclosure, controls in the event of any discrepancy.

2) When will the new Terms of Use become effective?

The revised Terms of Use will be effective on September 30, 2017, and will coincide with the release of new functionality that will enable suppliers to consent to new data uses.

With the introduction of the revised Terms of Use that include Data Use Tier Disclosure, we will be eliminating the Privacy Policy that also contained data use information. By consolidating these documents, suppliers need only consult the Terms of Use for information about data use.

3) What are the most significant changes to the WERCSmart Terms of Use?

With the September 30, 2017 release, UL will introduce four categories of data use (each referred to as a “Data Use Tier”) in order to better support the evolving needs of recipients. Tier 1 Data Use is related to traditional WERCSmart regulatory use. For Tier 1 Data Use, no additional supplier action is required. Every registered supplier will be deemed to have provided Tier 1 Data Use consent. All other Data Use Tiers will require an individual supplier to consent, that is expressly opt-in to a particular recipient’s program. If a supplier chooses not to opt-in to a new data use, UL will not provide that type of data or analysis to that recipient.

4) What are the 4 new Data Use Tiers?

- Tier 1 authorizes the use of supplier data to provide traditional regulatory compliance support. This is the same consent that WERCSmart has historically acquired from suppliers. Tier 1 consent is mandatory for suppliers. Without it, WERCSmart cannot generate WERCSmart data that supports a recipient’s regulatory compliance program. Tier 1 Data Use does not include the disclosure of CAS #s unless specifically required by applicable law or regulation.
- Tier 2 is comprised of 2 separate consents that authorize the use of supplier data to provide chemical program support. Specifically, consent for Tier 2.1 involves restricted substances list (sometimes referred to as a “RSL”) screening and aggregate chemical usage reports. Consent for Tier 2.2 provides the chemical identities of publicly disclosed ingredients and product Transparency Ratios. Tier 2.1 and Tier 2.2 consents are optional, for supplier-designated recipients. If a supplier does not opt-in, these types of data or analyses will not be provided to the recipient requesting the information. While data or analyses provided under Tier 2.1 and Tier 2.2 are for a retailer's internal business use, a recipient is permitted to disclose anonymized and aggregated data to the public. Such disclosure is permitted only if no specific product or supplier information is disclosed. For instance, a recipient may publish information indicating it has reduced its handling of an aggregate amount by weight of a certain chemical of concern.
- Tier 3 authorizes the use of supplier data to provide Supplemental Reports, including data needed for sustainability evaluations, product qualification and rating programs, assortment curation programs, and supplier qualification programs. Tier 3 consent is optional and recipient-specific. It is designed to provide the types of data needed by programs like Target's Sustainable Product Index. All Tier 3 data or analyses are for a retailer's internal business use only; Tier 3 data or analyses cannot be disclosed to the public without Tier 4.1 consent (discussed below).
- Tier 4 is comprised of 3 separate consents. Each authorizes a recipient to publicly disclose specific data or analyses selected by the supplier. Tier 4.1 consent allows disclosure of

Supplemental Reports, Tier 4.2 consent allows disclosure of Publicly Disclosed Product Ingredient Lists, and Tier 4.3 consent allows disclosure of certain supplier-provided data. Tier 4 consents are optional, for supplier designated recipients, and granular by data type. Each Tier 4 consent is designed to provide the types of data needed by various programs such as Greenhealth Exchange's environmentally preferable purchasing program.

Full definitions of the data or reports included in each Tier are provided in the Data Use Tier Disclosure section of the WERCSmart Terms of Service.

5) Do suppliers specifically designate WERCSmart Recipients for Tier 1 Regulatory Support?

No, suppliers do not need to designate WERCSmart Recipients for Tier 1 Data Use. WERCSmart Recipients have grown to include not only retailers, but distributors and logistics firms that also require basic regulatory compliance data. UL wants to ensure that any party selling, transporting, storing or disposing of a product has access to the data needed to ensure a supplier's product is handled in compliance with all applicable regulations. UL will provide suppliers with a list of the recipients that receive compliance data on their products.

6) How will UL collect my company's acceptance of the revised Terms of Use and consent to the different Data Use Tiers?

The first time an authorized administrator from your company visits the WERCSmart platform after September 30, 2017, he or she will be asked to accept the new Terms of Use. Then, if your company is a supplier of products to a retailer operating a program that is soliciting a consent under Tier 2, Tier 3 or Tier 4, your administrator will be directed to a revised version of the "My Data and Recipients" screen (see Attachment 1 below). This page will list each retailer separately and indicate which Data Usage Tier(s) are requested. Before continuing with any other WERCSmart business, your administrator must select which retailer(s) and which tier(s), if any, that your company authorizes. Consents apply only to products in the categories covered by specific retailer programs. We will also provide links to retailer descriptions of how their programs utilize the requested data.

7) What happens if my company does not consent to a retailer's request for a specific Data Use Tier?

Consents to Tier 2, Tier 3 and Tier 4 are opt-in. If your company does not provide consent, the data or analysis requested by the retailer will not be provided. Retailers will have the ability to indicate whether they consider a tier mandatory (i.e., consent is required by the retailer) or requested (i.e., consent is requested by the retailer). A supplier must make its decision as to whether it will participate in these Data Use Tiers. The consequences of failing to provide either mandatory or requested consents are determined by each retailer, not by UL.

8) How can I see which of my products are included in the Data Use Tier(s) my company has selected?

From your WERCSmart dashboard you can run a query to identify the sub-set of your products that are associated with a specific retailer and within the product categories covered by that retailer's Tier 2, Tier 3 or Tier 4 programs.

9) Is WERC Smart collecting any new information from suppliers as a result of these new Data Use Tiers?

- To support Tier 1 and Tier 2 Data Use, UL will begin collecting the “Public Name” (if any) that a supplier uses to identify an ingredient disclosed on a product’s label, website, or safety data sheet. We are doing this to allow recipients to identify the subset of a product’s full formulation ingredient list that is disclosed to the public, to calculate a transparency ratio for products, and to ensure the system has the information it needs to assess compliance with various federal and state ingredient disclosure regulations. All suppliers of formulated products will encounter this additional data collection. See Attachment 2 below for screenshots of the revised Formulation Entry page and the new Public Name collection page.
- To support Tier 3 and, in some cases, Tier 4 programs, UL will display survey questions to suppliers that are participating in specific recipient programs. These surveys will collect the non-chemical data that a retailer is requesting for its product qualification and ratings programs (e.g., the survey used for Target’s Sustainable Product Index). Only suppliers opting to participate in a specific retailer’s Tier 3 or Tier 4 programs will encounter this additional data collection.

10) Why are some retailers adopting chemical policies that impact suppliers?

Many retailers are moving beyond compliance to adopt chemical policies as a key component of their corporate social responsibility programs. Retailers are responding to their various stakeholders. Consumers are demanding products that avoid chemicals of concern, investors expect companies to proactively manage the liability and reputational risks associated with chemicals, and Non-Governmental Organizations (NGOs) are publicly rating retailers on their chemical policies. In this context, retailers are taking steps to adopt or strengthen programs that identify chemicals of concern, take responsibility for the chemical composition of their portfolios, and promote substitution towards safer alternatives.

11) Why do some retailers need to know the chemical identity (e.g., CAS #) of publicly disclosed ingredients?

Chemical management programs require information about chemical identity. Retailers need to be able to determine unambiguously whether an ingredient in a formulation is on regulatory or other hazard identification lists or on its corporate restricted substance list. Such lists of chemicals are compiled using Chemical Abstract Service (“CAS”) numbers whenever possible to support reliable matching. Suppliers granting Tier 2.2 Data Use consent are giving permission to UL to provide a retailer with the chemical identity of any ingredient that is on a product’s Publicly Disclosed Ingredient List. CAS #s will not be provided for ingredients that are not publicly disclosed (e.g., trade secrets or constituents of third-party components) or that are only disclosed using generic names (such as “fragrance”).

12) If I consent to a retailer’s request for Tier 3 Data Use, will it automatically include product chemical data?

No. If a retailer needs access to chemical data (e.g., to derive a sustainability score that is in part based on a product’s ingredient list), the retailer will ask a supplier for consent to both Tier 2 Data Use and Tier 3 Data Use.

13) Is there an additional cost to suppliers associated with the Data Use Tiers?

- For Tier 1 Data Use and Tier 2 Data Use, there is no additional cost to suppliers. All subscription categories (i.e., Limited, Standard and Premium) include the ability to provide data for regulatory compliance and chemical program support.
- For Tier 3 Data Use and Tier 4 Data Use, there will be an additional cost to suppliers with a Limited subscription that choose to participate. For suppliers with a Standard or Premium subscription, the costs for Tier 3 Data Use and Tier 4 Data Use are included. Providing data for either Tier 3 Data Use supplemental reports or Tier 4 Data Use public disclosure programs requires adding the stand-alone PurView module to a supplier's Limited subscription. At this time, the fee for the PurView module is a 25% premium over a supplier's Limited subscription rate. Once a supplier has added the PurView module, it can participate in multiple retailer Tier 3 Data Use or Tier 4 Data Use programs; there is no additional cost per retailer program.

14) Do third-party suppliers need to consent to Data Use Tiers?

Third-party suppliers will also be asked to accept the WERC Smart Terms of Use, but third-party supplier Data Use Tier consent is treated differently. For a third-party supplier, a Data Use Tier consent is given per Data Use Tier and it will apply to all the third-party's customers that participate in such Data Use Tier. For example, if a third-party supplier consents to Tier 2.1 Data Use and one of its customers (a direct supplier) opts to participate in a recipient's Tier 2.1 program, UL will run the Tier 2.1 analysis on the customer's end-product, including relevant data about the third-party component. If a Tier 2.1 Restricted Substance List screen is being run on a product's full formulation, the screen can extend into the constituent list of the third-party component. If a third-party supplier has not provided consent to Tier 2.1, the screen will not extend into the third-party component. The system will indicate that part of the formulation could not be screened. None of a third-party supplier's confidential component data (e.g., its ingredient list or percent formulation) can be disclosed to its customer or the recipient operating the Tier 2.1 program, unless the third-party supplier has authorized specific disclosures. Third-party supplier consent is per Data Use Tier and applies to all of a third-party's formulations and customers (i.e., direct suppliers).

15) Do these changes put my confidential product data at risk?

UL takes protecting the confidentiality of every supplier's formulation data very seriously.

Contrary to certain reports:

- there is no proposed change to the status quo regarding data provided to retail recipients in connection with standard WERC Smart results, which now fall under Tier 1 Data Use. UL is not proposing to allow retailers "to search the WERC Smart data base without the product manufacturers' knowledge."
- UL is not proposing to "provide retailers with the CAS #s for non-hazardous ingredients in a formulation" as part of Tier 1 Data Use and WERC Smart results.

16) Do these changes give my confidential data to a retailer's store-brand operations?

Contrary to certain reports:

- UL is not introducing any “new and anticompetitive requirement that competitors disclose their formulations and trade secrets.” None of the new Data Use Tiers in the updated Terms of Use involve providing either formulation % data or trade secret data to retailers.
- UL is not requiring suppliers “to disclose CAS #s of *all* ingredients to their [retail house brand] competitors.” The updated policy specifically prevents disclosure to retail recipients of any ingredients that are designated by a supplier as trade secret or not publicly disclosed, or that are constituents of third-party components. CAS #s for ingredients would only be provided to a recipient if 1) a supplier separately consents to Tier 2.2 Data Use and 2) the ingredient is on a product's publicly disclosed ingredient list.

Attachment 1: Collecting Supplier Consent to Data Use Tiers on the My Data and Recipients Page

The screenshot displays the 'My Data & Recipients' interface. At the top, a navigation bar includes 'WERCsmart', 'My Products', 'My Workspace', 'ULSC', 'Resources', 'Help', 'Order History', 'My Cart', and 'My Account'. A light blue banner states: 'The confidentiality of your product data is of the utmost importance to us. As your company's WERCsmart administrator you control how your data is used.' Below this is a search bar with a magnifying glass icon and a 'Search' button. A blue link asks 'What are my Data Use Tier options?'. The main content area is titled 'My Data & Recipients' and features a table of data use tiers for three recipients: CVS, Target, and Walmart. Each recipient has a 'Submit' button. The table lists various tiers with their corresponding toggle switches. A 'Products in Scope' button is located to the right of the table. A 'Save & Exit' button is at the bottom right. A footer contains a 'Save & Next' button.

CVS Permissions	CVS	Target	Walmart
Tier 1 : Regulatory Support	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Tier 2.1 : Restricted Substances List (RSL) Screening and Aggregate Chemical Usage Reports	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Tier 2.2 : Chemical Identity of Publicly Disclosed Ingredient Lists and Transparency Ratios	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Tier 3 : Supplemental Reports	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Tier 4.1 : Publicly Disclose Supplemental Reports	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Tier 4.2 : Publicly Disclose Product Ingredient Lists	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Tier 4.3 : Publicly Disclose Supplier-Provided Data	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

CVS requires suppliers of all store branded products to grant Tier 2.1 and Tier 2.2 permissions. [More Information.](#)

Products in Scope

Save & Exit

Save & Next

Product Formulation

WERC Smart registration requires a complete list of every ingredient or component in a formulation and its percent by weight. The list of ingredients and components constitutes a product's "Full Formulation Ingredient List."

To add an ingredient or component to a formulation, enter a unique identifier or a chemical or component name in the search box below. WERC Smart uses Chemical Abstract Service Number (CAS #) and WERC Smart component numbers (WS ID) as unique identifiers.

You will be provided with a relevant set of potential matches to your search terms. Select the specific chemical or component used in your formulation from these options and it will be added to the Formulation table below.

If you are unable to locate a match for your ingredient or component, click on "Request CAS#/Component Addition to the WERC Smart Ingredient Database" to submit a ticket to Customer Support. Requests for additions must be accompanied by a Safety Data Sheet (SDS) for the specific ingredient or component.

For each ingredient or component in the formulation, proceed to enter:

- Percent by weight
- Whether the identity of this ingredient is publicly disclosed on a product SDS, label, or website
- Whether the ingredient or component is a trade secret

WERC Smart will report whether the ingredient or component is regulated.

Full Product Formula Details

Enter each ingredient or component by Unique Identifier (CAS# or WS ID) or Name

Start typing a component name to search

CAS # or WS ID	Chemical Name	Percent	Do you publicly disclose information about the identity of this ingredient on a product SDS, label, or website?	Is this a Trade Secret?
7732-10-5	Water		Yes	No
50-00-0	Formaldehyde		Yes	No
Total Percent:		0	2/2	

Remove Save

Publicly Disclosed Ingredients Lists

Review the table below and provide the Public Name, if any, that is used on your product's SDS, label, or website to identify each ingredient in your formulation to the public. Subject to legal requirements, a Supplier controls whether it discloses some or all ingredients on a product's Full Formulation Ingredient List to the public. The set of ingredients with Public Names constitutes a product's "Publicly Disclosed Ingredient List."

For each ingredient, select the Public Name you use from the suggestions in the dropdown menu, or provide an alternative name.

Suggested Public Names for an ingredient include the International Nomenclature of Cosmetic Ingredients (INCI) name, the Consumer Specialty Products Association (CSPA) Ingredients Dictionary name, the International Union of Pure and Applied Chemistry (IUPAC) name, and the Chemical Abstract Service (CAS) name.

You may override the suggested Public Name by entering a different name that you publicly use to refer to that ingredient. This alternative name may be another common chemical name or a generic category name (e.g., "fragrance" or "optical whitener"). If you do not see an acceptable alternative, contact the WERC Smart Client Support Hub.

If you do not disclose any identifying information about an ingredient to the public, select "Undisclosed Ingredient."

CAS# or WFS ID

7732-18-5

12125-28-9

Save

Public Name

Water

Magnesium carbonate hydroxide