The Science Inside

SC Johnson 2017
Sustainability Report

SCJohnson
A family company
at work for a better world

SC Johnson is in its 26th year of publicly reporting on the company's sustainability progress. This 2017 report covers activity since July 2016, unless otherwise stated. Questions about this report should be directed to Kelly M. Semrau, Senior Vice President – Global Corporate Affairs, Communication and Sustainability, at 262-260-2440. Or, connect with us online: twitter.com/SCJohnson or facebook.com/SCJohnson.

Informed Choices

A letter from the Chairman and CEO

It has been said that we are all defined by our choices. As a family company, this responsibility is front and center in every decision we make.

After all, we are not just asking people to use our products. We're putting our family name on every single one of them. We want people to know how strongly we stand behind the choices that go into making them.

For more than 100 years, we have been pioneering in our industries, leading in our communities, and investing in the best science to help us go beyond what's regulated to do what's *right*.

Whether it was getting out of CFCs in the 1970s, phasing out volatile methylsiloxanes (VMS) recently, or the many milestones in between, we have continually made choices based on an intense scrutiny of ingredients and the newest, best data available to guide us.

> What matters most: The trust you put in our company and our products, and our commitment to live up to that trust, each and every day.

But as much as we're proud of the choices we make, what matters even more are the choices that are yours. Whose products you use. Whose advice you follow. Whose science you trust.

That's why this year we're sharing publicly, with more detail than ever, how our Greenlist™ ingredient selection program works.

MORE TRANSPARENCY ABOUT GREENLIST™

Greenlist™ is SC Johnson's peer-reviewed, science-based program that evaluates the impact on human health and the environment for every ingredient we use. First formalized in 2001, it continues to grow and improve, and now has 20-plus years of development behind it.

Marketing can manipulate. Companies can greenwash. But science shines a clear light on the impacts of ingredients, how those impacts can be moderated and when the best choice is to not use something at all.

Our Greenlist™ program helps us sort through an enormous amount of data from our suppliers and from sources such as the U.S. government's TOXNET and the European

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Chemicals Agency. We look at factors such as carcinogenicity, human and environmental toxicity, biodegradability and allergenicity. And using this information, we determine how to make our products effective and safe.

We're sharing the Greenlist™ program to show the care that goes into making all our products, like **Glade®**, **Mr Muscle®** and **OFF!®**. And for those who want to be informed on the products themselves, our WhatsInsideSCJohnson.com site gives a detailed list of the ingredients in each product, and an ingredient dictionary to answer questions.

MORE SUPPORT FOR INFORMED CHOICES

This is what we mean by informed choices. In a world of Internet rumors, greenwashing and even product shaming, we're trying to do everything we can to give an unbiased, science-based view of the products we make and the care we take to make them.

To that end, we've dedicated the majority of this sustainability report to the details of our Greenlist™ program, aiming to give a robust and detailed look at our criteria, process and principles.

But the report also gives updates on other company efforts underway as we continue working to protect the environment and make life better for families around the world. To us, these updates are part of keeping our consumers and stakeholders informed. They're a testament to our commitment to act on our beliefs and report on our progress.

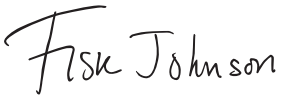
Among other milestones this past year, we reached zero manufacturing waste to landfill status at more than 65 percent of our manufacturing facilities, increased our global renewable energy use to 35 percent, exceeded our commitment to donate $15 million to combat mosquito-borne diseases and launched an industry-leading program for skin allergen disclosure.

MORE ABOUT WHAT MATTERS MOST

I know I speak for the 13,000 people of SC Johnson when I say that we take all of these choices seriously and we're proud of the science behind them.

Making informed choices, and being transparent so that others can too, is more than just good business. It's our responsibility as a family company. And, it's our recognition of what matters most: The trust you put in our company and our products, and our commitment to live up to that trust, each and every day.

To us, nothing is more important.



H. Fisk Johnson, Chairman & CEO

Trust from a Tradition of Transparency

People expect companies like SC Johnson to tell the truth when asked about their products. For us, honesty goes even further — it's proactively choosing to be transparent, to help people understand the whole story.

As Kelly M. Semrau, Senior Vice President – Global Corporate Affairs, Communication and Sustainability, explains, SC Johnson is continuing its journey toward being more and more transparent.

HOW DOES A COMPANY BUILD TRUST?

Today, trust is very low. According to the 2018 Edelman Trust Barometer, less than half of the general population trusts business, government, media and nongovernmental organizations to do the right thing. And, it appears to be getting worse.

At SC Johnson, we believe trust has to be earned, and we think earning it depends on several things. First, our products must work as promised, every time, and do so safely. Second, we have to show how we create a great, safe workplace for SC Johnson people, and take care to protect the environment and improve the communities where we work. Third is transparency. We must be transparent with the good and bad — transparent about our ingredients, our environmental issues, our supply chain and even the mistakes we make. And the fourth is operating with a high degree of integrity, which is an important and enduring value at SC Johnson. This means acting ethically, doing the right thing, and being honest with our consumers and stakeholders. That is why we are committed to transparency and sharing the details about our ingredients and the science we apply when selecting them.

These values have all been part of our company's DNA for a long time, and they continue to guide us in all that we do today.

WHAT ARE THE BIGGEST BARRIERS TO TRUST?

One of them — maybe the biggest one — is the public's inherent distrust of chemicals. Some of this certainly arises from mistakes made by companies using chemicals in inappropriate ways. Confusing information is a problem, too. For example, despite all the assertions that something found in nature is safer, that's not necessarily true. Nature is full of compounds that can be toxic. And there's also the notion that if a chemical compound is unrecognizable or unpronounceable, it should be avoided. But chemicals like that can be found in lemons and rose oil and many other things in nature.

HOW DO YOU ADDRESS MISTRUST IN CHEMICALS?

It starts with being open about the ingredients that we choose, how we use them and the science behind our choices. It also means taking part in an honest discussion and tackling myths and misinformation, such as those surrounding naturals versus synthetic ingredients.

Our Greenlist™ program helps us continuously seek out better ingredients, too. And, we continue to push the boundaries of our disclosure program to deliver transparency and help consumers. In 2017, for example, we disclosed 368 skin allergens that may occur in our products. We didn't have to do that; we wanted to. Plus, we disclose skin allergens down to 0.01 percent, even though most experts agree that such a low level is unlikely to cause a reaction in rinse-off products.

Instead of just doing what we have to do, we do what we believe we should and that creates transparency for consumers and builds trust with them.

Explaining our Greenlist™ Program

Since 2001, SC Johnson's Greenlist™ program has guided the company's product development. The goal is simple: continually improve our products by choosing ingredients that better protect human health and the environment.

With consumers more interested than ever to know what's inside the products they use, we're sharing the specifics behind how we select the ingredients that go into our products. This is more detail than any other company in our industry provides. As our Chairman and CEO Fisk Johnson explained, "We hope others will follow our lead and share their own scientific method. More transparency simply raises the bar for everyone."

On the following pages, you can see the science and care that goes into choosing the ingredients in SC Johnson products like **Glade®**, **Pledge®**, **Mr Muscle®** and **OFF!®**.

The Greenlist™ program goes well beyond what's legally required. And, it's a significant investment to spend time and resources on every single ingredient decision. But it's our commitment to the families who use our products: We will always make the most informed choices we can, as we continually work toward making our products as safe and environmentally responsible as possible.

- **IT STARTS WITH DATA** (Page 6)
  The Greenlist™ program is grounded by a rigorous, ongoing effort to collect best-in-class data about ingredients and their impacts. This includes reviewing supplier information and filling any gaps with other publicly available, scientifically rigorous data from sources like the U.S. National Institutes of Health's TOXNET and the European Chemicals Agency database.
- **SETTING STANDARDS FOR SAFE** (Page 7)
  At a high enough exposure, any ingredient, even water, can be dangerous. And at a low enough exposure, everything is safe. The key is to identify the level at which an ingredient can be used safely. Our hazard assessment provides a starting point. If the science indicates a potential hazard, we assess risk based on how a product will be used, who will be exposed to it, to how much, for how long and how often. We look at the broadest likely exposure scenarios, as an extra margin to establish a "safer than safe" standard.
- **FOUR STEPS TO BETTER** (Pages 8 to 17)
  Grounded by data and our safety standards, we put each ingredient through a four-step evaluation that combines hazard and risk assessment. The steps look at each ingredient for: 1) chronic human health hazards 2) long-term environmental hazards 3) acute risks to human and environmental health and 4) other potential effects such as allergic reactions. Risk assessments are triggered for any ingredient that doesn't pass the hazard criteria. The results guide our product development.

It Starts with Data

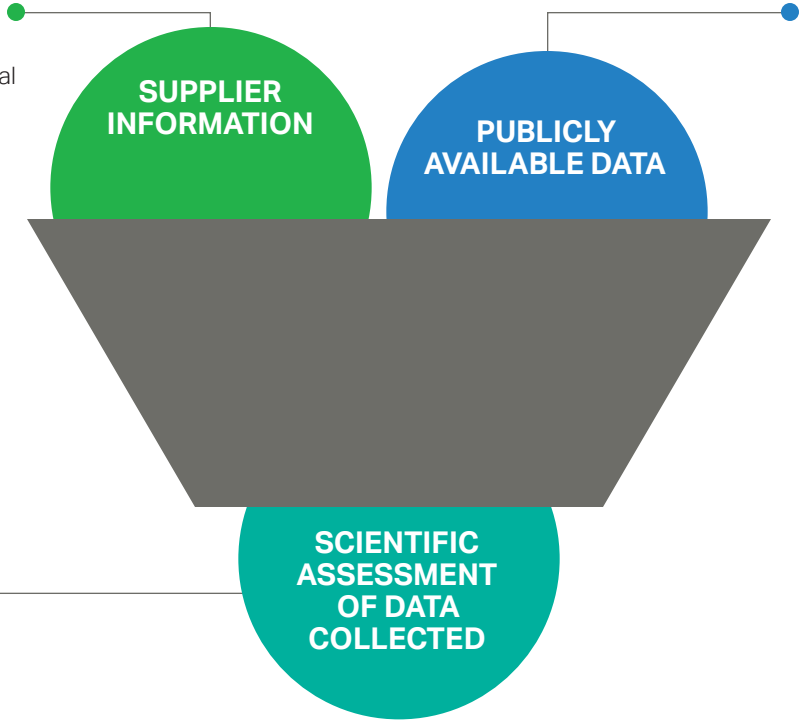
Every part of the Greenlist™ program is based on best-in-class scientific data

The Greenlist™ program is grounded by a rigorous, ongoing effort to collect best-in-class data about ingredients and their potential impact on human health and the environment. This includes reviewing supplier information and filling any gaps with publicly available, scientifically rigorous data.

Every ingredient is assessed against each of the criteria in our four-step evaluation (see pages 8 to 17). Hazard assessment is conducted by an external panel of experts that provides an unbiased scientific evaluation of each ingredient.

All of this is considered as we develop new products, or improve existing ones. Plus, we continually make updates as new science becomes available.

Data provided by suppliers on our raw material questionnaire and/or Safety Data Sheet. We check this data against that provided by other suppliers.



Existing data from sources such as the following:

ECHA – European Chemicals Agency information on chemicals

TOXNET – U.S. National Institutes of Health's database on toxicology, hazardous chemicals, environmental health and toxic releases

eChem Portal – Organization for Economic Cooperation and Development chemical substance property data

CA Prop 65 – California Proposition 65 list of chemicals known to cause cancer, birth defects or other reproductive harm

INCHEM – International Programme on Chemical Safety site for chemical safety information from intergovernmental organizations

ToxCast/EDSP 21 – U.S. Environmental Protection Agency's Endocrine Disruption Screening Program

Our assessment of the data collected takes into account:

Weight of evidence based on available data	**Reliability and applicability** of available data (e.g., Klimisch score)	**Predictive estimates** ➡ Estimates based on physicochemical properties, read-across from surrogate material, and/or structure-activity modeling

Setting Standards for Safe

SC Johnson goes beyond common standards to "safer than safe"

Any potential ingredient on Earth — including oxygen and water — can be toxic at a high enough amount. So, every ingredient in an SC Johnson product must be assessed to determine how much is and is not safe. There are industry standards for safety, of course. But at SC Johnson, we go further.

We start with a hazard assessment using the information from our ongoing data collection. When there's a potential hazard, we evaluate the ingredient to determine at what concentration it could be used, if at all, without any known adverse effects to human health or the environment. That's the safe level.

Then, we conduct an additional assessment focused on exposure. SC Johnson scientists look at how a product is intended to be used and how it might be used by consumers. We consider the broadest likely use, and go beyond that, in selecting what ingredients we will use and at what level.

As an example, for a cleaning product most likely to be used once a week, we take it many steps further. We review what the level of exposure to an ingredient may be, assuming it is used not just once, but many more times in one day. We also consider the variety of ways in which consumers may use or come into contact with a product, such as a glass cleaning product used on a kitchen counter to prepare food. We consider all of those usage scenarios, and will multiply them out even further to create an even greater, more conservative safety factor.

In each scenario, our goal is to determine the conservative "safer than safe" level. Then, that becomes the allowable concentration for SC Johnson scientists to continue product development.

EVALUATE HAZARD

HAZARD IDENTIFICATION

Using Greenlist™ criteria, determine if there are any hazards that need to be assessed, e.g., is an ingredient toxic to humans or the environment?

RESPONSE DETERMINATION

Using Greenlist™ data sources (from suppliers and publicly available data), determine how much of the ingredient can be used with no effect.

EVALUATE EXPOSURE

EXPOSURE/USAGE CALCULATION

For the specific product in which the ingredient will be used, who will be exposed, to how much, how often and for how long?

ACCEPTABILITY DETERMINATION

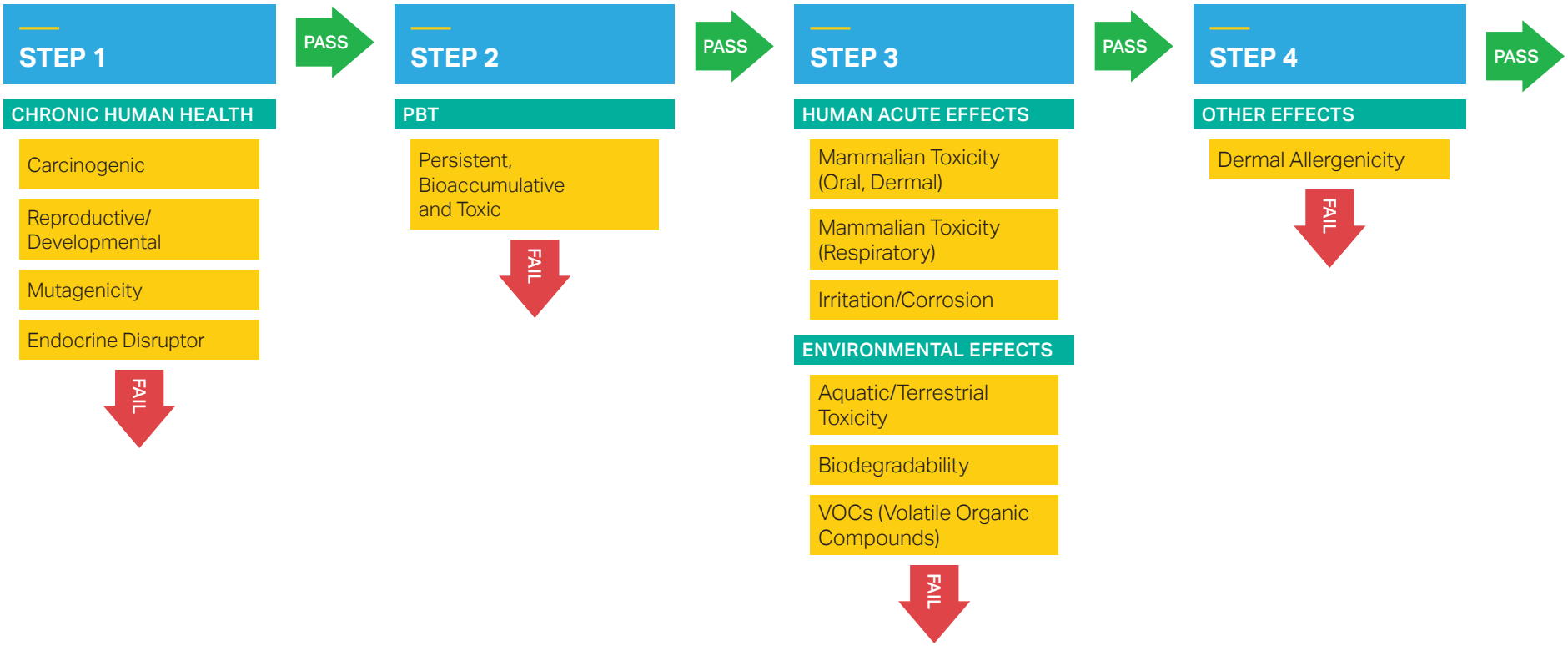
Using the information gathered in the previous evaluation steps, can the product be made safe to use with that ingredient?

APPLY TO PRODUCT DEVELOPMENT

Based on the completed evaluation, we set the highest concentration of the ingredient that is allowable in the product. This information is then used by SC Johnson scientists for new product development and improvements to existing products.

Four Steps to Better

With its four-step evaluation for hazard and risk, SC Johnson's Greenlist™ program creates a pathway to products that are safe for human health and the environment



ANY "FAIL" RATING within the four-step hazard evaluation requires an additional risk assessment focused on end-use concentration and exposure (see page 7). Based on the risk characterization, we may seek a functional equivalent alternative, which would need to meet efficacy and business viability criteria and have available science to support it as a replacement. Or, we may choose to add the ingredient to our Not Allowable list (see page 13).

Every ingredient in every SC Johnson product goes through the rigorous Greenlist™ program. Its centerpiece is a science-based, four-step evaluation that looks at both hazard and risk. It's grounded in best-in-class data collection, and driven by our commitment to continually improve our products.

The four-step evaluation at the heart of the Greenlist™ program looks at these criteria:

1. Chronic human health hazards, such as the potential to cause cancer or reproductive diseases
2. Long-term environmental hazards, meaning the potential to persist, accumulate and be toxic in the environment
3. Acute risks to human and environmental health, such as mammalian or aquatic toxicity
4. Other potential effects, for example whether an ingredient could cause an allergic reaction on the skin

If an ingredient passes the four steps but does not reach the highest achievable level on each of the criteria, the results can be used by SC Johnson scientists to search for more desirable ingredient options. This pushes our scientists to use better and better ingredients in the reformulation of existing products or the development of new ones.

We take great care to choose ingredients that pass each of the steps in our four-step evaluation process. There are a small number of cases where the best available ingredient, like the active ingredient in an insecticide, might fail one of these steps. If so, it goes through a risk assessment to determine the level that is safe for humans and the environment, and we then apply an added degree of caution. The risk assessment uses a built-in safety factor that ensures the concentration of the ingredient is multiple times lower than the lowest concentration that could possibly cause impacts to human health or the environment.

In some cases, the assessment may show that the ingredient's concentration in the product would be lower than the acceptable level, making it allowable for use in our products. In other cases, we may choose to phase out the ingredient altogether, looking at how we can replace it with an alternative that has validated science proving it to be a better choice. The packaging, use instructions or other features might also be altered to mitigate exposure.

Hazard vs. Risk

In health and scientific circles, you'll often hear debate about the difference between a hazard and a risk. Simply stated, "hazard" refers to the indication that an ingredient might have a potential health or environmental impact. "Risk" refers to the likelihood that, based on exposure, the impact will actually happen.

For example, take table salt, or sodium chloride. Used excessively, there's a hazard of high blood pressure associated with salt. But used very sparingly, the risk of salt affecting blood pressure is low. That's because the difference between a hazard and a risk is generally affected by the concentration and the way a person or the environment is exposed to the ingredient.

While some advocate for hazard-based standards, at SC Johnson we think that would be an over-reaction – just as you wouldn't need to eliminate salt if you don't have a history of high blood pressure. In fact, salt is essential for life. We would die without it. Rather, we believe in a combined approach that looks at hazard and risk to make the most informed choices about ingredient use. Importantly, we explore a wide range of possible avenues for exposure, to determine a "safer than safe" level of the ingredient in question and minimize any concerns associated with its use.

We also won't give an ingredient a pass simply because it's commonly used in our industry, or has government approval. The Greenlist™ program is about evaluating the science to determine what's right, which sometimes makes our standards stricter than the conventional wisdom.

> "For us, transparency is a matter of principle. We're interested in helping people make the best choices for their families."
>
> – FISK JOHNSON

Greenlist™ Step 1:
A make-or-break start

The first, and perhaps most critical, step in the Greenlist™ four-step evaluation looks at whether any valid scientific evidence indicates that an ingredient could cause chronic human health conditions. This includes evidence of exposure resulting in cancer, reproductive or developmental impacts, mutagenicity or endocrine disruption. Given the gravity of these impacts, and the high level of concern they may cause consumers, they are considered first in our evaluation.

OUR DATA SOURCES FOR STEP 1 INCLUDE:

- California Proposition 65 (CA Prop 65), the state's annually updated list of chemicals known to cause cancer, birth defects or other reproductive harm
- The World Health Organization's International Agency for Research on Cancer (IARC) monographs, which include evaluations for more than 1,000 materials
- Categorization of potential hazards by the EU and the U.S. Occupational Safety and Health Administration (OSHA)
- High-quality laboratory studies and predictive modeling on specific ingredients where available

Ingredients pass this evaluation if they meet our criteria and are categorized as either Acceptable or Best. Our commitment to continuous improvement includes looking for opportunities to move up from Acceptable to Best when possible. If any ingredient fails to meet either of those levels, it triggers a risk assessment, as explained on pages 8-9.

We take an abundance of precaution with Step 1, and the vast majority of ingredients we use pass this step. Of the very few ingredients that fail, which tend to be ingredients in products like insecticides, we set a safety factor that is over a thousand times lower than the lowest level that could possibly impact human health or the environment.

An indication of a hazard alone doesn't mean an ingredient shouldn't be used. In fact, many chemicals found in nature contain hazardous, toxic components. Therefore, the product risk assessment is a required step to understand exposure and determine if and how risk can be mitigated in product development.

STEP 1 HAZARDS	STEP 1 CRITERIA	
CHRONIC HUMAN HEALTH	**BEST**	**ACCEPTABLE**
Carcinogenic	• Not identified on CA Prop 65 List • IARC Group 3 or other non-carcinogenic classification (U.S. Environmental Protection Agency, National Toxicology Program, etc.)	• Not IARC Group 1, 2A or 2B carcinogen • Not EU/OSHA Category 1 or 2 material • No indication of carcinogenicity based on scientific assessment of predictive modeling and literature
Reproductive/ Developmental	• Not identified on CA Prop 65 List • Not EU/OSHA Category 1 or 2 material	• No indication of reproductive/developmental effects based on scientific assessment of predictive modeling and literature
Mutagenicity	• No mutagenicity potential based on lab studies	• No indication of mutagenicity based on scientific assessment of predictive modeling and literature
Endocrine Disruptor	• Not an endocrine disruptor based on lab studies	• No indication of endocrine disruption based on scientific assessment of predictive modeling and literature

NATURAL DOESN'T MEAN BETTER

As our Chairman and CEO Fisk Johnson has said, "It's important to remember that natural doesn't necessarily mean better."

Everything is a chemical, whether it comes from a lab or a forest. Nature makes toxic substances, like botulinum toxin, and potential carcinogens like acetaldehyde, which can be found in coffee. Even lemons and rose oil include dozens of chemicals, some of which are on the CA Prop 65 list and identified as carcinogens.

So the question should never be: Is it natural or chemical? Instead, the question should be: Is it safe? Even more important, at what level is something safe and when is it dangerous? See page 7 for how we determine the answer.

Leading a Dialogue About What's Inside

SC Johnson makes an ongoing, concerted effort to disclose details about the ingredients in its products. For example, we were the first major consumer products company to reveal 100 percent of the fragrance ingredients in a product collection — **Glade®** Fresh Citrus Blossoms — to illustrate that a product with synthetic ingredients can be formulated to exclude known carcinogens that are found in nature.

Greenlist™ Step 2:
Analyzing unwanted accumulations

The second step in the Greenlist™ four-step evaluation assesses whether ingredients have the potential to be persistent, bioaccumulative and toxic, also known as being a "PBT." This looks for ingredients that stick around in an environment, accumulate inside people or other organisms, and are toxic to marine and freshwater life.

OUR DATA SOURCES FOR STEP 2 INCLUDE:

- European Chemicals Agency (ECHA) guidance
- ECHA's Substances of Very High Concern (SVHC) list, which is regularly updated
- The U.S. Environmental Protection Agency's (EPA) PBT Profiler and its criteria for PBT assessment
- Canada's Domestic Substances List (DSL) and criteria for PBT assessment
- Predictive modeling using tools like the U.S. EPA's Estimation Programs Interface (EPI)

Like Step 1, any indication of being a PBT will cause an ingredient to fail the evaluation, triggering a product risk assessment, as explained on pages 8-9. This includes meeting just one of the three criteria (P, B or T) or one of the criteria for being very persistent and very bioaccumulative (vPvB), when analyzing data from the European Union, United States or Canada. vPvB criteria are stricter than PBT criteria and reflect ingredients that have a much longer half-life.

STEP 2 HAZARDS	STEP 2 CRITERIA	
PBT	**BEST**	**ACCEPTABLE**
Persistent, Bioaccumulative and Toxic	• Not PBT/vPvB according to ECHA guidance based on lab studies • Not identified on ECHA SVHC List • Does not meet any of the U.S. EPA or Canada PBT criteria	• Meets one or two, but not all three of the PBT criteria according to U.S. EPA, Canada or ECHA guidance • Does not meet any of the vPvB criteria • Not predicted to be PBT/vPvB based on scientific assessment of predictive modeling and literature

WE'RE WORKING TO OUST "NOT ALLOWABLES" FROM OUR PRODUCTS

SC Johnson maintains a list of ingredients that are not allowed or are only allowed at a very low level in products. This list is termed the "Not Allowable" list. It includes over 200 unique raw materials in roughly 90 material categories, and over 2,400 fragrance materials.

These materials all meet legal and regulatory requirements — and are often used by our competitors. But they simply do not meet SC Johnson standards, so we use them only in very small amounts and try to avoid their use where possible.

Some ingredients get on the list pretty quickly, such as PVCs. Others require more extensive assessment related to potential exposure and risk considerations for products. The Not Allowable list is reviewed regularly to ensure it captures any new science or changes in government policies or regulations. Visit WhatsInsideSCJohnson.com for the complete list.

Identifying Better Alternatives

With the Greenlist™ program, we're always looking to improve our products with science as our guide. A recent example is galaxolide, a fragrance ingredient. The U.S. Environmental Protection Agency and the European Chemicals Agency do not consider it to be a PBT. And, we've used it only at concentrations hundreds to thousands of times lower than what's deemed safe by worldwide regulatory agencies.

Still, some studies suggest galaxolide may have a degree of persistence in the environment. So we deemed making a change was the right thing to do. Through the Greenlist™ program's collection of new scientific data, we identified better alternatives and started transitioning out of galaxolide in 2016.

While we work to avoid Not Allowable materials in SC Johnson products, occasionally situations arise where we cannot avoid them. This is typically because there isn't an available alternative that delivers the same performance or meets requirements for the manufacturing process, or because available options are too cost restrictive.

In these very few cases, an exception to continue using the material may be granted, but these exceptions are rare and are reviewed every two years at the highest level of the organization.

Greenlist™ Step 3:
Avoiding acute risks

Instead of long-term effects like those examined in Steps 1 and 2, the third step in the Greenlist™ four-step evaluation looks for problems that have potential short-term effects. These acute impacts range from skin irritation, to the release of volatile organic compounds (VOCs) into the air, to aquatic toxicity.

OUR DATA SOURCES FOR STEP 3 INCLUDE:

- Safety Data Sheets provided by suppliers
- The U.S. National Institutes of Health's TOXNET, a resource for searching databases on toxicology, hazards and environmental health
- Organization for Economic Cooperation and Development (OECD) Guidelines for assessing the potential effects of chemicals on human health and the environment

Steps 1, 2 and 4 of the Greenlist™ evaluation have "Acceptable" and "Best" categorizations of ingredients, which are based on the amount of scientific evidence there is to support the categorization.

For acute effects, however, there is scientific consensus that there are degrees of impact. Based on this, for Step 3, we use three categories: "Acceptable," "Better" and "Best." This follows scientific best practice. For example, our biodegradability criteria follow the widely used OECD standards. Irritation/corrosion follow the Globally Harmonized System (GHS) of Classification and Labeling of Chemicals, which is also a robust and internationally recognized data set.

The intended use of some of our products influences ingredient evaluation as well. For example, we want our insecticides to be toxic to bugs but safe for humans. So, for certain ingredients, when used in certain products, we allow for different levels of impact. These are reflected in *italics* in the chart on page 15.

STEP 3 HAZARDS

STEP 3 CRITERIA

HUMAN ACUTE EFFECTS	BEST	BETTER	ACCEPTABLE
Mammalian Toxicity (Oral, Dermal)	LD50* >2000 mg/kg	LD50 >200 - 2000 mg/kg	LD50 50 - 200 mg/kg
Mammalian Toxicity (Respiratory)	LD50 >5 mg/L *LD50 >20 mg/L[1]*	LD50 >2 - 5 mg/L *LD50 >10 - 20 mg/L[1]*	LD50 0.5 - 2 mg/L *LD50 5 - 10 mg/L[1]*
Irritation/Corrosion	Not irritating to eyes or skin (based on history of use, lab studies)	• Slight to mild irritation to eyes (GHS Category 2) • No irritation to skin	No indication of irreversible irritation or corrosion based on scientific assessment of predictive modeling and literature

ENVIRONMENTAL EFFECTS	BEST	BETTER	ACCEPTABLE
Aquatic/Terrestrial Toxicity	LC50* >100 mg/L *LC50 >10 mg/L[2]* *LC50 >1 mg/L[3]*	LC50 >10 - 100 mg/L *LC50 >1 - 10 mg/L[2]* *LC50 >0.1 - 1 mg/L[3]*	LC50 1 -10 mg/L *LC50 0.1 - 1 mg/L[2]* *LC50 0.01 – 0.1 mg/L[3]*
Biodegradability	• >60% (Readily biodegradable based on lab studies, literature or predictive modeling) • *>20% biodegradation[4]*	• >40% within 28 days based on lab studies, literature, or predictive modeling • *>20% biodegradation within 60 days in water or soil/sediment based on lab studies, literature, or predictive modeling[4]*	Evidence of biodegradation
VOCs (Volatile Organic Compounds)	<0.01 mm Hg OR >250 °C boiling pt	0.01 - 0.1 mm Hg OR 100 - 250 °C boiling pt	>0.1 mm Hg OR <100 °C boiling pt

1 Relevant for vapors 2 Relevant for inorganic acids and inorganic bases 3 Relevant for insecticides, preservatives and biocides 4 Relevant for insecticides

* A note on the metrics: LD50 and LC50 describe the lethal dose (LD) for 50 percent of test subjects and the lethal concentration (LC) in air or water. In the majority of cases, we use existing data sources for this information. We have amassed extensive databases of historical testing data to minimize further tests wherever we can. But, consistent with our commitment to transparency, we acknowledge that scientific evidence for ingredient effects comes from animal testing done historically or in the present. We must comply with the stringent legal and regulatory requirements that demand testing for certain products. However, as a long-contributing member of the Institute for In Vitro Sciences, SC Johnson has advocated for years to minimize animal testing. For example, corrosivity assays and human tissue equivalent models have dramatically reduced the number of animals used in testing our products. We continue to look for other ways to make further progress in this area.

Greenlist™ Step 4:
Staying ahead of other human and environmental effects

The Greenlist™ program is designed for continuous improvement — both in our products, and the program itself. The final step of the Greenlist™ four-step evaluation considers areas where data and methodologies are still being developed, and may therefore lack regulatory acceptance or broad scientific consensus for use as a hazard assessment methodology. In this step, we may consider new criteria to add to the Greenlist™ program in the future.

Right now, Step 4 focuses on skin allergens — an area where there is some regulatory activity in parts of the world, but no international or industry consensus. We wanted to go beyond convention and offer greater transparency for consumers, so we developed a science-based, externally validated process to identify the skin allergens that could be found in our products. Importantly, SC Johnson products contain skin allergens only in amounts so low that it would be highly unlikely to create a new skin allergy or trigger a reaction. So while the ingredients are used only in amounts that are unlikely to cause issues, we felt this new Greenlist™ criteria added even more helpful information for consumers.

Our data source for skin allergen assessment is our list of 368 skin allergens. We differentiate between “Acceptable” and “Best” based on availability of information and the presence of allergens. Ingredients on the list or predicted to be a skin allergen may still be used in our products, but we will label it accordingly.

STEP 4 HAZARDS	STEP 4 CRITERIA	
OTHER EFFECTS	BEST	ACCEPTABLE
Dermal Allergenicity	• Not identified as a dermal sensitizer or cosmetic allergen by the European Union or other regulatory body • Not identified on SC Johnson's current list of dermal sensitizers or allergens, which is based on peer-reviewed criteria, dermatology and animal data	• Not predicted to be a dermal sensitizer based on scientific assessment of the literature, compound read-across or predictive modeling • Identified on SC Johnson's current list of allergens — presence above threshold requires specific product labeling

COMMUNICATING SKIN ALLERGENS

Skin allergens are an example of how the level of concentration truly matters. SC Johnson products contain skin allergens only in amounts so low that it would be highly unlikely to create a new skin allergy or trigger a reaction.

Still, the more we know about allergens and the more we share that information transparently, the more we help families make informed choices. So, in 2017, SC Johnson took another industry-leading step by releasing all 368 skin allergens that could end up in our products.

We published the complete list of skin allergens used in SC Johnson products on WhatsInsideSCJohnson.com in May 2017. We took this transparency a step further in December 2017 by listing the specific skin allergens by product as well.

This new transparency initiative goes beyond regulations in the European Union, and in the United States there are no rules requiring allergen transparency. This is just one more example that reflects our entire philosophy of transparency.

> "… SC Johnson will help millions of consumers be smarter about chemicals in cleaning products that have the potential to cause allergic skin responses. And SC Johnson is once again raising the bar for other companies. This level of transparency is sweeping across other industries and is rapidly becoming the new normal for companies, like SC Johnson, who place a premium on giving consumers more, rather than less, ingredient information."
>
> – KEN COOK
> PRESIDENT AND CO-FOUNDER,
> ENVIRONMENTAL WORKING GROUP

A Peer Reviewed Program

External experts validate the science and criteria inside the Greenlist™ program

Prior to the release of this report we shared details of the Greenlist™ program with leading experts in human and environmental toxicology for their independent review. Their feedback validated the Greenlist™ program, the underlying criteria and data we use, and our science-based approach to selecting ingredients that takes into account both hazard and risk.

Here are the members of the peer review group and a few of their comments.

Paul Anastas, Ph.D., is Director of Yale University's Center for Green Chemistry and Green Engineering. He formerly served as Assistant Administrator for the U.S. Environmental Protection Agency and the Agency Science Advisor.

John P. Carbone, Ph.D., is the principal at Ecotoxicology and Environmental Risk Assessment Consulting, LLC. Previously, he served as a Distinguished Scientist at the Rohm and Haas Company and Senior Environmental Consultant for the Dow Chemical Company. He has more than 30 years of experience and is a member of the Society of Environmental Toxicity and Chemistry (SETAC).

Alexandra Maertens, Ph.D., is a toxicologist for the Consortium of Environmental Risk Management (CERM) where she specializes in computational toxicology and hazard assessment. In addition, she is a researcher at the Johns Hopkins Bloomberg School of Public Health, where she oversees the Green Toxicology initiative. She is also an instructor at Brandeis University.

Julie M. Schoenung, Ph.D., is Professor of Chemical Engineering and Materials Science, University of California, Irvine, Henry Samueli School of Engineering. An expert on materials selection based on environmental impact and toxicity, she serves on the California Department of Toxic Substance Control's Green Ribbon Science Panel to support the state's Safer Consumer Products Law and Green Chemistry Initiative.

Donald Versteeg, Ph.D., is principal at EcoStewardship, LLC. He spent 30 years as environmental risk assessor and sustainability expert with Procter & Gamble. While a member of SETAC, he served as an editor of aquatic toxicology for the Environmental Toxicology and Chemistry journal, and was a member of the board of directors and Secretary Treasurer.

"I found the process to be entirely scientifically well-founded and data-based. The process encompasses the foundations of human health and environmental safety assessment for potential raw materials and formulation components."

– JOHN P. CARBONE, Ph.D.

"The SC Johnson Greenlist™ methodology is a robust, consistent, scientifically rigorous, flexible and innovative methodology to guide the company to continuously improve the safety profile of their formulations. The methodology involves a comprehensive analysis of data, a clear formula for evaluating the quality of the data and a careful weighing of hazard within the context of expected exposures and therefore risk."

– ALEXANDRA MAERTENS, Ph.D.

"I was very impressed with the scientifically driven and rigorous implementation guidelines used by SC Johnson in the development and use of the Greenlist™ criteria. The balance of hazard and risk assessment approaches, based on strong scientific data and principles, is refreshing to see."

– JULIE M. SCHOENUNG, Ph.D.

Our Sustainability Progress

At SC Johnson, sustainability is embedded in our business. We go beyond what's required to provide ingredient transparency that helps consumers make informed choices. We are committed to taking care of our environment and reducing our footprint. We give back to the communities where we work and want to make life better for families today and for the next generation. We do all this because it's the right thing to do. On the following pages, read more about our sustainability milestones and progress since July 2016.

Championing Transparency

We want people to have the whole story about the products they bring into their homes. We are committed to giving people the ingredient information they need to make the right choices for themselves and their families.

We launched our ingredient transparency program in 2009 to give SC Johnson consumers as much information as possible about the products that they buy. As our industry evolves, we do too, and that includes bringing this information to more people each year.

Today, WhatsInsideSCJohnson.com delivers ingredient information to more than 5 billion consumers in 52 countries around the world. The information comes in 34 languages, and includes more than 5,300 products overall.

When it comes to being transparent about what we put in our products, no land is too far and we keep extending our reach.

INFORMING CHOICES AROUND THE WORLD

In 2016, we became the first major consumer packaged goods company in Europe to let people know what fragrance ingredients are used in its products, in addition to providing comprehensive product ingredient information online. But we didn't stop there. In 2017, we

> We want all of our ingredients to be transparent, so consumers can make their own, informed choices on what to purchase.
>
> – FISK JOHNSON

SC Johnson Timeline of Transparency Firsts

2009
Began disclosing ingredients in the U.S., including specific dyes

2011
Added enhanced ingredient definitions to explain ingredients' purpose in products

2012
Shared the SC Johnson Fragrance Palette, our list of acceptable fragrance ingredients

2013
Added registered products to ingredient disclosure

2014
Published list of ingredient restrictions (Not Allowable materials)

2015
Began listing fragrance ingredients on a product-specific basis, sharing more than 99.9% in most products

2016
Launched our first product collection with 100% fragrance transparency

2016
Expanded ingredient transparency program across Europe

2017
Launched industry-leading skin allergen disclosure program

2017
Expanded ingredient transparency program across Asia Pacific

expanded our ingredient transparency program to the Asia Pacific region, as well.

This latest WhatsInsideSCJohnson.com expansion lets consumers in 20 Asia Pacific countries — from Australia and Brunei to Vietnam and New Zealand — explore the fragrance ingredients in more than 1,500 of our products. To make that access as easy as possible, consumers can pick from nine languages: Bahasa Indonesia, Bahasa Melayu, English, Japanese, Korean, Mandarin, Thai, traditional Chinese and Vietnamese. And, we plan to add countries across Latin America next.

OUR PALETTE WAS A FIRST STEP

We're proud of the global expansion of our disclosure program, but it's not the first time we've pushed beyond industry norms. 2017 also marked the fifth anniversary of our SC Johnson Fragrance Palette, which gave consumers the opportunity to explore our fragrance ingredients by visiting WhatsInsideSCJohnson.com.

The launch of the palette in 2012 was a first step to achieving product-specific disclosure, which we achieved in 2015.

As our Chairman and CEO Fisk Johnson has said: "We want all of our ingredients to be transparent, so consumers can make their own, informed choices on what to purchase. We also want to earn the trust and confidence every day of the people that buy our products because we work hard on our ingredient choices and strive to continually improve our products."

To create the SC Johnson Fragrance Palette, we evaluate potential fragrance components across a number of criteria. Out of roughly 3,700 individual components currently used in our industry, we exclude 2,400 because there may be a lack of basic safety information or they don't meet a high enough standard.

As a result, we specify for our product developers that when creating a new product or updating an existing one, the fragrance has to come from our limited palette of 1,300 components.

LEADING A MOVEMENT

While our goal is always simply to do what's right for the families who use our products, there's an added benefit when our actions lead to dialogue or progress in our industry, too. We're thrilled when others get on the bandwagon. In the past year, Procter & Gamble, RB and Unilever have each announced strides of their own toward greater fragrance disclosure.

"We couldn't be more pleased that our advocacy has helped pull together our industry in a movement toward greater transparency," said Kelly Semrau, Senior Vice President – Global Corporate Affairs, Communication and Sustainability. "Transparency is something we're incredibly passionate about."

And when you're passionate about an idea, you like to see it flourish. The more that we are transparent — our company and others — the more consumers and our world benefit.

Protecting the Environment

We are committed to operating in an environmentally responsible manner. That means taking a look at our operations and finding where we can lessen our impact by reducing global manufacturing waste and greenhouse gas emissions, and increasing our use of global energy from renewable sources.

Throughout 2016/17, we continued to make progress on our environmental goals, while pursuing innovative programs to preserve the environment.

TURNING TO ALTERNATIVE ENERGY

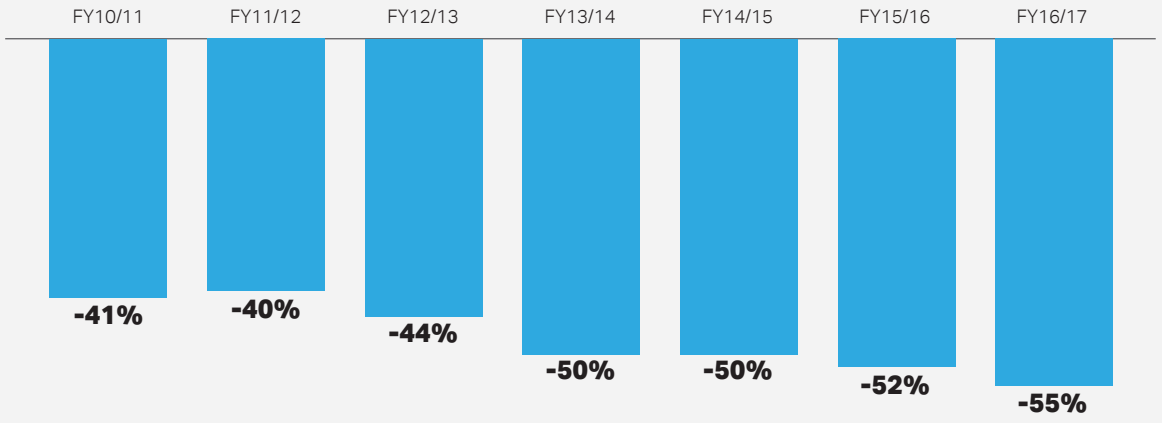
For the past 13 years, SC Johnson has used renewable energy sources around the world to power our facilities. Globally, 35 percent of our energy use in fiscal year 2016/17 came from renewable sources. This includes wind turbines at our largest manufacturing plant in Mount Pleasant, Wisconsin, and our plant in the Netherlands; solar panels in China; production waste converted into biogas, a fuel source, in Indonesia; and the purchase of renewable energy credits.

In addition, in May 2017, our manufacturing site in Bay City, Michigan, became our third company-owned manufacturing site to run on 100 percent wind energy for electricity. The Bay City site produces **Ziploc®** brand bags.

During this fiscal year, we achieved a 55 percent reduction in greenhouse gas emissions, indexed to production, compared to our 2000 baseline.

Based on this and our ongoing use of green energy sources, we were honored to receive a Green Power Leadership Award from the

Global Greenhouse Gas Reduction



Results vs. 2000 baseline.

U.S. Environmental Protection Agency in 2016. This Excellence in Green Power Use award recognized our commitment and contribution to helping advance and develop the voluntary green power market in the United States.

ZERO WASTE TO LANDFILL

Another important measure of our environmental efforts is global waste reduction. Our first objective is to eliminate waste entirely. But, when we can't, we aim to divert solid and liquid waste from landfills to other sources in environmentally responsible ways.

In 2016/17, six more manufacturing sites joined our growing list of sites that send zero manufacturing waste to landfills, raising the total number to 17 sites. Five of those sites went a step further and sent no waste to landfill at all, including waste from cafeterias and office buildings. Those include Toluca, Mexico; Ho Chi Minh, Vietnam; Rosslyn, South Africa; Kiev, Ukraine; and Nairobi, Kenya. More than a dozen SC Johnson sites now carry the zero overall waste to landfill distinction.

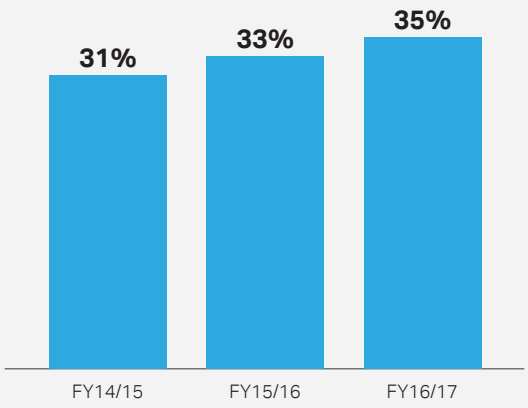
Accomplishing our goal of eliminating landfill waste requires commitment and ingenuity on the part of SC Johnson people around the world. It often begins with creating processes to segregate waste and recyclable materials. Some sites compost food waste to be used for landscaping; at others, wastewater has been treated for use as fertilizer in parks and other natural spaces.

Most important, it's a team effort. We could not achieve the strides that have been made without committed SC Johnson teams working diligently at each site to find innovative waste-reduction solutions.

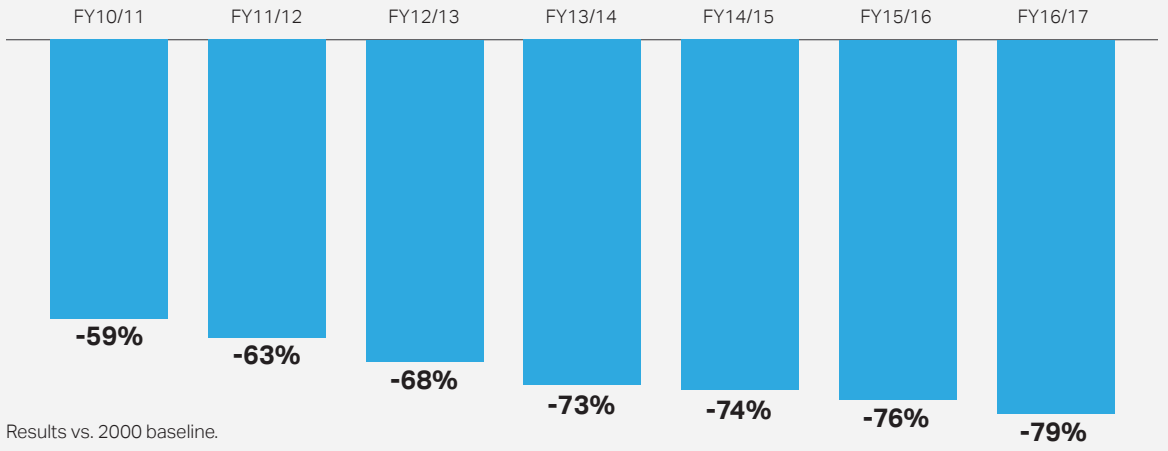
This year, we are reporting our data in our fiscal year (July 2016 - June 2017). We have previously reported in calendar years. For historical data, please visit our website.

In 2017, the SC Johnson plant in Toluca, Mexico, diverted 100 percent of its wastewater sludge from landfills to use as fertilizer for state park soil improvement and restoration projects.

Global Renewable Energy



Global Waste Reduction



Results vs. 2000 baseline.

Improving Lives

We work to make lives better in the communities where we operate. Since 1937, SC Johnson has given 5 percent of all pretax profits to charities. 2017 marked 80 years of giving, and the 58th year for our charitable foundation, SC Johnson Giving, Inc.

At SC Johnson, our goal is to make a real difference in people's lives through advocacy, educational resources, products and grants. Here's a sample of a few of our projects from fiscal year 2016/17.

HELPING TO PROTECT FAMILIES FROM MOSQUITO-BORNE DISEASES

As a leading manufacturer of pest control products, we have an important opportunity to help families protect themselves from mosquitoes that may carry disease.

In February 2016, we announced plans to donate at least $15 million in pest control products and financial support to charitable organizations, aiding at-risk families in response to global outbreaks of Zika, dengue fever and other mosquito-borne diseases. In June 2017, we exceeded our goal.

We partnered with international non-governmental organizations (NGOs) and health foundations to provide personal insect repellents, spatial repellents and household insecticides. We also

provided cash contributions to cover logistics, distribution and educational materials. And, we offered support to government-led dialogue and planning including the Zika Action Plan Summit at the U.S. Centers for Disease Control in Atlanta, and the U.S. Senate Committee on Homeland Security & Governmental Affairs' Zika Roundtable.

Ultimately, more than 4.8 million units of SC Johnson personal insect repellent and insecticide products were shipped to NGOs for distribution to communities with the greatest need, primarily in the United States, Caribbean and Latin America.

2016/17 Global Contributions by Category

Community & Economic Development **26%**

Social Services **23%**

Health & Well-Being **18%**

Education **13%**

Sustainability & Environmental Programs **8%**

U.S. Product Contributions **8%**

Arts, Culture & Humanities **4%**

Photo © Trond Larsen

PROTECTING THE AMAZON RAINFOREST

With Amazon rainforest deforestation once again on the rise, SC Johnson and Conservation International (CI) teamed up in 2017 to help protect 10,000 acres of rainforest through an acre-for-acre match campaign. The funds from the campaign will help kick off the world's largest tropical reforestation project in the Brazilian Amazon. As part of the company's work with and contributions to CI since the 1990s, more than 100,000 acres of land have been conserved.

The acre-for-acre campaign was launched in conjunction with SC Johnson's sponsorship of *Under the Canopy*, an immersive 360-degree virtual reality film that allows viewers to experience the wonders of the Amazon.

The film, co-produced by CI and leading cinematic virtual reality company Jaunt, explores the extraordinary landscape of Amazonia guided by the indigenous people who inhabit the region and are essential to its protection. It has been seen by more than half a million viewers worldwide.

SC Johnson and CI have partnered on environmentally focused projects for nearly 16 years. Since 2001, SC Johnson has served on the board for CI's Centre for Environmental Leadership in Business. In 2009, SC Johnson became a founding member of CI's Team Earth, a worldwide preservation effort unifying businesses, nonprofit organizations and other participants to confront environmental issues.

> When a household name like SC Johnson acts to protect the Amazon rainforest, people take notice. With this new commitment, SC Johnson builds on a longstanding partnership with Conservation International to support conservation and sustainable development in Amazonia. Their investment in the rainforest is an investment in families everywhere.
>
> – PETER SELIGMANN
> CHAIRMAN OF THE BOARD,
> CONSERVATION INTERNATIONAL

DEDICATED TO ADVANCING EDUCATION

Supporting education has been a longstanding priority for SC Johnson. We have provided more than $10 million in scholarships for SC Johnson people and their families since 1959, and have matched donations to provide more than $15 million to educational institutions in the last 20 years. And in fiscal year 2016/17, we continued to focus on supporting educational opportunities.

- For the 2017/18 school year, SC Johnson provided more than $300,000 in scholarships to 51 students in Racine, Wisconsin.
- A donation of $500,000 was made to support the renovation of the integrated science lab at the University of Wisconsin-Parkside in Kenosha, Wisconsin, providing a facility to continue offering students the opportunity to pursue science, technology, engineering and math (STEM) education.
- In 2017, the second SC Johnson Science Laboratory Project was kicked off at Cosmo City West Primary School in South Africa, donating a state-of-the-art science laboratory to the school. The first laboratory (pictured below) was completed in 2016.

Local Impact

Canada
SC Johnson Canada has been partnering with the Bruce Trail Conservancy since 1998, helping fund programs establishing a conservation corridor with a public footpath along the Niagara Escarpment in Ontario. In 2017, SC Johnson Canada helped fund a 50th anniversary edition of the BTC Reference Guide — the hiker's blueprint for the Trail.

Australia
SC Johnson Australia's contributions to the Starlight Children's Foundation have helped fund the Starlight Express Room at the Children's Hospital Westmead, a medical-free section of the Hospital for children who are patients and their families. The donations helped stock the craft corner of the room full of paints, pencils, paper and materials, allowing the children to have fun while taking a break from their medical treatments and procedures.

United Kingdom
The Prince's Trust, a leading youth charity in the United Kingdom, helps disadvantaged young people build a better future for themselves. A donation from SC Johnson United Kingdom in 2017 helped fund free programs focused on helping disadvantaged young people obtain work, education or training opportunities in two locations across the United Kingdom.

Rwanda
SC Johnson in 2017 teamed up with The Coca-Cola Company, Solarkiosk and Society for Family Health Rwanda as a part of the EKOCENTER program, which provides safe drinking water, sanitation, solar energy and wireless communication. EKOCENTERS are modular retail experiences that are run by women operators and provide a place to buy basic goods including **OFF!®** mosquito repellent lotion, **Baygon®** mosquito coils and **KIWI®** shoe polish. EKOCENTERS also offer a place for community gathering and for entrepreneurs to set up business.

Creating a Great Workplace

As a family company, we work hard to create a culture of respect, integrity and inclusion. We are committed to creating a workplace where people are inspired and can bring their best to work every day.

GREAT PLACE TO WORK

In October 2016, SC Johnson was named as one of the 25 World's Best Multinational Workplaces by the Great Place to Work® Institute, ranking 20th overall. In fiscal year 2016/17, 13 SC Johnson countries were named Best Workplaces by the Institute, in addition to multinational recognitions in Europe and Latin America. Recognition is determined by the results of an employee opinion survey and information provided about company culture, programs and policies. Since 2010, SC Johnson has been honored with more than 70 Best Workplace recognitions.

> The single most important part of SC Johnson's success is the talented and committed people of this company. It is an important part of who we are to strive to create a great place to work in which people can be inspired and thrive.
>
> – FISK JOHNSON

Among the locations achieving Best Workplace status in 2016/17, SC Johnson Turkey, SC Johnson China and SC Johnson Switzerland were named for the first time. SC Johnson Central America, SC Johnson Greece, SC Johnson Venezuela and the SC Johnson manufacturing site in Manaus, Brazil, all earned the No. 1 spot in the rankings. Additionally,

CANADA

CHINA

SWITZERLAND

SC Johnson Mexico was recognized for its 16th consecutive year as a Best Workplace.

Also in 2017, the Human Rights Campaign (HRC) awarded us a perfect score on its Corporate Equality Index. The HRC rates companies on a scale of 0 to 100 for their fair treatment of lesbian, gay, bisexual, transgender and queer (LGBTQ) employees. The recognition marked the 16th consecutive year we have been recognized on this prestigious list and the 13th time we have achieved a perfect score.

In 2017, we placed on *Working Mother* magazine's 100 Best Companies list for the 29th year in a row. This list recognizes SC Johnson for establishing programs that support working parents, including paid family leave, flexible work schedules and a Childcare Learning Center.

UNITED KINGDOM

MEXICO

BRAZIL

TURKEY

At A Glance

SC Johnson is a family company dedicated to making high-quality products that people can trust. We work every day to create a great workplace and uphold our long-standing commitment to the environment, transparency and making life better for families in the communities where we operate around the world.

FOUNDED: 1886

GENERATIONS OF FAMILY LEADERSHIP: 5

HEADQUARTERS: Racine, Wisconsin, USA

SALES: $10 billion annual sales

EMPLOYEES: 13,000 global employees

MARKETS: 160+ countries where SC Johnson products are distributed

Key Brands

HOME CLEANING
Duck®, Mr Muscle®, Pledge®, Scrubbing Bubbles®, Windex®

HOME STORAGE
Ziploc®

PEST CONTROL
Autan®, Baygon®, OFF!®, Raid®

AIR CARE
Glade®

SHOE CARE
Kiwi®

PROFESSIONAL
SC Johnson Professional®, Deb Group®

Our Stakeholders

- Employees
- Consumers
- General Public
- Neighbors
- World Community
- Customers & Partners
- NGOs
- Policy Makers
- Media
- Industry

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We're on social media talking about transparency, the environment, social responsibility and more…

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