Investor Initiative on Hazardous Chemicals

Supported by ChemSec

The Investor Initiative on Hazardous Chemicals

2025

Progress Report

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CHEMSEC is an independent nonprofit organization that advocates for replacing hazardous chemicals with safer alternatives. It receives funding from the Swedish government, charity foundations and private donations. It does not accept money from corporations. ChemSec publishes ChemScore, an online rating of the largest publicly traded chemical companies in the world. The rating is based on the companies' chemical management and efforts to reduce their chemical footprint. For the companies in the universe, see the table on the last page of this report. ChemSec is also the coordinator and supporting secretariat for the Investor Initiative on Hazardous Chemicals (IIHC).

The purpose of this report

This report provides a summary of the initiative's past year, including key developments that have occurred in the chemical industry.

IIHC developments

Aim

The Investor Initiative on Hazardous Chemicals (IIHC) is an investor-led collaborative engagement initiative. It aims to reduce the adverse impacts of hazardous chemicals and thereby its members' exposure to the financial risks to which they are linked. The members engage in ongoing dialogues with the world's largest publicly traded chemical companies.

Asks/requests

In November 2024, the IIHC outlined three key asks that they would like the world's largest chemical producers to implement:

- **Increase transparency.** To help investors appraise relevant risks to companies, they should disclose both the share of their revenue and production volume of products that are, or contain, hazardous chemicals.[1] This information should cover all operations (including subsidiaries) worldwide;

- **Publish a time-bound plan to phase out products that are, or contain, persistent chemicals.** The phase-out plan should include a realistic roadmap with clear KPIs to track progress;

- **Develop safer solutions.** Set a 2030 target for the share of revenue generated by safer solutions and publish a strategy to achieve it. [2]

In 2025, the "asks" were redefined as "requests" and updated to align with the four new ChemScore criteria developed over the previous year. The revised requests are as follows:

- **Increase transparency.** Disclose both the share of revenue and production volume of products that are, or contain, hazardous chemicals.

- **Phase-out of persistent chemicals.** Publish a timed action plan on how to eliminate all persistent chemicals, with clear KPIs covering revenues and volumes to show progress.

- **Reduce hazardous product portfolio.** Draw up a strategy to reduce the company's production of hazardous chemicals with clear KPIs covering revenues and volumes to show progress.

- **Increase share of safer solutions.** Set a 2030 target for the share of revenue generated by safer solutions and publish a strategy to achieve it.

1. Disclosure should be made substance by substance. For the definition of hazardous chemicals, see Fact Box.
2. For more information about the definition, see: https://chemsec.org/knowledge/iihc/.

Steering Committee

The IIHC Steering Committee meets quarterly. In 2025, the SteerCo consisted of:

Eugenie Mathieu, *Aviva Investors (chair)*

Joanne Beatty, *EOS at Federated Hermes (replaced by Tsitsi Griffiths on Dec 1st)*

Rachel Crossley, *BNP Paribas AM*

Cecilia Fryklöf, *Nordea AM*

Sylvia van Severs, *Robeco*

IIHC in numbers (Oct 2025)

Active members **56**

Passive members **24**

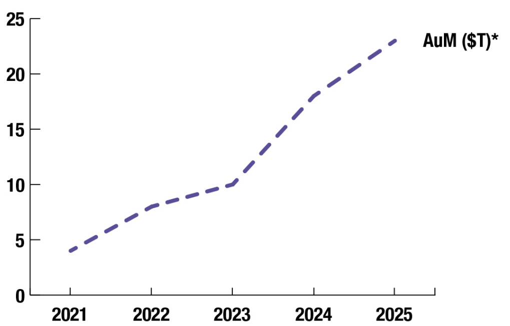
Engagement Teams **32**

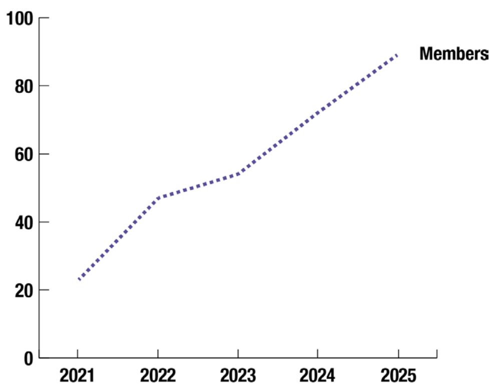
Total AUM/AUA **23** trillion dollars

IIHC AUM and Members

Year	AuM ($T)*	Members
2021 (only letter)	4	23
2022	8	47
2023 (IIHC formed)	10	54
2024	18	72
2025	23	80

* AuM refers to all assets owned, under management or advice.





Industry progress

ChemScore 2025

For ChemScore 2025 (published in Nov 2025), the methodology was updated and universe was changed to better align with the IIHC requests and better capture key aspects of the progress in the chemical industry. For more information, see: *https://chemscore.chemsec.org/methodology/*

Because the ChemScore methodology was updated in 2025, only certain comparisons with previous years are meaningful. Below are key figures – some comparable with earlier results, others newly introduced this year.

Companies fully disclosing global portfolio of hazardous substances:
2025: 6/40 (2024: 6/51)

Companies committed to not developing new SVHC products:
2025: 4/40 (2024: 2/51)

Companies engaged with ChemSec regarding their score:
2025: 28/40 (2024: 36/51)

Companies disclosing revenue from SVHCs:
2025: 15/40 (2024: 11/51) [3]

New data for this year

Companies stating they intend to phase out, reduce or avoid PFAS or other persistent chemicals: 13/40

Companies having a concept for a safer solution that at least excludes substances meeting the SVHC criteria: 11/40

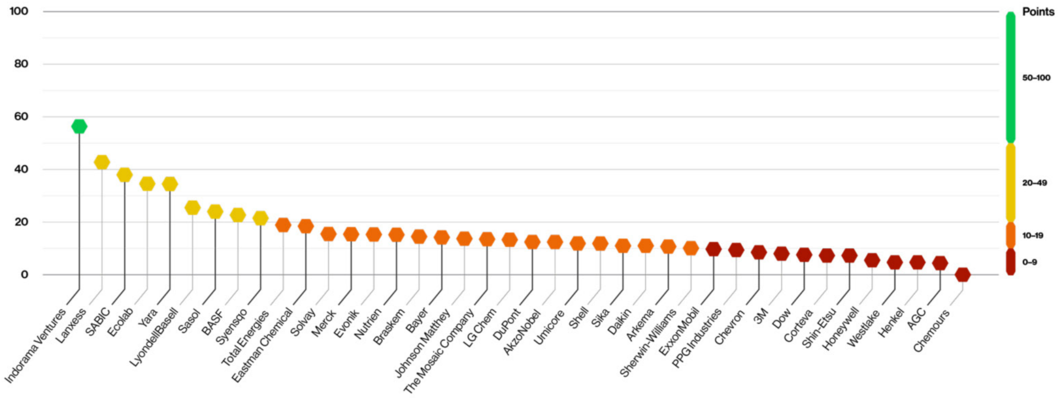
Companies mapping the presence of PFAS throughout their entire product portfolio: 17/40

Companies intend to increase share of sales from safer solutions: 5/40

Companies acknowledging in public statements that PFAS or other persistent chemicals have problematic properties: 9/40

3. *These 15 companies include any revenue, including Authorisation list substances only.*

Here are the final scores for all 40 companies in ChemScore 2025.
For more details, visit *https://chemscore.chemsec.org/*



Highlights (from ChemScore 2025)

- **Indorama Ventures** clearly states that no chemicals meeting the SVHC criteria are added to or present in their products, either intentionally or unintentionally. [4] They also state it does not produce, purchase, or sell persistent chemicals (defined as PBT, vPvB, PMT, vPvM or POP).
- **Ecolab's** position on PFAS is now: "By end of 2026, all chemical products manufactured by Ecolab with intentionally added PFAS will be removed from our global portfolio". They mention that they are requesting suppliers to develop PFAS-free alternatives and that they will, by end of 2026, no longer buy chemical raw materials from suppliers if it contain PFAS. [5]
- **BASF** now state that even though it is "not active in fluorination chemistry" it "will phase out chemical products that are formulated with PFAS" and "provide innovative alternatives for our customers". [6]
- **Yara, Sasol** and **LyondellBasell** joined **Lanxess** and **Eastman** in declaring that they do not produce any additional Substances of Very High Concern (SVHCs) outside of the EU or the US.

4. *https://sustainability.indoramaventures.com/storage/content/document/misc/2025/key-chemical-safety-production-and-compliance-with-persistent-chemical-regulations.pdf*
5. *https://www.ecolab.com/corporate-responsibility/policies-and-practices/policies-and-positions, see, Ecolab's PFAS Position*
6. *https://www.basf.com/dam/jcr:93571929-c15e-3468-9e2f-ca83cfee01f5/basf/www/global/documents/en/about-us/politics/BASF-Position-on-PFAS.pdf*

Disclaimer

The participants of the Investor Initiative on Hazardous Chemicals (IIHC) are independent fiduciaries responsible for their own investment and voting decisions. They must comply with competition laws and may not disclose confidential information.

For the full disclaimer, see:

https://chemsec.org/knowledge/iihc/#disclaimer