

SPICE YEAR 3 COMMITTEE 1 MEETING MINUTES FEBRUARY 09, 2021



Minutes written by: Quantis

Participants (Virtual meeting):

- Aude Charbonneaux, Albéa
- Gilles Swyngedauw, Albéa
- Joseph Lemoine, Albéa
- Michele Del Grosso, Aptar
- Christophe Marie, Aptar
- Luiz Campos, Avon
- Raqy Delos Reyes, Avon
- Reynald Trochel, Axilone
- Robin Hervé, Axilone
- Thierry Bernet, Berry Global
- Elodie Roger, Berry Global
- Federico Montali, Bormioli Luigi
- Simone Baratta, Bormioli Luigi
- Hélène Villecroze, Chanel
- Nicolas Mathieu, Chanel
- Jordan Rey, Clarins
- Aurore Fandard, Coty
- Mathilde Thierry, Coty
- Robert DiPalma, Estee Lauder
- Michael Christel, Estee Lauder
- Thomas Eidloth, Heinz-Glas
- Elisa Trebes, Heinz-Glas

- David Petit, Hermès Parfums
- Pierre Dehé, Groupe Pochet
- Chloé Pignerol, Groupe Pochet
- Nicolas Piffault, Groupe Pochet
- David Bayard, L'Occitane en Provence
- Philippe Bonningue, L'Oréal
- Régine Frétard, LVMH
- Pauline de Rodellec, LVMH
- Kristin Dasaro, Mary Kay
- Keith Learn, Mary Kay
- Alejandro Garcia Echevarrieta, PUIG
- Joaquim Cons, PUIG
- Fabien Leclercq, PUIG
- Tobias Koetter, Schwan Cosmetics
- Kenji Ohashi, Shiseido
- Romain Reyx, Shiseido
- Mathilde Harel, Shiseido
- Cédric Laplace, Sisley
- Samantha Sauvestre, Sisley
- Frédéric Dreux, Unilever Prestige
- Valentin Fournel, CITEO
- Emmanuel Guichard, Elipso
- Fabrice Rivet, FEVE
- Fabrizio Di Gregorio, Recyclclass
- Adriana Olaya, Quantis
- Anne Désérable, Quantis
- Anne-Florence Lecolier, Quantis
- Anne-Sophie Verquère, Quantis
- Auriane Bodivit, Quantis
- Célia Kaiser, Quantis
- Dimitri Caudrelier, Quantis
- François Witte, Quantis
- Manfred Russ, Quantis
- Caroline Ruiz Palmer, MWE

Excused SPICE Members:

- Meiyume, FEBEA, PCPC, Cosmetics Valley

Description: The Members of the SPICE initiative - the Sustainable Packaging Initiative for CosmEtics - gather for the 1st committee of the third year of the initiative.

Opening of the meeting

Introduction

Anne Désérable (Quantis) welcomes all participants, presents the meeting's rules to ensure efficient discussions, and introduces the Quantis SPICE team.

Dimitri Caudrelier (Quantis) presents the new organization of the SPICE Team.

Meeting agenda

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

1. Antitrust Statement
2. Introductions: SPICE Members + Reminder of Y3 validated scope
3. SPICE Tool & Database
4. SPICE Methodology: Recyclability
5. SPICE Methodology: PCR/PIR
6. SPICE Methodology: Chemical Recycling
7. Marketing & TL updates
8. External visibility
9. Budget

1. Antitrust statement

After recalling that participants who have not signed yet the Anti-Trust and Confidentiality Undertakings should do so during the break, and send the signed documents to her, 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 commercial sensitive information as regards competition rules, and that SPICE is not used as a cover for an anticompetitive agreement. 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 (prices, costs, customer, general strategy, etc.).

2. Introductions: SPICE Members and their representatives

Dimitri Caudrelier (Quantis) welcomes the 5 new Corporate Members: Berry Global, Bormioli Luigi, Meiyume, Puig and Unilever Prestige, who are invited to present themselves.

Anne Désérable (Quantis) welcomes all participants, who are invited to present themselves. Then, she recalls the proposed scope for the third year of the initiative, and the workstreams to be discussed further.

3. SPICE Tool & Database

Anne Désérable (Quantis) summarizes what happened in the first four months of the Tool launch, including a timeline of the different events that helped generate leads that are currently being followed-up.

François Witte (Quantis) presents the new features added in the SPICE Tool since the last Committee, and based on 1:1 interview conducted with members as well as the new features to be added to the tool in the coming months.

Then, diving into the data part, he explains which data remains in progress, and which data is to be included in the tool shortly. He explains the status of progress with suppliers to develop specific materials.

Cédric Laplace (Sisley): Renewably-sourced PP is Generation 1 or 2/3/4?

François Witte (Quantis): We are discussing with the supplier to clarify this point. The name of the material will reflect the actual underlying data.

Kenji Ohashi (Shiseido): Why is bio-based PET not in the scope?

François Witte (Quantis): We can add it in the wish list. It was not yet listed as a priority, but we can include it.

Michael Christel (Estee Lauder): Will the data be reviewed by Quantis before using it?

François Witte (Quantis): Yes, when primary data is collected from suppliers, we sign NDA with them, and Quantis has access to the upstream data, data used to model the process, then we compute it to have the impact results. There is a review of upstream data used to input those impact values. We ask if they have already done an LCA, about data or reports to describe how they made the calculations. We make sure that the data is in line with SPICE methodological guidelines.

Fabrice Rivet (FEVE): What is the validation process you follow before inserting new data to ensure they are representative? Also, is peer review necessary? No external peer-review of the data, don't look at the representativeness of the data provided by the suppliers.

Dimitri Caudrelier (Quantis): Either it is specific data and we have all information on the source of the data, or it is generic data and then we provide an average. For example, regarding the glass data or pack out for example, we did not have all necessary information.

François Witte (Quantis): We provide the meta data (source of data) but for some suppliers, we have an NDA allowing Quantis to use primary data without communicating the rest. If we don't have data for generic data, we can make extrapolates.

Pierre Dehé (Groupe Pochet): Is it possible to share these data to all SPICE members?

Addendum: François Witte (Quantis): We can only share with the members the impact results and not the primary data provided by the suppliers to Quantis as these data are under NDA. In addition to these impact results, we can share with the members the updated description of the data.

Aude Charbonneaux (Albéa): We are interested in plastic UV coating (finishing)

Addendum: François Witte (Quantis): We will add it to the list.

Frédéric Dreux (Unilever Prestige): Does SPICE make a distinction on renewably sourced material directly or through mass balance? There is a need for differentiation between resources sourced directly from the source to the materials, or resources from mass balance. Do we consider all as the same?

François Witte (Quantis): We include in the database materials that are directly sourced, and we mention in the label of the material the type of feedstock it comes from. We thus separated the lines to distinguish between bio-based and fossil-based.

Frédéric Dreux (Unilever Prestige): On mirror, is it glass mirror or metal mirror? For metal mirror, it could be interesting to assess as it may be a support to go for mono material

François Witte (Quantis): It is a glass mirror.

Philippe Bonningue (L'Oréal): Data from suppliers should be checked for accuracy and relevancy by Quantis, and should not appear as a specific branded-material from a specific supplier.

Caroline Ruiz-Palmer (MWE): Aligning with the previous question, the name of the supplier will not be disclosed to members?

François Witte (Quantis): The idea is to have a list of materials and processes which can be as representative as possible of the market for the material. We do not want the tool to be a panel of suppliers, which is why their name will not be visible through the tool.

François Witte (Quantis) recalls the new inclusions that are suggested to be integrated into the SPICE Tool.

He also addresses the question of the representativeness of the glass datasets which has been challenged by the FEVE and glass makers while reviewing the SPICE methodology and conducting assessments of their own. The request from these actors is to review the glass dataset including in the SPICE Tool as two issues are highlighted:

- On primary and secondary packaging, methodological inconsistencies with the double counting of glass converting process due to a misunderstanding of the scope of primary data
- On tertiary packaging (pack out), a lack of representativeness of the glass industry characteristics in the average data used for tertiary packaging

François Witte (Quantis) points out that there have been discussions with FEVE (on behalf of glass industry) mid-February to address these specific points, and that there is an on-going process to review these data based on primary data from FEVE to update the current glass production & converting process dataset, as well as tertiary dataset average. Once these data are completed and the datasets verified, they will be integrated to the database.

Dimitri Caudrelier (Quantis): It was asked by FEVE and members (glass members) if it is possible to delete these datasets temporarily. This is not possible. Another option could be to indicate "being updated" next to the glass dataset label to notify the user that an upcoming update will be brought to the database. We need to keep in mind that this would create a precedent. The very nature of the SPICE Tool is being a SaaS and as such, it will be updated as the initiative continues working and enriching the database and functionalities. We need to keep in mind that this can be confusing for an external user to the initiative to see permanently "being updated" next to the datasets. We just want to avoid potential precedents.

Robin Hervé (Axilone): Are we going to have the possibility to select the origin of raw material used by packaging manufacturers (example: aluminum sheet coming from Germany VS China)?

Addendum: François Witte (Quantis): On a general point of view, we propose to keep materials that are not country-specific, as the tool is aimed at designers. However, we could investigate the possibility, for some specific cases for which the impact highly depends on the location, such as aluminum, to have two distinct lines in the material selection.

Pierre Dehé (Groupe Pochet): Will you check the new calculation with FEVE before publication?

François Witte: Yes, datasets will be checked with the FEVE prior to their integration in the SPICE Tool

Aurore Fandard (Coty): What is the level of impact of these new datasets compared to the previous ones? What is the impact on the already calculated footprints? If needed for internal communication.

François Witte (Quantis): You can expect a decrease of the overall packaging production impact. We will communicate further as soon as we have the discussion with FEVE to estimate the magnitude of the update. For tertiary packaging, it will depend mainly on data collected from members. We envision a decrease of the impact on transports and on tertiary packaging.

Michael Christel (Estée Lauder): Can we say it's being updated with an approximate completion date?

Dimitri Caudrelier (Quantis): That is a good idea

Fabrice Rivet (FEVE): From the review conducted, it seems that the glass production environmental impact is overestimated, while the potential benefits from using recycled glass seem to have been underestimated. So, we advise SPICE members not to use the SPICE Tool until this change is made.

Thomas Eidloth (Heinz-Glass): We conducted an independent calculation with an external company, and it appears that results for a bottle of glass (same functional unit), the overall results divert by around 1 kgCO₂eq / bottle. We sent a letter to members to explain our position on the topic, and we consider this is a critical situation for the SPICE Tool.

Aude Charbonneaux (Albéa): Could we have documentation such as a document listing for each data: where does it come from (EcoInvent, average from collection made with x suppliers in 2017...) a bit like in Simapro. Was the glass data used in the SPICE Tool from Ecoinvent?

François Witte (Quantis): Yes, we used the Ecoinvent dataset that is the reference, and we will improve this data to account for federation value once provided by the FEVE. Regarding the documentation, before launching the SPICE Tool, we sent an Excel document with the details of the calculation and database, we will wait for the update of the glass to send a new version of the document.

Aude Charbonneaux (Albéa): Thanks Francois for the list - to understand the sources of data - for our critical sense - crucial in LCA results analysis.

Philippe Bonningue (L'Oréal): If I understand correctly, the Quantis proposal is to add a label "to be updated" for a couple of weeks, corresponding to the time needed to align with the FEVE and glass makers and to integrate the updated data in the database?

Dimitri Caudrelier (Quantis): Yes, indeed. Another idea was brought up by Michael Christel to add in the dataset label the date when the dataset will be updated. We believe it is important to stress that there is no willingness to differentiate between suppliers, or to favour one or the other. If there is a discrepancy found out afterwards by plastics suppliers, then we would follow the same process.

Philippe Bonningue (L'Oréal): Do we plan to come back to Ecoinvent (to share and enrich Ecoinvent), with this question if we find that the FEVE data is more robust?

Dimitri Caudrelier (Quantis): We have been thinking about this, and we could conduct a thought leadership piece to be proposed in the next committee, to engage Ecoinvent.

Fabrice Rivet (FEVE): It would be acceptable to stick with the Ecoinvent datasets, however, we need to model the glass process adequately, and this is the priority issue.

Dimitri Caudrelier (Quantis): If there is a position to engage Ecoinvent, this would then be a matter of process, to be fully transparent on the way background data is being used (focusing on raw materials and converting processes). For tertiary packaging, we will add generic data that we didn't have previously.

Philippe Bonningue (L'Oréal): We need to ensure that we all agree on the SPICE position. These good discussions, and the fact that there are back and forth between members, is a good path towards ensuring the SPICE Tool includes robust results; we are all here to build it together. This means we need to make sure that every time we include a dataset, the dataset, and source of data is robust enough.

Mathilde Thierry (Coty): From Heinz-Glass comments, it looks like the issue goes beyond the data set. Will calculations be reviewed?

Raqy de los Reyes (Avon): Is FEVE data representative of EU production only, or is it worldwide?

Fabrice Rivet (FEVE): FEVE data is representative of the EU, not the world

Kenji Ohashi (Shiseido): Could you provide which data in Ecoinvent are used for the SPICE tool?

Michele del Grosso (Aptar): Secondary data will never be the same of primary data from each single company. It would probably make sense in this working group to collect primary data from specific processes in order to cover the value chain and populate the SPICE database.

Simon Barrata (Bormioli Luigi): We create a precedent, it is important for the future of the initiative that the tool is as robust as possible, and that there is as much control as possible for the integration of new datasets. In this case, the results differ significantly from the expected. With 75 leads and 1 company which has already purchased the tool it is very important to update the Tool as soon as possible to make it stronger. In this case, as we are far from the expected results, I'm not sure the problem is only due to the dataset. Maybe there is also a problem in the calculation to be improved so the statement we put on the data set in the tool is important to clarify that the glass data is not reliable at the moment and shouldn't be used until the next release.

Christophe Marie (Aptar): How often do we plan on updating the datasets? Do we have a clear explanation on the website explaining the limits of the assessment we conduct in the tool? Do we have a disclaimer?

Dimitri Caudrelier (Quantis): Either we are adding new data, this is the process presented by François in the previous part of the presentation; either the objective is to update data that is already included, in which case we need to discuss from basis to basis. This is why we discussed previously with the FEVE beforehand. Every three years, overlook all data to see what should be updated to conduct. We will not update data before warning you. We will make it clear for all of you case by case.

Mathilde Thierry (Coty): Will the data and calculation be reviewed with glassmakers before the update?

Aurore Fandard (Coty): We have the same question.

Dimitri Caudrelier (Quantis): We will validate the methodology by the FEVE and their LCA experts before the integration in the SPICE Tool.

Anne Désérable (Quantis): Based on what was suggested, we can add the date in the dataset to indicate that there will be an update.

Added disclaimer in the SPICE Tool Glass dataset: (data under review, wait until March 8, 2021 before using)

Vote: Do you agree to add 'Being Updated' to the Glass dataset in the material list?

Albéa: Yes

Aptar: Yes

Avon: Yes

Axilone: Yes

Berry Global: Yes

Bormioli Luigi: Yes

Chanel: yes

Clarins: Yes

Coty: Yes - *We would like to be sure that before integrating these data to the database, there is an agreement by everyone of the results, including the calculation, because it looks like there are still some debates.*

Estee Lauder: Yes

Heinz-Glass: Yes

Hermès Parfums: Yes

Groupe Pochet: yes - *Same comment as Coty*

L'Occitane en Provence: Yes - *It would be interesting to have the assessment of the data variations considering that glass data from suppliers are very different from one another (show average on variation)*

L'Oréal: Yes

LVMH: Yes - *We need to make sure to add precise date*

Mary Kay: Yes

Meiyume: Absent

Schwan Cosmetics: Yes

Shiseido: Yes

Sisley: Yes

22 votes in favor - 0 vote against - 1 absentee

The proposition is approved.

François Witte (Quantis) presents the materials and processes datasets listed as a priority by members based on the survey conducted prior to the Committee, and details the next steps for the coming months. He mentions that a call for contributions by members will be launched.

Michael Christel (Estée Lauder): Could we add chemically recycled PET and PETG, which can be discussed later? And is it being compared to mechanical PCR?

François Witte (Quantis): For chemical recycling, we have a dedicated work stream, and an output of this work stream could be to add corresponding impacts in the dedicated database.

Robin Hervé (Axilone): Some of the materials that don't have the data on the recycled data are not available. It can lead to some misunderstanding of the results.

François Witte (Quantis): For now, the tool only accounts for recycled material when there is a stream, we will integrate some warnings on this data.

François Witte (Quantis) then presents the proposed evolution in datasets for average data including pump average, transportation scenarios and tertiary packaging. The last two topics proposals will be validated with members through a survey.

Mathilde Thierry (Coty): Would it be possible to have an idea of the impacts of these two changes?

Addendum: François Witte (Quantis): It depends on the data that will be provided by members, but what can be expected regarding upstream transportation is a decrease of the impact and regarding default tertiary pack, a decrease for heavy primary packaging and an increase for lighter packaging.

Christophe Marie (Aptar): We understand there is a willingness to have only one set of data, but we believe it is important to include the assumptions, scope and possibility for the user to select different types of technologies.

François Witte (Quantis): A functionality added recently to the SPICE Tool is the possibility to access the Technical Appendix document detailing all the assumptions from within the Tool. This is where the breakdown of materials can be found.

Coffee Break

4. SPICE Methodology: Recyclability

Auriane Bodivit (Quantis) recalls what has been done in Year 2 on the recyclability topic, and explains the proposed approach for Year 3, including a two-step approach.

First, there should be a focus on refining the methodology to consolidate a SPICE position on key topics mentioned in Year 2 Committee 4, such as separability at the consumers' level, disruptors on which to focus, whether and how to include size of the packaging in the scope of the assessment. The suggested approach is to define cosmetics packaging specific case studies which will provide a support to explore further the parameters that can lead to the exclusion of a packaging from a recycling stream. The objective of such an approach is three-fold:

1. Identify the impact of specific packaging criteria (size, format, decoration, materials' associations) on cosmetics packaging recyclability
2. Assess potential excluding parameters for each scenario per existing assessment methodology
3. Understand the main differentiating criteria between existing methodologies and tools for recyclability assessment engaging recyclers in the approach

Case studies will be screened based on available publications and information, and will imply the involvement of recyclers' associations.

Then, the second step will consist in refining the approach to recyclability in the SPICE Tool. For now, the preferred option seems to include a simplified approach to guide the user through specific questions, while the final responsibility of indicating whether the packaging is recyclable or not will remain the users. Based on the results of the case studies, there will be further discussion to agree on the SPICE position to move forward on this topic.

Thierry Bernet (Berry Global): Is the objective to conduct such a study from a European perspective or is it planned to integrate other markets in the scope of the study, such as the US?

Auriane Bodivit (Quantis): The assessment will be conducted based on a variety of studies and guidelines, including Recyclclass, APR, CITEO, Circpack, Cyclos-Htp, to understand what would be discrepancies between methodologies and tools.

Luiz Campos (Avon): Are we planning on extending the study to Latin America for example? Are we expecting to extend the scope of the study?

Auriane Bodivit (Quantis): For now, the main sources of information are available for Europe and the US, this is why we suggest an approach focusing on these markets. Yet, if there are available sources of information that can be provided by members on other markets through primary information, or exchanges with recyclers' associations, this should be taken into account.

Luiz Campo (Avon): There is an association in Brazil launching new guidelines based on Recyclclass, this would be helpful to include its work in the scope of the study to extend the analysis to Latin America.

Pierre Dehé (Groupe Pochet): How can we take into account the differences between markets and zones?

Auriane Bodivit (Quantis): Focusing on specific packaging in the case studies will allow us to compare different methodologies. Even though the SPICE approach aims at being international, the case studies will provide an opportunity to explore specificities per market to understand the specific parameters we seek to consolidate a position on, what are the main divergences between methodological frameworks, and why. This is also aligned with a request from the previous committee (*Year 2 Committee 4*) to identify which were the guidelines identifying specific associations of materials or specific components as disruptors.

Thomas Eidloth (Heinz-Glas): If we talk about an international system, it will be important to include recyclability located from a geographic perspective. In Europe and in Latin America, we do not have the same standards.

Auriane Bodivit (Quantis): The first phase is to have a better understanding of what should be studied further per case study, what would be existing methodologies gaps, on which aspects.

Frédéric Dreux (Unilever Prestige): I believe this discussion with recyclers will be very important. Could you clarify what you mean by discussions with recyclers? With all the efforts that have been made, there are formats of packaging that emerge which have new buyers for recyclability. We should also include solutions in the scope of the assessment, for example focusing on packaging which used to be not recyclable, but which are witnessing raising interest for buyers who identify the value out of these packaging and materials. This discussion should go further than just gaps.

Auriane Bodivit (Quantis): Case studies and the gap analysis should be perceived as stepping stones. Case studies are an opportunity to involve recyclers, and to map the level of disruption from specific packaging categories. It will be necessary to go through this step to understand the gap between the current level of information for cosmetics packaging, and what needs to be achieved to allow cosmetics brands to make informed decisions. Then, once the gaps are identified, indeed the working sessions may also provide an opportunity to discuss how to go beyond current challenges.

Frédéric Dreux (Unilever Prestige): It makes sense to include this gap analysis, and starting this analysis based on literature such as Recyclclass or APR guidelines is coherent as they provide robust reference.

Philippe Bonningue (L'Oréal): We have to be very clear about what we call recyclable as "designed for recyclability" might mean that the packaging will not be recycled if no adequate stream exists, and will be recycled if a corresponding stream exists. This differs from effective recyclability which implies that packaging will in practice be recycled. Screening the existing guidelines will allow us to address whether the packaging cases are "designed for recyclability". If this is not the case, then we can involve recyclers to challenge the position written into the guidelines and/or adapt the pkg design. Then, we can meet with recyclers, but we should first meet with "design for recyclability" guides editors. Another comment was on the budget which seems very high compared to this screening assessment.

Auriane Bodivit (Quantis): Concerning the budget, this corresponds to the budget voted at the end of Year 2. We suggest to remain with this budget for the time being, and based on the needs identified during the first part of the case studies' assessment (e.g. more case studies, more working sessions, number of interventions between), to refine the budget in the second committee this year. There is indeed a need to involve both design for recyclability providers

and recyclers to understand how to make the link between recyclable per design and effective recyclability.

Philippe Bonningue (L'Oréal): What will be the breakdown of the budget between methodology refining and the budget planned for the SPICE Tool evolution.

Auriane Bodivit (Quantis): We had voted on a budget specific to integrate the recyclability module in the SPICE Tool in Year 2. This is a distinct budget and we suggest freezing this budget until the SPICE position on the level of granularity of the recyclability assessment in the SPICE Tool is consolidated. If then, the budget is too high compared to the needs, we suggest to transfer the excess to other work streams such as financing the development of new functionalities or new datasets.

Philippe Bonningue (L'Oréal): If the budget will be updated, then I agree as it seems that even if it was voted in Year 2, this should still be challengeable.

Simone Barratta (Bormioli Luigi): It is important to understand what is the aim of this job. The Tool is an easy way to get to conclusions. But we cannot forget we discuss a very complex matter with heterogeneous cases. It is complex to have a single tool to assess whether a packaging is recyclable or not. It is important to define whether this is currently recyclable or if it is expected to be recyclable. Thinking about LCA calculations, it is very important to validate the results through many case studies before integrating it to the SPICE Tool.

Auriane Bodivit (Quantis): Indeed, this is why we suggest to put on hold the integration of further recyclability assessment in the SPICE Tool while we refine the SPICE position on methodology. Discussions last year showed the complexity of the recyclability topic, and the objective through reviewing the case studies, is to ensure we can have an informed position, and build, also involving recyclers' associations and design for recyclability writers what will be the SPICE position on the specific topics that are identified. This can be part of the discussion during the next committee meeting, or during working sessions to agree collectively on the SPICE position on this question.

Kenji Ohashi (Shiseido): I understand that small-size components will not be recycled because of efficiency in the recycling process. It does not mean that a small size component CAN not be recycled. It just should not be recycled. In the case study of small size, which is more important: the actual situation of the recycler or the basic specification of the material?

Addendum: Auriane Bodivit (Quantis): The objective of case studies looking at small size packaging will be to understand what are the conditions considered in design for recyclability guidelines for the recyclability of such packaging categories. Engaging recyclers in a second step will allow us to discuss what could be options or solutions to account for size, and to make the bridge between recyclers and brands or manufacturers on this specific question.

Anne Désérable (Quantis) reminds the members that the focus of the vote should be on the approach rather than the budget for now.

Vote: Do you agree on the SPICE Recyclability Methodology approach suggested for Year 3?

- *The selected case studies to examine further specific categories of packaging's recyclability*
- *The involvement of recyclers to collect expertise and insights on conditions of applicability of existing methodological frameworks and potential gaps (tests to be conducted, topics to explore further)*
- *The organization of intermediary working sessions to address case studies*
- *The integration of the SPICE recyclability module in the SPICE Tool at a later stage*

Unilever: Yes - *We need to clarify what would be the conditions of the integration of the methodology to the SPICE Tool at a later stage to ensure we do not duplicate existing tools, and we will never be up-to-date.*

Sisley: Yes

Shiseido: Yes

Schwan Cosmetics: Yes

PUIG: Yes

Meiyume: Absent

Mary Kay: Yes

LVMH: Yes

L'Oréal: Yes (+ comment above)

L'Occitane en Provence: Yes

Groupe Pochet: Yes - *This tool being public, we should be careful with this study*

Hermès Parfum: Yes

Heinz-Glass: Yes - *We believe it is critical to talk about recyclability in international context*

Estee Lauder: Yes - *Considering effective recycling is critical for ELC*

Coty: Yes

Clarins: Yes

Chanel: Yes

Bormioli Luigi: Yes

Berry Global: Yes

Axilone: Yes

Avon: Yes - *Same comment as Heinz-Glass about the importance of having an international approach*

Aptar: Yes - *It will be important to address what would be the evolution in 2025*

Albée: Yes

22 votes in favor - 0 vote against - 1 absentee

The proposition is approved.

5. SPICE Methodology: PCR/PIR

Auriane Bodivit (Quantis) recalls the approach agreed upon in Year 2 to refine the understanding of PCR/PIR definitions, and to understand specific cases in which there could be some difficulty to differentiate between both. It was agreed to conduct 5 case studies on this topic.

She presents the results of the survey. She highlights that 2 case studies (aluminum and glass stream) could be selected already, and that there should be further decisions to refine the 3 other case studies to be conducted. She also explains the next steps including organizing a working session to refine assumptions and scope for the 2 selected case studies, and a survey to refine the 3 other case studies.

Frédéric Dreux (Unilever Prestige): Is it an objective to integrate the results of the study to the claims guidance?

Auriane Bodivit (Quantis): For now, in the SPICE Claims Guidance, it is highlighted that there would be a need to refine the approach on this specific aspect

Frédéric Dreux (Unilever Prestige): What would be the definition of PIR?

François Witte (Quantis): This is really the objective of the study to identify in which cases material flows correspond to actual post-consumer flow. We know that throughout the cosmetics industry, we may have packaging not matching quality criteria. Should they be considered as post-consumer? The objective of these case studies is to answer such questions.

Frédéric Dreux (Unilever Prestige): Beyond defining whether a packaging material is PCR or PIR, sometimes even defining just PIR is challenging.

Philippe Bonningue (L'Oréal): I believe that we agreed that case studies should help define exactly what is the "origin of the waste", and should then this exact waste be taken into account for the calculation, and then also for the claims, or not. The case studies should be re-written to ensure that the outcome of the analysis should focus first on "what is the origin of the waste", and then, "whether we can take it into account or not". We should focus on pre-consumer rather than PIR (which is different from pre-consumer and post-consumer ISO definition). We could agree or not, but at least we would have a clear definition of what is the origin of the waste, and which type of waste we would include in the calculations.

Frédéric Dreux (Unilever Prestige): We completely agree indeed, and we should also discuss the waste.

Gilles (Albea): We should integrate mass balance if possible, in the assessment. Is PCR/PIR material made from mass balance or not? What is the difference between mass balance and

mechanical recycling outputs as many regulations consider mass balance outputs less pure than from mechanical sources?

Auriane Bodivit (Quantis): The objective of the working session will be to agree on the outcomes expected from these case studies.

Tobias Eidloth (Heinz-Glas): Sources mentioned are only Pochet and FEVE, whereas we are 3 glass makers, and 1 as associate member.

Auriane Bodivit (Quantis): We had feedback on specific studies, but if you have material to be shared, please feel free to share these studies and we will take them into account of course.

6. SPICE Methodology: Chemical Recycling

Célia Kaiser (Quantis) introduces herself, as well as her colleague Manfred Russ (Quantis), who will both be working on the Chemical Recycling within the SPICE Methodology.

Célia Kaiser (Quantis) summarizes the results of the survey conducted in Year 2, which suggested to conduct a literature research and synthesis note about chemical recycling assessment. SPICE members provided sources both industrial and non-industrial ones, that will be taken into account in the assessment. The main interest for chemical recycling technologies and their environmental footprint, was mainly based on the GHG impact energy consumption and the question of pollutants and wastes fate.

Célia Kaiser (Quantis) introduces the main technologies mentioned in the survey; depolymerization, pyrolysis, gasification and solvolysis. Then, she presents the approach based on the members' needs to explore the current state of research of the different chemical recycling technologies and their environmental impacts. Regarding the literature, the goal is to find a mix of literature coming from industry and non-industrial literature.

Frédéric Dreux (Unilever Prestige): 1st comment: We need to be careful in the rapport regarding the LCA analysis as lots of these technologies are, what I call them infancy. Which means that most of the studies are referring to pilot production, etc. which is not referring to the full production. We need to be careful and review different stages.

2nd comment: One of the major advantages, and sometimes we forget that as brands, one of the major advantages of these technologies, is to look at the waste that they can treat and link to the discussion we just started on recyclability. Is it possible to include the waste origin in the study?

Jordan Rey (Clarins): We agree, the waste origin is very important to avoid promoting a chemical recycling technology that will take away a resource that is already circular, in other industries for example.

Célia Kaiser (Quantis): This part is crucial; we are indeed fully aligned and we will include this into the assessment.

Pierre Dehe (Groupe Pochet): We should also take into account food contact approval or cosmetics directive compliance.

David Bayard (L'Occitane en Provence): We fully agree with the food contact/FDA grade.

Manfred Russ (Quantis): That's definitely a valid point. I think it has two aspects. One is the technical aspect, that that you both also mentioned, which waste or plastic waste type can be treated by which technology that is just the pure technology question that will be answered also in this, in this research. And the other is a kind of, yeah, feedstock availability question, so it's rather having the market in the view that is definitely a bit more difficult to answer. We will probably discuss that in the report in a way. What is what is known so far about waste streams? Where are they treated right now in Europe? But this is also political. Both aspects will be accounted for in the study.

Frédéric Dreux (Unilever): Regulation does not consider chemical recycling as effective PCR from a claim's perspective. This is because the technology remains young, and one of the keys to get recognition is waste origin to avoid comparing sources that would not be comparable.

Thierry Bernet (Berry Global): First, we agree on the importance of the origin of the feedstock, and what is the impact on the yield or efficiency of the process as it may impact the efficiency of some steps. Then, there is a need to focus on GHG emissions, but we should have a multi-criteria approach and get a full and balanced overview.

Gilles Swyndgedau (Albéa): Will you also consider biobased pyrolysis oil for example or only focusing on circular polymers? This question might be applicable to pyrolysis and gasification mainly.

Célia Kaiser (Quantis): Main technologies we want to consider are the following processes, and if it makes sense, we will account for the variations. Also biobased plastics or technologies using pyrolysis.

Gilles Swyndgedau (Albéa): There are bio-based materials coming on the market that may be using the same technologies. Will you also consider bio-based feedstock for plastics, but using the same type of technologies than other feedstocks.

Manfred Russ (Quantis): Yes, this will be included in the assessment.

7. Marketing & Thought leadership updates

Anne-Sophie Verquère (Quantis) recalls the priority topics for Year 3 that have been voted plus introduces the potential topics we could be added in year 3 as we now have more members within the initiative:

- Packaging claims guidelines training / game
- Labels and certifications review
- Industry report (consumers understanding)

Anne-Sophie introduces the proposed timeline for the packaging claims guidelines with the 1st date validated by the members prior the committee, March 16th, to schedule the first webinar on the general presentation of the guidelines. The dates for the four additional deep dive sessions will be determined post-committee. Anne-Sophie Verquère (Quantis) suggests to plan one session every two weeks starting from March 16th. The topics for these sessions are:

- Recyclability & biodegradability / compostability
- Environmental footprint & resource optimization
- Recycled content & renewable materials
- Free-from and absence of + reusability & rechargeability

Philippe Bonningue (L'Oréal): Are we going to have access to the webinars beforehand so that we can validate the content? What about compostability and biodegradability considering that we have not spent much time on this topic compared to the recyclability topic for example.

Anne-Sophie Verquère (Quantis): The webinars will be focused on what is included in the Claims Guidance, that was shared with SPICE Members and is now publicly available. We will stick to what has been approved by SPICE members in the document and there will not be any surprise about the content discussed. We will make sure that in the Q&A sessions included after the webinars, the claims discussed are the ones highlighted in the guidance, and ensure that there is a strict alignment with the document on which all members agreed.

David Bayard (L'Occitane en Provence): Would those webinars be recorded?

Anne-Florence Lécolier (Quantis): Yes, they will be recorded.

Anne-Sophie Verquère (Quantis) deep dives into the second priority topic. The labels and certifications review were identified in the Year 3 survey as a topic of interest by SPICE members. The objective of this project is to review the methodology behind these certifications, and be able to provide members with information based on a number of criteria

which will be collectively decided upon by members. For example, such criteria could include consumers understanding, certification visibility on-product or the robustness of the methodology. The current scope suggested is to select 10 labels and certifications among the ones listed in the document. Through desk research and in-depth analysis of the methodologies behind each of these certifications and labels, a fact sheet will be put together. This does not entail there will be a SPICE position on the certifications, nor a recommendation for using them. Yet, this will provide members with key information and some analysis to help you decide to move for one certification or the other.

Anne-Sophie Verquère (Quantis) then presents the timeline for putting this document together.

Finally, she introduces the last topic, namely the possibility to conduct consumer research about claims understanding as an option for Year 3 priorities. The objective would be, based on the Claims Guidance document, to select a series of claims from the guidance and do some consumer research to see how these claims are actually understood by consumers. Anne-Sophie Verquère (Quantis) presents the proposed scope for such research (number of claims and geographies to be decided, if the project is approved).

8. External Communications

Anne Désérable (Quantis) introduces the 3 priorities in terms of external communications as well as a timeline for the upcoming year:

- Press release at Year 3 closure
- Participation to major conferences
- Communication materials to promote the tool (video, short brochure, etc.)

9. SPICE Budget

Anne Désérable (Quantis) presents the overall budget for the coming year and the suggested priorities in terms of budget distribution.

Vote: Do you agree with the proposed topics, and with the overall budget for Year 3?

Albéa: Yes

Aptar: Yes

Avon: Yes

Axilone: Yes

Berry Global: Yes
Bormioli Luigi: Yes
Chanel: Yes
Clarins: Yes
Coty: Yes
Estée Lauder: Yes
Heinz-Glass: Yes
Hermès Parfums: Yes
Groupe Pochet: Yes - *Add external verification in the additional budget > to be discussed in the future*
L'Occitane en Provence: Yes
L'Oréal: Yes - *split between recyclability and label & certification budgets should be different: for more focus and allocation on recyclability*
LVMH: Yes - *make sure to add precise date*
Mary Kay: Yes
Meiyume: Absent
Schwan Cosmetics: Yes
Shiseido: Yes
Sisley: Yes - *New budget for label and certifications is too much > prefer to focus on additional SPICE Tool database*
Unilever Prestige: Yes

22 votes in favor - 0 vote against - 1 absentee
The proposition is approved.

Anne Désérable (Quantis) thanks all Members, partners and Quantis team for their active participation during this first committee of Year 3.

Closing of the meeting