QUESTIONS AND ANSWERS
CONSUMER COMMITMENT CODE
PERSONAL CARE PRODUCTS COUNCIL (the COUNCIL)

1) What is the purpose of developing a Consumer Commitment Code?

The Code, which will reinforce existing company practices and introduce some new practices, will go beyond the requirements of the law and highlight the proactive and responsible approach to product safety supported by cosmetic companies. The Council's Board of Directors unanimously approved the development of the Consumer Commitment Code to provide consumers, regulators and other interested parties with a clear outline of the specific commitments by cosmetic companies to ensure the continued safety of all cosmetic products**.**

2) Why is the industry adopting this new Consumer Commitment Code?

The safety of our products is the top priority of the cosmetic industry, and that priority is reflected in our industry's long history of safe products. The Code will provide an even greater degree of assurance of safety for consumers and transparency for government regulators. It will reflect the safety practices many cosmetic companies have followed for decades, and add new practices such as the Safety Information Summary Program.

3) Why did the industry decide to adopt a code at this point in time?

The industry decided to adopt this Code in the course of our constant review of safety practices. We listened to the views of consumers, policymakers, and experts in our industry as we developed the core elements of the Code.

4) Isn't product safety the responsibility of the U.S. Food and Drug Administration (FDA)?

Under current law and FDA's regulations, it is the industry's responsibility to ensure that products and ingredients are safe *before* they are marketed. Toward that end, the Council has supported a broad range of programs–many in cooperation with FDA–to ensure safety.

Cosmetic safety is regulated by the Federal Food, Drug and Cosmetic Act, and the FDA is charged with enforcing that law. The FDA's Office of Cosmetics and Colors enforces

the law and establishes safety standards for cosmetics. In the unlikely event that an unsafe product reaches the market, the law gives FDA the authority to ban or restrict ingredients, to seek product recalls, to seize unsafe or misbranded products, to mandate warning labels, and to prosecute violators.

5) Who will be asked to adhere to the Code?

Companies that manufacture or market cosmetic products or ingredients are encouraged to acknowledge their support of the Code in writing beginning January 1, 2007.

6) What are the key elements of the Code?

a) A company should use only ingredients that are substantiated for safety, either by findings of the Cosmetic Ingredient Review (CIR) Expert Panel and/or by data and information in the company's files that are available for inspection by FDA upon request;

b) A company should provide FDA with the information on manufacturing establishments and ingredient usage called for by the Voluntary Cosmetic Reporting Program;

c) A company should immediately inform the FDA of any serious and unexpected adverse experience from the use of a product marketed in the U. S.; and

d) A company should maintain a Safety Information Summary related to product and ingredient safety that is available for inspection by FDA under specified circumstances.

7) Isn't this just an agreement to comply with existing law?

No. The Code goes beyond existing law by recommending (1) the reporting of serious and unexpected adverse consumer experiences with cosmetic products, a current requirement for prescription medicines; (2) the maintenance of a Safety Information Summary on product and ingredient safety for products marketed in the US.; and (3) that certain safety information be made available for inspection by the FDA.

8) When will the Code take effect?

The Council members will be asked to provide written acknowledgment of the Code beginning January 1, 2007. The Council has undertaken a broad educational program in 2006 and continues to assist companies with understanding the substance of the Code. Because we believe it is in the interest of every cosmetic company--Council member or

not--to ensure the safest possible products, we will reach out beyond our membership to other companies in the industry and urge them to support the Code.

9) Does the Code offer legal advice?

No. The Code is not intended to be, nor should it be, construed as legal advice. Companies have an independent obligation to ascertain that their marketing of cosmetic products or ingredients complies with all current laws and regulations.

10) How will the Code be implemented?

Successful implementation of the Code is a top Council priority. Toward that end, beginning January 1, 2007, when a company joins the Council or renews its membership, it will provide a written statement acknowledging its recognition and support of the Code. We will provide education and assistance programs to urge and assist everyone, whether or not a Council member, to support this industry code.

The core elements of the Consumer Commitment Code were developed with the full support of the industry. The Council's Board of Directors, whose companies represent the majority of the cosmetic and personal care market in the U.S., unanimously approved them in March 2006. Member companies already undertake many of the activities required by the Code.

11) Will you terminate the Council membership of a non-compliant member company?

We will not terminate Council membership for noncompliance. Rather than push companies outside this system by terminating their membership, we will aggressively work with them to encourage compliance. Industry leadership is committed to the Code, and we believe every company will understand it is in their interest to support it. If they need help doing so, we will provide it.

12) What does the new Safety Information Summary requirement of the Code entail?

A company should maintain information about its formulas, product testing, and adverse consumer experiences with its cosmetic products for inspection by FDA officials under specified circumstances when FDA has a specific concern about the safety of that company's products. Maintenance of a safety information summary will provide FDA with faster and easier access to this information, should a safety concern arise with a company's product.

If the FDA determines a product is unsafe, it has extensive authority to take corrective action, including seeking a recall, banning or restricting ingredients, seizing unsafe or misbranded products, inspecting manufacturing facilities and even prosecuting violators.

13) How will cosmetic products manufactured outside the United States but sold in the U.S. be affected under the Code? Who will keep the safety information summaries in the U.S. for foreign manufacturers?

Companies that market their products in the United States should adhere to the principles of the Code. Companies that operate in the U.S. will be asked to maintain safety information summaries that will be available whenever requested by FDA officials.

14) In compiling a safety information summary, is a company expected to conduct new research on each product and ingredient?

Not necessarily. While there are situations in which additional scientific research may be necessary, companies may resolve safety issues using appropriate existing scientific data, data available for similar ingredients, toxicity profiles of the products and ingredients, and the larger body of relevant scientific literature.

15) What other self-regulatory programs does the industry have in place to ensure cosmetic safety?

The industry has, since 1976, supported the existence of an independent scientific body called the Cosmetic Ingredient Review (CIR) Expert Panel. CIR reviews the safety of cosmetic ingredients in a public process that prioritizes ingredients for review based on several factors, including how widely they are used and their potential to pose a risk to consumers. CIR's Expert Panel is made up of world class scientific experts who meet the same conflict of interest standards as do members of FDA advisory committees. Representatives of the FDA, the Consumer Federation of America and the industry sit as liaison members of CIR's Expert Panel. CIR's ongoing review has evaluated 1,285 ingredients to date, and its integrity and effectiveness have been praised by several FDA Commissioners over the three decades of its existence.