

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

# Annual Report 2022-23



# About Accord

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

We are an inclusive, consensus-driven industry 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.

## Contents

<b>02</b> About Accord	<b>10</b> Advocacy & Partnerships	<b>31</b> Directors & Secretariat
<b>03</b> About our Industry	<b>18</b> Member Value	<b>33</b> Our Industry, your Network
<b>04</b> Message from the Chair	<b>24</b> Industry Productivity & Innovation	<b>35</b> Members
<b>06</b> Our New Strategic Framework	<b>28</b> Message from the Executive Director	
<b>07</b> Social & Environmental Sustainability	<b>30</b> Thank you	

# 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 and manufacture 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, candles & home fragrance 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, personal care 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, manufacturing, agriculture and everyday households

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

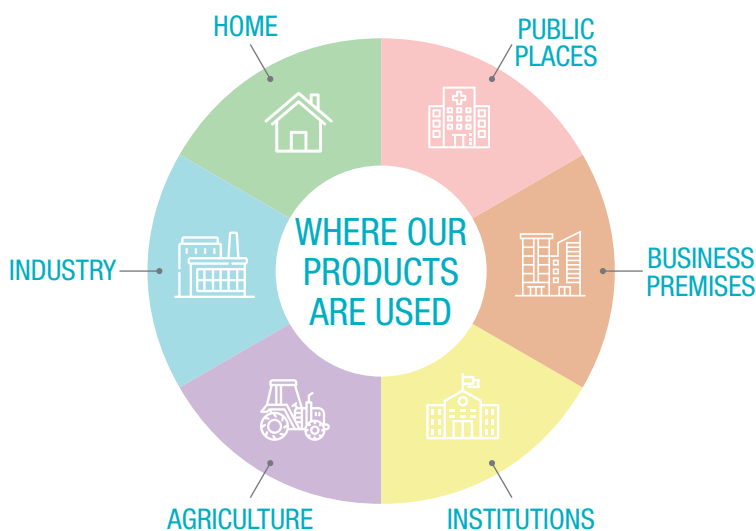
**Maintaining comfortable homes** – Enabling us to keep our everyday surroundings clean and comfortable, making the home a relaxing place to unwind or to welcome and entertain guests

**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.



# Message from the Chair, Tracey Raso

## Good governance remains key to meaningfully advancing our industry, the economy and the national interest

Over my last five years as Chair of Accord Australasia, I have been privileged to see both our industry and our association jointly performing at their best. Whether it be working in partnership to meet the many challenges and uncertainties that loomed large during the height of the COVID times. Or simply getting on with the job of building and implementing new initiatives and partnerships to advance our industry's sustainability goals.

Our latest Annual Report tells the story of these efforts.

It highlights the important foundation stones for the resilient but forward-looking approach displayed by our industry and Accord, as its peak advocacy body: our culture and governance.

This was put on display in the Board's development of the latest Accord Strategic Plan during the year. As the Accord Board Chair, I deeply appreciate the commitment and diligence of my fellow directors in upholding our positive culture and steadfast governance. I remain impressed at how my fellow directors wholeheartedly embrace their role in advancing the entire, diverse industry Accord represents when coming together as a Board to set the association's strategic direction—especially recognising that all directors are industry leaders in their own right, busily running their own companies of varying sizes and with their own business models, products and supply channels.

Accord's many successes over the years show that there is great strength in this diversity.

Through their strategic planning process, directors agreed to maintain the association's very strong focus on offering member value, along with our constructive advocacy to facilitate business growth. Updated were those elements of the strategy that face our key external stakeholders—government, industry partners, consumers and the community.

While this Annual Report catalogues Accord's efforts to advance our industry's sustainability and social responsibility credentials, the Board considered that this area deserved even greater prominence in our new four-pronged Strategic Plan 2023-25. *Social and Environmental Sustainability* is now an explicit goal driving Accord's strategy. Key actions in this space include the establishment of a working group to investigate small-format cosmetic packaging stewardship, furthering our focus on plastic and waste management across our industry sectors, an information paper on climate change action, and the re-launch of our WipeSmart website.

Reflecting the way Accord works and the value we place on harnessing effective partnerships and alliances, the new plan expands our previous advocacy goal to *Advocacy and Partnerships*. Under this umbrella, we have developed a suite of infographics profiling the industry and its achievements. We will also bring an Industry Showcase session to our next Canberra Day event. And because the major environmental challenges facing the nation are a shared responsibility, forming effective partnerships into the future will be key to creating the circular economy that governments are trying to foster.

Innovation and productivity remain key to maximising business success in a sustainable manner. For this reason, the Board decided to adapt our previous strategy's Industry Growth goal into an *Industry Productivity and Innovation* goal. With national productivity languishing along with Australia's low ranking in terms of our economic complexity—93rd according to the Harvard University Atlas of Economic Complexity—concerted policy attention is required to foster industry investment and innovation. Having internationally aligned, fit-for-purpose and simple-to-navigate regulatory systems for Accord sector products remains an important but, thus far, elusive goal. It is the Board's hope that the Albanese government can rise to this challenge with effective policies that improve productivity and reduce regulatory complexity and red tape.

# Message from the Chair

This leaves the final goal of the new four-prong Strategic Plan and, from the Board's perspective, the most fundamentally important. This is *Member Value*. Driving everything the association does is the need to deliver outcomes and opportunities that assist member businesses be the best they can be. This commitment is illustrated through a range of member-only offerings, including but not limited to timely and dependable information updates, specialised training, the ever-popular Insight Hours, in-person networking events, and personalised engagement sessions between member company teams and the Accord Secretariat. Our Member Value strategy places Members at the heart of the association's work, enabling them to enhance their expertise and expand their networks.

The new Strategic Plan carefully sets the association's direction for these challenging times and is the sixth iteration of the plan since Accord was formed in 2005. But having a clear plan is just one element within the complete governance equation, which must also entail getting the details right regarding culture, ethics and risk for smaller associations like ours.

A strong set of values, reflective of our positive culture, have always underpinned Accord's advocacy and industry representation, and the Board has further strengthened these. Befitting the fact that science drives innovation in our industry's products, Accord's values commit us to being science- and evidence-based. Additionally, and reflecting our membership, we commit to remaining inclusive, solutions-focused and collaborative. Our vision is to be a respected, forward-looking and influential voice for our industry.

The governance approach of the Accord Board has always been diligent in managing risks. The importance of our industry products for public health and community wellbeing makes it imperative we maintain the strong reputation of our industry. Effective issues management, by getting on the front foot with evidence and solutions on emerging issues, therefore receives strong attention from both the Board and the secretariat. Similarly, prudent financial management to deliver value for member fees and do more with less remains a constant focus. Gloomy economic forecasts and heightened cost of living pressures reinforce the need for such prudence in the association's financial governance.

In my Annual Report message last year, I focused on the importance of collaboration. With challenges aplenty across the economy, our communities and the environment, effective collaboration remains the key to delivering on sustainability goals, whether this be creating a functional circular economy or achieving net zero by 2050.

Good collaboration extends of course to Accord's relationships with government. We value opportunities to share our thoughts and offer possible solutions to problems constraining the growth and productivity of the nation, whether these problems be endemic or emerging. Working together can uncover new opportunities for improvement in a manner that adversarial posturing cannot. This is another factor that can be overlooked in the governance equation.

While the world of business is governed by laws and norms that promote fair competition, regrettably the world of politics still reflects all the worst impulses of the 'law of the jungle'. Sowing chaos and division may achieve short-term political success but the flipside is these types of tactics invariably diminish the national interest.

Accord is proudly non-partisan and, as part of our commitment to good governance, we seek to constructively engage with both parties of government, along with minor parties and other interested stakeholders to develop effective and fit-for-purpose policies related to our member businesses and their products. It is hoped that we will soon move on from this era of political 'bomb throwing' to more constructive public and policy debate.

To all valued Accord Member companies and the Accord Board, I thank you for your ongoing support and commitment and for standing united as we continue to advocate on behalf of our innovative industry in these challenging times.

I thank Bronwyn, Craig, Catherine, Jen, Ery, Steph and Rianna for their tireless and beneficial work over the last year. And again, thank my fellow Board directors for their diligence and ongoing commitment to sound governance.

And a final nod of thanks to our industry's many partners and valued collaborators across other industries and in government. We look forward to continued positive engagement with you in the coming years.

## Tracey Raso

Chair  
August 2023

“ Our vision is to be a respected, forward-looking and influential voice for our industry ”



*Tracey Raso*

# Our New Strategic Framework

In late 2022 the Accord Board of Directors undertook a strategic review of the framework that guides the work of the association. Resulting from this was the development of a refreshed strategic approach with four pillars:

- **Industry Productivity & Innovation:** Facilitating economic growth, employment and international trade by promoting efficient, best-practice regulation and global regulatory convergence based on sound science.
- **Advocacy & Partnerships:** Providing a credible, influential industry voice, visibly engaging in all relevant fora and with all relevant stakeholders, reinforcing the significant contribution of our industry to public health and personal wellbeing.
- **Social & Environmental Sustainability:** Scaling positive impacts for people and planet through industry-led initiatives to foster social responsibility and environmental stewardship on material industry issues.
- **Member Value:** Delivering indispensable services across the breadth of membership, extending the resources, reach and capacity of member businesses by building knowledge and connections.

As a result of this strategic planning, we have also refreshed our vision, mission and values:

**Vision** – The respected, forward-looking and influential voice of the hygiene, personal care and specialty products industry.

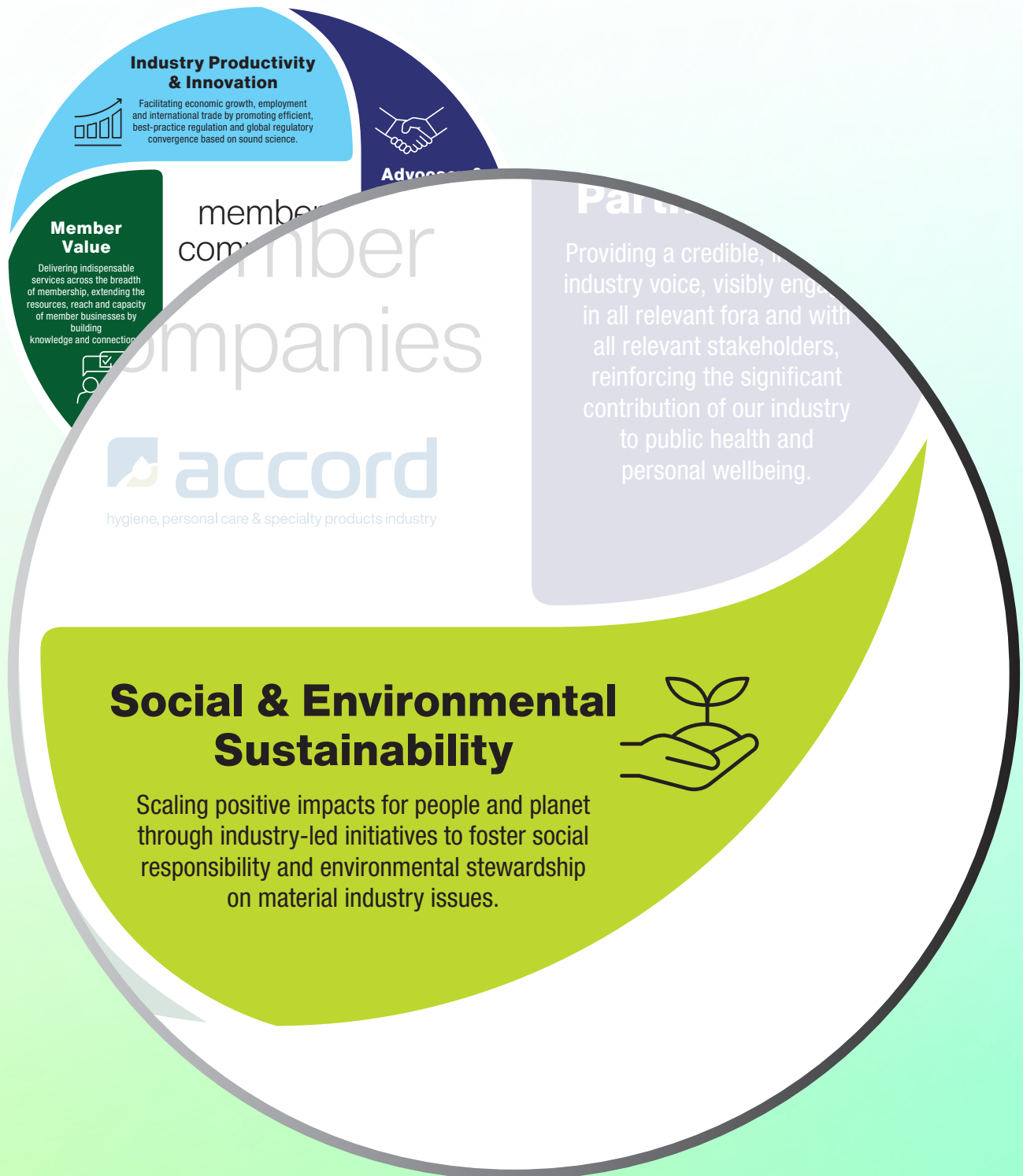
**Mission** – Providing indispensable membership services to facilitate sustainable growth and productivity for a globally competitive industry—generating essential, innovative and sustainable products that play a vital role in healthy living and a quality life.

**Values** – Collaborative, inclusive, solutions-focused, science- and evidence-based



# Social & Environmental Sustainability

## Positive impacts for people and planet



## Social & Environmental Sustainability

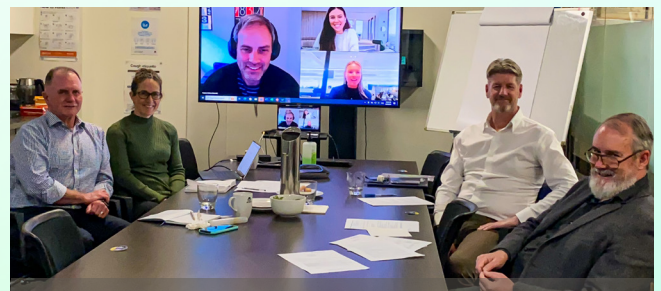
# Positive impacts for people and planet

### Packaging waste, plastic pollution and climate change headlined our sustainability work in 2022-23.

#### A look back on our Social & Environmental Sustainability achievements for 2022-2023

- We published our latest information paper, Climate Change: Information paper & the case for action. The paper provides a brief background on the issue of climate change, an overview of local policy, identifies risks and opportunities relating to climate change and makes a case for action on climate change from both an association and a business perspective.
- Building upon this information paper, we surveyed all our Member companies on their climate change attitudes, actions to date on the issue and barriers to change. The findings of this survey will shape Accord's ongoing strategy on this important issue, allowing us to prioritise actions to assist our industry sectors.
- We continued our engagement as an early supporter of ClimateWise Associations, an initiative aimed at assisting associations in planning for the impacts of climate change and to better support their members. ClimateWise has promoted Accord's efforts on sustainability, in general, as well as our early actions on climate change, specifically.
- Our important strategic work in sustainability and specifically plastics and waste management continued, with our dialogue and engagement with a range of key stakeholders increasing throughout the period, including relevant government policy officials, the new APCO management team and sister industry associations.
- We monitored policy developments relating to packaging waste, locally and globally through our expanding networks, to inform priorities across Accord's sectors. This also included outreach on specific New Zealand initiatives.
- We continued to engage as a contributing member of the International Associations Collaboration Working Group for the UN Plastics Treaty, including ongoing work on definitions for this Treaty.
- Our collaborative and active dialogue with Close the Loop on their government grant-funded cosmetics stewardship project continued with their research and recommendations being shared with Members.
- We held a Cosmetic CEO Roundtable in February 2023, to discuss priorities and objectives for cosmetic product packaging waste in the short, medium and longer term.
- As a result of the CEO Roundtable discussions, we established the Accord Small-format Cosmetics Working Group, to develop an industry-led response to the recommendations of the Close the Loop Stewardship Report and identify solutions for small-format cosmetics packaging waste.

- We continued our engagement with the State Governments of New South Wales, Western Australia, Queensland and Victoria on plans for mandating microbead bans, promoting the success of Accord's BeadRecede campaign.
- We hosted two successful sustainability-themed face to face events featuring key issues for our commercial, consumer and personal care Member companies: the Packaging Challenge Workshop in September 2022 and our Sustainability Seminar in March 2023 – read more about these events on page 21 and 22.
- Members also frequently sought guidance from Accord on best practice sustainability approaches across a range of areas
- During the reporting period, our Recognised® ecolabel scheme passed an independent probity audit – read more about this on page 9.
- We launched our new-look WipeSmart website, with a new 'Wipes Flushability Checklist' and information on the new Flushable Products Standard.



Members of the Small-format Cosmetics Working Group



Cosmetic CEO Roundtable, February 2023



## Social & Environmental Sustainability

# Positive impacts for people and planet

### Accord's Recognised® ecolabel passes probity audit with flying colours

During the reporting period, Accord's **Recognised®** ecolabel passed its latest probity audit with flying colours. Independent auditor RSM Australia concluded that:

'...based on the audit procedures conducted, the application and assessment processes were robust and independent, and free from any potential influence by Accord, throughout the period September 2018 to July 2022.'

#### Why does this matter?

As the ACCC's current focus on greenwashing highlights, all environmental claims must stand up under scrutiny and this includes the **Recognised®** ecolabel. From the standard criteria that products must meet, to the independent third-party assessment, to Accord's management and oversight.

The **Recognised®** ecolabel was developed over 10 years ago to provide a meaningful accreditation of environmentally preferable commercial cleaning and hygiene products. It is voluntary, multiple-criteria-based and third-party assessed.

Motivated by the perceived lack of robust, science-based standards for the sector at that time, industry experts from Accord Member companies came together to devise science-based criteria to assess the material impacts of commercial cleaning and hygiene products. Truly a remarkable achievement, as these were competitor companies pulling together for the good of the industry.

An independent panel of experts in environmental and human health toxicology affirmed these criteria as 'sound and robust... science-based, targeted and pragmatic'. And the third-party scientific accreditation process as 'sound and transparent'.

Accord places the highest value on the integrity of the **Recognised®** scheme. While the findings of the audit are not surprising to us, we are pleased to again have the integrity of the processes underpinning **Recognised®** verified externally!



# Advocacy & Partnerships

## profiling and tools

### Productivity Innovation

Economic growth, employment  
and trade by promoting efficient,  
regulation and global regulatory  
science based on sound science.



### Advocacy & Partnerships

Providing a credible, influential  
industry voice, visibly engaging  
in all relevant fora and with  
all relevant stakeholders,  
reinforcing the significant  
contribution of our industry  
to public health and  
personal wellbeing.

member  
companies

### Member Value

Delivering indispensable  
services across the breadth  
of membership, extending the  
resources, reach and capacity  
of member businesses by  
building  
knowledge and connections.



### Social & Environmental Sustainability

Scaling positive impacts for people and planet  
through industry-led initiatives to foster social  
responsibility and environmental stewardship  
on material industry issues.



# Advocacy & Partnerships

## profiling and tools

**From the release of the second Accord/EY Economic Study to the launch of new infographics, 2022-23 was a landmark year for our advocacy work.**

### A look back on our Advocacy achievements for 2022–2023

- During the reporting period, we released the 2022 Accord/EY State of the Industry Economic Report, building upon and updating the data from the inaugural 2019 study.
- We continued developing our series of infographics, profiling Accord and our Members. *View our latest infographics from page 13.*
- We established very positive relationships with key Ministers' offices across the Health, Trade and Industry portfolios.
- We strengthened our relationship with key central agencies, including the Simplified Trade Systems Implementation Taskforce and the Department of Finance via their Regulatory Reform Division and their newly established Policy Lab.
- We were the only industry participant to be invited to participate on an influential panel on regulatory complexity at the Public Sector Economics Conference in November 2022. This provided an opportunity to discuss the two-sided nature of Australia's current regulatory framework, as well as profile our infographics on 'Regulation for Safety & Confidence' and 'Regulatory Complexity & Challenges' to leading public servants in attendance.
- We continued our active participation in the Department of Industry, Science and Resources' Supply Chain Roundtable and multi-association collaboration, enabling continued direct identification of critical Member issues to Government.
- We continued to strengthen our partnerships with several universities through the ARC Training Centres, with the Food Safety Information Council, ISSA and relevant trade magazines, further raising the profile of our important industry.
- We concluded a successful two-year term as the Secretariat for the International Associations Collaboration (IAC), representing the global cosmetic industry. We also continued our participation in the International Network of Cleaning Products Associations (INCPA).
- We launched our FitForFood website, aimed at strengthening food safety across the nation's millions of commercial food premises. The website was also profiled in the January 2023 edition of Environment and Health International, the journal of the International Federation of Environmental Health.
- We maintained our relevant media monitoring and issues management, providing useful alerts, insights and guidance to Members in areas such as plastics and waste management, ingredient and product category defence, modern slavery requirements, export opportunities, grant funding and advances in manufacturing.

- Accord's Executive Director, Bronwyn Capanna, was profiled in INCLEAN Magazine's 2023 Industry Leaders' Forum, discussing the highlights of 2022, Accord's priorities for 2023, and the next big sustainability trends (hint: transparency and greenwashing!). Accord has written or contributed to various articles including in Retail Beauty, The Science of Beauty, INCLEAN and House of Wellness.

### Accord/EY Economic State of the Industry Report

Australia's hygiene, personal care and specialty products sector is a resilient and forward-looking industry. It is comprised of hundreds of innovative businesses ranging from large multinational firms to smaller Australian-owned enterprises. Binding all these businesses together are commitments to innovation, quality, sustainability and customer service and a general sense of optimism about the future.

Back in 2018, the Accord Board of Directors decided to partner with EY's Economics, Regulation and Policy team and invest in an Industry Economics Report, so that Accord could provide Australian governments and policymakers with reliable data on the hygiene, personal care and specialty products industry's contribution to the national economy.

The 2022 State of the Industry Economics Report updates our 2019 Report and highlights the importance of the hygiene, personal care and specialty products industry to the national economy. The Report provides data on our industry's total economic turnover, indirect economic value-add, jobs creation and wages value—all of which show an uptick in value over the last three years since the 2019 report.

#### Key Economic Indicators

- > Industry turnover: \$28.2bn  
(2.3% increase from previous year)
- > Industry value-add: \$5.5bn  
(2.9% increase from previous year)
- > Jobs: 72,585 employees  
(1.5% increase from previous year)
- > Wages: \$3.5bn  
(2.6% increase from previous year)



# Advocacy & Partnerships

As part of our Advocacy & Partnerships strategy and to profile Accord and our Members to government and other important external audiences, we have been developing a series of infographics.

## Regulation of hygiene, personal care and specialty products



Hygiene, personal care and specialty chemical products are regulated to protect human health, safety and the environment.

Ongoing improvement is needed to ensure Australian regulation remains fit for purpose.

## Regulatory complexity and challenges

Accord advocates for evidence-based, fit-for-purpose regulation.

This means regulation that offers the necessary protections without stifling innovation and investment or overly burdening the regulated industry.

### Can the system be improved?

Australia's chemicals regulation system is rigorous and robust in protecting human health, safety and the environment.

However, its complexity and unique Australian requirements have significant impacts on businesses, consumers and the economy.

### Complexity

<b>~144</b> pieces of primary legislation <sup>1</sup>	<b>10+</b> federal regulators/authorities	<b>40+</b> state & territory regulators/authorities	<b>Countless</b> regulatory instruments
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*"The regulation of chemicals and plastics has long been the subject of concerns about inconsistencies, complexity and fragmentation"<sup>2</sup>*

This places a large compliance burden on responsible businesses in the sector, with knock-on effects.

### A good regulatory system should

#### PROTECT



Human health, safety & environment

#### ENABLE



Innovation & efficiency



Consumer information & choice



Consumer trust

### Unique Australian requirements



New product / ingredient

Is it worth it?

- > Small market
- > Unique requirements
- > Reassessment costs



Australian requirements form a barrier to the availability in Australia of the latest, innovative products and ingredients. Often, unique Australian requirements—over and above the requirements of other trusted overseas authorities—are not justified.

## Fit-for-purpose regulation

A lower regulatory burden and greater fit-for-purpose system that is aligned with those of comparable overseas economies has significant benefits for businesses, regulators, consumers and the economy.

Increase... <b>FIT FOR PURPOSE</b>	Complexity	BENEFITS				
			Businesses	Regulators	Consumers	Economy
Minimum, effective regulation	Red tape					
Proportionate to risk	High compliance costs	▲ Efficiency	More time & investment in core business, not red tape	Resources prioritised to higher risk No duplicative assessment	Regulatory efficiencies reflected to consumer	Greater productivity
Evidence-based	Unique Australian requirements	▼ Cost	✓	✓	✓	✓
Internationally aligned	Long assessment timeframes	▲ Access	More innovative ingredients	Data and knowledge from trusted overseas regulators	More innovative products	'Level playing field' for small & large businesses
Compliance certainty & consistency	Inconsistent interpretation		✓	✓	✓	✓
Meaningful consultation	<b>Decrease... REGULATORY BURDEN</b>					

### Can we trust the system?

Please refer to our 'Regulation for safety & confidence' infographic

Technologies, systems and markets are constantly evolving. Regulatory systems must do likewise so they do not create barriers to the development and availability in Australia of innovative products and ingredients e.g. with superior performance and environmental characteristics.

Regulatory/standards system:

<sup>1</sup> Environment Australia 1998, National Profile of Chemicals Management Infrastructure in Australia

<sup>2</sup> Productivity Commission 2008, Chemicals and Plastics Regulation, Research Report, Melbourne

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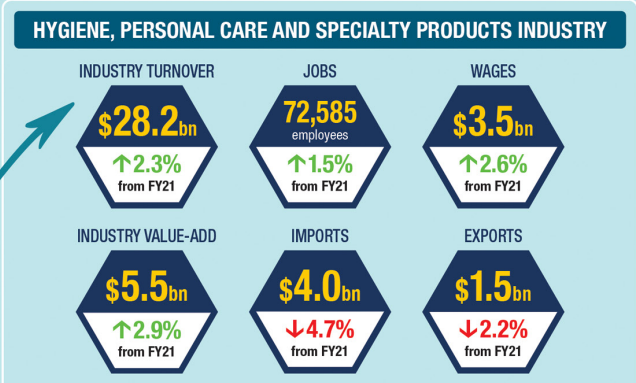
## Economic value of the Hygiene, Personal Care & Specialty Products Industry



The Hygiene, Personal Care and Specialty Products Industry supplies a broad range of essential products used every day across the nation by millions of consumers, businesses, institutions, industries and farms. The industry makes a significant contribution to the Australian economy and Accord Members are the backbone of the industry.

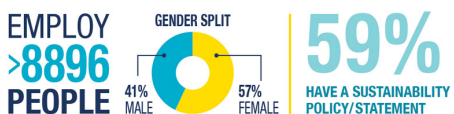
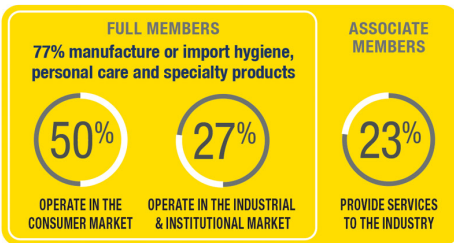
### Key economic indicators – across the entire industry<sup>1</sup>

Our industry grew over the 2022 financial year and remains the 17th largest industry in Australia, by turnover.



	<b>Manufacturing</b>		<b>Wholesaling</b>		<b>Retailing</b>	
	FY22	Avg growth rate (FY18 - FY22)	FY22	Avg growth rate (FY18 - FY22)	FY22	Avg growth rate (FY18 - FY22)
<b>Turnover</b>	\$4.2bn	3.2%	\$13.4bn	0.6%	\$10.6bn	-1.3%
<b>Employment</b>	11,080	4.0%	18,850	0.5%	42,655	-1.5%
<b>Wages</b>	\$0.8bn	4.8%	\$1.2bn	0.4%	\$1.5bn	-0.7%

### Accord Member Companies – leading the industry in innovation, enterprise and sustainability<sup>2</sup>



### A snapshot of our industry's products

Our industry's products play vital roles in safeguarding public health, promoting personal wellbeing, maintaining comfortable homes, enhancing quality of life, boosting confidence and emotional wellbeing, keeping the wheels of commerce & industry turning.



Essential products for safe, healthy living and maintaining a quality lifestyle

<sup>1</sup> EY/Accord Australia Ltd., October 2022, Hygiene, Personal Care and Specialty Products industry: Economic State of the Industry report.

<sup>2</sup> Statistics from Accord Member surveys 2021–22.

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### Case study: Hairdressing in Australia

Hairdressing is a valuable service provided to consumers and an important contributor to the Australian economy. Hairdressers and barbers are part of all communities across Australia, crossing age and cultural boundaries.

They provide services that have a focus on clients' physical appearance but also have important impacts on client self-image and self-esteem.



### Economic footprint of the hairdressing sector in Australia (FY 2022)<sup>1</sup>

Hairdressing is a significant small business service sector operating in almost every town in Australia.



The proportion of household expenditure on hairdressing has increased over the past 5 years.

### Spotlight on...

The role of hairdressers as gatekeepers to community mental health programs is being explored. For example, Australian NFP organisation Hairdressers with Hearts uses the hairdresser relationship to proactively assist in addressing domestic violence and elder abuse.<sup>5</sup>

*'Hairdressers and barbers are frontline in the community...having intimate conversations with clients walking through their doors on a regular weekly, monthly or six weekly basis.'*<sup>6</sup>

### More than 'just a haircut'

The value of hairdressing goes far beyond physical appearance, providing psychological and social benefits — often on a regular basis.

<p><b>Mood lifting</b> 'salon hair treatments increase all the positive dimensions of mood and decrease all the negative ones in women'<sup>2</sup></p>	<p><b>Renewing</b> 'with a fresh hairstyle I feel transformed, like a new person'—62% agree<sup>3</sup></p>
<p><b>Status-affirming</b> 'With a groomed haircut I show to me and to others that I take care of myself'—76% agree<sup>3</sup></p>	<p><b>Self-confidence boosting</b> 70% feel a boost of self-confidence immediately following a trip to the salon.<sup>4</sup></p>
<p><b>Humanising</b> 'The visit to the hairdresser is part of being human'—71% agree<sup>3</sup></p>	<p><b>Connecting</b> 51% deem the relationship they share with their hairdresser as close as that of a friend<sup>4</sup></p>

<sup>1</sup> EY/Accord Australia Ltd., October 2022. Hygiene, Personal Care and Specialty Products Industry: Economic State of the Industry report.

<sup>2</sup> Picot-Lemasson A. et al., 2021, Influence of hairdressing on the psychological mood of women, International Journal of Cosmetic Science 23(3):161-4

<sup>3</sup> Keidel H. et al., 2022, The Importance of Hairstyle and Hair Care for Human Dignity, SOFW Journal 148(1+2/22): 16-21

<sup>4</sup> Kao, 2022, More than a haircut: Study by Kao reveals how salon visits pay off on personal wellbeing

<sup>5</sup> Hamilton-Smith, L., 2021, Hairdressers across the country to be trained in recognising domestic violence and elder abuse

<sup>6</sup> Hairdressers with Hearts, 2019, Discussion Paper: Regulatory and Training Frameworks for a More Cohesive Approach to Identifying and Preventing Domestic, Family and Elder Abuse via Hairdressers in Australia.

An essential service underpinned by our industry's products

# Advocacy & Partnerships

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The industry's value goes well beyond its immediate economic footprint as an enabler of many other industries.

### Case study: Sanitisers, disinfectants & cleaning products

Sanitisers, disinfectants and cleaning products are an integral input to all Australian industries.

The COVID-19 pandemic shone a spotlight on the cleaning & hygiene sector, further highlighting the essentiality of its products.

- to protect health
- to optimise productivity
- to maintain safe and comfortable environments
- to meet hygiene requirements

### Economic footprint of the sanitiser, disinfectant & cleaning product sector in Australia (FY 2022)<sup>1</sup>



#### SANITISERS, DISINFECTANTS, CLEANING PRODUCTS

The local Hygiene, Personal Care & Specialty Products industry stepped up to meet the rapid surge in demand during COVID-19, despite heavily disrupted supply chains.

### More than direct economic value

Sanitisers, disinfectants and cleaning products are an integral input to all Australian industries. Here is a snapshot of just a few of the essential industries that rely on these products.<sup>1</sup>

#### Example:

**Meat, livestock & animal husbandry**  
Sanitisers, disinfectants and cleaning products are essential in reducing the threat of diseases such as Foot & Mouth Disease and Lumpy Skin Disease.

#### Example:

**Hand & surface hygiene during COVID-19**  
The industry rapidly scaled up production of alcohol-based hand sanitisers suitable for use in medical settings in response to COVID-19. Specialised hard-surface disinfectants were also tested and TGA-approved for high-risk settings.

#### Example:

**Food & beverage industries**  
Surface cleaning and sanitising products are essential in all food & beverage industries to ensure that all food contact surfaces — including food processing equipment, commercial kitchen utensils and benchtops, etc. — meet the requirements of the Australia New Zealand Food Standards Code.

### Essential products enabling essential industries



### Essential products for safe, healthy living and maintaining a quality lifestyle

<sup>1</sup> EY/Accord Australia Ltd., October 2022, Hygiene, Personal Care and Specialty Products industry: Economic State of the Industry report.



# Advocacy & Partnerships

## profiling and tools

### Accord Members have a seat at the table...

Accord's policy-solutions approach has established our prominent profile with stakeholders and influencers in government, opposition, bureaucracy and other trade associations. Through Accord, our Members—regardless of size—are afforded a seat at the table. This ensures their concerns and policy suggestions are communicated directly, effectively and backed by the considerable weight of our expanding membership base and profile, to those who can effect change.



Rianna Goodwin and Accord Member Alice Gock (Colgate-Palmolive) at the TGA-Industry Working Group on Good Manufacturing Practice meeting, March 2023



Bronwyn Capanna and fellow panellists at the Public Sector Economists Conference, November 2022



Federal Treasurer Jim Chalmers and Craig Brock at the ACCI Budget Breakfast, May 2023



Jennifer Semple at the International Associations Collaboration (IAC) meeting, September 2022



Gina Cass-Gottlieb (ACCC Chair) and Bronwyn Capanna at Business Sydney's Boardroom Breakfast event, July 2022



The Accord Regulatory Affairs Committee, March 2023



The Hon Allegra Spender MP and Bronwyn Capanna at ACCI's End of Year Celebration, December 2022



Bronwyn Capanna at the Simplified Trade Systems Implementation Taskforce Summit in front of tens of metres of import processes, June 2023



Bronwyn Capanna at the International Network of Cleaning Product Associations (INCPA) meeting, January 2023

# Member Value

# the heart of what we do



## Member Value

# the heart of what we do

### Strong engagement from our Members continued and drove our work plan.

#### A look back on our Member Value achievements for 2022–2023

- We hosted a successful facilitated strategic planning session with the Accord Board of Directors in September 2022, resulting in a refreshed and contemporary Strategic Plan, Vision, Mission and Values, launched in May 2023 – *read more about our new Strategic Plan on page 6!*
- We disseminated frequent and critical information to Member companies—over 100 communications—including Member Updates, Regulatory Bulletins, Policy Alerts and more.
- We delivered a mix of well-received Member-exclusive webinars and face-to-face events, including:
  - > A packed-out Canberra Day 2022
  - > The Packaging Challenge workshop, held in conjunction with the ISSA Oceania Cleaning & Hygiene Expo
  - > Our 2023 Sustainability Seminar
  - > Our 2023 Industry Briefing & AGM
- We increased our direct Member company outreach, hosting 51 one-on-one engagement sessions with individual Member companies.
- We conducted several Member benchmarking surveys, including on the size & scale of Accord's membership and the annual cosmetic salary survey.
- We launched an industry partnership with Asuria Australia, to assist Accord Members in accessing a diverse pool of talented and motivated job candidates in a tightening and competitive labour market.
- During the reporting period, we gained nine new Member companies:
  - > Church & Dwight
  - > Inspired Brands
  - > Native Oils Australia
  - > Ozderm
  - > Ramboll Australia
  - > Sabrands
  - > Skincare Business Foundations
  - > Supergoop!
  - > Unilever Australia & New Zealand

## Member Value

# the heart of what we do

## Event Highlights

### Insight Hours

First introduced in 2020, our online Insight Hours are a Member-only offering, featuring topical presentations on a range of issues and trends relevant to our Members' business environment. These sessions are also recorded and made available on demand via our Members' website. We hosted many Insight Hours on important topics during the reporting period, including:

- 10 August 2022 | 'Greenwashing: Environmental claims, green credentials and complying with Australian Consumer Law' with HWL Ebsworth
- 27 September 2022 | 'Advertising rules and classifications' with Clear Ads
- 19 October 2022 | 'Cosmetic product stewardship trial outcomes' with Close the Loop and Myer
- 14 March 2023 | 'Secure Jobs, Better Pay: What this means for your business' with the Australian Chamber of Commerce and Industry
- 20 April 2023 | 'A new path for soft plastic packaging in Australia' with the Australian Food & Grocery Council
- 16 May 2023 | 'Authentication of GMP for cosmetic products for registration in China' with the Department of Agriculture, Fisheries and Forestry
- 23 May 2023 | 'Recycle Mate: How AI can help your company achieve its circular packaging goals' with Adaptation Environmental Support

### Canberra Day 2022

Accord returned to the nation's capital for Canberra Day, held in person across 6–7 September 2022. Arguably our most popular event, Canberra Day brings together government and industry for networking, updates and discussions on the economic, advocacy and regulatory reform landscapes. Opportunities for greater collaboration and partnership heralded by the new Albanese Government was the common message across the events and presentations.

The proceedings kicked off with our Industry Leaders' Dinner, hosted by our Board of Directors, at the Boat House Restaurant overlooking the iconic Lake Burley Griffin. The next day was the Canberra Day Seminar, where Accord's Chair Tracey Raso officially opened the event and took the opportunity to launch Accord's 2021–2022 Annual Report, commending it to all Accord Members and government representatives in attendance.

The speaker program included briefings from the Australian Industrial Chemicals Introduction Scheme (AICIS), the Department of Climate Change, Energy, the Environment and Water (DCCEEW) and the Department of Foreign Affairs and Trade (DFAT) on their respective policy priorities impacting Accord Members. EY also shared highlights from the second Accord-EY Economic State of the Industry Report—an important tool enabling our stakeholders to better understand and promote the economic impact of our industry.

Accord's Executive Director, Bronwyn Capanna, concluded the day by highlighting the themes and priorities for Accord's advocacy, and launched another of Accord's new infographic tools on the Australian regulatory landscape and how it could be significantly improved (*see page 13 for more on Accord's Infographics*). She thanked all the attendees, including guests from a range of different government departments who were specifically invited to learn more about the industry and actively engage with Accord—a further testament to our ongoing collaborative approach.



The crowd at Canberra Day 2023



Tracey Raso (Revlon & Elizabeth Arden and Accord Chair) opens Canberra Day



Bronwyn Capanna (Accord) and Graeme Barden (AICIS) at the Industry Leaders' Dinner

## Member Value

# the heart of what we do

### The Packaging Challenge Workshop

Held as part of the education program of the ISSA Cleaning & Hygiene Expo, Accord's Packaging Challenge Workshop brought together a range of expert speakers to share insights on the rapidly evolving packaging and recycling landscape, the push towards circular economy solutions, effectively communicating sustainability credentials, as well as case studies on initiatives and innovations across the cleaning and hygiene products industry that are helping to drive change in this space.

Thank you to our workshop sponsor, True Brands, for their partnership on this important hygiene industry event.



Brad Macdougall (True Brands) and Bronwyn Capanna (Accord)



Jennifer Semple (Accord)



Ashleigh Burnham (Edge Impact)

### Celebrating Accord's newest Life Members!

On 1 December 2022, industry leaders past and present gathered in Melbourne to celebrate the careers of Gillian Franklin and Peter Keech and their awards of Life Membership of Accord.

Gillian, Founder and former Managing Director of the Heat Group, was a member of the Accord Board of Directors for 15+ years, during which she was a strong and passionate advocate for the cosmetic and fragrance sector and Accord. A trailblazing entrepreneur and a champion of women in business, Gillian epitomises the saying, 'don't say no, say how?'.

Peter, former owner and Managing Director of Tasman Chemicals, was a member of the Accord Board (and its earlier iterations) for 25+ years and was Chair during the crucial time of the merger of the Australian Consumer & Specialty Products Association and the Cosmetic, Toiletry and Fragrance Association. Peter was an integral part of the success and vision of Accord and without his significant contributions and inclusive industry leadership style, Accord would not be where it is today.

Celebrating over dinner and drinks at Bottega Restaurant, our guests of honour and members of the Accord team were joined by current Directors and other industry leaders.



Peter Keech (Life Member), Gillian Franklin (Life Member), Bronwyn Capanna (Accord) and Graeme Howard (Life Member)



Brad Macdougall (True Brands), Peter Keech and Craig Brock (Accord)



Gillian Franklin and David Brown (Panamex)

## Member Value

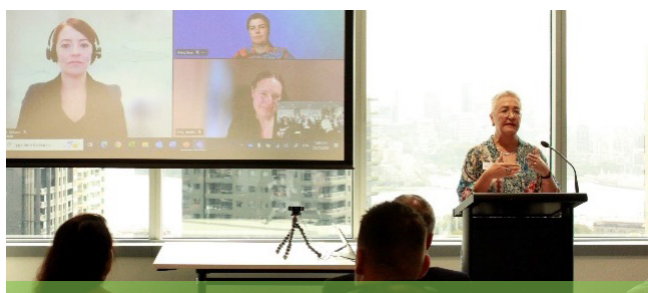
# the heart of what we do

### Sustainability Seminar

On Thursday 23 March we held our Sustainability Seminar, featuring insightful and discussion-provoking presentations from Tom Robinson (Edelman) on the 2023 Trust Barometer, Ashleigh Burnham and Jordan Stokes (Edge Impact) on sustainability leadership, and Bronwyn, Craig and Jennifer with an update on Accord's social and environmental sustainability priorities. Members of the Australian Competition & Consumer Commission's Sustainability Taskforce also dialled in to the event, to provide a special Q&A on the regulator's recent greenwashing compliance sweep.



Tom Robinson (Edelman)



Members of the ACCC Sustainability Taskforce dial in for a special Q&A



Craig Brock (Accord)

### Dream Ball 2022

On Friday 12 May, over 400 guests from the cosmetic and fragrance industry joined their partners in retailing, media, publishing and supply at The Star, Sydney to celebrate Dream Ball in support of Look Good Feel Better (LGFB).

Thanks to the generosity of supporters in attendance and the wider LGFB community, more than \$300,000 was raised on the night. These funds mean 3000+ Australians can benefit from the Look Good Feel Better program over the next year, free of charge.



Members of the Cancer Patients Foundation Board Directors (from L to R): Uri Ferster (Frostbland), Lucie Juhel (Chanel), Rosi Fernandez (La Prairie & LGFB Chair), Dr Rachel Dear (St Vincent's Hospital), Bronwyn Capanna (Accord), Carol Kavurma (LGFB), Pat Ingram (Fairfax Media), Rajiv Chinniah (Coty)



400+ Dream Ball Attendees

## Member Value

# the heart of what we do

### Industry Briefing & AGM 2023

On Wednesday 31 May, Accord's Industry Briefing & AGM was generously hosted by EY at their Melbourne CBD offices. The Briefing featured an excellent line-up of expert speakers including Cherelle Murphy, Chief Economist at EY, Professor Mark Patrick Taylor, Chief Environmental Scientist at the Environment Protection Authority Victoria, Marc L'Huillier, Customer Strategy and Insights Practice Leader at EY, and Andrew Davies, CEO of B Lab Australia and Aotearoa New Zealand, the company behind B-Corp certification.

The evening prior, we held an Industry Leaders' Dinner, where a vote of thanks on behalf of the industry was given to special guest Professor John Skerritt, in recognition of his 10+ years leading the Therapeutic Goods Administration (TGA).

Thank you to our event sponsor, Asuria Australia, for their partnership on this important industry event.



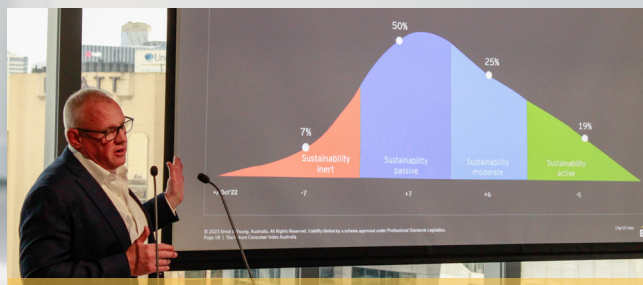
Professor John Skerritt and Associate Professor Greg Whiteley (Whiteley Corporation) at the Industry Leaders' Dinner



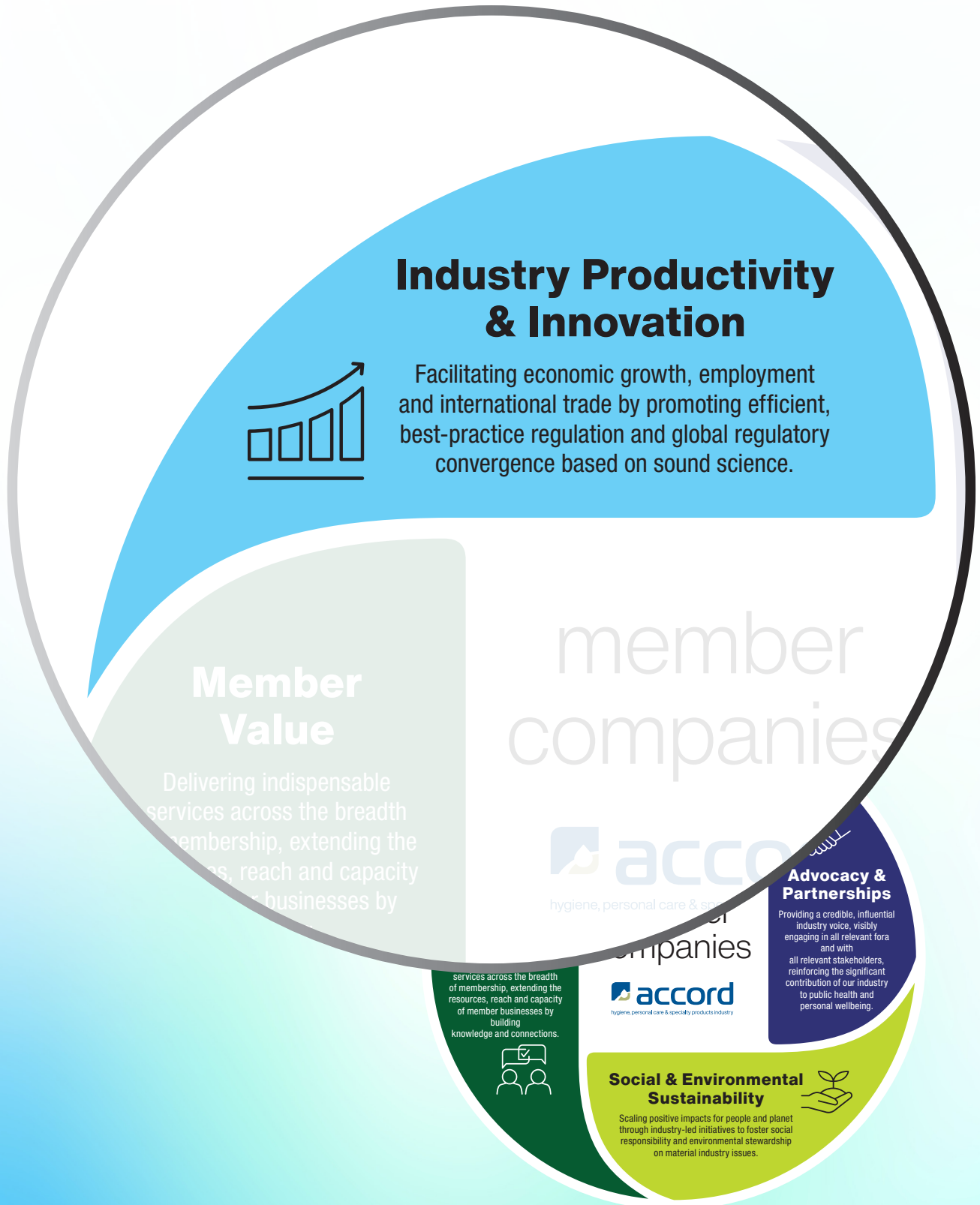
Peter Playford (Puig Oceania), Amanda Skerritt, Professor John Skerritt and Bronwyn Capanna (Accord)



Andrew Davies, (B Lab Australia & Aotearoa New Zealand)



Marc L'Huillier (EY Oceania)





## Industry Productivity & Innovation

# better 'fit for purpose' regulations

**Better regulation that is less complex and reduces red tape will assist industry productivity, innovation and investment.**

### A look back on our Industry Productivity & Innovation achievements for 2022–2023

- We continued to build a positive and constructive working relationship with the industrial chemicals regulator, the Australian Industrial Chemicals Introduction Scheme (AICIS) via several engagement sessions with the Executive Director and senior members of the AICIS team, including via our Canberra Day Seminar and Regulatory Affairs Committee.
- We successfully pushed for a 3-stage engagement and improvement plan for AICIS.
- We continued to actively engage in improving the implementation requirements of the new Industrial Chemicals Environmental Management Standard (IChEMS), including confirmation of no label changes for products, and we successfully advocated for the first scheduling considerations to be highest risk.
- We continued our active engagement and dialogue with the Therapeutic Goods Administration (TGA) to progress streamlined regulation of disinfectants and cosmetic ingredients (via chemical scheduling).
- Via our involvement with Standards Australia, we drove progress towards greater international alignment for tampons, aerosols and sunscreens.
- We successfully prosecuted a practical approach for federal authentication of GMP certificates for cosmetic exports to China.
- We organised a face-to-face bilateral meeting with the Australian Pesticides and Veterinary Medicines Authority (APVMA) at the regulator's Armidale offices, to facilitate better understanding of our industry's products.
- We were invited by the Department of Foreign Affairs and Trade to speak on a peak bodies panel discussing technical barriers to trade in June 2023.

### Regulatory Affairs Report

#### Lighter Touch, Lower Cost, Faster to Market

##### AICIS improvements

1 July 2020 saw the commencement of AICIS, replacing the National Industrial Chemicals Notification and Assessment Scheme (NICNAS). The two-year transition period ended on 31 August 2022 and, in September, AICIS' Executive Director Graeme Barden met with and presented to Members at our annual Canberra Day Seminar. As a result of Accord's advocacy and push for tangible improvements to the system, at Canberra Day Mr Barden announced a 3-stage process to rectify issues facing industry regarding the Industrial Chemicals Rules.

- Stage 1: Extension of the administrative arrangement for listed introductions until November 2023.
- Stage 2: This stage introduced a new low-volume introduction category for chemicals at volumes of 10 kg or less in a registration year.
- Stage 3: The largest stage and currently ongoing, exploring options to address the issues already raised by Accord that are related to the categorisation, reporting and record-keeping requirements of these introductions under AICIS.

For Accord, the priority issues we would like addressed via Stage 3 include:

- International Nomenclature of Cosmetic Ingredients (INCI) name acceptance
- Intellectual property (IP) protection by reviewing specific information requirements and written undertaking requirements
- An easier pathway for fragrance and R&D sample compliance
- The removal of the capture of esters and salts by the high hazard list

Accord continues to engage with AICIS on common and key issues encountered by Members and has met with the Executive Director and senior AICIS team members to discuss stage 3 work.

Accord has also provided technical regulatory assistance to our international association and industry colleagues in raising potential trade barrier concerns regarding AICIS.

Accord continues to advocate for proper cost-recovery for AICIS activities in line with the Australian Government's Cost Recovery Guidelines and supported the significant reduction in AICIS registration fees for the second year in a row.

Accord continues to engage with Members on this work and to keep companies abreast of ongoing developments via our regular Member Updates and Regulatory Bulletin.

## Industry Productivity & Innovation

# better 'fit for purpose' regulations

### Therapeutic goods regulatory reform

Accord continues to work with the TGA to reduce the regulatory burden on low-risk Member products such as disinfectants, sunscreens and their ingredients. We are active participants in the TGA's Industry Working Group on GMP (TIWGG), as well as the Complementary and OTC Medicines Regulatory and Technical Forum (ComTech), resulting in TGA's greater understanding of Accord Member issues and specific reform proposals.

For sunscreens, the priority over the reporting period has been the smooth adoption of the 2021 Sunscreen Standard. Via ComTech, we have advocated for a minimum transition period of three years, with a preference for five years, for the new Standard to allow for an orderly transition. We also successfully argued that the proposed inclusion of new and uniquely Australian concepts within the Standard were unjustified and unnecessary. Additionally, Accord continues to contest technical changes with regulatory impact that significantly increase the regulatory burden—without identified benefits—including defending ingredients on the Permissible Ingredients List for their continued acceptance in sunscreens.

As an active member of the Therapeutic Goods Advertising Consultative Committee (TGACC), Accord continues to seek relevant amendments to the Therapeutic Goods Advertising Code for our industry's low-risk products. Our involvement in this committee also allows us to uniquely assist our Members in understanding their advertising requirements and work to improve the interpretation of these requirements. In 2022, Accord successfully sought clarification on paid testimonials to allow images of people using products, and for positive statements that are not in the first person to not be considered testimonials. Accord is also working to maintain a nuanced cosmetic/therapeutic interface, which does not rely on a rigid definition of modifying a physiological process.

Accord has continued to work with the TGA to streamline the disinfectant application process and to clarify the testing requirements for Member products. Through the Regulator Performance Framework feedback process, we argued for target timelines to be set for all applications as a TGA KPI for next year, including devices and disinfectants, which has gained some traction. Accord is also working with the TGA to ensure that the TGA Instructions for Disinfectant Testing are easy to understand, aligned with international requirements, applied consistently and suitable for industry.

The Accord Secretariat continues to keep Members abreast of ongoing changes and reforms for therapeutic goods through regular updates in our Regulatory Bulletin.

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

Accord continues to work with the Department of Agriculture, Fisheries and Forestry and the APVMA on the implementation of Agvet reforms, to provide a better regulatory framework for our industry sector.

Accord is continuing our open dialogue with the APVMA through bilateral meetings to discuss and resolve Members' issues relating to APVMA permits, monitoring of overseas legislation and reforms for low regulatory risk applications.

### 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). On 30 June 2023, the NMI shared with industry the government's response to the National Measurement Law Review consultation. Pleasingly, the Accord-supported 'Option 2 – flexible and future focused' was recommended by the NMI and agreed for adoption by the government, with some elements of 'Option 1 – streamline with minimal change' included.

The next phase of this review will include ongoing public consultation as the legislation, regulations and guidance materials are drafted. Accord will continue to engage with the NMI in this process to ensure fit-for-purpose measurement rules for our Members.

### Transport and labelling of dangerous goods

Accord continues to work closely with the National Transport Commission (NTC) on the best outcomes for Members and to build on our previous successes with regulatory reforms for 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.

A full-scale review of the Australian Dangerous Goods Code (ADG Code) is currently in process—the first since 2007—and Accord has been actively engaged in this process. We are involved in two stakeholder working groups, Exemptions and Limited Quantities, and over the reporting period have provided three submissions to the Review Working Group. It is our aim that the review will result in greater alignment with EU dangerous goods regulations to leverage international expertise and improve efficiency, as well as an update of the Code to reflect technological progress over the last decade.

### Biosecurity

Accord continues to articulate the need for clear biosecurity risk identification, appropriate risk mitigation strategies for Members' products and the need to exclude low-risk formulated chemical products from biosecurity requirements. Accord continues to attend the biological consultative group meetings, to ensure Members are kept updated on biosecurity changes and updates of relevance to Member companies.

## Industry Productivity & Innovation

# better 'fit for purpose' regulations

### International Alignment

#### New Zealand Environmental Protection Authority (NZ EPA)

Accord continues to represent Members' views on the reform implementation of New Zealand's hazardous chemicals regime administered by the NZ EPA. In May 2023, Accord provided a submission to the NZ EPA in support of allowing information from international regulators. This change would enable the NZ EPA to rely more on data and assessments from international regulators while still considering the New Zealand context.

The NZ EPA has also been consulting on a proposed update of the Cosmetic Products Group Standard Schedules to align with the EU Cosmetic Products Regulation. In Accord's May 2023 submission, we raised concerns about unnecessary regulatory costs proposed, as well as the potential negative impacts on trade with regions outside of the EU, like Australia. Public hearings on this consultation are expected in late September 2023.

#### Chemical scheduling

Accord continues to provide 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 six chemical ingredients of relevance to Members, providing submissions to the Scheduling Committee and to the Delegate.

### Facilitate Trade and Commerce

#### Australian Competition and Consumer Commission (ACCC)

Throughout the reporting period, Accord has engaged with the ACCC on the development of timely and important industry guidance on topics such as environmental claims and 'greenwashing', an identified compliance priority for the regulator. We have been pushing for more transparency and collaboration in the issuing and amending of necessary guidance.

Members of the ACCC's Sustainability Taskforce virtually attended our Sustainability Seminar in March 2023 to provide a special Q&A on the regulator's recent greenwashing compliance sweep.

Accord has also been an active member of the ACCC's Product Safety Consultative Committee, established with the aim of improving engagement with the regulated industries on consumer product safety issues.

#### Industrial Chemicals Environmental Management (Register) Act 2021 (IChEMS)

Accord continues to engage with the Department of Climate Change, Energy, the Environment and Water (DCCEEW) to provide industry perspective in the development of the associated regulations and standard setting.

In February 2023, Accord joined with other peak associations to present on our sustainability agenda to the IChEMS Advisory Committee.

We continue to advocate for appropriately designed cost-recovery arrangements of IChEMS, with appropriately identified stakeholder groups for cost recovery. Pleasingly, the DCCEEW continues to proactively engage with Accord in addressing our concerns.

#### Simplifying trade...and more

In May 2021, Cosmetic Regulations in China underwent a fundamental change with new rules coming into effect that seemingly allow an exemption from mandatory animal testing for imported 'general' cosmetic products, if the manufacturer has third party GMP certification from a competent government/regulatory authority. Accord worked with every level of Australian Government and advocated for the establishment of a national system. The federal Department of Agriculture, Fisheries and Forestry (DAFF) established an authentication system for cosmetic GMP certificates which began operating in April 2023. Since then, Accord has continued dialogue with Members and DAFF to improve the workability of the system.

In June 2023 we attended the Simplified Trade Systems Summit to participate in discussions with our government colleagues on the need to simplify Australia's trade systems to boost national productivity.

# Message from the Executive Director

## Time for some focused policy action to stem our nation's declining productivity.

Accord's late 2022 refresh of the EY-Accord State of the Hygiene, Personal Care & Specialty Products Industry Economic Report reconfirmed our industry as the 17th largest industry sector in Australia.

It was again gratifying to see the significant economic contribution of our industry's products up and down the supply chain—from manufacturing or importation through to wholesaling and then retailing.

The simple fact is, if you removed our sector's products and all their related commercial activity from the economy, it would come at the cost of an estimated 72,585 jobs and \$3.5bn in wages. A considerable hole that only tells part of the story, given the essential nature of most hygiene and personal care products for public health protection.

Amidst the ups and downs of recent difficult times, total industry turnover for the year to mid-2022 was up 2.3 per cent on the previous FY, with jobs and wages also up by 1.5 and 2.6 per cent, respectively. While pleasing, there was clearly an element of COVID pandemic rebound in these results. With cost-of-living pressures from high inflation plus mortgage stress now swamping many Australian households, our industry is not alone in facing a challenging commercial environment in the coming years.

Concerted attention is needed to strengthen the foundations of the Australian economy to better weather what is emerging as a fairly bleak global economic outlook. During its first year in power, the Albanese Government laid some of the groundwork needed via a budget that included several nation-building policies and that also banked a future surplus, albeit for a short period.

Renewing opportunities for advanced Australian manufacturing, and thereby addressing our nation's dismal 93rd place in global rankings of economic complexity<sup>1</sup>, has been given necessary priority via the \$15 billion National Reconstruction Fund. And to aid the transition to a more circular Australian economy there is also the \$250 million Recycling Modernisation Fund. Such pools of capital funds, along with the establishment of new institutions like the Australian Centre for Disease Control and Environment Protection Australia (EPA), are certainly helpful building blocks for meeting future challenges. Having a plan for the future is always better than the alternative, so it is pleasing to see recent Australian Government action on such forward-looking policies.

What appears to be missing, though, is a clear policy narrative on how other endemic challenges within our national economy should be addressed. Looming large on this list of challenges are our nation's declining productivity and competitiveness along with the ongoing failure to capitalise more fully on our innovation potential.

Arising from the dynamic micro- and macro-economic reforms that commenced in the 1980s under the Hawke Government, Australia's productivity—measured as real gross national income (GNI) per person—climbed swiftly to hum along nicely at just over 2% per annum, until it commenced a sharp decline in the 2000s. For close to the last two decades productivity has been stuck at just above 1% per annum.

There are various factors behind this malaise. One factor that most concerns Accord Member businesses, simply because it is fully within the control of Australia's governments, continues to be fragmented and overly complex regulation that is often unaligned, for no justified reason, with that of other advanced economies such as the EU and North America.

I read with interest a sobering statistic about the burden of poor-quality regulation from the Business Council of Australia's (BCA) recent thought-provoking call to policy action, 'Seize the Moment' ([www.bca.com.au/seize\\_the\\_moment](http://www.bca.com.au/seize_the_moment)): '...there were 120,000 clauses regulating behaviour and changing incentives in Commonwealth legislative instruments in 2022.'

Also notable is the following quote from the same BCA report, as it encapsulates the first-hand experience of most Accord Member companies: 'Businesses face duplication and inconsistency across the Federation. Frequent changes to laws and regulations, and a poor understanding from policymakers and regulators of the complexity, time and cost of implementing these changes, is adding to the pressure.'

Complexity aside, many existing regulatory schemes are simply just not fit-for-purpose in the current sense, let alone for the future. Such unfit regulations will continue to act as a handbrake to raising productivity, advancing innovation and fostering private sector investment without focused simplification and improvement. Technologies, products, systems and markets are constantly evolving, so a culture of continuous improvement needs to be inculcated into Australia's regulatory policy frameworks.

“Looming large on this list of challenges are our nation's declining productivity and competitiveness”



Bronwyn Capanna

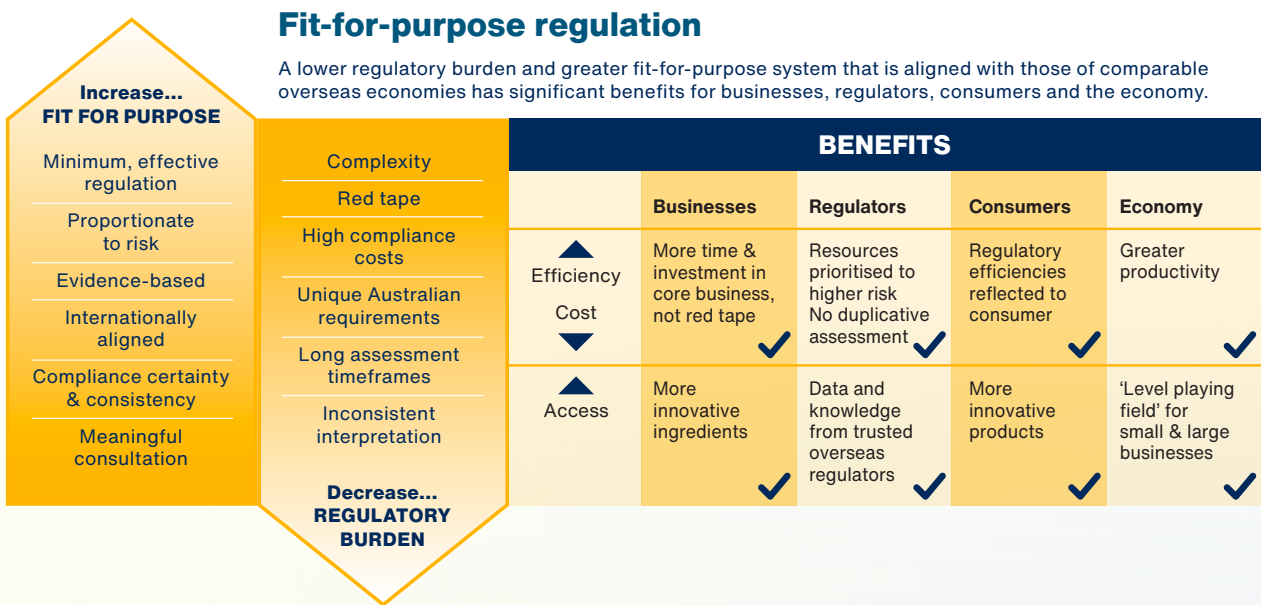
<sup>1</sup> The Growth Lab at Harvard University. *The Atlas of Economic Complexity*. <http://www.atlas.cid.harvard.edu/rankings>

# Message from the Executive Director

To help guide consideration of what effective but fit-for-purpose regulation should look like. Accord released two regulatory infographics in late 2022. The first of these showed how regulation of our industry products is effective in the sense that it protects the public, workers and the environment from unsafe products and technologies. Industry fully endorses simple but effective safety regulations.

But the flip side, as just discussed, is that much Australian regulation is still weighed down by an overabundance of complexity, duplication and unproductive paperwork requirements, often combined with interventions that are not always calibrated appropriately to actual risks.

The following graphic from Accord's 'regulatory complexity' infographic succinctly charts the features that fit-for-purpose regulation should embrace, as well as the pitfalls it must avoid:



Technology-rich industries like Accord's require access to the latest ingredients and formulation technologies available globally to stay competitive and innovative. For this reason, we strongly support a policy push for a Simplified Trade System (STS) with the goal of making cross-border trade into and out of Australia easier, faster and cheaper.

The STS was initiated under the previous Coalition government in 2022 and the ongoing focus it is getting from the current government is a clear sign that it could unleash substantial productivity benefits. Various regulations that operate primarily at the border, including those administered by the chemical introduction scheme AICIS, should fall within the scope of these vital reforms.

The work of regulators, and of course public servants more generally, is important and highly valued by our industry and Accord. We look forward to our ongoing engagement to ensure that Australian policy and regulatory approaches assist in strengthening innovation, investment and sustainability within our sector and to also remedy our declining national productivity.

Australia is ideally placed as a stable and knowledge-rich destination for investment into the growing industry Accord represents. Coherent and forward-looking policies—such as simpler, more proportionate and internationally aligned regulation—will help drive this home, opening up further opportunities for local and export markets.

Accord continues to proudly represent the 17th largest industry sector in the Australian economy. Ours is an innovative, science-based and progressive industry that strives for sustainable growth, while maximising the many benefits our industry's products provide to our wide range of customers, whether they be other industry sectors, institutions or consumers.

We stand ready to work constructively with Australia's governments to meet future challenges with evidence-based policy ideas and industry programs that are fit-for-purpose.

**Bronwyn Capanna**

Executive Director  
August 2023

# Thank you

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)  
**Claire Smith** (SC Johnson & Son, Vice-Chair)  
**Brad Macdougall** (True Brands, Vice-Chair)  
**David Brown** (Panamex, Accord Finance Director)  
**Clynton Bartholomeusz** (Beiersdorf)  
**Peter Playford** (Puig Oceania)

Accord would also like to thank the following for their dedicated contributions:

Members of the **Accord Regulatory Affairs Committee:**  
**Stephanie Yeoh & Yevon Yap-Cartier** (Aesop), **Kiran Raval** (Amway), **Rachel Jefferson** (Beiersdorf), **Clare Martin** (Clare Martin & Associates), **Alice Gock** (Colgate-Palmolive), **Mike Tichon** (Competitive Advantage), **Uma Adhar** (Ecolab), **Paola Becvar & Glenn Berg** (Edgewell), **John Attard** (Engel, Hellyer & Partners), **John Koppl** (Estée Lauder), **Jennifer Hughes** (Haleon), **Ana Alvarez** (Indorama Ventures Oxides), **Michelle Stewart & Rachael Linklater** (Kenvue), **Leith Dababneh** (Jurlique), **Ellie Kim** (Kimberly-Clark), **Samantha Hass & Aoife McGee** (L'Oréal Australia), **Rukshana Yates** (Pierre Fabre), **Aimee Kam & Marilyn Katrib** (Procter & Gamble), **Intish Ahotar** (PZ Cussons Australia), **Julian Reddy** (Ramboll), **Amanda Baker & Haly Calderwood** (Reckitt), **Joann Abrahamse** (SC Johnson & Son), **Rizalie Vergara** (SC Johnson Professional), **Priyanka Bhat** (Shiseido), **Mandi Godden** (Seren Consulting), **Vered Moses & John Dempsey** (Unilever), **Robin George** (Vitality Brands) and **Edward Wrightson & Chris Dean-Jones** (Whiteley Corporation).

Members of the **Small-format Cosmetics Working Group:**  
**Stephen Wallace** (Aesop), **Anna Ochiai** (Chanel), **Peter Woodward** (Coty), **John Koppl** (Estée Lauder), **Olivia Whitaker** (L'Oréal Australia), and **Karen Llamazalez Dias** (LVMH).

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** and **FCB Group**, 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.

Heartfelt thanks to **Rosi Fernandez** (La Prairie) as Chair of the Cancer Patients Foundation, the administering body for Look Good Feel Better. We also acknowledge the Look Good Feel Better national team of **Carol Kavurma** (General Manager), **Nicole Jervis** (Fundraising Manager), **Vanessa Gambin** (PR & Communications Manager), **Danielle Lill** (Partnerships

Manager), **Kate Perry** (Volunteer Program Coordinator), **Melinda Ammit** (Program Coordinator), **Juliet Ammit** (Program Coordinator) and **Katrina Raccani** (Warehouse & Logistics Coordinator).

## Farewell

Sincere thanks to outgoing Board Directors **Denise van Gessel** and **Stephen Chaur**, who resigned during the reporting period.

Accord's long-time Associate Member and dear friend **Graeme Haley** (Engel Hellyer and Partners) retired at the end of 2022. Our long and very collaborative relationship dates back prior to the merger with the Cosmetic Toiletries & Fragrance Association (CTFA) of Australia in 2005 where Graeme was a key regulatory adviser to that association. A staunch supporter of our industry, we could always depend on Graeme to assist with key regulatory matters, relying on his wealth of experience and knowledge over a fabulous 40+ year career. Graeme actively participated in numerous Accord committees and working groups and presented at many conferences. We wish him a long, happy and healthy retirement!













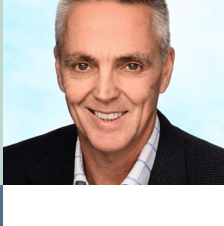

Sadly, Tony Clark passed away late last year. Tony, a former Managing Director of Yardley Lenthéric (now Coty) was Chair of the Cosmetic, Toiletries & Fragrance Association (CTFA) in Australia for many years. He also chaired the Cancer Patients Foundation for 10 years until 2006. Tony was a wonderful industry statesman, an old school gentleman of fabulous character and integrity. He was patient and kind, and while softly spoken, always wise counsel given his vast industry experience. He will be sorely missed and our sincere condolences to his loving family, friends and business colleagues.

Farewell to Accord's former Science & Technical Associate, **Thomas Dolahenty**, who finished up with the association in June 2023. We wish him all the best in his future endeavours.

At the beginning of 2022, we welcomed back **Dusanka Sabic** as a Regulatory Advisor to assist with the considerable reform workload. Dusanka finished up her work at the end of 2022, and we thank her for her tireless efforts and the considerable contributions she made not only over 2022 but during her 16-year tenure with Accord!



# Directors

	<p><b>Chair</b></p> <p>▶ <b>Tracey Raso</b> Regional Managing Director – Pacific Revlon &amp; Elizabeth Arden</p>		<p><b>Vice-Chair</b></p> <p>▶ <b>Claire Smith</b> General Manager - ANZ SC Johnson &amp; Son</p>		<p><b>Vice-Chair</b></p> <p>▶ <b>Brad Macdougall</b> Managing Director True Brands</p>
<p><b>Finance Director</b></p> <p>▶ <b>David Brown</b> CEO Panamex Group</p>		<p>▶ <b>Sascha Schrecker</b> Chief Executive Officer Albright &amp; Wilson (Aust)</p>		<p>▶ <b>Clynton Bartholomeusz</b> Managing Director, Aust &amp; NZ Beiersdorf</p>	
	<p>▶ <b>Simon Petersen</b> VP and GM South Pacific Colgate-Palmolive Company</p>		<p>▶ <b>Rajiv Chinniah</b> Managing Director Coty ANZ</p>		<p>▶ <b>Chris Short</b> Managing Director Dominant (Australia)</p>
<p>▶ <b>Uma Adhar</b> Director, ANZ Regulatory Affairs Ecolab</p>		<p>▶ <b>Emmerentia Wilding</b> Managing Director Estée Lauder Companies</p>		<p>▶ <b>Liz Tasdelen</b> Country Manager Indorama Ventures Oxides Australia</p>	
	<p>▶ <b>Rodrigo Pizarro</b> Managing Director L'Oréal Australia &amp; New Zealand</p>	<p>▶ <b>Karen Llamazalez Dias</b> Regulatory Affairs Manager LVMH Perfumes &amp; Cosmetics Group ANZ</p> <p>(for the period of Mathieu Sampson's leave)</p>		<p>▶ <b>Mathieu Sampson</b> Managing Director LVMH Perfumes &amp; Cosmetics Group ANZ</p>	
<p>▶ <b>Kumar Venkatasubramanian</b> SVP &amp; Managing Director Procter &amp; Gamble ANZ</p>		<p>▶ <b>Peter Playford</b> General Manager Puig Oceania</p>		<p>▶ <b>Tra Hoang</b> Head of Legal, Governance and Compliance PZ Cussons Australia</p>	
	<p>▶ <b>Oliver Tatlow</b> Regional Director Hygiene RB ANZ</p>		<p>▶ <b>David Boxall</b> Managing Director, Australia &amp; Asia Pacific Recochem</p>		<p>▶ <b>Rod Brookes</b> VP Asia Pacific SC Johnson Professional</p>
<p>▶ <b>Dr Greg Whiteley</b> Executive Chairman Whiteley Corporation</p>		<p>▶ <b>Bronwyn Capanna</b> Executive Director Accord Australasia</p>			

# Directors

## Resigned during the period



◀ **Denise van Gessel**  
Managing Director  
& CFO  
Albright & Wilson  
(Aust)



◀ **Steven Chaur**  
Managing Director  
& CEO  
Hiro Brands

# Secretariat



◀ **Bronwyn Capanna**  
Executive  
Director



◀ **Craig Brock**  
Director, Policy &  
Public Affairs



◀ **Catherine Oh**  
Director, Regulatory  
& Supply Chain  
Strategy



▶ **Dr Jennifer Semple**  
Manager, Education  
& Sustainability  
Programs



▶ **Erly Mifsud**  
Manager,  
Administration



▶ **Stephanie Hollands**  
Manager, Member  
& Stakeholder  
Communications



▶ **Rianna Goodwin**  
Senior Regulatory  
& Technical  
Associate





# Our industry, your network

Our Members are at the heart of what we do...



Bronwyn Capanna (Accord), Pam Wilson (L'Occitane), Simon Green (L'Occitane) and Pierre-Emmanuel Joffre (L'Occitane)



Ben Brander (Helios Health & Beauty), Nadine Saraceno (Kenvue), Samantha Hass (L'Oréal), Graeme Barden (AICIS), Catherine Oh (Accord), Haly Calderwood (Reckitt) and Bronwyn Capanna (Accord)



Jenny McAuley (True Brands), Nadia Stone (Kenvue), Nadine Saraceno (Kenvue), Rianna Goodwin (Accord) and Tracey Raso (Revlon & Elizabeth Arden and Accord Chair)



Associate Professor Greg Whiteley, Steph Hollands (Accord), Bronwyn Capanna (Accord) and Thomas Dolahenty (Accord)



Nicole Norris (Asuria), Nicole Grainger (Asuria), Bronwyn Capanna (Accord) and Steph Hollands (Accord)



Rajiv Chinniah (Coty), Emmerentia Wilding (Estée Lauder), Tracey Raso (Revlon & Elizabeth Arden and Accord Chair), Andrew McKellar (ACCI), Peter Playford (Puig Oceania), Steph Hollands (Accord) and Graeme Haley (Engel Helyer & Partners)



Dylan Weber (Hairjamm), Cameron Kelly (Hairjamm), Bronwyn Capanna (Accord) and Steph Hollands (Accord)



Uma Adhar (Ecolab), Chris Short (Dominant), David Boxall (Recochem), Rianna Goodwin (Accord), Jenny McAuley (True Brands) and Ed Wrightson (Whiteley Corporation)

# Our industry, your network



Bronwyn Capanna (Accord), Steph Hollands (Accord), Leiarna Tosto (Vitality Brands) and Aden Harris (Vitality Brands)



Peter Keech (Life Member), David Brown (Panamex), Emmerentia Wilding (Estée Lauder) and Julian Reddy (Ramboll)



Madonna Azzi (Pierre Fabre), Karen Llamazalez Dias (LVMH) and Catherine Oh (Accord)



Steph Hollands (Accord), Amaryllis Aganahi (RATIONALE), Natasha Ribeiro Da Silva (RATIONALE) and Bronwyn Capanna (Accord)



Paul Jamieson (Aesop), Steph Hollands (Accord), Bronwyn Capanna (Accord) and Yevon Yap-Cartier (Aesop)



Stacey Vale (NAK Hair), Steph Hollands (Accord), Bronwyn Capanna (Accord) and Cass Reeves (NAK Hair)



David Laboyrie (Eurofins), Rianna Goodwin (Accord) and Teresa Susanto (Eurofins)



# Members

## Consumer and Personal Care

Advanced Skin Technology Pty Ltd  
Aesop  
Amway of Australia Pty Ltd  
Beiersdorf Australia Ltd  
Chanel Australia  
Church & Dwight (Australia) Pty Ltd  
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  
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Frostbland Pty Ltd  
Hairjamm Pty Ltd  
Haleon  
Helios Health & Beauty Pty Ltd  
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Shiseido Asia Pacific Pte Ltd  
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BP Castrol Australia Pty Ltd  
Brenntag Australia Pty Ltd  
Castle Chemicals Pty Ltd  
Challenge Chemicals  
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Dominant (Australia) Pty Ltd  
Dow Chemical (Australia) Pty Ltd  
Ecolab Pty Limited  
Ensign Laboratories  
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Givaudan Australia Pty Ltd  
Indorama Ventures Oxides Australia Pty Limited  
Inspired Brands Pty Ltd  
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Mera Chemicals  
Native Oils Australia  
Novozymes Australia Pty Ltd  
Nowchem  
Peerless JAL Pty Ltd  
Recochem Inc  
SC Johnson Professional  
Scentral Flavours & Fragrances  
Schulke Australia Pty Ltd  
Solvay Interox Pty Ltd  
Sopura Australia Pty Ltd  
Symbio Australia Pty Ltd  
Thor Specialties Pty Limited  
True Brands  
Whiteley Corporation Pty Ltd

## Associate Members

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Active Display Group  
Ident Pty Ltd  
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FCB Lawyers  
HWL Ebsworth Lawyers  
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### Regulatory and Technical Consultants

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Competitive Advantage  
Davoren Environmental Pty Ltd  
Delphic HSE  
Engel, Hellyer & Partners Pty Ltd  
Quality Matters Safety Matters  
Ramboll Australia Pty Ltd  
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pH Factor