

# SPICE COMMITTEE 3 MEETING MINUTES

15.01.2019



Minutes written by: Quantis

## In-person participants:

- Michele Del Grosso, Aptar
- Sabine Bouillet-Lubot, Aptar
- Hélène Villecroze, Chanel
- Nicolas Mathieu, Chanel
- Jordan Rey, Clarins
- Philippe Briand, Clarins
- Nathalie Perroquin, Coty
- Henry Schubert, Heinz-Glas
- Thomas Eidloth, Heinz-Glas
- David Petit, Hermès Parfums
- David Bayard, L'Occitane en Provence
- Philippe De Brugière, L'Occitane en Provence
- Philippe Bonningue, L'Oréal
- Régine Frétard, LVMH
- Christian Eisen, Schwan Cosmetics
- Tobias Koetter, Schwan Cosmetics
- Armel Yver, Shiseido
- Cédric Laplace, Sisley
- Solène Le Clère, Sisley
- Sophie Bonnier, CITEO
- Julien Romestant, Cosmetic Valley
- Emmanuelle Schloesing, Elipso
- Virginie d'Enfert, FEBEA
- Auriane Bodivit, Quantis
- Camille Rosay, Quantis
- Dimitri Caudrelier, Quantis
- François Witte, Quantis
- Thibault Compagnon, Quantis
- Caroline Ruiz Palmer, MWE

### Remote participants:

- Mike Hercek, Avon
- Cesar Tadashi, Avon
- Raqy Delos Reyes, Avon
- Aurore Fandard, Coty
- Robert DiPalma, Estée Lauder
- Sushil Iyer, Estée Lauder
- Romain Reyx, Shiseido
- Thomas Myers, PCPC

**Description:** The Members of the SPICE initiative - the Sustainable Packaging Initiative for CosmEtics - gather for a working session in view of the validation of the SPICE methodological guidelines, and of defining the initiative's next steps.

## Opening of the meeting

### Introduction

Dimitri Caudrelier (Quantis) welcomes all participants. He introduces himself as well as the SPICE project team: Camille Rosay, François Witte, Auriane Bodivit and Thibault Compagnon.

He welcomes organizations joining the SPICE initiative: Aptar, Estée Lauder, CITEO, Elipso, and the Personal Care Products Council.

### Meeting agenda

Dimitri Caudrelier (Quantis) presents the meeting's agenda:

0. Antitrust Statement
1. Roundtable: (new) SPICE Members and their representatives
2. SPICE Methodology
  - Renewably-sourced plastics
  - Finishing & decoration processes
  - Tertiary packaging & Distribution
  - Clarifications on topics covered during Committee 2
3. SPICE Database
4. Case Studies

5. Communication
6. SPICE priorities for the future
7. Timeline and next steps

## 0. Antitrust statement

Caroline Ruiz Palmer (MWE) introduces the antitrust statement that was signed by all participants:

While some initiatives among companies may be both legal and beneficial to their industry, group initiatives between competitors are often suspected to be anticompetitive and therefore illegal by National Competition Authorities.

In this respect, being a member of such an initiative, as being part of any formal or informal meetings, where other competitors are present, may involve risks, especially regarding the type of information likely to be shared around the table.

As a general rule, participants shall not exchange any sensitive information in relation to their business or company nor reach any understanding, expressed or implied, with the object or effect of restricting competition. Participants may only discuss the issues at hand in the agenda of the meeting. Therefore, it is the responsibility of each participant to avoid raising improper topics for discussion.

Participants to the meeting must not discuss topics such as:

- Prices, including any subject relating to prices or its components such as discounts, rebates, surcharges, price changes, price differentiation, profit margins, price increases, credit, or any other sales condition;
- Costs, including any component relating to costs such as production or distribution expenses, formulas for cost accounting, methods for cost calculation;
- Information relating to sales and company's production, especially production volumes, sales profits, operating capabilities, level of stocks or supplies;
- On-going non-public litigations;
- Any of a company's upcoming and confidential projects, including those relating to sales and to marketing strategy, along with production and technology, wage policy, R&D programs;
- Information relating to the relationship with customers/suppliers (including terms and conditions).

This applies not only to discussions in formal meetings but also to informal discussions before, during and after meetings.

Participants shall observe the below procedure for each meeting:

- The agenda of the meeting, including the name and position of each participant, must be submitted to legal review prior to the meeting.
- The meeting shall be conducted on the basis of the agreed agenda only.
- The antitrust statement may be read by each participant at the beginning of each meeting.
- If the discussions turn to improper subjects during a meeting, the concerned participants will be required to put an end to the discussion and to leave the meeting immediately.
- A comprehensive summary of all meetings shall be taken and shall be submitted to legal review prior to circulation.
- The summary shall be circulated to all members as soon as possible after the meeting.
- Any comment or request for amendment shall be notified as soon as possible following receipt of the summary.

She specifies that her role is to ensure that participants will not exchange commercially sensitive information as regards competition rules, and that it is the responsibility of each participant to avoid raising any improper subjects during the meeting. She develops the list of topics that are considered commercially sensitive from a competition law perspective.

# 1. Roundtable: SPICE Members and their representatives

Camille Rosay (Quantis) presents current SPICE members. The initiative now gathers 14 Corporate Members:

- Aptar
- Avon
- Chanel
- Clarins
- Coty
- Estée Lauder
- Heinz-Glas
- Hermès Parfums
- L'Occitane en Provence
- L'Oréal
- LVMH
- Schwan Cosmetics

- Shiseido
- Sisley

And 5 Associated Members:

- CITEO
- Elipso
- FEBEA
- Cosmetic Valley
- PCPC

Attendants are invited to present themselves, and to new members to express the reasons to join SPICE and their expectations.

Camille recalls:

- SPICE's Year 1 agenda
- The initiative's key deliverable at the end of Year 1:
  - SPICE Guidelines
  - SPICE Database
  - The Case Studies
- and the methodological topics discussed so far and those that remain to be validated by the Committee.

## 2. SPICE Methodology

The 5 steps of the SPICE methodological guidance development process are:

1. Gather Members' inputs
2. Draft a proposed methodology
3. Submit to Members for review and questions
4. Vote to validate a common approach (the objective of today's meeting)
5. Publish the first step of the SPICE methodology

François Witte (Quantis) presents the methodological topics that will be submitted to the Committee's vote:

1. Renewably sourced plastics
2. Finishing & decoration processes

### 3. Tertiary packaging & Distribution

Some clarifications will be provided on topics covered during Committee 2:

- “Pre-consumer” recycled materials
- “Compostable” materials
- Case of a refillable fountain/distributor
- Disruptors Matrix

## 2.1. Renewably sourced plastics

The definition of “renewably sourced plastics” and of the 4 generations (as defined by the Ellen MacArthur Foundation) is presented. It is specified that:

- The fact that the methodological requirements set in the SPICE Guidance focus on multi-criteria assessment ensures that all relevant environmental impacts are taken into account
- The first release of the SPICE Database does not include renewably sourced plastics (due to lack of non-confidential data). However, developing such datasets could be one of the axes for the 2nd Year of SPICE

Philippe Bonningue (L’Oréal): The 3<sup>rd</sup> generation (biomass derived from algae) includes more broadly microorganisms or mushrooms beyond just algae.

François Witte (Quantis): Yes, this type of feedstock could be integrated to an enlarged definition.

Camille Rosay (Quantis): we propose to keep the wording of the Ellen MacArthur Foundation’s definition in the guidance for sake of homogeneity.

Nathalie Perroquin (Coty): do you mean we will not have data on renewably sourced plastics at the end of Year 1?

François Witte (Quantis): no, since such data is confidential. Integrating data could be a possibility in Year 2.

Sushil Iyer (Estée Lauder): for the database, would it be possible to have a first look at what is publicly available in terms of renewably-sourced materials?

Dimitri Caudrelier (Quantis): indeed, we can have a look at what is available but we can expect that public data will be very generic. The proposition for SPICE Year 2 to develop such data would consist in going to suppliers to ask them to share environmental data on such materials (under a dedicated NDA).

Michele Del Grosso (Aptar): such materials enable carbon sequestration for the upstream phase; at end of life are we looking at the incineration of the plastic according to the SPICE Methodology?

François Witte (Quantis): yes, all phases are taken into account.

Dimitri Caudrelier (Quantis) invites participants to vote the following proposition:

**The environmental impacts of renewably sourced plastics should be assessed:**

- over their whole supply chain,
- using the whole set of indicators and methodological requirements defined in the SPICE Guidance.

**VOTE RESULTS: 14 votes for, 0 against.**

## 2.2. Finishing & decoration processes

François Witte (Quantis) introduces the topic of finishing and decoration processes and the reason why it should not be assumed that their environmental impact is negligible.

Cesar Tadashi (Avon) asks if the SPICE Methodology specifically addresses the case of shrink sleeves meant for decoration, or if this aspect is included in the “Finishing and decoration processes” topic, as this type of process depends very much on the type of material it is applied on.

François Witte (Quantis): the same definition applies.

Emmanuelle Schloesing (Elipso): shrink sleeves or printed label can also be considered as different components of the packaging.

Cesar Tadashi (Avon): yes if they are easily separable from the main packaging, they can be considered a separated category. In addition, their function (decoration or other) can be different?

François Witte (Quantis): to summarize, the sleeve can be considered as a separate component, on which a finishing process is applied. Here we are talking about decoration that is applied on a packaging or packaging component. We propose to clarify the specific case of shrink sleeves in the guidance.

Philippe Bonningue (L'Oréal): how I understand this definition, if decoration with such processes is applied, this modelling should be used whatever the component. In the case of a sleeve, the sleeve should be seen as 1 individual component; if decorated, this methodology should be applied to the sleeve.

Philippe Briand (Clarins): what about processes that consist in changing the aspect of glass a by removing part of the material?

François Witte (Quantis): yes, they can be considered as finishing process according to this definition.

Philippe De Brugière (L'Occitane): are you considering decoration as a disruptor for the recycling process?

François Witte (Quantis): this is linked to the disruptor topic that will be discussed later on, and depends on the type of decoration process.

Dimitri Caudrelier (Quantis) notes that a specific mention relative to the case of shrink sleeves and labels is expected and proposes to vote the following methodological requirement:

**Finishing and decoration processes should be included in the environmental assessment of a packaging. The quantification of the impacts of finishing and decoration processes should take into account the decorated surface.**

**VOTE RESULTS: 14 votes for, 0 against.**

## 2.3. Tertiary packaging & Distribution

François Witte (Quantis): this topic covers both:

- the tertiary packaging of incoming components ("Pack-in")
- and the packaging for shipping the finished good ("Pack-out").

Typical tertiary packaging typically includes: grouping boxes, plastic films, pallets, etc.

He presents the way tertiary packaging should be taken into account, according to the SPICE Methodology.

Armel Yver (Shiseido): does it cover the packaging of the finished product only, or of all components?

François Witte (Quantis): both are included.

Philippe De Brugière (L'Occitane): is there an advantage to rely on average data rather than taking into account specific data?

François Witte (Quantis): using average data can be easier, however less specific.

Cesar Tadashi (Avon): as a multi-channel company, depending on products and orders we may have products sold through e-commerce with totally different packaging. How should this be taken into account?



François Witte (Quantis): according to the methodology, either it is possible to link the product with a specific type of tertiary packaging, either it is possible to apply a weighted average (based on the percentage of different type of packaging).

Philippe Bonningue (L'Oréal): to share the experience of L'Oréal's SPOT methodology, we wanted to have a high level of accuracy and therefore rely on specific product data, which might be highly complex. Using average company-specific data is much more efficient in terms of operational efficiency (sometimes beneficial and sometimes detrimental in terms of results, so on average it is ok). Our recommendation would be not to spend too much time and resources on this part of the assessment, because overall it commonly represents a limited impact, but at L'OREAL, we didn't want to ignore it for SPOT for methodology-robustness purposes. We included it on specific-company average.

Jordan Rey (Clarins): developing average data through SPICE on this topic would be useful.

Armelle Yver (Shiseido) and Philippe De Brugière (L'Occitane) agree on the fact that the approach needs to be pragmatic and focus on what is important in terms of proportion of total environmental impacts.

Philippe Bonningue (L'Oréal): I don't have the proportion figure in mind because it is a small value, but for many examples it is very limited (few % of the global product impacts).

Michele Del Grosso (Aptar) and Cesar Tadashi (Avon) ask if a cut-off rule (e.g. 1% in mass) could be established to help data collection.

Dimitri Caudrelier (Quantis): this principle was discussed during Committee 1: using generic data is usually better than cut-off (which means 0 impact). This is also a PEF rule.

Robert DiPalma (Estée Lauder) and Mike Hercek (Avon): average data per product, at company level is indeed easier to collect.

Dimitri Caudrelier (Quantis): note that for sake of operationality average company data is the most efficient option. The following proposition, that leaves all options possible, is submitted to the vote:

### Accounting for tertiary packaging

Tertiary packaging should be included in the assessment of a packaging. The quantification of tertiary packaging should as much as possible rely on actual data.

The quantification, i.e. the types and quantities of tertiary packaging per product should be based on the following data, in order of preference:

- Product specific data;
- Average data per product, at production-site level;
- Average data per product, at company level;

- Average data per product, from sources external to company.

#### Definition of End-of-life of tertiary packaging

The end-of-life scenarios for each type of tertiary packaging should be based on the following data, in order of preference:

- Specific data per type of tertiary packaging;
- Average data representative of type of tertiary packaging, from sources external to company
- Average data representative of primary packaging of the same materials as tertiary packaging

VOTE RESULTS: 14 votes for, 0 against.

(8 Members mention that average company data is the most operational option)

Dimitri Caudrelier (Quantis): we note that a comment could be added to the guidance to reformulate the proposition indicating that from a sustainability standpoint, the order provided is correct, but from an operational standpoint, the average data per product at company level should be the favored option. Moreover, there may be a need to develop average data from sources external to companies by SPICE.

Hélène Villecroze (Chanel): how can we make the link between tertiary packaging and the functional unit as defined in the guidance? Is it needed to define a weight for this aspect?

François Witte (Quantis): the needed information is the type of tertiary packaging and typical weights of tertiary packaging. For example: X g of plastic film per g of shampoo packaging.

Weighting refers to the weight allocated to the different environmental indicators, which is different from taking into account the impacts along the value chain.

Robert DiPalma (Estée Lauder): how does the functional unit (in milliliters) apply to the case of solid products?

François Witte (Quantis): for solid products, a conversion from grams to milliliters is made.

## 2.4. Clarifications on topics covered during Committee 2

### 2.4.1. Recycled materials

François Witte (Quantis): following Committee 2's discussion, our proposition is to align with the Ellen MacArthur Foundation's principle (see the *New Plastics Economy Global Commitment* report) and exclude pre-consumer materials from the recycled fraction when using the Circular Footprint Formula for end-of-life impacts assessment.

Sabine Bouillet-Lubot (Aptar): isn't this position tough, as not considering pre-consumer means not encouraging manufacturers' efforts on pre-consumer recycling?

François Witte (Quantis): this position puts priority on post-consumer, which is harder to get. It should be noted that:

- The reason for a stricter definition by the Foundation is that in some cases pre-consumer recycling can be linked to process inefficiency
- The recycling or reuse of pre-consumer materials also means using less raw materials, and therefore lower impacts.

Michele Del Grosso (Aptar): when applying the Circularity indicator developed by the Ellen MacArthur Foundation, both pre and post-consumer are taken into account.

Nathalie Perroquin (Coty) and Philippe Bonningue (L'Oréal): the idea behind SPICE and of our discussions during Committee 2 is that we also should align on how this can be communicated/claimed to the consumer, splitting between post-consumer industrial and post-consumer household (as source of PCR).

Robert DiPalma (Estée Lauder): the pre-consumer side may include both scrap from inefficiencies and from the process itself. A possibility for improvement could be to have suppliers of packaging provide a clearer view of what is scrap and what is inefficiency.

Sushil Iyer (Estée Lauder): an ideal weighting system should help motivate to both reduce inefficiency and make use of scraps.

Christian Eisen (Schwan Cosmetics): it is very different if we reuse or scrap materials, it is a pity not to consider it but in terms of definition and clarity it is better not to focus on pre-consumer materials.

David Petit (Hermès Parfums): are sorted waste (waste of packaging not used because unmet quality level) taken into account?

François Witte (Quantis): yes scraps are taken into account into the datasets.

The following proposition is submitted to the vote:

When assessing the environmental impacts of packaging using the Circular Footprint Formula, only post-consumer materials (as defined by ISO 14021) can be considered for the recycled fraction (defined as “R1” in the CFF).

Pre-consumer materials (as defined by ISO 14021) are therefore excluded from the recycled fraction.

VOTE RESULTS: 14 votes for, 0 against.

#### 2.4.2. Compostable packaging

François Witte (Quantis): we propose to specify in the SPICE Guidance the definition of a compostable packaging, as defined by the Ellen MacArthur Foundation (Full definition can be found in the *New Plastics Economy Global Commitment* report):

*“A packaging or packaging component is compostable if it is in compliance with relevant international compostability standards and if its successful post-consumer collection, (sorting), and composting is proven to work in practice and at scale.”*

#### 2.4.3. Refillable fountain

François Witte (Quantis) details the case of a refillable product where the fountain or distributor is refillable, and how the corresponding impacts should be taken into account.

#### 2.4.4. Recycling disruptors

François Witte (Quantis) recalls the proposition of disruptors matrix made during Committee 2, that has been rejected because of the lack of precision and transparency of the methodology.

Auriane Bodivit (Quantis): we have started to work on the way to provide a more precise vision, and had a first discussion with Sophie Bonnier on this topic. It should be noted that 2 aspects should be taken into account:

- Recyclability: what is recyclable or not depends on several parameters, such as country capacities, recyclable fraction of the pack (% of mass), or specific criteria (size, color)
- Disruption, which may impact recycling process efficiency or secondary material quality

It is proposed to:

1. Base on the following definition of recyclability (see the Ellen MacArthur Foundation’s *New Plastics Economy Global Commitment* report):

“A packaging or packaging component is recyclable if its successful post-consumer collection, sorting, and recycling is proven to work in practice and at scale”

2. Refine the existing Disruptors Matrix according to the Recyclability and Disruption axes.

Philippe Bonningue (L'Oréal): When dealing with the recyclability definition at EMcA, we were not able to align fully on what precisely means the mention “in practice and at scale”. It should be noted that at some point collecting the data is not enough and setting some kind of threshold will be needed to ensure honesty on what is considered “at scale” and “in practice”.

Philippe De Brugière (L'Occitane): about size, the cosmetics industry produces a lot of small products, the role of CITEO in France is very important in defining what is a good size to be recycled or not.

Sushil Iyer (Estée Lauder): is a packaging that could be recycled with a dedicated program part of this definition?

Camille Rosay (Quantis): there is a specific section of the Guidance dedicated to this case.

We propose to make the needed research to build a more precise overview of both recyclability and disruption, for the markets where information is available (today we cannot commit on the format of this information and on the countries that will be covered). We will be happy to take your inputs if you have access to specific country data.

Philippe Bonningue (L'Oréal): do we focus on today's capability or on the vision for the future in a given market? We should focus on the 'vision' rather than on the actual capabilities of the recycling/sorting centres. When we have created the disruptors matrix for SPOT, we have been facing the dilemma of: highest list of disruptors (France, for example) that could be false in other countries, or lowest disruption, that could be 'too easy' and then 'false' as well.

Camille Rosay (Quantis): the information provided should be representative of today's markets conditions.

Sophie Bonnier (CITEO): when using the Ellen MacArthur Foundation's definition of recyclability, will you take into account in the weight of different packaging components?

Auriane Bodivit (Quantis): yes, we could take it into account.

Sabine Bouillet-Lubot (Aptar): what about if the product is not recyclable but reusable?

Camille Rosay (Quantis): there is a whole section of the Guidance that is dedicated to this topic

***Addendum: The suggested disruptors matrix would consider a material as the main material in a pack if it represents 50% or more of the overall mass of the pack. Moreover, materials (ABS, zamac) that are not part of the disruptors matrix are considered as non-recyclable.***

### 3. SPICE Database

Camille explains that the SPICE database is being built from various sources including environmental databases (Ecoinvent) and members' inputs (L'Oreal database developed for SPOT originally that are granted to SPICE, Heinz Glas), and shows the structure that the database will have. Environmental indicators may be aggregated into a single score. The database will be composed of 3 main categories: materials, transformation processes and finishing processes.

Camille details what will be considered for each category, explaining that impacts of materials production and end of life will be integrated to the analysis. For processes, impacts depend on energy mixes.

In this 1<sup>st</sup> version, there is a total of 45 materials, 30 processes, available for 36 countries.

Dimitri Caudrelier: if you have data to share, we will be pleased to add your datasets to the database in order to have access to refined data, and to adapt the database so that it is more specific to SPICE members' needs. Suggestions for further developments would also be appreciated.

#### Feedback from members:

Michele Del Grosso (Aptar): How is the database planning to integrate data relative to energy mix (e.g. some companies are using green energy with carbon certificates)?

Camille Rosay (Quantis): Energy mix used in the database are an average (per country or there is a but it is possible to think about enriching the database with either new countries' average energy mixes or new types of energy. For the processes, the energy that is used is the average country mix for each data.

Emmanuelle Schloesing (ELIPSO): Will transport and EoL be included in the database?

François Witte (Quantis): Yes, they are included in the database but there will be a focus on the ones more specific to the industry. We could add some generic impacts from transports and also end-of-life streams per country.

Sophie Bonnier (CITEO): What will be the sources for the end of life and transports datasets?

François Witte (Quantis): For transports, the source will be Ecoinvent and for the EoL streams, data will come from Eurostat data and UN stats data.

***Addendum: the source used for EoL streams will not be Eurostat but the PEF Guidance 6.3 (Annex C)***

Sophie Bonnier (CITEO): It is important to note that UN stats data is not the same country per country. UN stat data and Eurostat data are not compatible because assessment methodologies are not the same, and thus not comparable. In France, there is a correction of data from Eurostat data when it comes to packaging LCA. CITEO will provide the methodological note to Quantis about that. An illustrating example is the case of metal packaging which is estimated to be recycled at more than a 100% according to Eurostat.

Camille Rosay (Quantis): So, this means that in France, we have more specific data, and maybe for other countries, we can take comparable data and search for other sources.

Dimitri Caudrelier (Quantis): There is plenty of room for improvement on the methodology because there are some discrepancies however, we already agree that we have the same understanding of what needs to be improved and why it needs to be. After Year 1 and 2, we will still have room for improvement, but we share the same mistakes and the conscience that they need to be corrected.

### Coffee Break

## 4. Case Studies

For reason of time management for this meeting, this item is postponed to the next SPICE Committee.

## 5. Communication

Camille Rosay (Quantis) recalls the recent events:

- Sustainability in Packaging (Barcelona): the SPICE initiative was presented by L'Oréal (Philippe Bonningue), Shiseido (Armel Yver) and Quantis (Camille Rosay) during a dedicated session.

The key trends and topics of the conference are presented.

- All4Pack (Paris): the conference organizers proposed to dedicate a roundtable to present SPICE, however the invitation was declined due to lack of available speakers.

## 6. SPICE priorities for the future

Camille begins by presenting the budget for Year 1 explaining the increase that follows from the integration of case studies and of the study of the disruptors matrix.

Then, she reminds members that based on Committee 2 outcome and vote, topics considered as priorities for being explored and tackled in Year 2 are listed and will be further presented.

These priorities drawing from members' inputs have been aggregated in 3 pillars which are development axes for Year 2:

- Thought leadership
- Tool
- Data

These three pillars come on top of SPICE base operations which consists in maintaining the initiative's functioning, visibility, and needed methodological updates.

Priorities on which members voted during following Committee 2 are integrated into these pillars so that there is a budget repartition per topic and per pillar.

Dimitri explains that the overall budget for year 2 will be 428 k€, of which 378 k€ remains to be taken in charge by members. The fee for corporate member in Year 2 will thus be around 27 k€, but probably slightly less.

Some other potential suggested topics include:

- Communication – Conferences
- SPICE Methodology Pilots
- Plastic Pollution workshop

Camille and Dimitri present briefly the various priorities that have been put forward based on members' inputs:

1. Keep the SPICE Methodology alive
2. Communication
3. Webinar
4. Value Chain Call to Action
5. Claims



## 6. SPICE Tool Development

This point includes the development of a tool itself, and a training for internal teams on the SPICE methodology and tool. The Tool structure would include:

- a common “core” tool
- and possible customizable options depending on specific companies’ needs (independently from the SPICE project and at companies’ own expense).

The alternatives for making the tool public could be either to make the tool available online, or to make the source code public.

## 7. Data development

## 8. SPICE Methodology Pilots

## 9. Plastic Pollution

Some questions are risen during the presentation of the 6<sup>th</sup> topic, SPICE Tool development. It was indicated that open discussion would take place after the discussion of the 9 topics but a few questions were answered right away:

Virginie d’Enfer (FEBEA): Is it possible to use the common core tool as it is, without any further development?

Camille Rosay (Quantis): Yes, it will be possible to use it as it is, it will be something that will work and will reflect the SPICE methodology. However, the main question will be will it be freely accessible online or will it be a code that people can download.

Virgine d’Enfer (FEBEA): As a federation, we would vouch for the first solution, i.e. the free access online to the common core tool.

Philippe Bonningue (L’Oréal): Are we delivering an LCA tool for free for non-members and the public? Would this be considered as ‘tricky competition’ vs other tools (that are not for free)? This is a point to be checked.

Dimitri Caudrelier (Quantis): There are already some very good tools for free that exist, including Excel, which is widely used by companies, or Open LCA for example. The matter is more about the database and what will be the access conditions. In terms of software, this is not an issue.

Sophie Bonnier (CITEO): The problem arose for CITEO during the development of Bee and this was discussed with the legal department so that it could fit into legal requirements. This is not something that we want to underestimate.

Virginie d’Enfer (FEBEA): The European Detergent Association already has a similar tool.

When it comes to the budget, a question was asked by Shiseido during the presentation of the costs that the development of the tool would imply for corporate members.

Armelle Yver (Shiseido): What would be the tariff/man/day? It would be useful to have more information on this topic to understand better the budget and the implied costs.

Camille Rosay (Quantis): This will be possible to give when a more precise budget will be defined. It remains to be validated so far.

Following on the presentation of priorities and the description of the actions associated, it was specified to members that their inputs would be welcome, but that it was an open exchange and not a vote.

#### Questions

Philippe Bonningue (L'Oréal): Are the other options and potential subjects included in the budget (communication, methodology pilots, plastic pollution workshop)?

Camille Rosay (Quantis): The options on the right side of the screen (slide 67) are not included in the budget.

Philippe De Brugière (L'Occitane en Provence): What is included in the value chain call for action? What is the purpose? Is it to attract more members?

Camille Rosay (Quantis): The objective is to go further than footprinting methodology, and to have a common position.

Dimitri Caudrelier (Quantis): No, the objective is not to attract new members, it is to collect data and to fill the gaps on the main issues members have. The main objective is to collectively express externally SPICE position, and to engage more broadly the industry on more sustainable packaging.

Virginie d'Enfer (FEBEA): I would like to mention that if the value chain call for action consists in a position paper, this is not enough and it won't have an impact. There is a need for a real engagement, for advocacy actions to engage the whole value chain. Devolving 50 k€ to this objective will not be enough.

Camille Rosay (Quantis): We do understand the comment, the idea would be to trigger something outside of the initiative but your proposition goes even beyond. We keep it in mind but it is not immediately relevant.

Julien Romestant (Cosmetic Valley): For France, Cosmetic Valley is ready to provide a 360 fair and a webinar to support SPICE position.

Camille Rosay (Quantis): This is a proposition that can definitively be interesting and that we note down.

Armelle Yver (Shiseido): The fees that are suggested for Year 2 are too high. The objective was that the more we are, the less we pay as corporate members. This must be kept in mind to go towards optimization and resources pooling, so that contributions can decrease.

Dimitri Caudrelier (Quantis): This is a crucial point to discuss. If increasing the contribution by 4-5 k€ means having less member and is a shared constraint, this is not the way we want to go and it is important that members express freely on the topic.

Philippe Bonningue (L'Oréal): There should be a vote on which priorities among the list we want to keep.

Hélène Villecroze (Chanel): For us, the priority is first to determine whether we agree on the development of a tool, to what extent it can be useful for members, and what would be the scope that would be assessed.

Dimitri Caudrelier (Quantis): The initial aim of SPICE was to base the methodology on LCA and metrics, but we are convinced by the fact that we need to have an output that could be operational.

Hélène Villecroze (Chanel): Will it be a simplified LCA tool?

Dimitri Caudrelier (Quantis): It will be a science-based tool for packaging experts to understand better their impacts and to make decisions. Let's put here LCA aside in terms of interface. The objective with this tool would be first and foremost to support packaging arbitrations and choices.

Philippe De Brugière (L'Occitane en Provence): What would be the time frame necessary to conduct an LCA? Would there be any competitive advantage with this tool?

Dimitri Caudrelier (Quantis): In other industries we work with, running a typical evaluation takes about 15 to 30 minutes per product. For some other tools, running an LCA leads to immediate results. The objective with the tool that we are suggesting is to remain around this magnitude, however, it is important to keep in mind that you may start without any data.

Philippe Bonningue (L'Oréal): Based on the SPOT example, the estimation for the time necessary to run an LCA is quite equivalent to estimate compared to the cost of a good. The process is similar. Initially, the objective of SPICE was to provide and to agree on a methodology. When we consider a potential tool, how to guarantee its durability/maintenance? Developing a tool means that after the 3 years that the SPICE initiative is supposed to last, the tool will still need to be taken in charge. L'Oréal is fine with the development of a tool as if this appears to be the next logical step of the SPICE initiative and if this does not mean a jeopardizing of the other tasks in line with SPICE objectives. Developing such a harmonized tool is enabled by, and aligned with the purpose of the SPICE initiative when we have created it, even if it goes beyond the methodology itself.

Camille Rosay (Quantis): The tool would be a way to apply the SPICE methodology based on the developed database. We need to vote on the willingness to develop a tool.

Philippe de Brugière (L'Occitane en Provence): We consider that the priority is the development of a tool. The reliability, the easiness to use and the claims associated to it are the main points to consider.

Nathalie Perroquin (Coty): At which stage of the product development is the tool supposed to provide outputs? Is it involved at the ecodesign stage, or later as a means to create KPIs?

Dimitri Caudrelier (Quantis): It is difficult to estimate at which stage this is expected to intervene. Depending on the data available to make this tool run, it will be useful at different stages of the process. The timing estimated for the development of the tool would be March/April 2020.

**A vote was organized on:**

- **Members' support for the development of a SPICE tool**
  - **Topics that members consider as priorities or that they think should be removed from Year 2 budget**
  - **Expected commitment for Year 2**
- 
- **Aptar**

Tool: Yes, under the condition that it can give an additional value to the use of the data. We already have a tool and we are in the same situation as L'Oréal. We have a strong reserve to our support for the development of the tool depending on how this tool will be developed and depending on the interface. We want to be sure of the comparability of data collected per process and of environmental impacts.

If we have a SPICE tool, then all suppliers and members should have the same. We would then need to know what would be the access conditions for those who are not part of SPICE.

- **L'Occitane en Provence**

Tool: Yes, it is a must

Topics: Not convinced by the usefulness of the Value Chain Call for Actions

Commitment: Yes, we plan to commit for Year 2

- **Shiseido**

Tool: Not completely convinced

Topics: Not convinced by the usefulness of the Value Chain Call for Actions

- **Schwan Cosmetics**

Tool: Yes (more or less), but it is important to have a clear definition of what is needed as an input. Support to the development of the tool will depend on having more precisions about the potential outputs of the tool.

Topics: The Value Chain Call for Action is a good initiative but it is not a priority.

- **Hermès**

Tool: Not yet sure, Hermès is considering developing its own tool.

Topics: Not convinced by the usefulness of the Value Chain Call for Actions

Commitment: Yes, they will join for Year 2

- **LVMH**

Tool: Not yet sure, LVMH already has a tool

Topics: Plastic pollution is considered as a priority

- **Coty**

Tool: Yes. Coty is convinced that a tool is the logical way forward if there are also some precisions on deliverables and customization options (and a potential discussion on the integration of formula at some point)

Topics: Value Chain Call for Action is not a priority

Commitment: Yes, Coty will commit for Year 2

- **Chanel**

Tool: Yes, under the condition of some internal discussions. It seems to be the next logical step for Year 2 but there is a need for more discussion on the scope and the customization of this tool. Chanel would like to understand better what would be the comparative advantage it would provide.

Topics: The topics Claims and Data development are considered as priorities.

- **Clarins**

Tool: Yes. It is an important step for SPICE and it is important that it remains an open source.

Topics: Not convinced by the usefulness of the Value Chain Call for Actions

- **Heinz-Glas**

Tool: Heinz Glas agrees with the idea of a tool based on the SPICE methodology. They also highlight that the tool is focused on finished packaging and as such is not suited for specific assessments for internal needs.

- **Sisley**

Tool: Yes. It is the logical step for Year 2.

Topics: Not convinced by the usefulness of the Value Chain Call for Actions. Sisley would be in favor of a decrease of the fees for corporate members, or at least a steady contribution between Year 1 and 2.

- **L'Oréal**

Tool: Yes despite the fact that we have already a tool (SPOT). It is aligned with the purpose of the SPICE initiative when we founded it, and the methodology.

Topics: L'Oréal wants to remove the Value Chain Call for Action and the Plastic Pollution topics. The 3 SPICE base operations should be the focus.

- **Estée Lauder**

Tool: Yes

Topics: Value Chain Call for Actions should be removed from Year 2 budget. When it comes to data development, are there any other methods? Focus on plastics, will it be treated as another material?

Dimitri Caudrelier (Quantis): There are already initiatives of quantification about plastic footprint. Plastics could be included as any other material but not with a specific methodology.

- **Avon**

Tool: Yes. Especially interested by the customization potential.

Topics: NA

Commitment: Yes, ready to commit for Year 2

## 7. Timeline and next steps

Camille Rosay (Quantis) presents the agenda of the next Committee:

- Validation of the SPICE Guidance final version
- Validation of the SPICE Database
- Disruptors Matrix
- Case studies
- Validation of next steps for Year 2:
  - Scope of work and budget
  - Commitment renewal

By then, Members will be asked to provide their feedback on Year 1 and inputs on their expectations and priorities for Year 2.

## Closing of the meeting