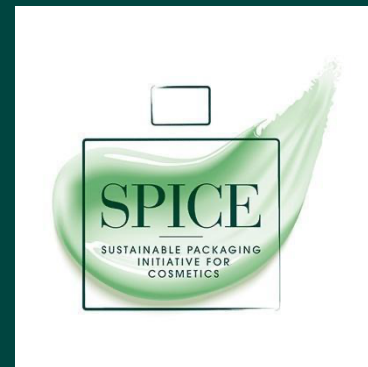


SPICE YEAR 3 COMMITTEE 3 MEETING MINUTES SEPTEMBER 15, 2021



Minutes written by: Quantis

Participants (Virtual meeting):

- Aude Charbonneaux, Albéa
- Michele Del Grosso, Aptar
- Christophe Marie, Aptar
- Luiz Campos, Avon
- Raqy Delos Reyes, Avon
- Robin Hervé, Axilone
- Reynald Trochet, Axilone
- Simone Baratta, Bormioli Luigi
- Hélène Villecroze, Chanel
- Nicolas Mathieu, Chanel
- Aurore Fandard, Coty
- Mathilde Thierry, Coty
- Robert DiPalma, Estee Lauder
- Michael Christel, Estee Lauder
- Ana Espinosa, Estee Lauder
- Thomas Eidloth, Heinz-Glas
- Elisa Trebes, Heinz-Glas
- David Petit, Hermès
- Chloé Pignerol, Groupe Pochet
- Nicolas Piffault, Groupe Pochet
- David Bayard, L'Occitane en Provence
- Philippe Bonningue, L'Oréal
- Philippe Thuvien, L'Oréal
- Alexandre Capelli, LVMH
- Régine Frétard, LVMH

- Kristin Dasaro, Mary Kay
- Keith Learn, Mary Kay
- Joaquim Cons, PUIG
- Tobias Koetter, Schwan Cosmetics
- Ronak Bahrami, Schwan Cosmetics
- Emilie Falagan, Shiseido
- Kenji Ohashi, Shiseido
- Romain Reyx, Shiseido
- Samantha Sauvestre, Sisley
- Frédéric Dreux, Unilever Prestige
- Lafcadio Cortesi, Canopy Planet
- Valentin Fournel, CITEO
- Elodie Fiscaro, FEBEA
- Fabrice Rivet, FEVE
- Fabrizio Di Gregorio, Recyclclass
- Ana Belen Moral Balandin, Quantis
- Anne Désérable, Quantis
- Anne-Florence Lécolier, Quantis
- Auriane Bodivit, Quantis
- Célia Kaiser, Quantis
- Emmanuel Hembert, Quantis (joined for SPICE Beyond 2021)
- François Witte, Quantis
- Caroline Ruiz Palmer, MWE

Excused SPICE Members:

- Berry Global, Clarins, Meiyume, Cosmetics Valley, Elipso, PCPC

Description: The Members of the SPICE initiative - the Sustainable Packaging Initiative for CosmEtics - gather for the 3rd 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. She then asks members to introduce themselves.

Meeting agenda

Anne Désérable (Quantis) presents the meeting's agenda:

1. Antitrust Statement
2. Introductions: SPICE Members and their representatives
3. SPICE Tool & Database
4. SPICE Methodology: Recyclability
5. SPICE Methodology: PCR/PIR
6. SPICE Methodology: Chemical recycling assessment
7. Claims Guidelines & Communication updates
8. Project budget update
9. SPICE Beyond 2021

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. SPICE Tool & Database

> Aggregated footprint

François Witte (Quantis) recalls the work conducted on aggregated footprint and aggregation methodologies in Year 1 of the Initiative. He reminds participants of the case studies' results that were conducted on eight packaging products to compare two aggregation methodologies: panel-based and Planetary Boundaries. What was concluded through this analysis was that the difference between the two aggregation methodologies was limited.

François Witte explains that in the SPICE Tool, the methodology used to aggregate environmental footprint is the Planetary Boundaries one.

Nicolas Piffault (Groupe Pochet): What is the source for the global average inhabitant footprint?

François Witte (Quantis): It comes from the PEF. For each impact category, they suggest an average impact value for an inhabitant over a one-year time frame.

Kenji Ohashi (Shiseido): Does the "Single score" meet the PEF in Europe?

François Witte (Quantis): The Planetary Boundaries weighting factors do not use the PEF, this is an additional methodological brick brought forth by SPICE. The panel-based methodology is developed by the PEF.

David Petit (Hermès): What is the interest of the step of normalization?

François Witte (Quantis): It allows to bring down every single environmental topic to the same unit, which is a fraction of the environmental impact of an average human over one year.

Aude Charbonneaux (Albea): How do you take into account the level of uncertainty for some indicators - especially with high weights in ponderation (with maybe less maturity than Carbon footprint)?

François Witte (Quantis): In the panel-based method, a robustness factor lowers the weight of an indicator with lower robustness. In the Planetary Boundaries approach, there is no additional factor like this. However, the ranking of the most important indicators for the product assessed does not change from one weighting set (PEF) to the other (PB).

Robin Hervé (Axilone): Since they are "data" based (compared to panel factors that are more subjective), are planetary boundary weighting factors updated each year?

François Witte (Quantis): They are not updated on an annual basis. In order to build the Planetary Boundaries factors, we used a paper from Björn et al from 2015 and published a new set of factors in 2019. It is cutting-edge science, and this is not an annual update. It rather depends on scientific progress on these topics.

Michele Del Grosso (Aptar): It seems that we have many criticisms around normalization and weighting because they are not considered scientifically based....and ISO standard is excluding its use from LCA studies because these steps are "based on value choices". Right now the trend is to have science-based information and comparison, why SPICE is pushing the adoption of these LCA phases? It could be a high risk to create misunderstanding or mispractice in applying normalisation and weighting steps. This would ultimately result in mistrust in LCA results and, more generally, to poor decision support.

François Witte (Quantis): Science-based is really what we pursue, and therefore we suggested the Planetary Boundaries weighting factors, as this is based on the latest science and leaves less room to subjectivity. As reminded at the beginning of the meeting, we recommend to look also at individual indicators for decision making, and we recommend not to use the single score for communication.

Kenji Ohashi (Shiseido): According to the SPICE Tool Appendix, total of weighting factor is 100.025%. It looks strange.

François Witte (Quantis): this is due to the rounding of the displayed values. We will update this.

Aurore Fandard (Coty): Do we align formally on planet boundaries weighting? Will the topic be rediscussed? Is it more to bring clarifications?

Kenji Ohashi (Shiseido): If the normalized load were simply summed, it would indicate the ratio of the environmental impact of the product packaging to the environmental impact of each

human. However, if it will be weighted, I can't understand the meaning of the numbers. What does a single score mean in total?

François Witte (Quantis): We consider the value as without dimension (that why we use "points" as a unit") although technically the results of the single score are still homogenous with the "equivalent inhabitant", but weighted.

Michele Del Grosso (Aptar): Weighting can facilitate decision-making in situations where trade-offs between impact category results do not allow choosing one preferable solution among the alternatives, or one improvement among possible ones. The weights applied are supposed to represent an evaluation of the relative importance of impacts, according to specific value choices, reflecting preferences of e.g. people, experts or organisations e.g. regarding time (present versus future impacts), geography (local versus global), urgency, political agendas, or cost.

Anne Désérable (Quantis) intervenes to suggest that if further questions arise, a dedicated Q&A for questions on weighting and normalisation could be scheduled. From the number of questions and high interest from members, as well as the agenda for the committee, this could be an option to move forward.

> SPICE Tool updates

François Witte (Quantis) recalls the new features deployed and the future developments of the tool still on hold until the end of the third-party review. He details the new agreed process of governance for database updates, adding an additional step before releasing the new dataset to the Spice tool, sharing preliminary results to Spice members before its implementation.

Aude Charbonneaux (Albea): Based on these exchanges, a suggestion would be to maybe reorganize the order of the results as shown in the tool. This would balance the value brought by the aggregate indicator vs others. We tend to stick to the first graph displayed by the SPICE Tool. In reality, we should better look at the one showing the detail per "sub-indicator".

> Third-party review

Anne Désérable (Quantis) provides members with an update on the third-party review of the SPICE Tool that was planned from the start. She explains the status of the discussion with the third-party experts, and presents the panel who agreed to conduct the review, as well as the timeline. She explains that an option to review data was requested by some members, and that the budget associated with this option will be communicated to members when available.

Chloé Pignerol (Groupe Pochet): Does the first point include all "generic data" like transport of raw materials?

François Witte (Quantis): Not the datasets, as they are taken from ecoinvent. However, the average assumptions will be reviewed.

Nicolas Piffault (Groupe Pochet): What is included in the data review?

François Witte (Quantis): In the tool database, we have used different types of data. For generic data we used Ecoinvent, an already existing database. The objective is not to review these data, but rather to focus the review on data shared by members of the initiative.

Aurore Fandard (Coty): How did you select materials to be reviewed?

Hélène Villecroze (Chanel): Is the scope of SPICE third-party review only about LCA methodology, and not about other guidelines issued from SPICE?

Anne Désérable (Quantis): The focus of the third-party review is indeed solely on the SPICE Methodological Guidelines document. Other deliverables, such as the SPICE Claims Guidelines for example, are not included in the scope of the review.

Mathilde Thiéry (Coty): What level of assurance are we getting? Is it following an international process? Will it give other elements like certification? What are the standards the review will be based upon?

François Witte (Quantis): There is no certification that will be given at the end of the study. We made sure that the review is conducted by an international panel. The mandate given to the reviewer is to make sure we align with PEF as much as possible, and that the methodology as a whole is scientifically robust and consistent.

Nicolas Piffault (Groupe Pochet): What about decoration processes?

Anne Désérable (Quantis): They are not a part of the official database but have been developed by Quantis. Therefore, these datasets have been identified to be reviewed, and not the official datasets for renowned databases such as Ecoinvent.

Christophe Marie (Aptar): How do we manage potential discrepancies between the different reviewers?

François Witte (Quantis): It is the role of the panel head, Philippe Osset, to ensure the consistency of the feedback and insights provided by reviewers.

Christophe Marie (Aptar): Will we have access to the mission statement / detailed scope of work that the reviewers will receive?

Anne Désérable (Quantis): We share with you the objectives and data to be reviewed through the committees, this is precisely the scope of the mission on which we exchange with reviewers.

Lafcadio Cortesi (Canopy Planet): Are "minority reports" allowed in the process?

Anne Désérable (Quantis): We should have access to the comments of the critical review, which will be shared afterwards.

Mathilde Thiéry (Coty): Have you also consulted with some audit companies to see what their approach would be?

François Witte (Quantis): It was decided to select a wide panel with an expertise in packaging and covering different geographies.

Anne Désérable (Quantis) reminds the objective was to ask a panel of experts who could challenge both the methodology itself and the consistency between the methodology and the tool. And a typical audit company could not have challenged the methodology.

Anne Désérable (Quantis) suggests conducting a vote on the suggestions brought by Quantis on next steps for the third-party review.

VOTE

Members are asked:

- 1. Do you accept the third-party review proposition?**
- 2. With or without the data review option?**

Albea: Yes / Yes, but exact list of data reviewed to be discussed before

Aptar: Yes / Yes

Avon: Yes / Yes, conditional to the list being reviewed

Axilone: Yes / With data review option

Berry Global: Excused

Bormioli Luigi: Excused

Chanel: Yes / With data review option, conditional to the list being reviewed and the associated budget

Clarins > Excused

Coty: Yes / With data review option, conditional to the list being reviewed (suggestion: to include glass data)

ELC: Yes / With data review option

Heinz Glass: Yes / With data review option

Hermes: Yes / With data review option, conditional to the list being reviewed

Groupe Pochet: Yes / With data review option, conditional to the list being reviewed

L'Occitane: Yes / With data review option

L'Oréal: Yes / With data review option

LVMH: Yes / With data review option

Mary Kay: Yes / With data review option

Meiyume: Excused

PUIG: Yes / With data review option

Schwan Cosmetics: Excused

Shiseido: Yes / With data review option

Sisley: Yes / With data review option

Unilever: Yes / With data review option

1. **18 votes in favor - 0 vote against - 5 absentees**
2. **18 votes in favor - 0 vote against - 5 absentees**

Both propositions are approved.

3. SPICE Methodology - Recyclability

Auriane Bodivit (Quantis) reminds participants of the objectives, content, and next steps of the intermediary meeting on recyclability which took place mid-July.

Objectives were two-fold:

- Answer members' questions on case studies and deep dive into the analysis
- Provide results of the survey on priorities and next steps for the work stream

She reminds the audience that a consolidated version of the case studies document was sent to members prior to the third committee of Year 3 for members to provide feedback and insights. She thanks all members for their participation and comments.

She then explains that the objective of this present committee is to briefly present the main comments to be integrated to the case studies document, and more specifically, to detail why some comments will not be included in the final deliverable.

Ana Belen Moral-Balandin (Quantis) presents the case studies overall assessment. She specifies that a change has been brought to Case Study 2 assessment, from green to orange, to reflect potential impact on recyclates quality from the use of dark blue glass. She adds that this comes from the willingness to be coherent in the methodology used across all case studies. She insists that the change in the color from green to oranges does not mean the packaging will not be recycled, but that the change reflects only the potential downcycling due to the dark blue color. She then explains for each case study which comments are not accounted for, and the rationale for such a decision. This comes either from a lack of scientific evidence on the topic, or from the absence of consensus and clear stance from the SPICE Initiative on this topic.

Fabrice Rivet (FEVE): I wanted to comment on the glass case. I sent my comments to the Quantis team. We made the comment that we were quite surprised that the glass had been updated from green to orange in the last version of the document while in previous drafts and in the intermediary meeting, it seemed to be agreed that the overall assessment for this case study was green. We understood that this change had been made for two main reasons:

- Borosilicate glass is not recyclable. Please note that borosilicate glass is hardly used in the cosmetics industry, and rather in the pharmaceutical industry.
- Colour can lead to challenges in the recyclability of the here described glass bottle. We have repeatedly said that colour is not an issue as long as the glass is not painted or totally opaque, then this can be recycled.

We were really surprised that this change was not discussed. We have provided some inputs during the discussion, and we believe it is fair that we have a chance to discuss the topic all together and be transparent about the reasons why this change was made.

Auriane Bodivit (Quantis): Thank you for your insights, and indeed the document was sent prior to this committee to have a chance to collect your feedback and comments on the updates brought. The change from green to orange for the overall assessment was made after the intermediary meeting in July. This comes from several reasons:

- we continued gathering feedback from members after the committee
- we found extra resources pointing out that blue or dark blue colors could have an impact on the recycling of glass
- we wanted to ensure the consistency of the methodological framework applied to the assessment of case studies, and the homogeneity of the way to evaluate criteria. For Case Study on the tube for example, we consider that the presence of EVOH in the tube can be potentially harmful to the quality of the recyclates, even though this does not hinder the recyclability of the final packaging. From previous discussions, we understood that dark blue color could lead the recycled glass packaging to meet requirements from markets other than the one it was coming from.

For all these reasons, it was decided to update the overall assessment from green to orange, to stress that the dark blue color could be potentially impactful on the quality of the final recyclates.

Frédéric Dreux (Unilever Prestige): If I remember correctly, in the case studies, you were not using borosilicate in the perfume glass bottle case study, but rather as an example for other types of glass that could be problematic in recycling streams.

Ana-Belen Moral-Balandin (Quantis): Exactly.

Anne Désérable (Quantis): We would like to stress that intermediary sessions and exchanges with members on draft versions aim at discussing a work in progress that keeps evolving as we collect more information, and find additional resources. Our objective is to ensure that what we come up with is scientifically-based, and that we can be as consistent as possible.

Raqy De Los Reyes (Avon): Could you share again the criteria for the different colors for the overall assessment of the case studies?

Ana-Belen Moral-Balandin (Quantis):

- Green color: packaging which has no characteristics that may hinder recyclability
- Orange color: packaging which has components or characteristics that may hinder recyclability. This can come from several situations:
 - a component that may lead to a loss of quality and potential downcycling, or meaning that the packaging will need to enter a different market
 - a component leading to a lesser efficiency of the recycling process
 - a component leading to small disruption of sortability processes
 - a component or material for which there is a need to assess further the impact, or for which there is a lack of data on potential impact
- Red color: packaging which integrates components or materials associations that will prevent the packaging from being recycled or from being sorted

Christophe Marie (Aptar): Did not we say previously in SPICE that we do not want to account for separability, and that we want to account for the packaging as a whole?

Ana-Belen Moral-Balandin (Quantis): Yes indeed. Therefore we recommend looking at the whole packaging, and not to distinguish the pump from the rest of the bottle.

Auriane Bodivit (Quantis): As part of the work done on separability in Year 2, we had decided then to look at packaging as a whole and to leave aside the question of separability. However, this was work in progress and there is no consolidated stance from SPICE on the question of separability yet.

Michael Christel (ELC): Could the FEVE elaborate on the 'dark blue' for the glass? Does that mean that other lighter colors are OK? Are we downgrading glass because we are only focused on the dark color?

Ana-Belen Moral-Balandin (Quantis): Colors that have well-developed recycling streams are green, brown, and clear glass. What is important to consider when looking at glass recycling streams is to consider the level of opacity. The main recommendation based on existing guidelines would thus be to use clear glass, and if not clear, to be one of the colors with well-developed streams.

Auriane Bodivit (Quantis): Just a reminder that the objective of these case studies was to focus on packaging with characteristics that were identified as potentially problematic to recycling streams, or with an impact on the quality of the recycled material.

Fabrice Rivet (FEVE): About the coherence across the different materials, I fully agree, and I can only judge for the glass example. It was mentioned that dark colored glass bottle would enter other markets than the one it comes from, I would like to stress that this is not necessarily true, as we try to stay as much as possible in a closed loop. We can cope with dark color, amber, green and brown glass. I do not call a collaborative approach if we cannot discuss about the topic. Today, even dark glass is detected by optical detection machines. Even if it is very dark, and not opaque, it can still be melted. Could you explain to me the scientific rationale behind this choice.

Ana-Belen Moral-Balandin (Quantis): Regarding the detectability of the dark blue glass, we have not added any more comments after the discussion we had in May. However, what was exchanged back then, was glass might be recycled to enter a market with lower technical specifications. We do not say that the glass will not be used as secondary material. The orange color shows that it might enter a market with lower technical specifications. There may be downcycling. The aim in the future is to try to have a secondary material with the highest quality possible, and to have more packaging with clear color to enter markets with higher specifications.

Raay De Los Reyes (Avon): If I understand correctly, glass is one of the materials with the most developed recycling stream and has the highest chance of being recycled. I am surprised we say that colored glass would not be recycled when colored.

Frédéric Dreux (Unilever Prestige): What the case studies are saying is not that coloring glass is necessarily hindering recycling, but rather that it can lower the value of glass. It does not prevent from using decoration, and one of the recommendations is lacquering.

Fabrice Rivet (FEVE): Coloring by mass is not necessarily bad for recycling as long as it is not opaque. I do not agree with the fact of saying that the glass will be downcycled and that it will enter a different market. It will remain glass and will stay in the same market.

Frédéric Dreux (Unilever Prestige): The case studies are based mostly on existing and public guidelines and resources if I am correct. From what I have found, all guidelines recommend outside of brown, green or clear glass not to use coloring in bulk. I have not seen any guidelines mentioning that coloring in bulk was not a trouble. Is there any study showing that dark blue

coloring in bulk is not problematic? And again, here the overall assessment indicates an orange color, which does not indicate that it is not recyclable, but rather that it is preferred to use colors with well-developed recycling streams when possible.

Anne Désérable (Quantis): Indeed, we do not say it is not recyclable, but rather that it can lower the quality. If there are still questions, we can provide the sources and we can suggest planning a further discussion on this.

Frédéric Dreux (Unilever Prestige): Is there a way to add a disclaimer or to word the case to indicate that the recommendation to “maximize the recyclability” to insist on the fact that not coloring the bulk would allow to maximize recyclability. This does not mean that coloring in mass prevents recyclability, but rather that it may lower the potential for recyclability of the packaging.

Anne Désérable (Quantis): This could be an interesting option, and I believe that this is more of a wording question. We could suggest an update on the wording to ensure there is a way to move forward.

Luiz Campos (Avon): Do we have a position on what's called the "Easy to Empty Index"? For some packaging like mascaras for example, even if we design them in accordance with the guidelines (color, size, etc), we may never get to a class C or higher because of the amount of bulk left on the packaging.

Auriane Bodivit (Quantis): At the beginning of Year 2, it was discussed whether bulk left in packaging was negligible or not, and it had been identified by members then that this should be considered as such for the time being and considering the progress status of the work on the topic.

Philippe Bonningue (L'Oréal): Thank you for taking our comments (image of Cosmetics that could suffer from the selection of ‘non-recyclable packaging’, split between ‘design for recycling’ and effective recycling depending on local infrastructures : both requesting a footnote into the document) but 1 from us is still left ‘not taken’ : to add a disclaimer about sizes for cosmetic and saying that the collector industries, the sorting centers are working on improving the recycling of small packaging (even if a small clear pet bottle could be recycled, its size will exclude it, as of today - and should not remain as is for higher recycling efficiency).

Auriane Bodivit (Quantis): Concerning the size of packaging, we included this comment in the lipstick section, but considering comments and questions on the topic, we suggest adding this comment in the overall description of the document and introductory remarks.

Michael Christel (ELC): We agree with FEVE that it comes down to translucency. There is also a difference between whether it's the feeder color or the decoration.

Kenji Ohashi (Shiseido): Does SPICE recommend not to allow all the cases of separable design for recycling? If so, it will prevent developing the easy-separable/disassemble solution, I guess.

Auriane Bodivit (Quantis): We tackled this question previously.

Frédéric Dreux (Unilever Prestige): Lacquering is indeed a good point. Not all lacquers are acceptable: too opaque lacquer will also prevent detection and recycling of the glass. I do not remember if this is included or not yet in the adco to be honest.

Auriane Bodivit (Quantis) suggests proceeding the vote and stresses the object of the vote. The aim is to agree on whether the case studies document should be the deliverable for Year 3 and to publish it on the website.

Fabrice Rivet (FEVE): We cannot vote, but we would like to insist on the interest for having a new round of discussion.

VOTE

Members are asked:

- **Do you agree to publish the recyclability case studies document (PPT format) – sent ahead of the committee - on the website of the initiative?**

Albea: Yes

Aptar: No, considering that the document is not finished, it is necessary to have additional working sessions.

Avon: Yes, under consideration of comments made during the committee

Axilone: Yes, under consideration of comments made during the committee

Berry Global: Excused

Bormioli Luigi: Yes, provided that there is a round of review with members prior to final publication

Chanel: Yes, under consideration of comments made during the committee

Clarins: Excused

Coty: Yes, under consideration of comments made during the committee

ELC: Yes, under consideration of comments made during the committee

Heinz Glass: Yes, under consideration of comments made during the committee

Hermès Parfums: Yes, provided that there is a round of review with members prior to final publication

Groupe Pochet: Yes, provided that there is a round of review with members prior to final publication

L'Occitane: Excused

L'Oréal: Yes

LVMH: Yes, after reviewing latest version with comments

Mary Kay: Yes

Meiyume: Excused

PUIG: Yes, the study should be reviewed once a year

Schwan Cosmetics: Yes, except lacquered glass should be evaluated further

Shiseido: Yes, it would be important to have more insights on how to improve recyclability

Sisley: Yes

Unilever: Yes, with 2 disclaimers to facilitate consensus that should be found: 1. insist on the fact that we selected problematic cases for this study, and that many others are well recyclable ; 2. insist on the maximization of recyclability linked to

18 votes in favor - 1 vote against - 4 absentees

The proposition is approved under some conditions. The case studies should be published as Year 3 deliverable after review by members to reach a consensus on the wording to be used in the document.

Auriane Bodivit (Quantis) then reminds participants of the priorities listed by members for the next steps. Based on available budget, it is suggested to focus on the first two priorities including:

- Conduct in-situ tests on a selection of packaging references and categories
 - Small-size packaging
 - Plastics packaging with pumps including metallic elements
 - Direct printing on large surface of plastics packaging
- Extend the case studies assessment (e.g. COTREP assessment, Recyclclass assessment) to other geographies
 - North American market (APR)
 - Asian market

She explains prerequisites for implementing each next step and stresses the importance of members' contribution to share product references for testing products (including references which allows to test the limits of current guidelines linked to the three packaging types mentioned above).

Mathilde Thiéry (Coty): How will we make sure that the packaging selected are representative for the recyclability study? Will quantis suggest product references/product types?

Auriane Bodivit (Quantis): Based on members' contribution, we will select the packaging which appear to be the most representative of the recycling challenges identified as priorities by members (i.e., the characteristics identified in the case studies as requiring testing). We will suggest to focus on the packaging references allowing to bring light on limits of current guidelines, or potential discrepancies between guidelines on the topic.

4. SPICE Methodology: PCR/PIR

Auriane Bodivit (Quantis) presents the timeline and next steps for the recycled content workstream. She explains that 1,5h working sessions will be scheduled in October and November to discuss case studies associated with glass, plastics and metal streams. She informs members that placeholders will be sent shortly, and that a consolidated document including working sessions' take-aways will be sent prior to the next committee for members to review.

5. SPICE Methodology: Chemical Recycling

Célia Kaiser (Quantis) introduces the work conducted on chemical recycling and the consolidated deliverable to be reviewed by members.

She starts with listing the 6 external studies which have been selected on the topic, then presents the architecture of the review that will be sent to all members. The consolidated document will include 4 summary slides per external study:

- overall goal & scope
- intermediate info & results
- key results
- study limitations

She then details the timeline and next steps, informing members that a webinar will be scheduled on October 8th for members to present the study and answer potential questions.

6. Claims Guidelines & Communication update

Auriane Bodivit (Quantis) provides an update on the Labels & Certification review stream. She starts by reminding the selection process of Labels and certifications to be included in the study, as well as the key criteria for the analysis.

She reminds members that the draft version of this document was sent to members ahead of the committee, and that feedback and comments will be expected from members before September 29th.

7. Project budget update

Anne Désérable (Quantis) gives an update on the total budget of the project.

8. Spice Project Beyond 2021

Anne Désérable (Quantis) introduces the last topic of the committee which is SPICE beyond 2021.

Anne Désérable (Quantis) introduces the new context in which the SPICE initiative will take place beyond 2021. She details both the increasing consumer pressure for more transparency, and the increasing pressure from regulators.

She presents

She recalls the initial ambition of SPICE and details the different work streams and achievements over the three years of the initiative. She reminds how the overall initiative is now recognized as a reference for the industry and highlights how members have demonstrated the power and benefits of collaboration at industry level.

Anne Désérable (Quantis) then presents to the members a proposed ambition and roadmap beyond Year 3. She informs members that a study will be sent after the committee to collect their feedback.

She starts with the suggested purpose for the SPICE initiative beyond 2021: “Provide tools and methodologies to understand, reduce the environmental impact of packaging to align with the planetary boundaries and promote a culture of ecodesign in Cosmetics.”

She then presents a proposed way to reinforce the governance of the initiative, recalling the current governance and suggesting an evolution meant to strengthen even more collaboration:

- A technical steering committee including 4 brand owners on top of the two co-founders. It is proposed to have a rotative membership for 4 brand owners, with 2 members elected every year for a duration of 2 years, enabling both stability and rotation within the technical steering committee.
- Technical task forces with a defined set of contributors for each topic and task force, based on their expertise and committing to actively contribute to the progress of the task force.
- The Spice members committee with the same current configuration and responsibilities.

Anne Désérable (Quantis) continues with detailing the suggested topics and actions to explore for the initiative beyond 2021, articulated under three pillars:

- *Understand*: Help members better understand the environmental impact of their packaging
 - SPICE Methodology
 - SPICE Database
 - Research for scoring purpose
- *Activate and measure*: Help members take actions to reduce their impact
 - SPICE Tool
 - Training
 - Eco-design strategy
- *Promote*: Help the industry adopt eco design practices across all activities
 - Environmental scoring
 - POSM

She recalls the main objective of those different actions and especially the *promote* pillar, which is for SPICE to remain the initiative of reference, should other parallel initiatives be created in the future, and to share good practices on collaborative approaches at industry level.

She finally presents the timeline and next steps, which include a survey that will be sent to all members to collect their feedback on the future orientations and priorities presented just before.

Lafcadio Cortesi (Canopy Planet): We think it would be very appropriate to include a broader approach on raw materials and supply chain. To enrich and enlarge the scope of the environmental footprint assessment that the Tool provides, we would suggest adding a focus on forest ecosystems and paper packaging.

Anne Désérable (Quantis): It relates to the topic of deepening our understanding of some environmental topics. It could be interesting to have your feedback and insights on this topic and understand how your expertise could support the work done as part of SPICE.

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

Closing of the meeting